Daily European Opening News - 31st July 2026

SNAPSHOT

STOCKS			
Nikkei 225	+4.3%	ASX 200	+0.3%
Hang Seng	-0.2%	Shanghai Comp	+0.8%
Euro Stoxx 50 Sep'26	+0.8%	DAX Sep'26	+0.6%
ES Sep'26	+0.5%	NQ Sep'26	+1.1%

FX			
DXY	+02% (100.21)	EUR/USD	-0.2% (1.1506)
USD/JPY	+0.7% (160.65)	GBP/USD	-0.1% (1.3447)

BONDS			
US T-Note Sep'26	+3 ticks	Bund Sep'26	+22 ticks
US 10yr Yield	4.65%	German 10yr Yield	3.15%

ENERGY & METALS			
WTI Sep'26	-1.9%	Brent Oct'26	-1.7%
Spot Gold	-0.5%	LME Copper	+0.2%

CRYPTO			
Bitcoin	-0.6%	Ethereum	-0.6%

As of 06:20BST/01:20EDT

LOOKING AHEAD

- Highlights include French/Italian/EU Inflation Flash (Jul), German Unemployment Rate (Jul), Canadian GDP (May), US University of Michigan Final (Jul). Speakers include BoJ Governor Ueda, BoE's Pill, Fed's Hammack, Logan & Kashkari. Earnings from AbbVie, Chevron, Credit Agricole & NatWest, Scope Ratings update on Switzerland rating.
- Click for the Newsquawk Week Ahead.

MIDDLE EAST CONFLICT

- **US President Trump posted "Today, the Board of Peace reached a HISTORIC agreement for the COMPLETE DISARMAMENT of Hamas and all other armed groups in Gaza. This is a monumental step toward lasting PEACE and SECURITY",** while he added the agreement is a critical step towards Gaza finally being governed by a new Palestinian government that will work closely with the Board of Peace. Furthermore, the agreement will be carried out in carefully structured phases and as disarmament is completed, Israeli forces will withdraw, and the International Stabilization Force will work with a new Palestinian police force to take responsibility for Gaza being safe.
- **US officials said they will put Hamas disarmament plan in motion over the next weeks.**
- **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.**
- **Iranian army announced as part of its 27th phase of operation Thunderbolt, its suicide drones struck fighter jet shelters, satellite communication systems and equipment depots at Kuwait's Ahmad Al-Jaber air base** several hours ago, according to Press TV. **Iran's military previously said it used drones to strike US assets in Bahrain's Sheikh Isa air base on Thursday.**
- **An explosion was reported near a Cameroon-flagged vessel in Bab al-Mandeb.**
- **Iraqi sources report strikes on Erbil and Suleimaniyah in Iraq,** according to IRIB.
- **Israel destroyed a Hezbollah tunnel in southern Lebanon.**
- **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.

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US TRADE

EQUITIES

- **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), giving shares 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 President Trump signed an order giving federal officials the power to block exports of old batteries and other electronic waste filled with critical minerals,** part of a broader push to boost domestic recycling and counter China's grip on materials vital to national security, according to two White House officials familiar with the matter.
- **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, **USTR Greer said he raised concerns regarding a series of new supply chain measures challenging US re-industrialisation in core with China's Vice Premier He Lifeng,** while it was reported that **China expressed concerns over recent US restrictive measures against China, and both sides agreed to strengthen communication and expand cooperation.**

NOTABLE HEADLINES

- **NEC Director Hassett said AI is not causing inflation and is a positive economic story right now.**
- **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)** Shares rose 9.6%
- **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). Shares fell 6.3%

APAC TRADE

EQUITIES

- **APAC stocks** were mostly higher following the tech-inspired momentum stateside due to megacap earnings, while the region also digested a slew of data at month-end, Japanese currency intervention and the BoJ rate decision.
- **ASX 200** traded in the green amid strength in miners, but with upside capped as healthcare and consumer sectors lag, with price action tame compared to the tech-heavy peers in the region.
- **KOSPI** rocketed as SK Hynix and Samsung Electronics surged over 20% from the open after the recent Microsoft-led momentum on Wall St and after further megacap earnings from Amazon and Apple.
- **Nikkei 225** surged amid a tech-buying frenzy, while participants also digested several data releases, including softer-than-expected Tokyo CPI data. The attention then turned to the BoJ policy decision overnight, which was uneventful as the central bank kept rates unchanged as widely expected.
- **Hang Seng** and **Shanghai Comp** were somewhat mixed, with the mainland in the green and the Hong Kong benchmark flat amid several key developments, including the Politburo meeting where authorities continued to pledge policy support, while Chinese President Xi noted the economy was facing challenges, and participants also digested disappointing PMI data which showed Manufacturing and Non-Manufacturing PMI slipped into contraction territory.
- **US equity futures** edged higher as the tech rally rolled over into Asia, with participants also digesting Apple and Amazon earnings.
- **European equity futures** indicate a positive cash market open with Euro Stoxx 50 futures up 0.8% after the cash market closed with gains of 1.5% on Thursday.

