

BUSINESS & FINANCIAL OVERVIEW

European Markets Seen Opening On Cautious Note

European markets look headed for a cautious start on Monday, tracking a subdued trend across the Asia-Pacific region after the latest round of tariffs by the U.S. and China on each other's products took effect on Sunday.

Asian markets were mostly weak early on in the session, but some of the markets came off lower levels. Still, the mood remained cautious and investors were waiting for fresh triggers to make any significant moves in the market.

European markets will also be tracking a slew of economic data for direction.

At 3.00 am ET, Purchasing Managers' survey results are due from Norway, Poland and Turkey. Poland's factory PMI is forecast to rise to 47.7 in August from 47.4 in July.

Turkey's GDP data is also due at 3.00 am ET. According to forecasts, the economy may have contracted 2% on year in the second quarter, following a 2.6% fall in the first quarter.

At 3.45 am ET, IHS Market is scheduled to issue Italy's manufacturing PMI data. The PMI is expected to rise slightly to 48.6 in August from 48.5 in July.

A little later, final PMI figures for from France and Germany will be out.

Then, at 4.00 am ET, IHS Market is scheduled to release euro area factory PMI data. The final reading is forecast to match the flash estimate of 47.0 in August.

At 4.30 am ET, UK Market/CIPS manufacturing PMI figures are due. The PMI is seen at 48.8 in August versus 48.0 in July.

Finally, at 5.00 am ET, Italy's Istat releases July retail sales data. Sales had increased 1.9% on month in June.

Asian markets were mostly lower on Monday on trade war worries following a new round of tariffs by the U.S. and China taking effect from September 1. The U.S. tariffs of about 15%, on about \$112 billion worth of Chinese imports too effect on Sunday.

The retaliatory tariffs on some of the \$75 billion worth of U.S. goods into China have also taken effect now.

US President Donald Trump has commented that the two sides would still meet for talks later this month.

On the Brexit front, the Labour Party is set to publish its legislation plan to block a no-deal Brexit on Tuesday. According to reports, the Conservative lawmakers have been threatened with expulsion from the party in the event of them joining efforts to block a no-deal Brexit.

