Daily European Opening News - 21st July 2026

SNAPSHOT

STOCKS			
Nikkei 225	+2.4%	**ASX 200**	-0.2%
Hang Seng	-0.3%	**Shanghai Comp**	+0.8%
Euro Stoxx 50 Sep'26	-0.2%	**DAX Sep'26**	-0.3%
ES Sep'26	+0.4%	**NQ Sep'26**	+0.9%

FX			
DXY	-0.1% (100.94)	**EUR/USD**	U/C (1.1417)
USD/JPY	U/C (162.52)	**GBP/USD**	+0.1% (1.3439)

BONDS			
US T-Note Sep'26	+2 ticks	**Bund Sep'26**	-9 ticks
US 10yr Yield	4.59%	**German 10yr Yield**	3.16%

ENERGY & METALS			
WTI Sep'26	-0.9%	**Brent Sep'26**	-0.6%
Spot Gold	+1.0%	**LME Copper**	+0.4%

CRYPTO			
Bitcoin	+0.5%	**Ethereum**	+1.0%

As of 06:20BST/01:20EDT

LOOKING AHEAD

- Highlights include UK Jobs Report (May), PSNB (Jun), German/EU ZEW Economic Sentiment Index (Jul), US ADP Employment Change Weekly, NBH Policy Announcement (Jul). Supply from the UK & Germany. Earnings from General Motors & 3M.
- Click for the Newsquawk Week Ahead.

IRAN CONFLICT

- **US President Trump said every time Iran kills an American soldier, it would pay for that killing many times over,** and that a directive had been issued to key military officials.
- **US President Trump is expected to decide in the coming days whether to expand military operations against Iran and return to full-scale combat,** a senior US official told Fox News.

- **US President Trump is approaching a crucial crossroads in the Iran war, with senior US and Israeli officials claiming he has only two realistic options, which are either promoting a new 10-day ceasefire with the aim of reopening the Strait of Hormuz, or launching a full-scale war with Israel on Iran,** according to Axios.
- **US officials said regarding potential ceasefire talks with Iran that President Trump is currently focused on making Iran pay for their violations of the MoU and their continued acts of terrorism in the Strait of Hormuz,** according to Axios's Ravid.
- **A US official said if US President Trump decides to expand the war, the strikes will include Tehran and nuclear sites,** according to Al Arabiya.
- **US Energy Secretary Wright said they will continue to attack Iran and are ensuring the flow of oil, gas and other products through the Strait of Hormuz with or without Iran's cooperation.** Wright said **they continue to undermine Iran's offensive military capabilities and that President Trump wants to end the conflict with a peace deal,** but this will require cooperation from both sides.
- **US CENTCOM announced another round of strikes against Iran in which US forces struck Iranian military command centres, maritime capabilities, missile and drone launch sites and air defence systems** to degrade Iran's ability to continue attacking vessels.
- **US airstrikes targeted the centre of Isfahan city and several explosions were heard in Bandar Abbas, Qeshm, Chabahar, Konarak and Shiraz,** while air defence systems were activated near Iran's Bushehr nuclear power plant.
- **Iran claimed a strike on a US military data centre in Bahrain and stated that US radar and defence systems in Bahrain were destroyed. Iran also targeted US military facilities at Kuwait's Ahmad Al-Jaber base, US missile systems at Kuwait's Arifjan base, while explosions were reported in the Ali Al-Salem Airbase in Kuwait.**
- **IRGC said two tankers were hit near the Strait of Hormuz, and that the Strait of Hormuz is closed,** while the UKMTO said it received a report of an incident 8NM northeast of Oman's Limah and later announced the crew had abandoned the ship.
- **Israel conducted artillery strikes on southern Lebanon, while it stated that the programme of pilot zones in southern Lebanon began on Monday,** which was carried out in cooperation with US military and Lebanese armed forces. Furthermore, it will respond forcefully to any violation of the agreement.
- **Saudi Foreign Ministry condemned the maritime embargo on the Kingdom** announced by Yemen's Houthis.

