

BUSINESS & FINANCIAL OVERVIEW

European Stocks End Mixed After Choppy Session

European markets ended mixed on Thursday, with investors digesting the latest batch of economic data from the euro area and the U.S., and reacting to the developments on the trade front. Although several markets in Europe recovered after a weak start, buying interest remained subdued due to lingering concerns about global growth and uncertainty about Brexit.

The pan European Stock 600 edged down 0.02%. The U.K.'s FTSE 100 ended down 0.63%, France's CAC 40 advanced 0.3% and Switzerland's SMI edged up 0.03%. The German market was closed for Day of German Unity.

Among other markets in Europe, Austria, Czech Republic, Finland, Iceland, Norway, Portugal, Russia and Turkey closed weak. Belgium, Denmark and Ukraine ended modestly higher, while Ireland, Italy, Netherlands, Poland and Spain ended flat.

In the U.K. market, DS Smith declined nearly 6%. British American Tobacco, Kingfisher, Taylor Wimpey, Flutter Entertainment, J Sainsbury, Ocado, Carnival, WPP and Rolls-Royce Holdings ended lower by 2 to 4%. On the other hand, Ferguson, Diageo, Associated British Foods and Segro ended notably higher.

In France, Thales and Carrefour declined 3.3% and 2.4%, respectively. Saint Gobain, Publicis Groupe, ArcelorMittal, Societe Generale and Michelin also ended notably lower.

Among the gainers in the French market, Airbus Group and Pernod Ricard both ended stronger by more than 4%. Dassault Systemes and Bouygues gained 2% and 1.4%, respectively. Swedish clothing retail firm H&M Group shares rallied sharply after the company reported a 12% jump in sales in the third-quarter.

In economic news, the euro area private sector expanded at the slowest pace in more than six years in September, final data from IHS Market showed. The final composite output index fell to 50.1 from 51.9 in August. The reading was below the flash estimate of 50.4.

The data showed manufacturers logged the sharpest fall in output for nearly seven years in September. The service sector continued to expand, but the pace of growth was the weakest since the start of 2019. The services PMI came in at 51.6, down from 53.5 in the previous month.

Germany's composite PMI fell to an 83-month low of 48.5 from 51.7 a month ago. France's composite output index dropped to 50.8 from 52.9 in August. Separately, Eurostat data showed that retail sales in the 19-nation bloc rose by an annual 2.1% in August versus 1.9% expected.

British services activity decreased in September for only the fifth time in over a decade and the overall private sector shrunk for a second consecutive month, signaling that the economy may slip into recession soon.

The seasonally adjusted CIPS UK Services Purchasing Managers' Index, or PMI, fell to 49.5 in September, from 50.6 in August, survey data from IHS Market showed on Thursday. Economists had forecast a score of 50.3. The latest shrinking was characterized by the biggest decline in services sector employment over nine years.

