

**BUSINESS & FINANCIAL OVERVIEW**

## European Markets End Higher On ECB Stimulus, Trade Deal Hopes

European stocks ended higher on Thursday after the European Central Bank announced a new stimulus plan as expected. Easing worries about U.S.-China trade dispute after U.S. President Donald Trump tweeted he is temporarily delaying raising tariffs on \$250 billion worth of Chinese imports as a "gesture of good will."

U.S. President Donald Trump announced a short delay to scheduled tariff hikes on billions worth of Chinese goods after China decided to exempt some U.S. anti-cancer drugs and other goods from its tariffs.

The pan European Stock 600 ended up 0.2%. Germany's DAX and France's CAC 40 closed higher by 0.41% and 0.44%, respectively. The U.K.'s FTSE 100 edged up 0.09%, while Switzerland's SMI edged down marginally.

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

Among British stocks, Morrison Supermarkets gained 4.7% after the group reported a 49% increase in first-half pretax profit. Fresnillo, Associated British Foods, Anglo American and Centrica ended stronger by 2.5 to 2.8%.

CRH, BHP Group, Berkeley, Rentokil and Vodafone Group also closed on a strong note. ITV, NMC Health, Bunzi, EasyJet, Intercontinental, Whitbread, Marks & Spencer, 3i Group, Ocado and BP declined sharply.

In France, Engie, Peugeot, Dassault Systemes, Safran, Air Liquide, Orange, Legrand, Hermes International and Vinci closed higher by 1.5 to 2.5%, while Accor, Unibail Rodamco and Technip shed 2.5 to 3%.

In the German market, Merck, Linde, Adidas, BMW, Daimler, RWE, Thyssenkrupp and E.ON gained 1 to 2.5%. Investors were looking for news on the Brexit front.

The European Central Bank today announced a host of stimulus measures to boost the euro area economy in the final rate-setting session chaired by the outgoing President Mario Draghi. The central bank slashed the deposit rate by 10 basis points to -0.5%, while it left the main refinancing rate and the marginal lending rate unchanged at 0% and 0.25%, respectively.

The bank also significantly changed the wording of its forward guidance and said "The Governing Council now expects the key ECB interest rates to remain at their present or lower levels until it has seen the inflation outlook robustly converge to a level sufficiently close to, but below, 2% within its projection horizon, and such convergence has been consistently reflected in underlying inflation dynamics."

The ECB restarted its asset purchase programme, or APP, which it had previously ended in December 2018. The bank said it will make monthly asset purchases of EUR 20 billion from November 1.

