

**BUSINESS & FINANCIAL OVERVIEW**

## European Markets Close Higher On Positive News On Trade Deal, Brexit

Continued optimism about U.S.-China trade deal and the European Union's decision to grant a three month extension to the U.K. to leave the bloc aided investor sentiment and pushed up stock prices in European markets on Monday.

Still, buying interest was somewhat subdued in most of the markets due to lingering worries about global economic slowdown. A notable drop in HSBC's earnings and the bank's warning about the challenging environment hurt sentiment and limited markets' upside.

Investors were looking ahead to the upcoming monetary policy meeting of the Federal Reserve on Tuesday and Wednesday. The U.S. central bank is widely expected to cut its policy rate by 25 basis points. The bank's accompanying statement is likely to provide clues about future rate cuts and an insight into its outlook on near term economic growth.

The pan European Stock 600 ended up 0.36%. Among the major indices, the U.K.'s FTSE 100 advanced 0.29%, Germany's DAX gained 0.46% and France's CAC 40 closed up 0.31%, while Switzerland's SMI ended 0.31% up. Among other markets in Europe, Austria, Belgium, Denmark, Finland, Iceland, Italy, Norway, Poland, Portugal and Sweden closed with sharp to moderate gains.

Russia and Turkey declined, while Ireland, Netherlands and Spain ended flat. In the British market, Antofagasta gained nearly 4% and 3i Group ended 3% up. Micro Focus, Spirax-Sarco, Intertek, Ashtead Group, Whitbread, Glencore, GlaxoSmithKline and Marks & Spencer gained 2 to 2.8%.

On the other hand, HSBC declined 3.7%. After posting a 16% drop in third quarter earnings, the bank has warned it would have to undertake costly restructuring amid a slowing global business environment.

NMC Health ended more than 4% down. Imperial Brands, Lloyds Banking, Hiscox, Unilever, Informa and Fresnillo lost 1.2 to 2.2%.

Cairn Energy shared ended more than 8% down after the company issued an update on its proceedings against India under the U.K.-India Bilateral Investment Treaty.

In France, Michelin rallied nearly 5%. STMicroElectronics gained 2.3%, while ArcelorMittal, Dassault Systemes, Schneider Electric, Renault and Vivendi gained 1.3 to 1.6%.

Bouygues, Vinci, Carrefour and Technip ended notably lower. In the German market, Infineon gained more than 3%, Continental advanced 2.4% and Volkswagen ended higher by about 2%. Adidas, Daimler and Fresenius also closed on a firm note.

Covestro declined 2.8% after the company narrowed its FY19 outlook range after reporting a weaker-than-expected third-quarter net income. In Brexit news, the European Union has granted the U.K.'s request for a Brexit deadline.

