

Daily European Opening News - 7th August 2026

SNAPSHOT

STOCKS			
Nikkei 225	-0.1%	ASX 200	U/C
Hang Seng	+0.2%	Shanghai Comp	+0.6%
Euro Stoxx 50 Sep'26	-0.2%	DAX Sep'26	U/C
ES Sep'26	U/C	NQ Sep'26	+0.2%

FX			
DX	U/C (99.95)	EUR/USD	U/C (1.1523)
USD/JPY	U/C (158.33)	GBP/USD	U/C (1.3453)

BONDS			
US T-Note Sep'26	-1.5 ticks	Bund Sep'26	-33 ticks
US 10yr Yield	4.68%	German 10yr Yield	3.15%

ENERGY & METALS			
WTI Sep'26	+1.3%	Brent Oct'26	+1.6%
Spot Gold	+0.6%	LME Copper	+0.5%

CRYPTO			
Bitcoin	-0.2%	Ethereum	-0.4%

As of 06:20BST/01:20EDT

LOOKING AHEAD

- Highlights include German Industrial Production (Jun), Trade Balance (Jun), French Trade Balance (Jun), US Jobs Report (Jul), Canadian Jobs Report (Jul), Ivey PMI (Jul), NY Fed SCE (Jul), Fed's Barkin. Credit Ratings include S&P on Switzerland.
- [Click for the Newsquawk Week Ahead.](#)

IRAN CONFLICT

- US President Trump thinks the war with Iran will end pretty soon and said the Strait of Hormuz is sort of open right now.
- US President Trump conducted a phone call with Saudi Crown Prince Mohammed bin Salman to discuss Iran matters.
- US official said the Strait of Hormuz is an international waterway, and that no one party controls the lanes or transits through them, while the official added that temporary routes will be without impediment.
- Oman and Iran reached an agreement over the Strait of Hormuz, according to MS Now citing two Middle East diplomats, although the diplomats declined to describe the details of the temporary agreement or what issues remain unresolved.
- A strategic plan for managing the Strait of Hormuz would reportedly prohibit the passage of vessels belonging to the US, Israel and other hostile countries through the Strait of Hormuz. Furthermore, countries and individuals that caused damage to Iran would not receive permission to pass through the Strait of Hormuz and the Persian Gulf until compensation is paid, while heavy fines, including up to 20% of the value of goods, would be imposed on violators. The plan remains in the expert review stage, with parliament requesting experts submit suggestions to complete it.
- An informed source said that under the framework of negotiations between Iran and Oman, entry into the Strait of Hormuz is to be carried out through the northern corridor near the Iranian coast, while ships would exit through the southern corridor near the Oman coast. After the specified deadline, passage through both the northern and southern corridors would stop, with all traffic moving through the middle corridor, where inbound traffic would be managed by Iran and outbound traffic jointly managed by Iran and Oman.
- Iranian Parliamentary Speaker Ghalibaf said to the US, "Acknowledge the facts and fulfil your commitments. We don't need more theatre."
- An Iranian journalist claimed reports of indirect US-Iran contacts through intermediaries were false, adding that Iran-Oman negotiations are bilateral and the draft understanding concerns transit through Hormuz rather than its reopening.

- **Informed sources stated that the reason for the sound of two explosions heard in Qeshm was the confrontation with hostile enemy targets at the entrance to the Strait of Hormuz,** according to Tasnim.
- **Explosions were reportedly heard in Marib, western Yemen,** according to local sources.
- **A Saudi source said reliable intelligence reports indicate coordination between Houthi and Iraqi militias and the Revolutionary Guard to attack the Kingdom, while they will not hesitate to take all necessary measures to deal with any aggression.** Furthermore, Saudi Arabia has **observed drones and missiles being moved, suggesting potential coordinated attacks from the north and south that could target civilian and economic sites, including energy infrastructure, ports and airports.**

