

**BUSINESS & FINANCIAL OVERVIEW**

## European Markets Close Lower On Coronavirus Fears

European stocks ended lower on Thursday, weighed down by concerns about the impact of the coronavirus outbreak, and remarks by the European Central Bank President that risks surrounding the euro area growth outlook remain tilted to the downside.

According to reports, deaths from the virus rose to 17 on Wednesday, with nearly 600 cases confirmed.

Investors remained worried about the contagion as the week-long Lunar New Year holidays starts on Friday, when millions of Chinese travel domestically and abroad.

The pan European Stock 600 declined 0.71%. Among the major indices, Germany's DAX ended down 0.94%, the U.K.'s FTSE 100 declined 0.85%, France's CAC 40 closed 0.65% down and Switzerland's SMI shed 0.74%.

Among other markets in Europe, Austria, Belgium, Czech Republic, Finland, Greece, Iceland, Ireland, Netherlands, Norway, Portugal, Russia, Spain and Sweden ended with sharp to moderate losses.

Denmark, Italy, Poland, Turkey and Ukraine ended flat. Auto shares were weak after U.S. President Donald Trump renewed his threat to put hefty tariffs on European cars if the bloc doesn't agree to a trade deal.

In the U.K. market, Antofagasta, IAG, Rio Tinto, EasyJet, Samsung Electronics, BHP Group, Standard Life and BT Group lost 2 to 5%. Phoenix, Taylor Wimpey, Vodafone Group and Rolls-Royce Holdings closed on a positive note.

In France, Renault declined by about 5% on news that France's anti-corruption agency was carrying out checks at the company. Kering, Louis Vuitton, Technip, Accor, Michelin and ArcelorMittal lost 1.75% to 3%.

STMicroElectronics shares climbed more than 6% after the company's quarterly earnings beat analyst estimates. The company's quarterly profit fell year-on-year. Revenue for the fourth quarter was up 4% at \$2.75 billion.

In Germany, Deutsche Post, SAP, Daimler, BMW, BASF, Volkswagen, Covestro, Deutsche Telekom and Fresenius lost 1 to 2.5%.

Hochtief shares declined sharply. The company announced that it plans to recognise a one-off, post-tax, impact of around 0.8 billion euros in fiscal 2019 as part of the plan by its 72.8 percent-owned unit CIMIC Group to exit the Middle East region.

Wirecard shares moved up more than 4%. Deutsche Bank gained about 1.5%, while Infineon and Merck closed modestly higher. The European Central Bank today held its key interest rates, asset purchases and forward guidance unchanged and announced the launch of a review of its monetary policy strategy.

The governing council, led by President Christine Lagarde, left the refi rate unchanged at a record low 0%, the deposit rate at -0.5% and the marginal lending rate at 0.25%, as expected.

