

BUSINESS & FINANCIAL OVERVIEW

Major European Markets Close Slightly Higher

The major European markets had another positive outing with stocks edging higher on Wednesday, reacting to quarterly earnings and on optimism about an interim trade pact between the U.S. and China.

However, other markets in the region turned in a mixed performance with investors largely making cautious moves. Data showing an improvement in euro zone manufacturing activity in the month of October aided sentiment.

The pan European Stock 600 ended up 0.21%. The U.K.'s FTSE 100 edged up 0.12%, Germany's DAX gained 0.24% and France's CAC 40 ended higher by 0.34%. Switzerland's SMI closed 0.44% up.

Among other markets in Europe, Netherlands, Norway, Russia, Turkey and Ukraine closed higher. Belgium, Iceland, Ireland, Italy, Portugal and Spain ended flat, while Austria, Czech Republic, Denmark, Finland, Greece, Poland and Sweden closed weak.

In the U.K. market, Imperial Brands, Centrica, Associated British Foods, British American Tobacco and Unilever gained 1.8 to 2.5%. Tyman soared more than 11% and Discoverie Group shares gained about 9.5%.

On the other hand, BT Group shares slid 4.7% and Premier Oil shed nearly 5%. Intu Properties declined more than 17% after saying it is considering asset sales or an equity raise to tide over a prolonged weakness in the retail sector due to Brexit-driven uncertainty.

In France, Societe Generale rallied 3.5%. The lender reported a fall in third-quarter net profit and revenue. The bank also said it has set aside three-quarters of the cash needed to deliver a planned dividend payout this year.

Safran gained about 2.6%. BNP Paribas, Pernod Ricard, Danone, Engie, Atos and Capgemini also closed on a positive note. Meanwhile, ArcelorMittal, Technip, Peugeot, Renault, Accor, Carrefour, Legrand and Vivendi gained 1 to 2.5%.

In the German market, MTU Aero, Henkel, Beiersdorf, SAP, Vonovia, Lufthansa and E.ON gained 1 to 2%. Shares of chemical distribution company Brenntag moved up sharply after posting fairly good results for the third quarter of 2019, despite difficult macroeconomic conditions.

Adidas declined more than 5% on weak results, while Daimler, Wirecard and Covestro shed 1 to 1.3%. In economic news, data from Destatis revealed that German factory orders grew more than expected in September on rising domestic and foreign demand.

Factory orders grew 1.3% month-on-month, reversing a 0.4% fall in August. Orders were forecast to climb 0.5%. The euro area private sector expanded slightly more than initially estimated in October but remained close to stagnation, final data from IHS Market showed.

