

**BUSINESS & FINANCIAL OVERVIEW**

## European Markets End On Buoyant Note As Draghi Hints At More Stimulus

European markets ended mostly higher on Tuesday after ECB President Mario Draghi suggested the bank will announce more stimulus, which could be through rate cuts or asset purchases, to bolster growth.

Expectations that global central banks will come out with stimulus measures to boost growth, and a tweet from U.S. President Donald Trump that he had a very good conversation over phone with the Chinese Premier Xi Jinping also significantly contributed to the upbeat mood in European markets. Crude oil's sharp rise helped as well.

The pan European Stocks 600 climbed up 1.67%. Among the major indices in Europe, the U.K.'s FTSE 100 ended up 1.17%, while Germany's DAX and France's CAC 40 moved up by 2.03% and 2.2%, respectively. Switzerland's SMI ended 1.39% at a record high.

Austria, Belgium, Denmark, Finland, Netherlands, Norway, Poland, Portugal, Russia, Spain, Sweden and Turkey ended with sharp gains. Greece, Czech Republic and Ireland posted modest gains. European Central Bank President Mario Draghi said on Tuesday that the central bank still has room to cut interest rates and measures to cushion the side effect from low interest rates.

Speaking at the ECB Forum on Central Banking in Sintra, Portugal, Draghi said, "Further cuts in policy interest rates and mitigating measures to contain any side effects remain part of our tools."

"And the APP [asset purchase programme] still has considerable headroom."

Risks to the euro area economic outlook remained tilted to the downside and indicators for the coming quarters suggest lingering softness, Draghi said.

"The prolongation of risks has weighed on exports and in particular on manufacturing," the ECB Chief said.

"In the absence of improvement, such that the sustained return of inflation to our aim is threatened, additional stimulus will be required."

Amid hopes an upcoming Trump-Jinping meet at the G20 summit will help lift prospects of a trade deal between the two largest economies, shares of steelmaker ArcelorMittal rose sharply today, gaining more than 6%.

Shares of German chipmaker Siltronic plunged sharply after a warning that U.S. restrictions on exports to China would hit its sales and profitability. Infineon ended more than 2% down.

Ashtead Group, Antofagasta, Tesco, Mediclinic International, Glencore, Standard Chartered, AstraZeneca Pharma, Anglo American Foods, Pearson, Schroders, Prudential, BHP Group and Sainsbury were among the prominent gainers in the British market.

