

BUSINESS & FINANCIAL OVERVIEW

European Markets Close On Mixed Note After Cautious Session

European markets turned in a mixed performance on Friday, although the mood turned a bit positive after a weak start, amid optimism about U.S.-China trade talks and hopes that stimulus from central banks will help bolster sagging economies.

However, gains were just modest in most of the markets in the region. Activity was somewhat stock specific with corporate news providing some direction. Investors also tracked economic data from the euro area and the U.S.

The pan European Stock 600 ended up 0.29%. France's CAC 40 gained 0.56% and Germany's DAX edged up 0.08%, while the U.K.'s FTSE 100 ended lower by 0.16% and Switzerland's SMI ended 0.08% down.

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

Shares of Alten SA moved up sharply following a rating upgrade of the stock by SocGen after the company reported good results for the first half of the current financial year.

Shares of Denmark's third-largest lender Jyske Bank gained more than 5% after the bank said it would lower negative interest rates even further for those clients who deposit over \$111,100 in their bank accounts.

In European economic news, preliminary data from the European Commission showed eurozone consumer confidence improved in September to its highest level in four months, after weakening in August.

The flash consumer confidence index climbed to -6.5 from -7.1 in August. Economists had forecast a modest improvement to -7. The latest reading was the highest since May, when it was at the same -6.5 level.

The consumer confidence indicator for EUR climbed by 0.6 points to -6.4 in September. The European Commission will release the final figure for consumer confidence along with the monthly economic sentiment data later this month.

Germany's producer price inflation eased more than expected in August, data from Destatis revealed Friday. The data showed producer prices grew only 0.3% year-on-year, slower than the 1.1% increase in July. Prices were forecast to rise 0.6%.

On a monthly basis, producer prices decreased 0.5%, in contrast to a 0.1% rise in the previous month. Economists had expected prices to fall 0.2%. Data released by the statistical office Insee showed wages in the non-farm business sector in the second quarter decreased 1.2% sequentially, reversing a 1.8% rise in the first quarter.

Wages in industry and construction dropped 1.7% each in the second quarter. Wages in services were down moderately by 0.9%. In Brexit news, the European Union has reportedly rejected a request from the British government for a Brexit deal without an Irish backstop.

