

BUSINESS & FINANCIAL OVERVIEW

European Markets Close Higher On Brexit Deal Hopes, Earnings

European markets ended higher on Tuesday as worries about Brexit eased a bit and some big-name U.S. companies reported stronger than expected third quarter results. There were concerns about U.S.-China trade deal following China but the focus today was more on earnings reports and other corporate news.

China said on Monday that it would like another round of discussions before signing the "phase one deal". According to reports, U.S. Trade secretary Steve Mnuchin said on Monday that December's tariffs would likely go ahead without a deal in place between the U.S. and China.

The pan European Stock 600 ended up 1.11%. Among the major indices, Germany's DAX gained 1.15%, France's CAC 40 advanced 1.04% and Switzerland's SMI ended up 0.85%, while the U.K.'s FTSE 100 edged down marginally.

Among other markets in Europe, Austria, Belgium, Denmark, Finland, Ireland, Italy, Netherlands, Norway, Russia, Spain, Sweden, Switzerland and Turkey closed with sharp to moderate gains.

Greece, Poland and Portugal ended modestly higher, while Czech Republic ended flat and Iceland closed weak. German stocks Deutsche Bank, BMW, Fresenius, Vonovia, Daimler, Infineon, Muench. Rueckvers, Adidas, Lufthansa, Deutsche Post, Allianz and Volkswagen gained 1.7 to 3%.

Wirecard shares plunged more than 12% on reports about the company's documents raising suspicions of fraudulent accounting with regard to sales and profits at businesses in Dubai and Ireland.

In France, BNP Paribas, Saint Gobain, Kering, Peugeot, Legrand, STMicroElectronics, Bouygues and Societe Generale gained 2 to 4%. Capgemini, Publicis Groupe, Carrefour, Michelin and Credit Agricole also ended sharply higher.

In the U.K. market, Land Securities, British Land Company, United Utilities, Lloyds Banking, Barratt Developments and RBS gained 5 to 6%. EasyJet, IAG, Barclays and Marks & Spencer also rose sharply.

Shares of recruitment firm Hays gained about 8% after the company reported modest growth in the first quarter.

Fresnillo, Reckitt Benckiser, Compass, Rio Tinto, Diageo, BHP Group, GlaxoSmithKline, Unilever and AstraZeneca ended sharply lower.

In economic news, the German ZEW economic sentiment index for October came in at -22.8 as compared to -27.0 expected. The Euro-zone ZEW economic sentiment indicator for October arrived at -23.5 vs. -33.0 expected.

Final data from the statistical office Insee showed France's consumer price inflation slowed to 0.9% in September from 1% in August. The rate came in line with expectations.

