

BUSINESS & FINANCIAL OVERVIEW

European Shares Hold Steady Ahead Of Central Bank Meetings

European stocks were flat to slightly higher on Monday as banks gained ground on expectations for a dovish Fed meeting, offsetting losses among airline stocks.

The U.S. Federal Reserve meets Tuesday and Wednesday, with investors expecting another dovish shift in U.S. monetary policy.

The Bank of Japan is likely to maintain its massive stimulus program on June 20 and signal its readiness to ramp up monetary support if necessary.

The latest decision on U.K. interest rates will be unveiled on Thursday, with officials expected to keep policy unchanged.

The pan European Stoxx 600 was up 0.1 percent at 379.21 after losing 0.4 percent in the previous session.

The German DAX was rising 0.15 percent and France's CAC 40 index was up 0.2 percent while the U.K.'s FTSE 100 was little changed with a positive bias.

Asia-focused HSBC Holdings climbed 1 percent and Standard Chartered added 1.8 percent after Hong Kong's leader backed down over an extradition bill following huge protests.

Dutch bank ABN Amro gained 1 percent on news that CEO Kees van Dijkhuizen will leave when his term expires in April.

Serco edged up 0.2 percent on reports it has twice approached rival defence contractor Babcock over a potential £4bn deal. Babcock International Group shares soared 5 percent.

Royal Bank of Scotland Group jumped 2.2 percent on saying it would make around £400mln from its Saudi bank merger.

Construction, services and property group Kier Group plunged as much as 10 percent on news it plans to cut around 1200 jobs and sell non-core activities such as Kier Living, Property, Facilities Management and Environmental Services.

International Consolidated Airlines fell 2.7 percent, easyJet slumped 5.4 percent and Ryanair Holdings lost 5.7 percent after German airline Lufthansa lowered its profit forecast for 2019, citing market-wide overcapacities amid growing competition. Lufthansa shares plunged more than 11 percent.

Deutsche Bank rallied nearly 2 percent. The German bank plans to create a 50 billion euro 'bad bank' that would house or sell assets valued at up to 50 billion euros, according to the Financial Times.

