Daily Asia-Pac Opening News - 31st July 2026

SNAPSHOT

STOCKS			
S&P 500	+1.7%	Nasdaq Comp.	+2.8%
DJIA	+1.2%	Russell 2000	+1.4%
ES Sep'26	+1.7%	RTY Sep'26	+1.4%
NQ Sep'26	+3.6%	YM Sep'26	+1.3%

FX			
DXY	-0.8% (99.98)	EUR/USD	+0.6%
USD/JPY	-2.3%	GBP/USD	+0.8%

BONDS			
US T-Note Sep'26	-9.5 ticks	10yr Bund Sep'26	-1 tick
US 10yr Yield	4.67%	German 10yr Yield	3.17%

ENERGY & METALS			
WTI Sep'26	-0.6%	Brent Oct'26	-1.2%
Spot Gold	+0.9%	LME Copper	+1.6%

CRYPTO			
Bitcoin	+1.2%	Ethereum	+0.6%

As of 21:50BST/16:50EDT

LOOKING AHEAD

- Highlights include South Korean & Japanese Industrial Production & Retail Sales, Tokyo CPI, Australian PPI, Chinese Official PMIs, BoJ Rate Decision & Press Conference, Supply from Australia.
- Click for the Newsquawk Week Ahead.

IRAN CONFLICT

- **US State Department said it would continue its maximum pressure policy on Iran.**
- **US Treasury Secretary Bessent said those who provide financial services, logistics, or commercial support to the IRGC are helping sustain a terrorist enterprise, while they will continue to identify them, expose them, and cut them off from the US financial system.**
- **US military said no US aircraft were destroyed or damaged in the recent Iranian attacks,** while it also stated that commercial vessel MT Nora had not broken through the US blockade.
- **Iran's IRGC said it would "punish aggressors today" following the recent attacks.**
- **Iran said it continued to hold talks with Oman on the management of the Strait of Hormuz,** according to ILNA.
- **Mediators were working to reach a ceasefire agreement between Iran and the US, although efforts had not yet produced tangible results to halt the escalation,** according to Al Arabiya citing sources.
- **Kuwaiti Army said an earlier Iranian attack targeted a building affiliated with a Chinese company in the north of the country, causing one death,** according to Al ArabyTV.
- **Saudi Arabia's Defence Ministry said 43 countries and an EU delegation attended a meeting on a proposed maritime defence alliance.** It added that 14 states, including Turkey, Pakistan, Egypt, Sudan and Djibouti, issued a joint statement supporting the proposed multinational maritime defence coalition, which is aimed at boosting defence cooperation in the Bab el-Mandab, Red Sea and Gulf of Aden.
- **Yemeni Houthis reportedly attacked Saudi Arabia from Iraqi territory in coordination with Iraqi militias,** according to officials. Furthermore, a Houthi spokesperson said signs indicated Saudi Arabia was moving towards full escalation, while it was also reported that an explosion was heard in Sanaa, and sources affiliated with the Houthis confirmed an attack had taken place in the city.

- **The White House and President Trump's Peace Council believe that Hamas may sign an agreement in the coming days to gradually disarm and demilitarise the Gaza Strip,** according to Axios, citing sources.
- **Israel reportedly said a 15-point document did not adequately address its demands for Hamas to disarm,** according to an Israeli political source.
- **Hezbollah official said the resistance would retain its weapons until it achieved its goal of liberating the country,** according to Tasnim.

US TRADE

- **US stocks** saw a strong rebound from the Wednesday selloff induced by the FOMC meeting/presser, which led to a notable steepening in the Treasury curve. Tech surged over 5%, supported by better-than-expected Microsoft (MSFT +15.5%) earnings (strong Azure & Copilot growth), leaving shares having their best day in around 18 years. Multiple industries related to AI gained today: VanEck Semiconductor ETF (SMH, +6.9%), Roundhill Memory (DRAM +16.7%), Roundhill Mag-7 (MAGS +2.1%), Industrials (XLI +1.0). Samsung Electronics, Lam Research (LRCX), and ARM (ARM) posted earnings beats, helping sentiment in the space. On the flip side, Meta (META) was behind the Communications downside. Profit missed in Q2, with concerns increasing surrounding FCF and increasing spend & expenses. Despite the strong performance, breadth was poor, as seen in the Invesco S&P 500 Equal Weight (RSP) -0.2%.
- **SPX** +1.66% at 7,438, **NDX** +3.36% at 28,106, **DJI** +1.19% at 52,213, **RUT** +1.37% at 2,946.
- Click here for a detailed summary.

