

## Morning Meeting

3 June 2020

	Index	+/-	% change
FTSE 100	6220.1	53.7	0.9
FTSE All-Share	3442.5	30.0	0.9
DJ Industrial Average	25742.7	267.6	1.1
S&P 500	3080.8	25.1	0.8
NASDAQ Composite Index	9608.4	56.3	0.6
Nikkei Japan 1000 Index	1895.0	22.3	1.2
Hang Seng Index	23995.9	263.4	1.1
EURO STOXX 50 (EUR)	3159.0	81.1	2.6
Switzerland SMI (PR)	9951.5	120.0	1.2
France CAC 40	4859.0	96.2	2.0
Germany DAX (TR)	12021.3	434.4	3.7

Matrix Winners	Price	+/-	% change
Hammerson plc	110.9	28.4	34.4
Meggitt PLC	312.7	26.6	9.3
Ibstock Plc	200.6	15.5	8.4
British Land Company PLC	441.0	34.0	8.4
Melrose Industries PLC	128.9	9.4	7.9

Matrix Losers	Price	+/-	% change
Ted Baker PLC	116.2	-13.8	-10.6
Marston's PLC	60.8	-3.6	-5.6
Hargreaves Lansdown plc	1748.5	-83	-4.5
ABCAM PLC	1486.0	-44	-2.9

### Stocks Hitting Relative High

Antofagasta plc  
 CRH Plc  
 Kingfisher Plc

Currencies		+/-	12 month range	
£:\$	1.256	0.01	1.15	1.33
Y:\$	108.585	1.03	102.55	112.09
E:£	1.123	0.00	1.07	1.20
E:\$	1.118	0.00	1.07	1.14
10 Yr Bond	Yld %	+/-	-3 months	-12 months
UK	0.22	-0.01	0.37	0.98
US	0.67	0.02	1.08	2.14
Germany	-0.42	-0.03	-0.65	-0.20
	Price (p)	+/-	12 month range	
Investec plc	159	9.74998	128.8	518.6

Sector Winners	% change	Mkt Wt
FTSE All-Share / Oil & Gas Producers - SEC	4.0	8.7
FTSE All-Share / Real Estate Investment Trusts - SEC	3.50	2.5
FTSE All-Share / Oil Equipment, Services & Distribution - SEC	2.80	2.5
FTSE All-Share / General Industrials - SEC	2.7	1.2
FTSE All-Share / Electricity - SEC	2.4	0.7

Sector Losers	% change	Mkt Wt
FTSE All-Share / Food & Drug Retailers - SEC	-1.4	2.1
FTSE All-Share / Food Producers - SEC	-1.1	0.7
FTSE All-Share / Electronic & Electrical Equipment - SEC	-1.0	0.8
FTSE All-Share / Beverages - SEC	-0.9	3.7
FTSE All-Share / Tobacco - SEC	-0.7	4.5

### Stocks Hitting Relative Low

Hurricane Energy Plc  
 NMC Health PLC  
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## Companies discussed in Morning Meeting

