

BUSINESS & FINANCIAL OVERVIEW

European Markets Close Lower After Cautious Trade

Despite turning in a mixed performance early on in the session, European markets ended mostly lower on Wednesday, as investors made cautious moves, looking for direction ahead of the European Central Bank's monetary policy announcement due on Thursday.

Investors were also tracking news about the coronavirus in China and reacting to U.S. President Donald Trump's remarks that the European Union has "no choice" except to agree to a new trade deal.

The Chinese government said hospitals are stepping up preventive measures to stop the spread of the Wuhan coronavirus outbreak.

The pan European Stock 600 edged down 0.08%. Among the major indices, the U.K.'s FTSE 100 declined 0.51%, France's CAC 40 ended down 0.58% and Germany's DAX declined 0.3%, while Switzerland's SMI gained 0.1%.

Among other markets in Europe, Austria, Belgium, Finland, Iceland, Italy, Poland, Portugal, Russia, Spain, Sweden and Turkey closed weak.

Czech Republic, Denmark, Ireland and Norway edged higher, while Greece, Netherlands and Ukraine ended flat. In the U.K. market, TUI declined more than 5%. Burberry Group and Antofagasta shed more than 4%.

BT Group, Rolls-Royce Holdings, J Sainsbury and BP also declined sharply. On the other hand, Berkeley gained more than 4% after the company said it will increase its returns to shareholders by about 455 million pounds over the next two years.

Sage ended higher by nearly 4%. Intertek, Mondi, SSE and Standard Life also ended with strong gains. In Germany, Daimler declined nearly 2% after the company said its fiscal 2019 preliminary Group earnings fell sharply to 5.6 billion euros, from 11.1 billion euros in fiscal 2018.

Volkswagen, Covestro, Siemens and Bayer lost 1 to 1.7%. Infineon, Adidas, Deutsche Bank and Fresenius closed notably higher.

In the French market, Sanofi, Technip, Carrefour, Essilor Luxottica and Michelin lost 1.6 to 2.7%. Publicis Groupe, Credit Agricole and Safran also ended notably lower. Dassault Systemes, Airbus Group, STMicroElectronics and Veolia Environment ended on a firm note.

In economic news, France's manufacturing confidence rose in January after easing in the preceding month, survey results from the statistical office Insee showed on Wednesday. The manufacturing confidence index increased to 100 in January from 98 in December. Economists had forecast a score of 101.

According to a survey by the Confederation of British Industry, optimism among the UK manufacturers' improved significantly in the three months to January to its highest level in nearly six years.

