

Brooks Macdonald – Dealers Morning Note 08.04.2020

Markets

Ticker	Name	Last Price	%D
Indies			
• SPX	d S&P 500 INDEX	2659.41y	-0.16%
• CCMP	NASDAQ COMPOSITE INDEX	7887.262y	-0.33%
• DJI	DOW JONES INDUS. AVG	s22653.86y	-0.12%
• SXSE	d Euro Stoxx 50 Pr	↑2827.88	-1.04%
• DAX	d DAX INDEX	↑10319.80	-0.36%
• CAC	d CAC 40 INDEX	↑4380.48	-1.30%
• SMI	d SWISS MARKET INDEX	↓9437.51	-0.81%
• HSI	d HANG SENG INDEX	↓23952.44	-1.24%
• NKY	d NIKKEI 225	19353.24	+2.13%
Government Bonds			
USGG10YR	US Generic Govt 10 Yr	.7215	+1.31%
GUKG10	UK Gilts 10 Yr	↑.391	-5.56%
GTDEM10Y	BUNDESREPUB. DEUTSCHLAND	↑103.410	+0.27%
Commodities			
• CO1	d Generic 1st 'CO' Future	↑32.12	+0.78%
• CL1	d Generic 1st 'CL' Future	↓24.61	+4.15%
XAU	Gold Spot \$/Oz	↓1649.89	+0.13%
Currencies			
GBPUSD	GBP-USD X-RATE	↓1.2304	-0.23%
GBPEUR	GBP-EUR X-RATE	↓1.1336	-0.12%

Markets open on the backfoot in Europe after Wall Street gave up its 3.5% gains late last night.

European Union finance ministers failed to agree on a strategy to mitigate the economic impact of the pandemic. In an emergency teleconference which lasted more than 16 hours, finance chiefs couldn't reconcile their contrasting visions for the steps needed to help European economies recover, as countries led by France and Europe's hardest-hit south were pitted against Germany and other hawkish northern states over the need to issue joint debt. The Euro and Italian bonds are getting hit this morning on the back of this.

In **Germany** 5 leading research institutes report their economy is likely to shrink by 4.2% this year, before government measures to counter the coronavirus impact fuel expansion of 5.8% in 2021

Down under the **Australian** dollar slipped after S&P cut outlook to negative from stable. The kiwi edged lower after New Zealand's central bank said it is open to increasing the size and scope of its asset-purchase program.

Data

No significant data out today other than FOMC meeting minutes at 19:00 this evening.

Stocks We Hold

Impact Health (+1.2%)	FY results to end of 2019.
On The Beach (+26%)	Covid 19 update, suspends guidance, cancels dividend
HSBC (-0.55%)	
RELX (+0.35%)	<ul style="list-style-type: none">• Australian unit discloses potential money laundering breaches• New neutral at Industrial Securities Can't give guidance on COVID 19 impact as it is significantly impacting the exhibitions business.
RWS (-9%)	Trading update, co says they expect performance to be in line with expectations. They saw a slow down in Q2 even before coronavirus
Tritax Big Box (+0.1%)	Withdraws guidance, maintains quarterly dividend
BAT (-0.5%)	Raised to overweight at Morgan Stanley
Crest Nicholson (+8%)	Raised to hold at Deutsche Bank PT 202
Pennon (+2.7%)	Raised to neutral at Exane PT 1080
Unilever (-2.5%)	<ul style="list-style-type: none">• Raised to Hold at HSBC• Cut to underweight at Morgan Stanley