TARIFFS/TRADE

- **US Treasury Bessent and USTR Greer spoke with China's VP He Lifeng and emphasised that they expect Beijing to fully meet its commitments on rare earths and US agricultural products, while they also discussed implementation of the Trade and Investment Board** as a mechanism to secure concrete progress toward a more balanced, fair, and constructive US-China economic relationship. Furthermore, it was reported that **China expressed concerns over recent US restrictive measures against China, while both sides agreed to strengthen communication and expand cooperation.**
- **China is said to have adopted or relied upon measures that create new risks for US firms, restrict lawful commercial activity, and seek to deter lawful US national-security actions over the past several months,** according to a source familiar with US-China talks cited by Fox. Furthermore, the **US was said to have raised these concerns repeatedly within their trade and economic channel and provided China time to reverse course, but China has continued to escalate and cause chaos, while it was added that China's continued escalations will have consequences.**

NOTABLE HEADLINES

- **White House NEC Director Hassett said "of course" when asked whether he had confidence in Fed Chair Warsh, adding Warsh's job was now easier following the day's inflation data.** Hassett also commented that Warsh would do what the data indicated and was serious about returning inflation to the 2% target, while he described the day's GDP data as a "glass-half-full" figure.
- **US was reportedly considering a USD 100,000 fee for foreign students seeking to work after graduation,** according to the Wall Street Journal.

AFTER-MARKET EARNINGS

- **Amazon.com Inc. (AMZN) Q2 2026 (USD): EPS 5.75 (exp. 1.81), Revenue 200.6bln (exp. 196.72bln)**
- **Apple Inc. (AAPL) Q3 2026 (USD): EPS 2.02 (exp. 1.89), Revenue 109.4bln (exp. 108.85bln), Revenue breakdown: iPhone 54.25bln (exp. 53.6bln), Mac 10.35bln (exp. 8.62bln), Greater China 18.816bln (exp. 19.58bln),** Wearables 7.883bln (exp. 7.87bln), Services 30.739bln (exp. 31.36bln), Products 78.68bln (exp. 77.25bln), Americas 45.78bln (exp. 45.24bln).

DATA RECAP

- US GDP Growth Rate QoQ Adv (Q2) Q/Q 1.5% vs. Exp. 2.1% (Prev. 2.1%)
- US GDP Price Index QoQ Adv (Q2) Q/Q 6.3% vs. Exp. 3.6% (Prev. 3.6%)
- US PCE Prices QoQ Adv (Q2) Q/Q 5.1% vs. Exp. 4.0% (Prev. 4.6%)
- US Core PCE Prices QoQ Adv (Q2) Q/Q 3.4% vs. Exp. 3.5% (Prev. 4.4%)
- US GDP Sales QoQ Adv (Q2) Q/Q 2.2% vs. Exp. 1.4% (Prev. 1.9%)
- US Real Consumer Spending QoQ Adv (Q2) Q/Q 3.2% vs. Exp. 0.4% (Prev. 0.5%)
- US PCE Price Index MoM (Jun) M/M -0.1% vs. Exp. -0.1% (Prev. 0.4%)
- US PCE Price Index YoY (Jun) Y/Y 3.7% vs. Exp. 3.7% (Prev. 4.1%)
- US Core PCE Price Index MoM (Jun) M/M 0.1% vs. Exp. 0.2% (Prev. 0.3%)
- US Core PCE Price Index YoY (Jun) Y/Y 3.3% vs. Exp. 3.3% (Prev. 3.4%)
- US Personal Income MoM (Jun) M/M 0.2% vs. Exp. 0.3% (Prev. 0.7%)
- US Personal Spending MoM (Jun) M/M 0.3% vs. Exp. 0.3% (Prev. 0.7%)
- US Initial Jobless Claims (Jul/25) 197.0k vs. Exp. 200k (Prev. 187k)
- US Continuing Jobless Claims (Jul/18) 1782k vs. Exp. 1800k (Prev. 1796k)

FX

- **USD** remained pressured as markets continued to digest the FOMC meeting and press conference from Chair Warsh, who failed to offer any new information. In the wake of the meeting, the short-end of the curve saw yields lower, while longer-end yields picked up. The dollar was also not helped by data as core PCE inflation metrics for June and Q2 GDP came in beneath expectations, although the main driving force behind the buck weakness today was the sharp upside of the JPY.
- **EUR** benefitted from a weaker buck, while there was also a slew of data from the bloc including better-than-expected GDP.
- **GBP** was firmer but with brief headwinds seen after the BoE held rates at 3.75%, with the MPC voting 6-3 (exp. 7-2) to keep rates steady, as the messaging was dovish: officials saw clear signs of easing domestic inflation pressure, and little evidence that the energy shock was feeding into wages or broader prices, while Bailey stressed that it was not edging towards a rate rise.
- **JPY** saw its biggest intraday rise since December 2023, without any headline catalysts, fuelling speculation of intervention, though this has not been officially confirmed. The rise follows recent continuous warnings from officials that action can be taken to support the currency, and traders also suggested that the NY Fed carried out rate checks on spot USDJPY on behalf of the Treasury, while Nikkei later reported that Japan's government and BoJ had intervened.
- **Japan's government and BoJ intervened in the FX market by buying yen and selling dollars, while desks conducted rate checks,** according to sources cited by Nikkei.

FIXED INCOME

- **T-notes** settled lower and the Treasury curve continued to steepen in the Fed fallout.

COMMODITIES

- **Oil prices** eased amid reports that Iran is continuing to talk with Oman about management of the Strait of Hormuz, while a Pakistan Foreign Ministry spokesperson also said that talks between Tehran and Washington regarding the Strait and de-escalation remain ongoing.

