

BUSINESS & FINANCIAL OVERVIEW

European Stocks Close Slightly Higher Ahead Of U.S.-China Trade Deal

European stocks ended slightly higher on Tuesday after a somewhat lackluster session with investors looking ahead to the signing of a phase one trade deal by the U.S. and China.

Investors also took note of a mixed batch of earnings reports from top U.S. banks. The pan European Stock 600 ended up 0.29%. Among the major indices in Europe, the U.K.'s FTSE 100, Germany's DAX and France's CAC 40 edged up 0.06%, 0.04% and 0.08%, respectively. Switzerland's SMI ended on a firm note, gaining 0.31%.

Among other markets in Europe, Belgium, Czech Republic, Denmark, Finland, Greece, Iceland, Ireland, Italy, Netherlands, Portugal, Sweden and Turkey closed higher.

Austria, Norway, Poland, Russia, Spain and Ukraine declined. In the U.K. market, NMC Health soared more than 10% as the company prepares for a legal battle with U.S. activist short seller Muddy Waters, which launched an assault on the company's balance sheet last month.

Taylor Wimpey and Vodafone Group gained about 4% and 3.25%, respectively. Micro Focus, Centrica, Persimmon, Kingfisher gained 2 to 3%. Morrison Supermarkets, Ocado, Barratt Developments and Next also posted strong gains.

On the other hand, Pearson, Mondi, Marks & Spencer, WPP, DS Smith and BT Group lost 2 to 3.2%. In France, Capgemini, Pernod Ricard, Accor, Veolia Environment, Hermes International, Bouygues and Sodexo gained 1.2 to 2%, while Technip, AXA, Vivendi and Danone declined 1 to 3%.

In the German market, Wirecard climbed 4.7% and Deutsche Bank gained about 2.3%. Merck, Continental, Fresenius, Adidas and Deutsche Post shed 1 to 1.5%, while BASF, Infineon and HeidelbergCement ended notably lower.

Evonik shares declined sharply after the company's controlling shareholder sold a 5.2% stake at a discount.

In economic news, the European Central Bank said lending to Eurozone households increased at a faster pace in the third quarter. The annual growth rate of loans to households improved to 3.5% from 3.4% in the second quarter, the bank said.

At the same time, financial investment of households increased at a broadly unchanged rate of 2.4% and their gross non-financial investment increased at a faster pace of 4.9%. On the trade front, the phase one U.S.-China trade deal is due to be signed at the White House on Wednesday.

After the U.S. Treasury Department dropped China's designation as a currency manipulator, media reports suggest that China has pledged to buy nearly an additional \$80 billion of U.S. manufactured goods over the next two years.

