

BUSINESS & FINANCIAL OVERVIEW

European Stocks Crash As Virus Fears, Oil's Slide Trigger Massive Sell-off

European stocks tanked on Monday as mounting fears about rapidly spreading coronavirus and falling crude oil prices rendered the mood extremely bearish.

oil prices crashed to 30-year lows after Saudi Arabia launched a price war on Russia following disagreement with regard to production cuts. It is feared that the price war could result in dangerous implications in oil sector.

Saudi Arabia announced a massive cut to its official selling prices for April and reportedly plans to increase oil production. The move by Saudi Arabia comes after OPEC and its allies failed to reach an agreement on additional production cuts last week. West Texas Intermediate crude oil prices plunged to \$27.34 a barrel, and despite regaining some lost ground subsequently, was still languishing deep down in the red at \$32.80 a barrel, down more than 20% from Friday's close.

Meanwhile, in virus-related news, several countries are reportedly adding travel restrictions and in Italy more than 16 million people are literally locked in as 366 people are dead on Coronavirus infection. The Middle East countries are implementing restrictions such as shutting down of schools and shopping malls.

The pan European Stock 600 tumbled 7.44%. Among the major indices in Europe, the U.K.'s FTSE 100 drifted down 7.69%, Germany's DAX ended down 7.94% and France's CAC 40 plunged 8.39%. Switzerland's SMI declined 5.55%.

Among other markets in Europe, Austria, Belgium, Czech Republic, Denmark, Finland, Iceland, Ireland, Netherlands, Norway, Portugal, Russia, Spain, Sweden and Turkey lost 3 to 9%. Greece lost more than 13% and Italy shed about 11%.

In the French market, Technip plunged more than 23%. Societe Generale, ArcelorMittal, Credit Agricole, Total, Renault, BNP Paribas, Peugeot and Accor lost 10 to 17%.

In Germany, Deutsche Bank, Daimler, Covestro, BMW, Volkswagen, BASF, MTU Aero, Allianz, RWE, Deutsche Post, Linde, Wirecard, SAP, Bayer and Siemens declined 7 to 13%.

In the U.K. market, BP ended nearly 20% down. Royal Dutch Shell plunged 18.2%, Centrica lost 17.5% and Aveva Group ended down 17.2%.

Premier Oil crashed nearly 58%. Tullow Oil plummeted almost 32%. Cairn Energy, Enquest, Evergean Oil, Stobart, Aston Martin, Hunting and Pharos Energy lost 21 to 30%.

The Italian government ordered a virtual lockdown across much of its wealthy north, including the financial capital Milan, raising fears the lockdown could push the country into recession.

Germany's government announced measures including additional investment over next four years to boost the economy as the coronavirus, or COVID19, outbreak hurt activity.

