

**BUSINESS & FINANCIAL OVERVIEW**

## European Markets Close Higher On Trade Deal Hopes, Easing Geopolitical Tensions

Optimism about a phase one U.S.-China trade deal and easing U.S.-Iran tensions lifted sentiment in European markets and pushed up prices of stocks from across several sectors on Thursday.

Tensions between the U.S. and Iran eased after U.S. President Donald Trump said the U.S. would not respond militarily to the Iranian missile strikes on Iraq bases housing U.S. troops.

Trump had previously threatened a harsh response to any attack by Iran but now says he will only impose new sanctions on Iran's already struggling economy.

On the trade front, Chinese Vice Premier Liu He is expected to travel to Washington to sign the first phase of the trade deal with the U.S. next week.

The pan European Stock 600 ended up 0.31%, due largely to a good show by technology shares. Among the major indices in Europe, Germany's DAX gained 1.31%. The U.K.'s FTSE 100 ended up 0.31% and France's CAC 40 gained 0.19%, while Switzerland's SMI edged down 0.01%.

Among other markets in Europe, Austria, Belgium, Czech Republic, Denmark, Greece, Iceland, Ireland, Italy, Netherlands, Poland, Russia, Turkey and Ukraine ended higher, while Finland, Norway, Portugal, Spain and Sweden ended flat.

In the German market, Lufthansa rallied about 4%. MTU Aero, Volkswagen, Continental, Adidas and Deutsche Telekom gained 2 to 3%, while SAP, Fesenius, Infineon and Henkel ended higher by 1.5 to 2%.

In France, STMicroElectronics gained nearly 2.5%. Essilor Luxottica, Safran, Louis Vuitton and Dassault Systemes ended higher by 1.3 to 1.6%.

Sodexo shares plunged more than 6%. The food services group backed its fiscal 2020 guidance for organic revenue growth of about 4% after reporting 7.1% growth in revenue in the first quarter.

Unibail Rodamco, Renault and Vinci declined 1 to 1.4%. In the U.K. market, NMC Health climbed more than 6.5%, rebounding from recent sharp losses. Vodafone Group and Rolls Royce Holdings both ended higher by about 3%, while Direct Line Insurance, IAG, Ferguson, Easy Jet and Rentokil gained 2 to 2.75%.

Shares of Marks & Spencer plunged 11% after the company reported a 0.6% fall in U.K. revenue for the three months to the end of December.

Ocado declined more than 4% and Fresnillo shed 3.4%. Kingfisher, BHP Group, British Land Company, Pearson and Lloyds Bank also declined sharply.