GEOPOLITICAL

RUSSIA-UKRAINE

- **Ukrainian drone attack reportedly struck a grain export terminal at Russia's Taman Port,** causing significant damage, according to sources.

ASIA-PAC

NOTABLE HEADLINES

- **China held a Politburo meeting on July 30th, as expected, and said the fifth plenum would be held in October. Authorities pledged to continue comprehensive rectification of involuntary competition, comprehensively use and adjust monetary policy tools in a timely manner, stabilise production and prices of hogs and other farm products, accelerate fiscal expenditure and bond issuance, stabilise the property market, explore the potential of services consumption,** optimise supply, improve the efficiency of macro policies and boost domestic demand.
- **Chinese President Xi said the nation's economy was facing challenges and that policymakers needed to focus on unlocking the potential of domestic demand.** He added there was a need to promote deep integration between science and technology innovation and industrial innovation.
- **Japanese PM Takaichi said Japan would maintain market confidence by not resorting to debt issuance to fund temporary tax cuts,** while she added the government would look for ways to allow Japan to flexibly adjust the sales tax rate.

EU/UK

NOTABLE HEADLINES

- **BoE kept Bank Rate unchanged at 3.75%, as expected, with a 6-3 vote split (exp. 7-2), as Greene, Pill and Mann voted for a 25bps rate hike. BoE said it stood ready to act as necessary to keep CPI inflation on track to meet the 2% target over the medium term and that the required policy stance would depend on the scale and duration of the energy shock and its transmission through the economy.** BoE judged inflation risks were tilted to the upside relative to the July central projection and said the risk of material second-round effects increased the longer elevated energy prices persisted. Governor Bailey said underlying disinflation remained in train, while the labour market was easing and demand remained soft, making it appropriate to hold the Bank Rate amid more inflationary global conditions and more benign domestic conditions. He added there was little evidence of second-round effects.
- **BoE Governor Bailey said there was no evidence of second-round effects, although policymakers could not draw too much comfort from that, and reiterated the Bank stood ready to adjust policy as the outlook changed.** He added that if the Middle East conflict persisted and second-round effects emerged, the BoE would likely need to raise rates. Bailey also stated that

current market pricing reflected the risk premium rather than the Bank's central expectations for the Bank Rate and that the rate curve appeared reasonable. Bailey said it would be wrong to conclude from today's statement that BoE was moving towards a rate hike, while he said **upside risks to food inflation had proved lower than previously expected, which was encouraging although still subject to uncertainty, and added, "Do not leave the room thinking the BoE is edging towards a hike, because frankly there's nothing in what I said along those lines."**
- **BoE Governor Bailey said the labour market was weakening gradually and disinflation was proceeding slowly.** He added markets were pricing in potential interest-rate increases, while a "low hire, low fire" economy was contributing to unemployment.
- **BoE's Lombardelli said her vote to hold rates was not a close call and remained the correct decision,** while she added policymakers had learnt more about the strength of UK disinflation.
- **UK PM Burnham said he had informed US President Trump that the UK would take a pragmatic approach towards the North Sea.**

DATA RECAP

- EU GDP Growth Rate QoQ Flash (Q2) Q/Q 0.4% vs. Exp. 0.2% (Prev. -0.2%)
- EU GDP Growth Rate YoY Flash (Q2) Y/Y 1.0% vs. Exp. 0.5% (Prev. 0.3%)
- EU Consumer Confidence Final (Jul) -15.9 vs. Exp. -15.9 (Prev. -17.7)
- EU Economic Sentiment (Jul) 96.9 vs. Exp. 96.0 (Prev. 95.0)
- EU Industrial Sentiment (Jul) -6.1 vs. Exp. -7.0 (Prev. -7.7)
- EU Unemployment Rate (Jun) 6.3% vs. Exp. 6.2% (Prev. 6.2%)
- German Inflation Rate MoM Prel (Jul) M/M 0.8% vs. Exp. 0.7% (Prev. -0.3%)
- German Inflation Rate YoY Prel (Jul) Y/Y 2.8% vs. Exp. 2.7% (Prev. 2.3%)
- German GDP Growth Rate QoQ Flash (Q2) Q/Q 0.2% vs. Exp. 0.1% (Prev. 0.3%)
- German GDP Growth Rate YoY Flash (Q2) Y/Y 0.9% vs. Exp. 0.6% (Prev. 0.4%)
- Italian GDP Growth Rate QoQ Adv (Q2) Q/Q 0.2% vs. Exp. 0.1% (Prev. 0.3%)
- Italian GDP Growth Rate YoY Adv (Q2) Y/Y 1.0% vs. Exp. 0.7% (Prev. 0.8%)
- Spanish GDP Growth Rate QoQ Flash (Q2) Q/Q 0.7% vs. Exp. 0.6% (Prev. 0.6%)
- Spanish GDP Growth Rate YoY Flash (Q2) Y/Y 2.7% vs. Exp. 2.5% (Prev. 2.7%)

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