

BUSINESS & FINANCIAL OVERVIEW

European Stocks Close Lower On Growth Concerns, Virus Outbreak In China

European stocks ended mostly lower on Tuesday with investors largely making cautious moves. Markets were following the World Economic Forum that got underway in Switzerland, news about the outbreak of the deadly coronavirus in China and on global growth worries after the International Monetary Fund lowered its forecast for global economic growth.

News that three katyusha rockets fell close to the U.S. embassy in the Green Zone in Iraqi capital also weighed on markets. The pan European Stock 600 declined 0.14%. Among the major indices, the U.K.'s FTSE 100 and France's CAC 40 shed 0.53% and 0.54%, respectively. Germany's DAX edged up 0.05% and Switzerland's SMI gained 0.35%.

Among other markets in Europe, Austria, Czech Republic, Denmark, Finland, Iceland, Ireland, Italy, Netherlands, Norway, Poland, Portugal, Russia and Spain declined.

Belgium, Sweden, Switzerland and Turkey moved higher, while Ukraine ended flat. Informa, InterContinental, IAG, Antofagasta, Imperial Brands, Fresnillo, Anglo American, Royal Dutch Shell, J Sainsbury, Whitbread, Samsung Electronics and Glencore declined 1.5 to 3.4%.

EasyJet gained more than 4.5% after the company reported a significant rise in first-quarter revenue. Legal & Generale, Associated British Foods, Hargreaves Lansdown and Lloyds Banking gained 1 to 2%.

In France, ArcelorMittal, Kering, Technip, Legrand, Accor, L'Oreal, Peugeot, Louis Vuitton, Airbus Group, Hermes International and STMicroElectronics declined 1 to 2.6%.

In the German market, Lufthansa declined more than 3%. Continental shed about 1.7% and Deutsche Post lost 1%, while Fresenius, Deutsche Bank, Merck and Covestro ended on a firm note.

Shares of Wacker Neuson plunged sharply after the company cut its EBIT margin outlook for its fiscal year 2019, citing margin pressure resulting from efforts to sell off large volumes of new equipment and an impairment on raw materials in North America.

Shares of Swiss pharma company Lonza Group gained on a sharp 15.3% increase in fiscal 2019 profit. UBS shares declined sharply on disappointing results.

In economic news, the net demand for loans from euro area enterprises declined in the fourth quarter for the first time since 2013, despite low interest rates, the Bank Lending Survey from the European Central Bank showed Tuesday.

The decline in net demand was broadly based across a number of larger and smaller euro area countries, the survey revealed. Nonetheless, banks expect demand to remain stable in the first quarter.

