

Morning Meeting

6 April 2020

	Index	+/-	% change
FTSE 100	5415.5	-64.7	-1.2
FTSE All-Share	2958.4	-40.1	-1.3
DJ Industrial Average	21052.5	-360.9	-1.7
S&P 500	2488.7	-38.3	-1.5
NASDAQ Composite Index	7373.1	-114.2	-1.5
Nikkei Japan 1000 Index	1580.2	-4.3	-0.3
Hang Seng Index	23236.1	-44.0	-0.2
EURO STOXX 50 (EUR)	2663.0	-25.5	-0.9
Switzerland SMI (PR)	9242.4	-28.5	-0.3
France CAC 40	4154.6	-66.4	-1.6
Germany DAX (TR)	9525.8	-45.0	-0.5

Matrix Winners	Price	+/-	% change
Tullow Oil plc	17.3	5.6	48.0
Premier Oil plc	22.8	4.3	23.5
Playtech plc	177.3	14.2	8.7
GVC Holdings PLC	483.7	33.7	7.5
William Hill PLC	68.8	4.7	7.3

Matrix Losers	Price	+/-	% change
Hammerson plc	53.9	-18.08	-25.1
Ascential Plc	192.6	-31.8	-14.2
Micro Focus International plc	322.6	-45.9	-12.5
Legal & General Group Plc	159.7	-17.85	-10.1
Rolls-Royce Holdings plc	251.6	-26.7	-9.6

Stocks Hitting Relative High
Hikma Pharmaceuticals Plc
Antofagasta plc
British American Tobacco p.l.c.
London Stock Exchange Group plc
RELX PLC
Rio Tinto plc
Serco Group plc
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Currencies		+/-	12 month range	
£:\$	1.226	-0.01	1.15	1.33
Y:\$	108.505	0.53	102.55	112.09
E:£	1.135	0.00	1.07	1.20
E:\$	1.080	-0.01	1.07	1.14
10 Yr Bond	Yld %	+/-	-3 months	-12 months
UK	0.31	0.00	0.75	1.12
US	0.59	-0.02	1.79	2.52
Germany	-0.45	0.01	-0.28	-0.01
	Price (p)	+/-	12 month range	
Investec plc	137.7	-7	128.8	518.6

Sector Winners	% change	Mkt Wt
FTSE All-Share / Food & Drug Retailers - SEC	2.6	2.2
FTSE All-Share / Financial Services - SEC	0.73	4.1
FTSE All-Share / Food Producers - SEC	0.72	4.1
FTSE All-Share / Mobile Telecommunications - SEC	0.6	1.8
FTSE All-Share / Health Care Equipment & Services - SEC	0.6	1.0

Sector Losers	% change	Mkt Wt
FTSE All-Share / Electricity - SEC	-5.4	0.7
FTSE All-Share / Life Insurance - SEC	-5.1	3.0
FTSE All-Share / Nonlife Insurance - SEC	-4.9	1.1
FTSE All-Share / Oil & Gas Producers - SEC	-4.3	10.9
FTSE All-Share / General Industrials - SEC	-3.5	1.0

