

BUSINESS & FINANCIAL OVERVIEW

European Shares Tank After Trump's Europe Travel Ban

European stocks sank to their lowest in almost four years on Thursday after U.S. President Donald Trump banned travel from most of Europe to the United States for 30 days, intensifying investor fears about the economic fallout from the coronavirus.

Italy shut all stores except for pharmacies and food shops in a desperate bid to halt the fast-spreading virus that has killed 827 in the country in just over two weeks.

Elsewhere in Germany, some 56 percent of German companies are suffering negative effects from the coronavirus epidemic, Munich's Ifo institute said today.

Trump's address on the coronavirus also failed to quell concerns about the economic impact of the outbreak.

The World Health Organization (WHO) has declared the coronavirus as a global pandemic after the virus spread to 114 countries, resulting in the deaths of more than 4,500 people worldwide.

The pan-European Stock Europe 600 index plunged 5.8 percent to 313.96 after declining 0.7 percent in the previous session.

The German DAX slumped 6.7 percent, France's CAC 40 index declined 6.5 percent and the U.K.'s FTSE 100 dropped 5.2 percent.

BP Plc shares fell nearly 5 percent and Royal Dutch Shell tumbled 3.3 percent as oil futures in London fell as much as 7 percent on worries about fuel demand.

Tullow Oil lost 13 percent after it reported a loss from continuing activities before tax of \$1.65 billion for the year ended 31 December 2019 compared to profit of \$260.5 million in the previous year.

WH Smith plunged more than 12 percent after the retailer forecast a 40 million pound (\$51.25 million) hit to annual profit.

Cineworld shares sank 34 percent. The cinema operator warned that in a worst-case scenario, the outbreak "may cast significant doubt about the group's ability to continue as a going concern"

Savills, a real estate advisor, declined 7 percent after saying it was "difficult accurately to predict" the impact of coronavirus on its results for the coming year.

Berkeley Group Holdings gave up 7 percent. The housebuilder said it would delay its plan to increase shareholder returns until there was more clarity on the impact of the coronavirus outbreak on the U.K. economy.