US TRADE

EQUITIES

- **US stocks** ended the session mixed, with the tech-heavy Nasdaq 100 the only major index to finish marginally higher. Technology and Communication Services were the only sectors to outperform, alongside Energy, with the former supported ahead of Alphabet's earnings on Wednesday after reports the company is developing a new server chip. Health Care and Materials lagged, while there was little in the way of macro catalysts, with no US economic data and Fed officials in their blackout period ahead of next week's FOMC meeting. The crude complex was volatile but ultimately settled higher following another barrage of geopolitical headlines, including further attacks between the US and Iran, while reports throughout the session suggested the conflict is more likely to escalate than de-escalate, despite officials indicating diplomatic channels remain open and that talks continue.

- **SPX** -0.19% at 7,443, **NDX** +0.04% at 28,604, **DJI** -0.59% at 51,844, **RUT** -0.67% at 2,942.
- [Click here for a detailed summary.](#)

TARIFFS/TRADE

- **US President Trump signed a proclamation offering 50% reduced aluminium tariffs for onshoring investments.**
- **US is imposing additional 50% tariffs on certain products of Canada, including some USMCA products, to counter Canadian bias against US commerce with respect to alcoholic beverages, dairy and motor vehicles,** while the additional duties take effect at 00:01EDT/05:01BST on 19th August 2026.
- **Canadian PM Carney issued a statement regarding US intention to impose tariffs, in which he stated that Canada is ready to engage intensively to address issues with the US** and is ready to talk with the US about modernising the USMCA.
- **Canada's Ontario Premier said Canada should impose retaliatory tariffs against the US.**
- **China weighs tighter export controls on AI models and chips,** according to FT.

NOTABLE HEADLINES

- **US President Trump called on Republicans to unify and fight for the Save America Act,** while he thanked them for the efforts to get as much of the act as possible in a budget bill.

APAC TRADE

EQUITIES

- **APAC stocks** traded mixed following the subdued handover from the US, where most major indices declined as oil prices and yields climbed amid the ongoing geopolitical backdrop, although the Nasdaq showed some resilience amid a bounce in tech and telecommunications.
- **ASX 200** lacked firm direction with price action contained within relatively tight parameters in the absence of notable data or key macro drivers.
- **Nikkei 225** rallied on return from the long weekend, with some bargain-hunting after last Friday's slump.
- **KOSPI** shrugged off earlier indecision and rallied amid a tech rebound, with notable strength seen in Samsung Electronics and SK Hynix shares.
- **Hang Seng** and **Shanghai Comp** were mixed with price action range-bound as they take a breather after rallying yesterday amid stimulus hopes and China’s “national team” buying close to USD 9bln in equities.
- **US equity futures** rebounded off the prior day's troughs with participants now looking ahead to a pickup in earnings season.
- **European equity futures** indicate a marginally lower cash market open with Euro Stoxx 50 futures down 0.2% after the cash market closed with losses of 0.1% on Monday.

FX

- **DXY** was little changed after the dollar predominantly gained against G10 peers yesterday, with price action contained given the lack of data or Fed speak, with the latter on a blackout, while it is a relatively quiet week in terms of scheduled risk events (ex-earnings), ahead of the FOMC and PCE next week. Nonetheless, trade frictions were stoked after the US announced that it would impose an additional 50% tariff on certain products from Canada.

newsquawk

- **EUR/USD** lingered near the prior day's trough after giving way to the firmer buck and with very few pertinent catalysts for the single currency.
- **GBP/USD** attempted to nurse some losses after ultimately failing to benefit from the change of leadership in the UK, in which Andy Burnham took over as PM and named members of his cabinet, including John Healey as Chancellor, while participants look ahead to employment and average earnings data.
- **USD/JPY** proceeded sideways after its recent choppy performance and amid a lack of data, with the pair confined within the 162.00 handle.
- **Antipodeans** held on to the spoils of the prior day's outperformance, with NZD/USD the biggest gainer overnight after firmer-than-expected New Zealand CPI data.
- **PBoC** set USD/CNY mid-point at 6.7917 vs exp. 6.7706 (prev. 6.7948)

FIXED INCOME

- **10yr UST futures** lacked firm direction after trickling lower yesterday as yields gained amid oil price swings and escalating tensions in the Middle East.
- **Bund futures** remained subdued following recent oscillations and as supply looms, including a EUR 6bln Bobl issuance later, followed by EUR 2bln of Bunds tomorrow.
- **10yr JGB futures** tracked the recent downside in global peers on return from the long weekend and with price action not helped by a very quiet overnight calendar.