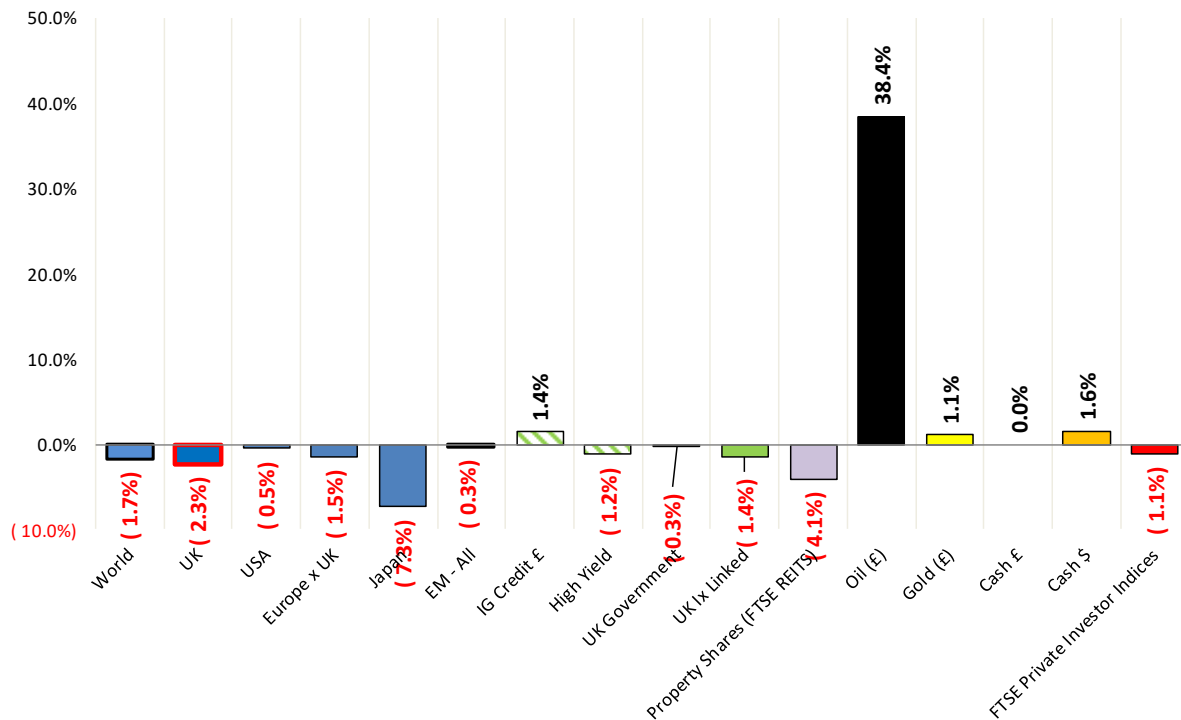
Stocks Hitting Relative Low
Barclays PLC
Barratt Developments PLC
Capita plc
Centrica plc
easyJet plc
Hammerson plc
Hays plc
Hiscox Ltd
Informa Plc
ITV PLC
Land Securities Group PLC
Lloyds Banking Group plc
Marks and Spencer Group plc
Meggitt PLC
Micro Focus International plc
Next plc
Rolls-Royce Holdings plc
Royal Bank of Scotland Group plc
Taylor Wimpey plc
WPP Plc

Companies discussed in Morning Meeting

UK Equities

Carnival	Review of Investment Case
Rolls Royce	Company Update
Sage	Trading/COVID-19 Update
Smith & Nephew	Conference Call
Smiths Group	Interim Results

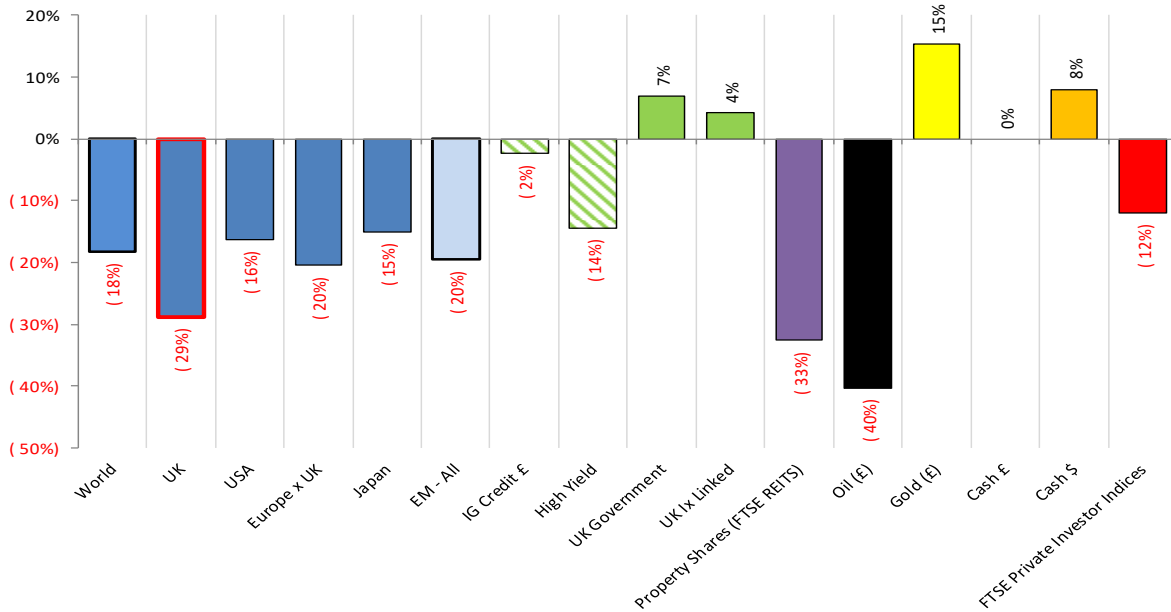
Asset Class Performance (£TR) 28-Mar-20 - 04-Apr-20



