

**BUSINESS & FINANCIAL OVERVIEW**

## European Markets End Lower On Trade War Jitters

European markets tumbled on Friday after showing some strength early on in the session, as an escalation in U.S.-China trade tensions and U.S. President Donald Trump's dig at the Federal Reserve Chairman Jerome Powell rendered the mood bearish as the day progressed.

After Powell reiterated at the Jackson Hole Economic Policy Symposium that the Fed will act "as appropriate" to sustain economic expansion and said the global growth outlook has been deteriorating since the middle of last year, Trump remarked whether the "biggest enemy" of America was Powell or Chinese President Xi Jinping.

Earlier, the Chinese government announced tariff hikes on \$75 billion of U.S. products. China's Finance Ministry said that import duties on U.S.-made autos and auto parts will also be increased.

The pan European Stock 600 ended down 0.78%. The U.K.'s FTSE 100 declined 0.47%, while Germany's DAX and France's CAC 40 shed 1.15% and 1.14%, respectively. Switzerland's SMI declined 0.62%.

Among other markets in Europe, Austria, Belgium, Finland, Greece, Ireland, Italy, Netherlands, Norway, Poland, Portugal, Russia, Spain and Sweden ended lower.

Czech Republic, Turkey and Iceland closed higher, while Denmark and Ukraine ended flat.

In Germany, BMW, Dalmier, Infineon, Covestro, Linde, Continental, Deutsche Bank, BASF, Bayer, Allianz, Volkswagen, Adidas and Allianz shed 1 to 3.2%.

Wirecard bucked the trend and ended notably higher, riding on an announcement from the company that it has signed an agreement with SunExpress, a joint venture between Lufthansa and Turkish Airlines, to handle credit card payments in local travel agencies.

In the French market, STMicroElectronics declined 4.7%. Technip shed 3.3%. ArcelorMittal, BNP Paribas, Total, Peugeot, Credit Agricole, Vinci, Carrefour and Michelin ended lower by 1.6 to 2.2%.

In the UK market, NMC Health shares declined 6%. Marks & Spencer shed 2.7%, while Fresnillo, SSE, Berkeley, CRH, Barratt Developments, Severn Trent, United Utilities and Whitbread gained 1 to 3%.

U.S. President Trump claimed the U.S. does not need China and would be "far better off without them" and subsequently ordered American companies to "immediately start looking for an alternative to China."

"The vast amounts of money made and stolen by China from the United States, year after year, for decades, will and must STOP," Trump tweeted.

The president also indicated that he would respond to the newly announced Chinese tariffs on U.S. imports this afternoon.

