

BUSINESS & FINANCIAL OVERVIEW

FTSE 100 inches up after China data; May to outline latest Brexit proposal

London markets inched up Monday, as investors weighed up the latest China growth data and waited for Prime Minister Theresa May to outline her latest Brexit proposal to parliament. Bookmaker William Hill PLC WMH, -1.65% and home improvement retailer Kingfisher PLC KGF, -4.01% struggled on Monday.

How are the markets trading?

The FTSE 100 Index UKX, +0.03% were flat at 6,967.40, after finishing up 0.7% for the week on Friday. The British pound GBPUSD, -0.0853% was mostly flat at \$1.2873 from \$1.2986 late in New York on Friday.

What's driving the markets?

In the U.K., Prime Minister Theresa May is expected to try and crack the political stalemate over the Brexit by outlining proposals in parliament on Monday that are expected to focus on winning more concessions from the European Union. However, given the rejection of May's deal and the lack of clarity over the options available to the U.K. government, it seems more likely that Britain's exit from the European Union will be delayed beyond March 29.

According to people familiar with the matter, May's loss last week has stirred up tensions among London's biggest financial institutions.

Chinese government officials on Monday announced its economy expanded by 6.6% over 2018, down from 2017's 6.9%, the slowest annual pace China has recorded since 1990. The trade conflict with Washington has adding to this gloom, with the uncertainty over a trade truce stunting investment in Chinese exporters.

In Switzerland, the World Economic Forum kicked off, with its founder, Klaus Schwab, saying that President Donald Trump would have been an "interesting discussion partner" at its annual Davos event, but acknowledged that the partial U.S. government shutdown scuttled those plans. The International Monetary Fund has cut its forecast for world economic growth this year, citing heightened trade tensions and rising U.S. interest rates.

What stocks are active?

Home improvement retailer Kingfisher PLC KGF, -4.01% led the FTSE 100 losers, falling by 4%.

Away from the main index, William Hill PLC WMH, -1.65% dropped 3.3%, after it warned over operating profit for 2018, although this projection is in line with previous guidance.

Just Eat PLC JE., +0.67% gained 1%, on the news that its chief executive Peter Plumb has stepped down with immediate effect and the group narrowed its earnings guidance for 2018.

Meanwhile, heavyweight miner Antofagasta ANTO, -2.83% lost almost 3%, in a sector that provided the biggest downward pressure as miners are sensitive to news out of China, a big buyer of natural resources. BHP Group PLC BHP, +0.40% BHP, -1.08% slipped 1%.

Healthcare chain NMC Health NMC, +1.23% gained just under 2% on Monday, while Costa coffee and Premier Inn owner, Whitbread PLC WTB, +0.73% gained 0.8%.