Last Week (See bar Charts):

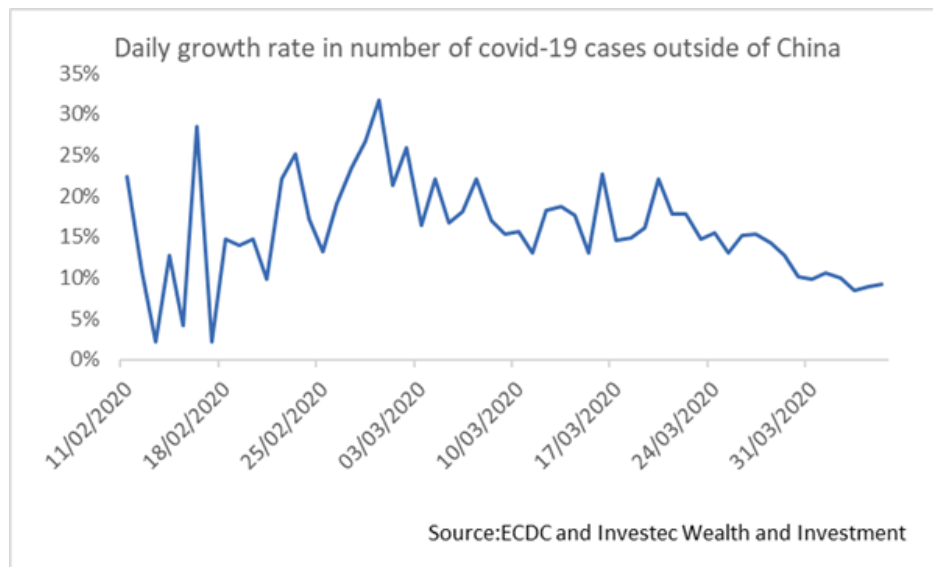
- In a week with little concrete progress on the virus and where the economic data began to catch up with the reality of the COVID19 shutdown, most demonstrably in employment reports in the US (6m new jobless claims, -700k monthly non-farm payrolls), financial markets retained their poise. Global equities fell by just under 2% in sterling, and by 3% in dollars. The VIX index fell to 46.80 from 65 at the close of the previous week and down from a record intra-day high of around 85 on March 16th.
- Part of the reason for greater stability is the reassuring behaviour of fixed income markets, which continue to demonstrate that the measures taken to ensure their efficient functioning are working (the Fed has “won”). 10 year Government bond yields edged down by around 5 basis points in the UK & the US to end at 0.3% and 0.6% respectively.
- Credit markets were also less volatile, but moved in divergent directions with US\$ Investment Grade spreads tightening by 10 basis points to 2.85%, whilst High Yield spreads widened by 20 basis points to 9.4% . Both remain at historically very high levels.
- Oil was the stand out feature of the week, rallying by 40% as Russia and Saudi Arabia signalled a willingness to re-enter talks to stabilise the oil markets – with President Putin apparently suggesting that Russia would be happy with oil prices around \$40. This morning oil is down 5% from New York close (at \$27.5 WTI), as Saudi Arabia indicated that the kingdom would wait until April 9th to host the OPEC+ meeting via video conference. The delay was to allow more time to bring other producers on board. President Trump has threatened tariffs if no agreement is reached.

Asset Class Performance (£ - Total Return) Year To 04-Apr-20



Coronavirus Update

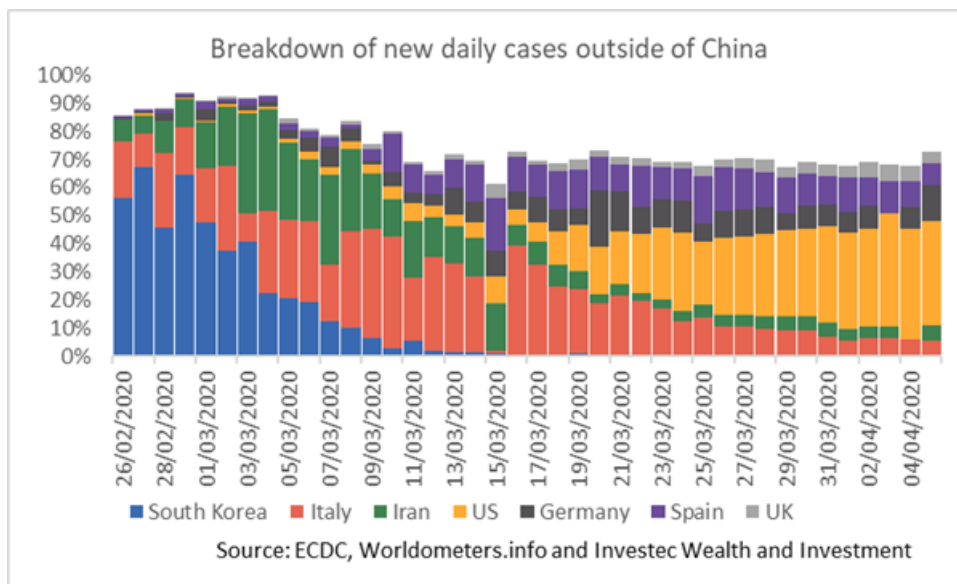
- There are now just below 1.3m cases globally with over 300k infections in the US.
- The growth rate of the number of infected people outside of China continues to decline. Last week the average growth rate was 10% per day vs 14% per day the week before and 18% per day the week before that. (Note: it is still a growth rate, we are some way away from the number of new cases declining worldwide.)



