

BUSINESS & FINANCIAL OVERVIEW

European Markets Close Higher On Mild Optimism About Trade Talks

European markets ended mostly higher on Tuesday as trade war worries faded a bit and China said that it is planning to relax restrictions on auto purchases in the country.

Investors continued to hope trade talks between the U.S. and China will resume after U.S. President Donald Trump said on Monday that officials from the world two largest economies were in touch.

The pan European Stock 600 ended up 0.63%. Germany and France closed on a bright note, with their benchmarks DAX and CAC 40, gaining 0.62% and 0.67%, respectively. The U.K.'s FTSE 100 edged down 0.08%, while Switzerland's SMI advanced 0.72%.

Among other markets in Europe, Belgium, Denmark, Finland, Greece, Ireland, Italy, Netherlands, Norway, Spain, Sweden and Ukraine closed higher.

Czech Republic and Turkey declined, while Austria, Iceland, Poland, Portugal and Russia ended flat. In Germany, Lufthansa gained nearly 3%, extending recent uptick. Henkel, RWE and Vonovia gained 2 to 2.5%. Beiersdorf, E.ON, SAP, Deutsche Bank and Adidas also ended with solid gains.

In the French market, Technip shares gained more than 5.5%. Peugeot rallied 2.7% and L'Oreal advanced 2.3%, while Louis Vuitton, Renault, Hermes International, Sanofi, Engie, Kering, Danonoe, Pernod Ricard, Essilor and Vinci ended higher by 1 to 1.8%.

In London, NMC Health gained more than 6.5%, rebounding strongly from recent losses. Standard Life, British Land Company, EasyJet, Land Securities, Smurfit Kappa and Ocado moved up 3 to 4.2%.

Tui, Reckitt Benckiser, DS Smith, Next and Fresnillo also rose sharply, while British American Tobacco and Just Eat shed 4.3% and 2.1%, respectively. Standard Chartered, Ferguson and Burberry Group also ended notably lower.

IWG shares were in demand on reports the company is in talks to spin off its U.S. business into a separately listed company in New York.

Swiss stocks Novartis and Alcon gained 2.15% and 2%, respectively.

In economic news, German GDP shrank 0.1% sequentially in the second quarter, reversing the first quarter's 0.4% expansion, official data showed. This was the first fall in three quarters and matched the initial estimate.

A measure of French manufacturing confidence improved slightly in August on a rebound in order books and production expectations, while consumer sentiment remained stable, separate reports revealed.

UK mortgage approvals rose to its highest level in two-and-a-half years in July, reports said Tuesday citing data from the lobby group UK Finance.

