

BUSINESS & FINANCIAL OVERVIEW

European Markets Unable To Hold Early Gains

The European stock markets finished in the red again on Tuesday after they could not maintain their early positive sentiment.

The markets were hammered on Monday and suffered their biggest falls since the 2008 financial crisis as the bottom dropped out of the oil market after Saudi Arabia threatened to flood the market. Ongoing coronavirus fears also weighed on sentiment.

The markets opened sharply higher today in a technical rebound on stimulus hopes that some of the major global economies - but they couldn't hold their gains.

Germany's DAX sank 149.53 points or 1.41 percent to 10,475.49, while London's FTSE fell 5.54 points or 0.09 percent to 5,960.23 and the CAC 40 in France skidded 71.29 points or 1.51 percent to 4,636.61.

In Germany, Deutsche Post surged 6.08 percent, while E.ON plummeted 4.65 percent, Fresenius plunged 4.40 percent, Deutsche Telekom tumbled 4.25 percent, Heidelberg Cement skidded 3.54 percent, Daimler climbed 1.66 percent, thyssenkrupp gained 1.21 percent and Deutsche Lufthansa sank 1.00 percent.

In London, NMC Health surged 6.56 percent, while Centrica plummeted 4.03 percent, Royal Dutch Shell spiked 3.69 percent, British American Tobacco tumbled 3.00 percent, Compass Group sank 2.61 percent, Vodafone Group dropped 1.95 percent, Roll-Royce Holdings lost 1.90 percent, M&G fell 1.28 percent and Tesco rose 0.67 percent.

In France, TechnipFMC plummeted 10.08 percent, while Vinci plunged 6.14 percent, Carrefour tumbled 4.18 percent, Societe Generale spiked 2.97 percent, Peugeot skidded 2.90 percent, BNP Paribas jumped 2.50 percent, Sanofi sank 1.95 percent, Vivendi fell 0.66 percent and Credit Agricole eased 0.28 percent.

In economic news, France's industrial and manufacturing output recovered in January to its fastest growth in eight months - although it was shy of expectations. Also in France, payroll employment increased at a faster pace in the fourth quarter.

Euro area economic growth slowed at the end of 2019, driven by weaker consumption and exports. Gross domestic product in the 19-nation bloc eased to 1 percent from 1.3 percent in the third quarter. The fourth quarter growth was revised up from 0.9 percent.

Growth gained only 0.1 percent sequentially in the fourth quarter, following third quarter's 0.3 percent expansion.

Germany's labor cost grew at the fastest pace in seven years in 2019. In 2019, hourly labor cost grew 3 percent versus 2.4 percent rise in 2018. This was the fastest rise since 2012, when cost was up 3.1 percent.