- Europe continues to making progress (Italy, Spain), but the major problem continues to be in the US where the number of infections is still growing at 34k per day. The US now accounts for 37% of all new infections.

New Threats?

- Indonesia: official numbers indicate less than 100 deaths due to COVID -19, but Reuters is reporting that there were 4000 burials in Jakarta during March - a number 40% higher than any other month since January 2018.
- Re-infections in China, Singapore & HK are becoming a concern.
- Japan has seen cases in Tokyo top 1000, sparking concern of an acceleration.



Countermeasures

- In Europe, plans are beginning to be made for soft-easing of the lockdowns.

Other

- Boris Johnson admitted to Hospital
- Donald Trump & Mike Pence made cautiously upbeat comments on progress in tackling the virus in a Sunday White House news conference. Some encouragement taken from a fall in New York state's virus death toll for the first time.
- European response is still in the process of coming together: The Spanish PM added to Italian pressure in asking EU to commit to joint debt issuance (corona bonds). The German Finance Minister suggested Italy and Spain tap the European Stability Mechanism if they want quick aid, while avoiding any mention of joint debt issuance. The Euro-group meeting tomorrow aims to present joint proposals, with explicit aid packages speculated to amount to 4.5% GDP
- Japan is reported to be on the point of declaring a State of Emergency and is readying a two stage package.

Today:

- Bright opening for global Equity Markets
- Far East: Japan +4%, Hong Kong + 2% (China closed for Holiday)
- UK +3%
- Europe+2%
- Currency: A strong week for the Dollar.
- GBP \$1.227 this morning, flat with Friday. Down 2c on the week.
- USD/EUR – flat this morning at 1.08, down from 1.11 over the week.
- Yuan/\$ in lockstep at CNY/\$ 7.09 – unchanged over the week.

Corporate News & Other

- Rolls Royce guidance scrapped and dividend suspended.
- European Insurers pushing back against pressure to cut dividend. (Allianz, Munich Re, AXA)
- US Banks similarly likely to defend dividends when they submit capital plans to their regulator over the next month.

- UK Consumer Confidence survey by GFK (extra poll end March due to virus) saw record fall (to -34 from -9) since records began in 1974.

This Week Ahead:

- Economic data will be dire and largely meaningless: focus should be on countermeasures and Government responses.
- European council
- Fed minutes Wednesday
- OPEC Thursday
- Good Friday / Easter