COMMODITIES

- **Crude futures** were mildly lower in range-bound trade after the prior day's two-way price action and the ongoing slew of geopolitical updates, including continued US-Iran strikes, and with some tankers being hit in the Strait of Hormuz. It was also reported that US President Trump is approaching a crucial crossroads in the Iran war, with officials claiming there are only two realistic options, which are either to pursue a new 10-day ceasefire, or launch a full-scale war on Iran.
- **Goldman Sachs said Brent crude may rise above USD 120/bbl** in FY26 Q4 if Hormuz remains disrupted.
- **Spot gold** climbed after launching off support at the USD 4,000/oz level and following the recent rebound in silver from a YTD low.
- **Copper futures** extended gains and shrugged off the initial hesitation from the mixed risk appetite.

CRYPTO

- **Bitcoin** mildly gained but with the upside limited in following choppy price action.

NOTABLE ASIA-PAC HEADLINES

- **Japanese PM Takaichi said they will guide economic and fiscal policy with due heed to fiscal sustainability,** and need to maintain market trust.
- **Japan's Cabinet approved the economic framework policy document including a fiscal plan,** which cited BoJ autonomy but lacked a sales tax decision.
- **New Zealand's Foreign Minister said New Zealand and the Philippines will form a comprehensive partnership.**

DATA RECAP

- **New Zealand Inflation Rate QQ (Q2) 1.5% vs. Exp. 1.4% (Prev. 0.9%)**

- **New Zealand Inflation Rate YY (Q2) 4.1% vs. Exp. 4.0% (Prev. 3.1%)**
- RBNZ Sectoral Factor Model Inflation Index YY (Q2) 2.7% (Prev. 2.7%)

GEOPOLITICS

RUSSIA-UKRAINE

- **Russian President Putin met North Korea's Foreign Minister in Moscow on 19th July,** according to KCNA. North Korea reaffirmed support for Russian policies aimed at removing root causes of the Ukraine conflict, while Russia expressed support for North Korea's efforts to defend its sovereign rights and security interests.
- **Russia expelled two Italian diplomats and called the expulsions a reciprocal measure,** while Italy labelled the Russian move as a blatant retaliation.

OTHER

- **US State Department said the US called on China to immediately cease its destabilising conduct and condemned China's dangerous and aggressive actions against Philippine Navy personnel** at the Second Thomas Shoal in the South China Sea on July 20th.

EU/UK

NOTABLE HEADLINES

- **UK PM Burnham is expected to announce a "fully funded" package of cuts to energy bills on Tuesday as he seeks to ease the cost of living crisis,** according to The Times.
- **UK PM Burnham appointed John Healey as Chancellor, Louise Haigh as Secretary of State, Shabana Mahmood as Interior Minister, Ed Miliband as Foreign Minister,** Yvette Cooper as Health Secretary, Wes Streeting as Defence Secretary and Miatta Fahnbulleh as Secretary for Energy Security and Net Zero.
- **UK PM Burnham and European Commission President von der Leyen agreed their teams should work closely towards a UK-EU summit** later this year.
- **US President Trump posted that he had a very good conversation with new UK PM Burnham and they discussed many subjects, including the outstanding US-UK relationship, while they will be meeting in the not too distant future for topics of mutual interest.** Furthermore, he said they discussed North Sea oil, trade, the military alliance, demining of the Hormuz Strait, and many other topics.

Copyright © 2026 Newsquawk Voice Limited. All rights reserved.
Registered Office 10 Chiswell St, London EC1Y 4UQ, United Kingdom · Registered Number 12020774 · Registered in England and Wales.
newsquawk.com · 020 4545 5000 · info@newsquawk.com