### UK Equities

<b>Cranswick</b>	Company Update
<b>Ibstock</b>	Company Results

- Optimism abounds once again in equity markets, despite another night of unrest across many US cities which saw the National Guard put on standby in 28 states and continued calls from President Trump for the army to be brought in to help contain what have been some of the biggest disturbances since the civil-rights era. Minneapolis has put an estimate on the bill for the damage so far at \$1bn and the rest of the world will be watching closely to see if these mass gatherings of tens of thousands of people are the catalyst for a second round of COVID-19 infections.
- Overnight in Asia, buoyed by positive economic news from China and further stimulus in South Korea, most markets are higher and have carried the positive momentum into our European open. Modest weakness in the Yen, taking it to a one-month low against the dollar, is also helping in Japan. The Caixin Services PMI reading for May came in well ahead of expectations at 55.0, back in expansionary territory when the market had pencilled in a further contraction and a reading of 47.3. Encouragingly, the new orders component at 52.9 registered its first expansion since January.
- A 0.8% gain for the S&P was led by Energy, a relatively small element of the US market but up 3.5% for reasons we will come onto. All 11 GICS sectors were in the black, though Communication Services (home of Alphabet, Facebook and Twitter) was for once the laggard. It was a strong day for Equifax, closest global peer to our very own Experian, which gained 8% after an upbeat trading update.
- A notably strong performance from many European markets yesterday, the DAX up 3.75% and the CAC up 2.02%, but in the case of the former this reflects an element of catch up given many European markets were closed for the Whit Monday holiday. The two day cumulative return is 2.3% for the FTSE All-Share for comparison. As well as the broader global optimism, there are hopes in Europe the ECB will tomorrow unveil fresh stimulus, particularly around the Pandemic Emergency Protection Programme (PEPP), which some commentators see doubling from its existing €750bn capacity.
- Broad UK equity indices were up just shy of 1% yesterday, again driven by the Oil & gas sector, with BP rallying 6% and Shell B up 4%. There was broad strength for cyclicals, with General Retailers having a good day whilst Food retail gave up some of its recent strength and the Banks and diversified financials all registering good gains.
- As well as a optimism growing around an imminent comment from OPEC+, which is expected to see the Russians accept the Saudi Calls for production cuts, yesterday the API reported a small drawdown of c.0.5m barrels from inventory in the US at the end of last month, combined to market expectations of a build of 3.0m. Combined, this helped Brent push back through \$40/barrel for the first time since early March.
- On the economic front today it is all about the final readings of European PMIs, but we would not be expecting any last minute positive surprises as this data for May coincides pretty much with the peak of the lockdown impact. The US Factory Order data for April is expected to see a 15% contraction, whilst the ISM non-manufacturing is seen at 44.0

## Events Calendar

Date	Company	Event
03 June 2020	Chemring Group Plc	Q2 2020 Earnings Release
03 June 2020	Costco Wholesale Corp.	May 2020 Sales and Revenue Release
04 June 2020	Intermediate Capital Group Plc	Q4 2020 Earnings Release
04 June 2020	Pennon Group Plc	Q4 2020 Earnings Release
10 June 2020	Industria de Dise ño Textil SA	Q1 2020 Earnings Release
10 June 2020	LondonMetric Property Plc	Q4 2020 Earnings Release
10 June 2020	Shaftesbury Plc	Q2 2020 Earnings Release
11 June 2020	Adobe Incorporated	Q2 2020 Earnings Release
11 June 2020	Babcock International Group Plc	Q4 2020 Earnings Release
11 June 2020	Johnson Matthey Plc	Q4 2020 Earnings Release
16 June 2020	Ashtead Group Plc	Q4 2020 Earnings Release
17 June 2020	Hill & Smith Holdings Plc	Q1 2020 Sales and Revenue Release - Trading Update
17 June 2020	SSE Plc	Q4 2020 Earnings Release
18 June 2020	National Grid Plc	Q4 2020 Earnings Release
19 June 2020	John Wood Group Plc	Q2 2020 Sales and Revenue Release - Trading Update

	Monday 1 <sup>st</sup> June	Tuesday 2 <sup>nd</sup> June	Wednesday 3 <sup>rd</sup> June	Thursday 4 <sup>th</sup> June	Friday 5 <sup>th</sup> June
UK	CIPS Manufacturing PMI SA (Final)	BoE Mortgage Approvals SA (Number) BoE Net Mortgage Lending SA (GBP) M4 Money Supply SA M/M	CIPS Services PMI SA (Final)	CIPS Construction PMI SA	
US	Markit PMI Manufacturing SA (Final) Construction Spending SA M/M ISM Manufacturing SA	Consumer Confidence	ADP Employment Survey SA Markit PMI Services SA (Final) Durable Orders SA M/M (Final) Factory Orders SA M/M ISM Non Manufacturing SA	Initial Claims SA Unit Labor Costs SAAR Q/Q (Final) Productivity SAAR Q/Q (Final)	Hourly Earnings SA M/M (Preliminary) Hourly Earnings Y/Y (Preliminary) Average Workweek SA (Preliminary) Manufacturing Payrolls SA Nonfarm Payrolls SA Private Nonfarm Payrolls Unemployment Rate Consumer Credit SA
RoW		EU - Markit PMI Manufacturing SA (Final)	EU - Unemployment Rate EU - Markit PMI Composite SA (Final) EU - Markit PMI Services SA (Final)	EU - ECB's Governing Council decision on Monetary Policy EU - Retail Sales CA Y/Y & M/M	

## Central Bank Meetings

<b>European Central Bank</b>	4 <sup>th</sup> June 2020
<b>Federal Reserve</b>	10 <sup>th</sup> June 2020
<b>Bank of England</b>	18 <sup>th</sup> June 2020

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