US TRADE

EQUITIES

- **US stocks** were sold on Thursday with the Dow and Russell lagging, while S&P and Nasdaq saw mild losses, with the latter paring from its post-open lows. There were several key earnings last night and this morning, with Sandisk (SNDK -6.7%) and Western Digital (WDC -13%) under pressure after issuing weak guidance, while Datadog (DDOG) is down 19% after investors were left underwhelmed despite another earnings beat, wiping out all of the stock's gains since the end of June. AppLovin (APP) also tumbled. Oil prices moved higher as tensions between the Houthis and Saudi Arabia escalated, while the initial Iranian reporting on the proposed Iran-Oman framework suggested terms viewed as unfavourable to the US and its allies, raising doubts over the prospects of a final agreement and rebuilding some geopolitical risk premium in crude. Meanwhile, post-settlement Tasnim reported explosions heard in Qeshm Island were due to hostilities at the entrance of the Strait of Hormuz - seeing crude move higher.
- **SPX** -0.18% at 7,710, **NDX** -0.39% at 29,373, **DJI** -0.85% at 53,890, **RUT** -0.58% at 3,002.
- [Click here for a detailed summary.](#)

TARIFFS/TRADE

- **US President Trump signed an executive order imposing polysilicon tariffs,** while the White House said tariffs on polysilicon and related products will begin at 00:01EDT on December 4th.
- **Canadian PM Carney said he spoke with US President Trump last week and will speak with him again when necessary,** while he added that Ottawa is standing up for Canadian businesses.
- **Canadian minister responsible for Canada-US trade LeBlanc said Canadian trade negotiators held productive and detailed talks with USTR Greer** in Washington on Thursday.

NOTABLE HEADLINES

- **Fed's Musalem (2028 voter) said inflation is too high and the balance of risks is tilted towards higher price pressures, while he added it is crucial that monetary policy puts meaningful restraint on inflation.** Musalem commented **it is wrong to keep rate policy easy, hoping to foster higher productivity rates. Furthermore, he favoured raising rates at the recent FOMC meeting and sees a higher probability that inflation will remain above the target,** as well as stated that gradual rate increases are less costly than more abrupt rate changes.

APAC TRADE

EQUITIES

- **APAC stocks** ultimately traded mixed following the weak lead from Wall Street, while participants also digested a busy slate of earnings and the latest Chinese trade data.
- **ASX 200** was little changed as strength in materials, energy and miners counterbalanced the underperformance in the financials and defensive sectors, while participants also reflected on the somewhat mixed trade data from Australia's largest trading partner.
- **Nikkei 225** declined amid a busy day of earnings and with risk sentiment not helped by disappointing Household Spending data, which showed a surprise contraction, while a government official noted that typhoons, cold weather and more rain led to reduced beverage and dining out expenses.
- **KOSPI** retreated with price action initially choppy amid some earnings releases and the mixed performances seen in South Korea's tech heavyweights.
- **Hang Seng** and **Shanghai Comp** kept afloat with the Hong Kong benchmark in relatively flat territory, while the mainland outperformed after the latest Chinese trade data, which showed exports topped forecasts, and imports missed with a sharper-than-forecast deceleration, but continued to show double-digit percentage growth.
- **US equity futures** were range-bound after the weak performance stateside and ahead of key jobs data.
- **European equity futures** indicate a mildly lower cash market open with Euro Stoxx 50 futures down 0.2%, after the cash market closed with gains of 0.4% on Thursday.

FX

- **DXY** took a breather after strengthening yesterday against all major peers as Treasury yields rose, with higher oil prices partially behind the move. Markets continued to await the expected reopening of the Strait of Hormuz, and Iranian reports of the Iran-Oman management deal for the Strait of Hormuz contained unfavourable terms towards the US and regional allies, while tensions between the Houthis and Saudis worsened. Elsewhere, FT reported that Fed Chair Warsh is willing to hike in September if inflation prints in the coming weeks are hot and markets increase expectations for such a move, while recent US data was encouraging but failed to garner any meaningful reaction as the all-important BLS jobs data approaches.
- **EUR/USD** lacked demand after it recently gave way to the firmer buck, and with the single currency not helped by disappointing EU retail sales data, while reports also noted that the ECB was blindsided by the US selling euros during last Friday's historic joint intervention to support the yen, as the US only informed counterparts after the trade was executed.
- **GBP/USD** struggled for direction following its recent choppy performance, and in the absence of any pertinent catalysts.
- **USD/JPY** slightly eased back overnight after returning to above the 158.00 level and with some resistance seen around 158.57, which technicians flagged as a key fib level.
- **Antipodeans** were contained following yesterday's retreat and amid the mixed risk appetite, while there was little reaction seen to the somewhat mixed Chinese trade data.
- **PBoC** set USD/CNY mid-point at 6.7904 vs exp. 6.7548 (prev. 6.7895).
- **Banxico kept rates on hold at 6.50%, as expected, with the decision unanimous, while it maintained guidance. Governing Board estimates that it will be appropriate to maintain the reference rate at its current level**, while it added that the balance of risks for the trajectory of inflation within the forecast horizon remains biased to the upside. Furthermore, it stated that both headline and core inflation are still expected to decline throughout the forecast horizon, albeit more gradually than previously anticipated.