Events Calendar

Date	Company	Event
06 April 2020	Smiths Group Plc	Q2 2020 Earnings Release
08 April 2020	Dunelm Group Plc	Q3 2020 Sales and Revenue Release - Trading Update
08 April 2020	Tesco Plc	Q4 2020 Earnings Release
08 April 2020	Costco Wholesale Corp.	March 2020 Sales and Revenue Release
14 April 2020	Wells Fargo & Co.	Q1 2020 Earnings Release
14 April 2020	Johnson & Johnson	Q1 2020 Earnings Release
14 April 2020	JPMorgan Chase & Co.	Q1 2020 Earnings Release
15 April 2020	Hunting Plc	Q1 2020 Sales and Revenue Release - Trading Update
15 April 2020	The Charles Schwab Corp.	Q1 2020 Earnings Release
15 April 2020	UnitedHealth Group, Inc.	Q1 2020 Earnings Release
15 April 2020	ASML Holding NV	Q1 2020 Earnings Release
15 April 2020	The PNC Financial Services Group, Inc.	Q1 2020 Earnings Release
15 April 2020	U.S. Bancorp	Q1 2020 Earnings Release
15 April 2020	The Goldman Sachs Group, Inc.	Q1 2020 Earnings Release
15 April 2020	Citigroup, Inc.	Q1 2020 Earnings Release
16 April 2020	Hays plc	Q3 2020 Sales and Revenue Release - Trading Update
16 April 2020	Keywords Studios Plc	Q4 2019 Earnings Release
16 April 2020	Zalando SE	Q1 2020 Sales and Revenue Release - Trading Statement
16 April 2020	LVMH Mo 1/4t Hennessy Louis Vuitton SE	Q1 2020 Sales and Revenue Release
16 April 2020	L'Or (R)al SA	Q1 2020 Sales and Revenue Release
16 April 2020	Intuitive Surgical, Inc.	Q1 2020 Earnings Release
16 April 2020	Rio Tinto Plc	Q1 2020 Sales and Revenue Release - Operational Review
17 April 2020	Schlumberger NV	Q1 2020 Earnings Release
20 April 2020	Vivendi SA	Q1 2020 Sales and Revenue Release
21 April 2020	Associated British Foods Plc	Q2 2020 Earnings Release
21 April 2020	London Stock Exchange Group Plc	Q1 2020 Sales and Revenue Release - Interim Management Statement
21 April 2020	Philip Morris International, Inc.	Q1 2020 Earnings Release
21 April 2020	Reckitt Benckiser Group Plc	Q1 2020 Earnings Release
21 April 2020	SAP SE	Q1 2020 Earnings Release
21 April 2020	SEGRO Plc	Q1 2020 Sales and Revenue Release - Trading Update
21 April 2020	Northern Trust Corp.	Q1 2020 Earnings Release
21 April 2020	Northern Trust Corp.	Q1 2020 Earnings Release
21 April 2020	Danone SA	Q1 2020 Sales and Revenue Release
21 April 2020	BHP Group Plc	Q3 2020 Sales and Revenue Release
21 April 2020	Procter & Gamble Co.	Q3 2020 Earnings Release
22 April 2020	CRH Plc	Q1 2020 Sales and Revenue Release - Trading Update
22 April 2020	Investor AB	Q1 2020 Sales and Revenue Release - Interim Management Statement
22 April 2020	Roche Holding AG	Q1 2020 Sales and Revenue Release
23 April 2020	Anglo American Plc	Q1 2020 Sales and Revenue Release - Production Report
23 April 2020	Atlas Copco AB	Q1 2020 Earnings Release
23 April 2020	Valeo SA	Q1 2020 Sales and Revenue Release
23 April 2020	Meggitt Plc	Q1 2020 Sales and Revenue Release - Trading Update
23 April 2020	RELX Plc	Q1 2020 Sales and Revenue Release - Trading Update
23 April 2020	Pernod Ricard SA	Q3 2020 Sales and Revenue Release
23 April 2020	Tullow Oil Plc	Q1 2020 Sales and Revenue Release - Trading Update
23 April 2020	Taylor Wimpey Plc	Q1 2020 Sales and Revenue Release - Trading Update
23 April 2020	Unilever Plc	Q1 2020 Sales and Revenue Release - Trading Statement
23 April 2020	Unilever Plc	Q1 2020 Sales and Revenue Release - Trading Statement
23 April 2020	Air Products & Chemicals, Inc.	Q2 2020 Earnings Release
23 April 2020	Credit Suisse Group AG	Q1 2020 Earnings Release
24 April 2020	Nestl (R) SA	Q1 2020 Sales and Revenue Release
24 April 2020	Rotork Plc	Q1 2020 Sales and Revenue Release - Trading Update

	Monday 6th April	Tuesday 7th April	Wednesday 8th April	Thursday 9th April	Friday 10th April
UK	CIPS Construction PMI SA			Industrial Production SA Y/Y Industrial Production SA M/M Manufacturing Production SA M/M Construction Output Y/Y Trade Balance Visible SA	
US		Consumer Credit SA JOLTS Job Openings	FOMC Minutes	PPI NSA Y/Y Michigan Sentiment NSA (Preliminary) Initial Claims SA	Treasury Budget NSA Hourly Earnings Y/Y (Final) Hourly Earnings SA M/M (Final) CPI NSA Y/Y
RoW	EU - Sentix Economic Index GR - Manufacturing Turnover M/M GR - Manufacturing Orders SA M/M				

Central Bank Meetings

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

Disclaimer

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