newsquawk

Daily European Opening News - 4th August 2026

SNAPSHOT

STOCKS			
Nikkei 225	-0.5%	ASX 200	+1.3%
Hang Seng	-0.7%	Shanghai Comp	+0.1%
Euro Stoxx 50 Sep'26	+0.3%	DAX Sep'26	+0.2%
ES Sep'26	+0.2%	NQ Sep'26	+0.4%

FX			
DXY	U/C (100.01)	EUR/USD	U/C (1.1507)
USD/JPY	+0.3% (157.58)	GBP/USD	U/C (1.3422)

BONDS			
US T-Note Sep'26	-2 ticks	Bund Sep'26	+9 ticks
US 10yr Yield	4.70%	German 10yr Yield	3.15%

ENERGY & METALS			
WTI Sep'26	+1.1%	Brent Oct'26	+1.5%
Spot Gold	+0.1%	LME Copper	+0.6%

CRYPTO			
Bitcoin	+0.5%	Ethereum	+0.3%

As of 06:20BST/01:20EDT

LOOKING AHEAD

- Highlights include US/Canadian Trade Balance (Jun), US JOLTS (Jun), Atlanta Fed GDP (Q3), New Zealand Jobs Report (Q2). Comments from Fed's Paulson. Supply from the UK & Germany. Earnings from Pfizer, Caterpillar, Merck, AMD, SpaceX, BP & Zalando.
- Click for the Newsquawk Week Ahead.

IRAN CONFLICT

- **US President Trump said the Iran conflict was working out very well and that Iran talks are going on now.** Trump stated that when Iran is talking, they do not like to say so and that Iran said it wanted to talk about the Strait. Furthermore, he said **we will find out on Monday or Tuesday where Iran talks are and that they are talking about having the Strait open by Tuesday.**
- **US officials said there were no 'new' or novel negotiations planned, only the ongoing talks between the US and Iranian teams through mediators,** according to CBS News citing sources.
- **A US base in Kuwait was reportedly struck, while i24 reported that a source confirmed the IRGC attacked a US base in Kuwait using 3 drones.**
- **UKMTO received a report of an incident 20 nautical miles northeast of Oman's Al Khasab, in which a cargo vessel broadcast that it had been hit** by an unknown projectile.
- **Iran launched at least 3 drones at ships in Hormuz during the prior 24 hours,** according to i24.
- **Iran's Foreign Minister is expected to visit Islamabad,** according to Al Arabiya citing sources.
- **Iranian Supreme Leader adviser Rezaei warned if the blockade continues, US vessels and forces will face serious risks and casualties,** while he added the US must change its behaviour and that Iran will not tolerate this, and will never permit the opening of a second corridor in the Strait of Hormuz.
- **After repeated threats and pullbacks from US President Trump, Iran's leadership had become more convinced Trump was not seeking a wider war but leverage in negotiations,** according to CBS citing sources. The report said Iranian officials believe they could absorb the pressure and raise the cost to the US through proxies such as Yemen's Houthis and threats to global shipping until the US concludes there was no military solution to the conflict.
- **Qatar's Foreign Minister held calls with counterparts in the UAE, Saudi Arabia, Kuwait, Oman and Bahrain** to discuss the security situation in the Middle East (over the weekend).

US TRADE

EQUITIES

- **US stocks** rallied in the first trading session of the month amid lower yields and with upside led by the Nasdaq, although gains were broad-based, evidenced by the Equal Weight S&P rising by 1%. However, a handful of sectors were lower, with energy the clear laggard - tracking the decline in oil prices after Trump refrained from a major attack against Iran over the weekend. Further adding to the pressure was commentary from US President Trump calling on oil companies to lower retail oil prices, stressing he does not like how the companies are keeping oil prices high, while defensive sectors such as Utilities, Staples and Healthcare also lagged.
- **SPX** +1.48% at 7,601, **NDX** +1.78% at 28,777, **DJI** +1.32% at 53,183, **RUT** +1.73% at 2,982.
- Click here for a detailed summary.

TARIFFS/TRADE

- **More than two dozen US states filed a lawsuit challenging Trump's latest tariffs.**
- **Canadian PM Carney said moving with speed and ambition to build a stronger, more resilient, more independent economy, which is why we're working to modernise and expand the Port of Vancouver,** while he added it will unleash over USD 100bln in new annual trade capacity and create more than 17,000 jobs.

NOTABLE HEADLINES

- **US President Trump said oil companies are making too much money and that he doesn't like it,** while he reiterated a call for oil companies to cut retail prices and said Exxon and Chevron are making too much money.
- **US President Trump is expected to attend a roundtable of mining executives on Friday at the US State Department,** according to reports citing sources.
- **Treasury Financing Estimates (Q3 Jul-Sept): Treasury expects to borrow USD 739bln in privately held net marketable debt (prev. saw 671bln),** assuming an end-September cash balance of USD 950bln (prev. saw 950bln).
- **US Senate voted 89-4 to advance a stopgap funding bill** that would fund the government through to December 11th.

