

BUSINESS & FINANCIAL OVERVIEW

European Shares Rally On Italy Boost, Trade Hopes

European markets were moving higher on Thursday, with some easing of trade worries and optimism over the formation of a new government in Italy helping underpin investor sentiment.

China's Commerce Ministry reportedly said during a weekly briefing that both sides "should create necessary conditions" to continue negotiations and that China was against escalating the trade war.

Elsewhere in Italy, 5-Star Movement and the opposition Democratic Party said they would try to form a coalition and avoid snap elections. The pan-European Stock Europe 600 index was up nearly 1 percent at 376.41 after declining 0.2 percent in the previous session.

The benchmark DAX was climbing 1.1 percent and France's CAC 40 index was rallying 1.2 percent while the U.K.'s FTSE 100 was up 1 percent. Italy's FTMIB index was up as much as 2 percent.

Bouygues shares jumped 5.7 percent in Paris. The company confirmed its FY19 view after posting a better-than-expected first-half core operating profit.

Dinks company Pernod Ricard rallied 2.4 percent after it launched a €1bn share buyback. AstraZeneca advanced 1.4 percent on saying its lupus drug had met its primary goal in a clinical trial.

Micro Focus International shares plunged as much as 23 percent. The British software product group cut its outlook for full-year revenue, citing lower spending by clients amid a worsening macro environment.

Energy services group Hunting climbed 3.6 percent after its profit rose in the first-half of 2019 despite the uncertainty in the oil and gas industry.

Vodafone Group gained 2 percent on news it will sponsor Porsche's Formula E team in a five-year deal.

Recruiter Hays declined nearly 2 percent after flagging tough conditions in Germany and Britain.

Swiss drug major Roche Group rose 0.6 percent after it received European Commission approval for Tecentriq (atezolizumab) in combination with Abraxane for people with PD-L1-positive, metastatic triple-negative breast cancer.

In economic releases, the number of unemployed in Germany grew by a seasonally adjusted 4,000 persons after a 1,000 increase in July, preliminary data from the Federal Employment Agency showed. The rise was in line with economists' expectations.

Separately, Eurozone economic confidence improved unexpectedly in August, survey data from European Commission revealed.

The economic sentiment index rose to 103.1 in August from 102.7 in July, while the reading was forecast to fall to 102.3.

