

Morning Meeting

2 April 2020

	Index	+/-	% change
FTSE 100	5454.6	-217.4	-3.8
FTSE All-Share	2991.1	-116.3	-3.7
DJ Industrial Average	20943.5	-973.7	-4.4
S&P 500	2470.5	-114.1	-4.4
NASDAQ Composite Index	7360.6	-339.5	-4.4
Nikkei Japan 1000 Index	1608.6	-61.4	-3.7
Hang Seng Index	23085.8	-517.7	-2.2
EURO STOXX 50 (EUR)	2680.3	-106.6	-3.8
Switzerland SMI (PR)	9169.0	-142.9	-1.5
France CAC 40	4207.2	-188.9	-4.3
Germany DAX (TR)	9544.8	-391.1	-3.9

Matrix Winners	Price	+/-	% change
Ocado Group PLC	1329.5	109.5	9.0
British American Tobacco p.l.c.	2856.5	97.5	3.5
Ultra Electronics Holdings plc	2064.0	56.0	2.8
Ibstock Plc	156.1	4.1	2.7
Syncona Ltd GBP	213.0	5.0	2.4

Matrix Losers	Price	+/-	% change
Carnival plc	779.0	-202.4	-20.6
Meggitt PLC	245.6	-44.7	-15.4
Melrose Industries PLC	78.0	-13.5	-14.8
Capita plc	28.6	-4.13	-12.6
Polypipe Group PLC	404.5	-55.5	-12.1

Stocks Hitting Relative High
Hikma Pharmaceuticals Plc
Equiniti Group Plc
Ultra Electronics Holdings plc
-
-
-
-
-
-
-
-
-

Currencies		+/-	12 month range	
£:\$	1.242	0.00	1.15	1.33
Y:\$	107.115	-0.84	102.55	112.09
E:£	1.137	0.01	1.07	1.20
E:\$	1.092	0.00	1.07	1.14
10 Yr Bond	Yld %	+/-	-3 months	-12 months
UK	0.31	-0.02	0.82	1.10
US	0.62	-0.06	1.92	2.50
Germany	-0.47	0.02	-0.19	-0.05
	Price (p)	+/-	12 month range	
Investec plc	140.1	-11.8	128.8	518.6

Sector Winners	% change	Mkt Wt
FTSE All-Share / Tobacco - SEC	3.3	4.7
FTSE All-Share / Technology Hardware & Equipment - SEC	1.48	0.1
FTSE All-Share / Food & Drug Retailers - SEC	0.07	0.1
FTSE All-Share / Oil & Gas Producers - SEC	-1.3	10.5
FTSE All-Share / Industrial Transportation - SEC	-1.9	0.2

Sector Losers	% change	Mkt Wt
FTSE All-Share / Banks - SEC	-9.8	8.0
FTSE All-Share / Life Insurance - SEC	-8.7	3.1
FTSE All-Share / Travel & Leisure - SEC	-7.1	3.4
FTSE All-Share / Aerospace & Defense - SEC	-7.0	1.7
FTSE All-Share / General Industrials - SEC	-7.0	1.1

Stocks Hitting Relative Low
Barclays PLC
British Land Company PLC
Capita plc
easyJet plc
Hunting PLC
Land Securities Group PLC
Lloyds Banking Group plc
Melrose Industries PLC
Next plc
Rolls-Royce Holdings plc
Royal Bank of Scotland Group plc
WPP Plc

Companies discussed in Morning Meeting	
UK Equities	
Bunzl	Company Update
Centrica	Company Update
EasyJet	Company Update
Hays	Company Update
Hill & Smith	Company Update
Serco	Company Update
Wood Group	Company Update
Property	Update
UK Banks	Update
International Equities	
Kroger	Company Update