APAC TRADE

EQUITIES

- **APAC stocks** traded mixed after the region failed to sustain the momentum from Wall Street, where all major indices rallied, and the Dow notched a record close amid lower oil prices and yields, following Trump's strike cancellation and touted US-Iran talks, while he even suggested they are discussing opening the Strait of Hormuz as soon as today.
- **ASX 200** outperformed with the advances led by strength in tech and the top-weighted financial industry.
- **Nikkei 225** wiped out early gains and dipped into negative territory with a lack of bullish catalysts overnight.
- **KOSPI** swung between gains and losses amid the choppy performances in its tech giants.
- **Hang Seng** and **Shanghai Comp** were mixed amid very few fresh catalysts and with China said to be growing anxious that Anthropic's Mythos could be wielded against its economy, while better-than-expected HSBC earnings failed to inspire its shares in Hong Kong.
- **US equity futures** marginally extended on the prior day's rally amid US-Iran diplomacy hopes.
- **European equity futures** indicate a positive cash market open with Euro Stoxx 50 futures up 0.3% after the cash market closed with gains of 1.1% on Monday.

FX

- **DXY** was steady overnight after ultimately gaining against most major peers yesterday, despite the decline in oil prices and yields, while recent data was encouraging as ISM Manufacturing PMI beat in July, driven by increases in production and new order indices, while the Atlanta Fed's GDP now Q3 estimate was revised up to 6.2% from 5.0%.
- **EUR/USD** was little changed in the absence of any major fresh catalysts for the bloc and with the prior day's declines were stemmed after support held at the 1.1500 level.
- **GBP/USD** lingered around yesterday's trough after pulling back from resistance around the 1.3500 level, with the currency not helped by the recent miss on UK Manufacturing PMI data.
- **USD/JPY** continued its mild recovery from post-intervention lows, but remains beneath the 158.00 level, with very few fresh catalysts and a lack of tier-1 data overnight.
- **Antipodeans** traded range-bound, with slight outperformance in AUD/USD following stronger-than-expected Household Spending data.
- **PBoC** set USD/CNY mid-point at 6.7917 vs exp. 6.7595 (prev. 6.7898).

FIXED INCOME

- **10yr UST futures** traded sideways after settling higher yesterday amid lower oil prices and after unwinding some of the post-FOMC steepening, while there was little reaction to the expectations of increased borrowing in the Treasury Financing Estimates for Q3.
- **Bund futures** lacked direction with demand contained ahead of looming supply beginning with a Schatz issuance later followed by tomorrow's Bund auction.
- **10yr JGB futures** saw two-way trade with an early rebound wiped out after a weak 10yr JGB auction, which resulted in a lower b/c, lower accepted prices and wider tail-in-price.

COMMODITIES

- **Crude futures** nursed some losses after slumping yesterday due to Trump's cancellation of Iran strikes and touted talks, while he also stated that they are talking about having the Strait open by Tuesday. Nonetheless, oil prices are mildly higher overnight amid reports of Iran targeting a US base in Kuwait with three drones and with the UKMTO announcing a vessel was struck by an unknown projectile off Oman's coast.
- **Russia's seaborne crude oil exports from its western ports are set to rise 4% M/M in August.**
- **Russia has been quietly expanding its shadow fleet of gas-carrying ships, with second-hand vessels and its first domestically built tankers ahead of an EU ban on Russian LNG cargoes that takes effect next year,** according to FT.
- **Head of Iraq's SOMO said Iraq sold 42mln bpd of oil in July,** according to an interview with local TV.
- **Governor of Iran's Bushehr said 60 million cubic meters of lost South Pars gas production has returned to production so far,** and efforts to restore other capacities are ongoing, ISNA reports.
- **Spot gold** traded indecisively amid the recent decline in yields and a resilient dollar, while participants also await key US jobs data later in the week.
- **Copper futures** kept afloat following the stock market rally on Wall St and were unfazed by the mixed sentiment in Asia.

CRYPTO

- **Bitcoin** edged higher in a choppy fashion but with prices contained beneath the USD 64,000 level.

NOTABLE ASIA-PAC HEADLINES

- **Japan's Economy Minister Kiuchi said the pass-through of rising costs on goods prices has been limited so far and June overall CPI shows price rises remain moderate Y/Y,** while he added the government shares with the BoJ the forecast that CPI will accelerate in the latter half of this year and slow thereafter. Kiuchi also stated **he hopes the BoJ conducts monetary policy appropriately to stably and sustainably achieve its 2% inflation target.**
- **Japan's Chief Cabinet Secretary Kihara confirmed that JPY 24.2bln in reserve funds are to be allocated for Kumamoto earthquake relief efforts.**
- **China is reportedly growing anxious that Anthropic's Mythos could be used against its economy.**

DATA RECAP

- South Korean CPI MM (Jul) -0.2% vs. Exp. 0.1% (Prev. 0.1%)
- South Korean CPI YY (Jul) 2.8% vs. Exp. 3.0% (Prev. 3.2%)
- Australian Household Spending MM (Jun) 0.8% vs. Exp. 0.2% (Prev. 1.3%)
- Australian Household Spending YY (Jun) 6.0% vs Exp. 5.3% (Prev. 5.5%)

GEOPOLITICS

MIDDLE EAST

- **Israeli military aggression was reported in Dara'a province, southern Syria,** according to IRNA.

RUSSIA-UKRAINE

- **US is working on new proposals to jumpstart Ukraine peace efforts this fall,** with Trump eyeing the UNGA for multilateral engagements if the next few weeks yield tangible diplomacy - making Trump's envoys' upcoming trip essential, according to two sources familiar with the efforts.

OTHER

- **North Korea slammed US-led naval exercises and vowed to respond with deterrence of a new level.**

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