FIXED INCOME

- **10yr UST futures** remained lacklustre and lingered around the prior day's trough after retreating as yields rose on higher oil prices, hawkish Fed reports, strong economic data and Alphabet's bond sale, with participants now awaiting the upcoming key US jobs report.
- **Bund futures** retreated back beneath the 125.00 level as the rebound in oil stokes inflationary pressures, while German data is scheduled today, including the latest trade figures and industrial production.
- **10yr JGB futures** followed suit to the declines in global peers, but had attempted to rebound early in the session following the weaker-than-expected household spending data from Japan.

COMMODITIES

- **Crude futures** extended on the prior day's over-4% rally as tensions between the Houthis and Saudis grew, while questions remained regarding the Iran-Oman deal as Iranian reporting on the text of the deal pointed to unfavourable terms for the US and its regional allies. Furthermore, informed sources noted that the sound of two explosions heard in Qeshm late on Thursday was due to confrontation with hostile targets at the entrance to the Strait of Hormuz.
- **Spot gold** gradually gained amid reports of the PBoC stockpiling more gold in Hong Kong, although the precious metal remains within the prior day's parameters as participants await the key US jobs data.
- **PBoC is stockpiling more gold in Hong Kong, in a move likely to support Hong Kong's efforts to become a major bullion-trading hub**, according to Bloomberg
- **Copper futures** kept afloat in sideways trade amid the mixed risk appetite in Asia.

CRYPTO

- **Bitcoin** was choppy and heads into European trade little changed above the USD 64,000 level.

NOTABLE ASIA-PAC HEADLINES

- **Japan is to weigh changes to the proprietary trading cap as volume soars, with financial authorities to explore changing a rule that separates proprietary trading systems from full-fledged securities exchanges as the popularity of these alternative platforms grows**, according to Nikkei.
- **Japan ordered evacuations as Typhoon Dolphin nears and hundreds of flights were cancelled.**
- **Japanese Finance Ministry data showed Japan conducted yen buying intervention on a total of three days in April and May**, while the largest daily intervention in the April-June quarter was JPY 6.28tn on April 30th.

DATA RECAP

- Chinese Balance of Trade (USD)(Jul) 112.5B vs. Exp. 108.0B (Prev. 125.62B)
- Chinese Exports YY (USD)(Jul) 23.9% vs. Exp. 22.7% (Prev. 27%)
- Chinese Imports YY (USD) (Jul) 27.5% vs. Exp. 28.6% (Prev. 36%)
- Chinese Balance of Trade (CNY)(Jul) 767.1B vs. Exp. 740B (Prev. 859.1B)
- Chinese Exports YY (CNY)(Jul) 17.8% (Prev. 20.8%)
- Chinese Imports YY (CNY)(Jul) 21.2% (Prev. 29.4%)



- Japanese Household Spending MM (Jun) -6.4% vs. Exp. -3.1% (Prev. 3.7%)
- Japanese Household Spending YY (Jun) -3.3% vs. Exp. 1.0% (Prev. -0.3%)

GEOPOLITICS

RUSSIA-UKRAINE

- **US intelligence finds that Russian President Putin is seeking ways to test NATO resolve and could conduct a limited assault on an allied country in the next few years,** according to WSJ.

OTHER

- **US issued fresh Cuba-related sanctions.**

EU/UK

NOTABLE HEADLINES

- **US sale of euros to support the yen during the joint intervention late last week reportedly blindsided the ECB, with the US only informing European counterparts after the historic currency intervention took place,** according to FT.

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