

**BUSINESS & FINANCIAL OVERVIEW**

## European Markets Close Sharply Lower As Growth Worries Hurt Stocks

European markets crashed on Wednesday, extending losses from previous session, as worries about global growth continued to weigh on sentiment and prompted investors to go on a selling spree.

After data on Tuesday showed another contraction in U.S. manufacturing activity, a report from payroll processor ADP showed a less than expected increase in private sector employment in the U.S. in the month of September and a substantial downward revision to the increase in jobs in August, adding to concerns about growth in the world's largest economy.

A downward revision to Germany's GDP growth by German economic research institute also weighed on European stocks. The pan European Stock 600 tumbled 2.7%. Among the major indices in Europe, the U.K.'s FTSE 100 declined 3.23%, France's CAC 40 ended down 3.12% and Germany's DAX drifted down 2.76%, while Switzerland's SMI shed 1.96%.

Among other markets in Europe, Austria, Belgium, Czech Republic, Denmark, Finland, Greece, Italy, Netherlands, Norway, Poland, Spain and Sweden lost 2 to 3%. Ireland, Iceland, Portugal and Russia declined 1.2 to 1.7%, while Turkey and Ukraine ended slightly weak.

In the British market, Hargreaves Lansdown, Kingfisher, Associated British Foods, 3i Group, Antofagasta, Micro Focus, Burberry Group, Rio Tinto, Rolls-Royce Holdings, Prudential, BP and BHP Group lost 4 to 7%. Barclays, RBS, Standard Chartered, British American Tobacco and Royal Dutch Shell also declined sharply. In Germany, HeidelbergCement, Adidas, Wirecard, SAP, Fresenius, Infineon, Volkswagen, Bayer, Daimler, BASF and Siemens lost 2 to 5%. BMW, Deutsche Post, Deutsche Bank and E.ON also ended with sharp losses.

In the French market, ArcelorMittal ended more than 6% down. Societe Generale, Total, Bouygues, Saint Gobain, Publicis Groupe, Louis Vuitton, Michelin, BNP Paribas, Peugeot, Renault, STMicroElectronics, Capgemini, Technip and Credit Agricole lost 2 to 4%. In economic news, Germany's leading economic institutes slashed the economic growth forecast for this year and next, on Wednesday, mainly citing the weakening global demand for capital goods exports.

The growth forecast for this year was lowered to 0.5% from 0.8% and the outlook for next was slashed to 1.1% from 1.8%. The UK construction sector contracted further in September, survey data from IHS Market showed Wednesday.

The IHS Market/Chartered Institute of Procurement & Supply construction Purchasing Managers' Index fell to 43.3 in September from 45.0 in August. The score was forecast to remain unchanged at 45.0. U.S. stocks declined sharply as disappointing jobs data from payroll processor ADP has added to economic concerns raised by yesterday's weak manufacturing data.

ADP said private sector employment climbed by 135,000 jobs in September compared to economist estimates for an increase of about 140,000 jobs. The report also showed a significant downward revision to the increase in private sector jobs in August, which was slashed to 157,000 jobs from the originally reported 195,000 jobs.