- Yesterday was a risk-off day in markets as evidence of the medical and economic outcomes of COVID-19 came to the fore. On the medical side, President Trump appears to be taking the pandemic more seriously and markets didn't like his reality check. Having previously called coronavirus a 'flu and then later saying that the US lockdown would be over by Easter, he now admits that up to 240,000 people could die in the US. On the economic side, the FT reports that as many people have lost their jobs since the outbreak of the coronavirus already as in the entire global financial crisis. The FT's front page leads with the story that jobless claims in the UK have risen by 1 million over the past two weeks. If all of the people making new universal credit claims in the UK had been made redundant, it would equate to a rise in the unemployment rate from 3.9% at the start of the year to 6.7% today. This number comes fast on the heels of US jobless claims last week which rose by around three million. In Norway, the unemployment rate has risen from 2.3% to 10.4%.
- The enlightened reality saw global equity markets fall. European stocks fell by nearly 4% while the US's S&P 500 was 4.4% lower. Core government bond yields provided risk-off protection with UK and US 10 year yields falling by 4bps and 9bps respectively.
- Weak purchasing managers' surveys in Asia led to weak Asian equity prices.
- The UK's banking sector shares did not like the announcement on the suspension of the dividends yesterday, falling 10% on the day (and now down 30% since the end of February). The debate over the domicile of HSBC (Hong Kong or London) has re-started following HSBC's first dividend suspension in 74 years.
- Concerns remain over the potential for sovereign default from some of the world's poorest emerging market countries and particularly those that rely on commodity sales to support their economies.
- In more positive news, it is reported that China may seek to purchase oil for its emergency reserves at very low prices. As a result, a barrel of Brent crude oil has risen from less than \$23 earlier this week to more than \$27 today.
- In other positive news, there are signs that the worst may soon be over at the epicentre of Europe's coronavirus crisis. The death rate is easing in Italy as growth in new cases moderates. While daily fatalities are still rising in Spain and the UK, the virus appears to be spreading more slowly in Germany, the Netherlands, Switzerland and other countries. That said, health officials warned that restrictions must remain in place for a long time to come and government officials will need to resist pressure to reopen their economies too soon.

Events Calendar

Date	Company	Event	Flag
30 March 2020	Pennon Group Plc	Q3 2020 Sales and Revenue Release - Trading Statement	R
31 March 2020	Smiths Group Plc	Q2 2020 Earnings Release	R
08 April 2020	Dunelm Group Plc	Q3 2020 Sales and Revenue Release - Trading Update	R
08 April 2020	Tesco Plc	Q4 2020 Earnings Release	Green
08 April 2020	Costco Wholesale Corp.	March 2020 Sales and Revenue Release	Green
14 April 2020	Wells Fargo & Co.	Q1 2020 Earnings Release	Blue
14 April 2020	Johnson & Johnson	Q1 2020 Earnings Release	Blue
14 April 2020	JPMorgan Chase & Co.	Q1 2020 Earnings Release	Green
15 April 2020	ASML Holding NV	Q1 2020 Earnings Release	Green
15 April 2020	The Charles Schwab Corp.	Q1 2020 Earnings Release	Blue
15 April 2020	UnitedHealth Group, Inc.	Q1 2020 Earnings Release	Blue
15 April 2020	The PNC Financial Services Group, Inc.	Q1 2020 Earnings Release	Spec Sit
15 April 2020	U.S. Bancorp	Q1 2020 Earnings Release	Blue
15 April 2020	Citigroup, Inc.	Q1 2020 Earnings Release	Green
16 April 2020	Hays plc	Q3 2020 Sales and Revenue Release - Trading Update	R
16 April 2020	Philip Morris International, Inc.	Q1 2020 Earnings Release	Spec Sit
16 April 2020	L'Or (R)al SA	Q1 2020 Sales and Revenue Release	Green
16 April 2020	Intuitive Surgical, Inc.	Q1 2020 Earnings Release	Green
16 April 2020	Rio Tinto Plc	Q1 2020 Sales and Revenue Release - Operational Review	Blue
17 April 2020	Schlumberger NV	Q1 2020 Earnings Release	Green
20 April 2020	Vivendi SA	Q1 2020 Sales and Revenue Release	Spec Sit

	Monday 30 th March	Tuesday 31 st March	Wednesday 1 st April	Thursday 2 nd March	Friday 3 rd March
UK	BoE Mortgage Approvals SA (Number) BoE Net Mortgage Lending SA (GBP) M4 Money Supply SA M/M	GDP SA Y/Y (Final) GDP SA Q/Q (Final)	CIPS Manufacturing PMI SA (Final)		CIPS Services PMI SA (Final)
US	Pending Home Sales M/M	Consumer Confidence Chicago PMI SA	ISM Manufacturing SA Construction Spending SA M/M Markit PMI Manufacturing SA (Final)	Initial Claims SA Durable Orders SA M/M (Final) Factory Orders SA M/M	Nonfarm Payrolls SA Private Nonfarm Payrolls Unemployment Rate Manufacturing Payrolls SA Hourly Earnings Y/Y (Preliminary) Hourly Earnings SA M/M (Preliminary)
RoW	EU - Business Climate EU - Consumer Confidence Indicator (Final)	EU - CPI EU Harmonized Y/Y (Flash)	EU - Markit PMI Manufacturing SA (Final) EU - Unemployment Rate	EU - PPI NSA Y/Y	EU - Retail Sales CA Y/Y EU - Markit PMI Composite SA (Final)

Central Bank Meetings

Bank of Japan	28 th April 2020
US Federal Reserve	29 th April 2020
ECB	30 th April 2020

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