

BUSINESS & FINANCIAL OVERVIEW

Swiss Market Ends Higher For 2nd Straight Day On Earnings

The Switzerland stock market ended higher on Wednesday, bucking the largely weak trend across Europe, thanks to better than expected results from Novartis and data showing an improvement in Swiss investor sentiment.

The benchmark SMI ended up 20.60 points, or 0.21%, at 9,655.67, despite settling well off the day's high of 9,704.53.

On Tuesday, the SMI ended up 63.85 points, or 0.67%, at 9,635.07, well off the day's low of 9,542.95.

Alcon and Novartis both ended nearly 2.5% up. Novartis has raised its 2019 guidance after its first quarter earnings and sales beat expectations, driven by strong growth in revenue from the company's heart failure drug Entresto and psoriasis medicine Cosentyx.

Credit Suisse reported a net profit of 749 million Swiss franc for the first quarter ended March 2019, thanks to strong gains in wealth management gains. The stock ended marginally up.

Adecco and Geberit ended modestly higher.

Lonza Group, Zurich Insurance, Sika, LafargeHolcim, Swisscom, Swatch Group and Givaudan ended lower by 0.4 to 1.2%.

UBS Group shares ended marginally down. According to reports, the asset management arms of Deutsche Bank AG and UBS Group are in merger talks.

Phoenix Mecano shares drifted lower by about 2.7% after the company reported a 26.3% drop in first quarter earnings at 6.9 million euros.

In economic news, Swiss investor sentiment increased by 19.2 points to -7.7 in April of 2019 from -26.9 in the previous month. It is the best reading since July last year.

The assessment of the current economic situation also rose to 40.7 from 33.3. Zew Economic Sentiment Index in Switzerland averaged -7.25 from 2007 until 2019, reaching an all time high of 65 in October of 2009 and a record low of -91.10 in October of 2008.

Among other major markets in Europe, the U.K. and France ended lower with their key indices falling 0.68% and 0.28%, respectively. Germany's DAX ended up by 0.21%. The pan European Stoxx 600 ended down 0.09%.

