

BUSINESS & FINANCIAL OVERVIEW

European Stocks Come Off Higher Levels On Trade Uncertainty, End Mixed

European markets saw some brisk buying midway through the session on Tuesday, but failed to hold gains and ended mixed due to uncertainty about a potential U.S.-China trade deal. Markets had gained in strength after a cautious start, riding on some encouraging earnings reports and fairly good automobile sales data. However, stocks lost their way in late afternoon trades and gave up gains.

The pan European Stock 600 declined 0.12%. Among the major indices, the U.K.'s FTSE 100 and Germany's DAX ended higher by 0.22% and 0.11%, respectively. Switzerland's SMI gained 0.18%, while France's CAC 40 ended down 0.35%. Among other markets in Europe, Austria, Belgium, Finland, Italy, Netherlands, Poland and Sweden declined. Czech Republic, Greece, Russia, Turkey and Ukraine closed higher, while Denmark, Iceland, Ireland, Norway, Portugal and Spain ended flat.

In the U.K. market, Halma shares soared 8.5% after the company said its adjusted profit for the first-half rose 14% and earnings per share increased by 15%. Intertek Group gained 3.7%, Hargreaves Lansdown advanced 2.3% and Standard Life gained 1.3%.

NMC Health, Aviva, Spirax-Sarco Engines, Glencore, Prudential and Imperial Brands all found support but failed to sustain gains. Shares of budget carrier Easyjet gained 5.3% after the company's results came in at the upper end of its guidance.

Shares of Homeserve gained nearly 5% following the company reporting a 9% increase in basic earnings per share. Deutsche Bank, Continental, MTU Aero Engines, Volkswagen and BMW were among the stocks to attract buyers in the German market.

SAP, Deutsche Post, Henkel, Lufthansa, Munchener and Daimler also found support. In France, Accor, Kering and Renault gained in strength. In economic news, according to data released this morning, eurozone current account surplus stood at EUR 28 Billion in September, compared to EUR 29 billion a month earlier.

Data from Eurostat showed Eurozone's construction output rose for the first time in three months, growing 0.7% in September, reversing a 0.8% fall in August. Building and civil engineering works increased 0.6% and 1.2%, respectively. On an annual basis, construction output fell 0.7% in September, after a 0.8% increase in the preceding month.

In the EU28, construction output rose 0.3% monthly in September and 0.3% from a year ago. Switzerland's exports declined in October after rising in the previous month and imports fell for the second straight month, data from the Federal Customs Administration showed on Tuesday.

Exports declined by real 1.3% month-on-month in October, after a 2.7% rise in September. On a monthly basis, imports fell 2.4% in October, following a 1.3% decline in the previous month. The trade surplus fell to CHF 2.389 billion in October from CHF 3.047 billion in the preceding month. According to the Federation of the Swiss Watch Industry, watch exports increased by 1.5% year-on-year in October.

