

**BUSINESS & FINANCIAL OVERVIEW**

## European Markets Close Higher Again On Stimulus, Easing Trade Worries

European markets ended higher on Friday, as the undertone remained upbeat for a second successive session following the European Central Bank's highly dovish policy statement on Thursday.

Easing worries about U.S.-China trade dispute after U.S. President Donald Trump sounded positive about a likely interim trade deal with China contributed as well to the gains in European markets.

The pan European Stock 600 advanced 0.34%. The U.K.'s FTSE gained 0.31%, Germany's DAX ended up 0.47% and France's CAC 40 closed higher by 0.22%, while Switzerland's SMI declined 0.46%.

Among other markets in Europe, Austria, Belgium, Finland, Greece, Ireland, Italy, Netherlands, Norway, Poland, Portugal, Spain, Sweden, Turkey and Ukraine ended on a firm note. Czech Republic edged up marginally, while Denmark, Iceland and Russia ended weak. Bank stocks gained in strength, riding on ECB's move to ease terms of its long-term loans to banks.

Tariff-sensitive automakers were in demand amid easing trade worries after U.S. President Donald Trump said he could consider an interim trade deal with China ahead of high-level negotiations in October. In the U.K. market, RBS, Barclays and Lloyds Bank shares gained more than 5% each.

Barratt Developments gained 5.7%, ITV and Antofagasta both ended higher by about 5.2%, Taylor Wimpey, NMC Health and EasyJet advanced by 4.6 to 4.8%, and Persimmon closed stronger by about 3.75%.

Marks & Spencer, Phoenix, Kingfisher, St. James Place, Berkeley, British Land Company and Standard Life gained 3 to 3.5%. On the other hand, Coca Cola, British American Tobacco, Diageo, Fresnillo, Reckitt Benckiser and Experian lost 2 to 4%.

In France, ArcelorMittal, Credit Agricole, BNP Paribas, Renault, Bouygues, Societe Generale, Peugeot and Unibail Rodamco moved up 1.5 to 4%.

In the German market, Covestro gained more than 4%. Heidelberg Cement, Infineon, BASF, Thyssenkrupp, Lufthansa, Merck, Daimler and Continental also rose sharply.

Deutsche Bank gained about 3.2% after the lender became the first of 16 financial services companies to resolve bond-rigging lawsuits concerning the prices of bonds issued by U.S. enterprises Fannie Mae and Freddie Mac.

In economic news, data from Eurostat showed the euro area trade surplus increased in July on higher exports, advancing to a seasonally adjusted EUR 19 billion from EUR 17.7 billion in June. Exports grew 0.6% in July from June, while imports remained stable.

On a yearly basis, exports advanced 6.2% and imports gained 2.3%. Consequently, the trade surplus climbed to EUR 24.8 billion from EUR 16.9 billion a year ago.