FX

- **DXY** regained some composure after weakening yesterday in a continuation of the post-FOMC fallout and following a slew of data, although the main driver was the recent advances in the yen owing to Japanese intervention, and with the US conducting a rate check on the yen, while South Korean FX authorities were also said to have conducted rare dollar-selling intervention on Thursday.
- **EUR/USD** held on to most of the prior day's spoils after reclaiming the 1.1500 handle as the dollar softened, while there was also a slew of recent data from the bloc including better-than-expected GDP.
- **GBP/USD** took a breather after returning to the 1.3400 territory and after the currency was largely unfazed by the hawkish BoE vote split and dovish-leaning comments from Governor Bailey.
- **USD/JPY** rebounded overnight and returned to the 160.00 level after suffering its largest intraday drop since December 2023 due to Japan's government and the BoJ intervening, while US authorities conducted rate checks on the yen. Attention turned to the BoJ policy decision, in which the central bank kept rates unchanged as widely expected, following the rate hike at the last meeting, although some had suggested that the recent intervention could raise the risk of a surprise today, which failed to materialise.
- **Antipodeans** were little changed after gaining yesterday and with little reaction seen to the disappointing Chinese PMI data.
- **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.
- **US Treasury Secretary Bessent said the yen has substantially overshot equilibrium and the US views excess yen volatility as unhealthy, while he added that the yen is very undervalued and that Japan may have intervened** in currency markets on Thursday.
- **South Korean FX authorities were said to have conducted rare dollar-selling intervention** on Thursday.

FIXED INCOME

- **10yr UST futures** were range-bound following the recent deluge of US data, including weaker-than-expected Adv. GDP for Q2, while the Treasury curve continued to steepen yesterday in the Fed fallout.
- **Bund futures** edged higher amid lower oil prices and eyes a retest of the 125.00 level.
- **10yr JGB futures** initially rebounded following the prior day's losses and softer-than-expected Tokyo inflation data, but with price action later contained following the lack of surprises from the BoJ rate decision.

COMMODITIES

- **Crude futures** continued to pull back amid a lack of major fresh escalation in the Iran conflict, although there were reports of explosions in Erbil and Sulaymaniyah in Iraq's Kurdistan region, while there was little impact seen after the IRGC announced it targeted a US base in Kuwait. Furthermore, US President Trump announced that the Board of Peace reached a historic agreement for the disarmament of Hamas and all other armed groups in Gaza.
- **NEC Director Hassett said if needed, we'll continue measures to lower oil prices,** according to CNN.
- **Spot gold** gave back some of its recent spoils and returned to beneath the USD 4,100/oz level as the dollar regained some composure.
- **Copper futures** kept afloat after steadily advancing yesterday, but with further gains capped as markets also reflect on the weak Chinese PMIs.

CRYPTO

- **Bitcoin** gradually retreated overnight after briefly reclaiming the USD 65,000 level.

NOTABLE ASIA-PAC HEADLINES

- **BoJ kept rates unchanged at 1.00%, as expected, through an 8-1 vote with board member Takata the dissenter who proposed a 25bps rate hike, but the proposal was turned down by a majority vote.** BoJ stated that it will consider the timing and pace of rate hikes while examining the likelihood of realising baseline scenario risks, with an eye on the impact of Middle East developments and will continue to raise interest rates in response to economic and price developments, as well as financial conditions. In terms of the Outlook Report, Real GDP forecasts for FY26 and FY27 were slightly raised, while the Core CPI estimate was lowered for FY26 but raised for FY27.

DATA RECAP

- Chinese NBS Manufacturing PMI (Jul) 49.2 vs. Exp. 49.9 (Prev. 50.3)
- Chinese NBS Non-Manufacturing PMI (Jul) 49.0 vs. Exp. 50.0 (Prev. 50.2)
- Chinese NBS General PMI (Jul) 49.3 (Prev. 50.6)
- Japanese Industrial Production YY (Jun P) Y/Y 4.25% (Prev. -2.1%)
- Japanese Retail Sales YY (Jun) 0.5% vs. Exp. 2.8% (Prev. 5.3%)
- Japanese Tokyo CPI YoY (Jul) Y/Y 2.0% vs Exp. 1.8% (Prev. 1.7%)
- Japanese Tokyo Core CPI YoY (Jul) Y/Y 1.9% vs. Exp. 1.8% (Prev. 1.6%)
- Japanese Tokyo CPI Ex Food and Energy YoY (Jul) Y/Y 2.0% vs. Exp. 2.0 (Prev. 1.9%)

GEOPOLITICS

RUSSIA-UKRAINE

- **US President Trump said he has not decided whether he will allow Ukraine to produce Patriot missiles and that they are looking at it,** according to a phone interview with FT.
- **Romania's Defence Ministry** scrambles two jets after detecting aerial targets near the border river with Ukraine.

OTHER

- **US is preparing to reduce military presence in Europe,** with the Trump administration reportedly weighing a withdrawal of 2,000 troops from Spain, according to Handelsblatt
- **North Korea warned that US forces' Japan expansion increases risks of a Korean peninsula clash.**
- **China's Coast Guard said it conducted routine law enforcement patrols** in the waters east of Taiwan.

EU/UK

NOTABLE HEADLINES

- **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.

DATA RECAP

- UK Lloyds Business Barometer (Jul) 49 (Prev. 44)

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