

Morning Meeting

7 July 2020

	Index	+/-	% change
FTSE 100	6285.9	128.6	2.1
FTSE All-Share	3479.2	66.9	2.0
DJ Industrial Average	26287.0	459.7	1.8
S&P 500	3179.7	49.7	1.6
NASDAQ Composite Index	10433.6	226.0	2.2
Nikkei Japan 1000 Index	1886.7	29.6	1.6
Hang Seng Index	26339.2	966.0	3.8
EURO STOXX 50 (EUR)	3350.0	55.7	1.7
Switzerland SMI (PR)	10253.4	127.5	1.3
France CAC 40	5081.5	74.4	1.5
Germany DAX (TR)	12733.5	205.3	1.6

Currencies		+/-	12 month range	
£:\$	1.251	0.00	1.15	1.33
Y:\$	107.475	-0.06	102.55	112.09
E:£	1.105	0.00	1.07	1.20
E:\$	1.132	0.01	1.07	1.14
10 Yr Bond	Yld %	+/-	-3 months	-12 months
UK	0.20	0.01	0.33	0.85
US	0.68	0.01	0.67	2.04
Germany	-0.43	0.00	-0.43	-0.38
	Price (p)	+/-	12 month range	
Investec plc	168.35	9.6	128.8	517.6

Matrix Winners	Price	+/-	% change
Hurricane Energy Plc	6.4	0.7	11.6
Hammerson plc	90.4	7.1	8.6
Barratt Developments PLC	529.4	39.1	8.0
Ibstock Plc	186.6	13.1	7.6
Tullow Oil plc	33.1	2.1	6.9

Sector Winners	% change	Mkt Wt
FTSE All-Share / Industrial Metals & Mining - SEC	4.2	0.1
FTSE All-Share / Life Insurance - SEC	3.62	0.1
FTSE All-Share / Electronic & Electrical Equipment - SEC	2.91	0.8
FTSE All-Share / Chemicals - SEC	2.9	0.7
FTSE All-Share / Aerospace & Defense - SEC	2.9	1.5

Matrix Losers	Price	+/-	% change
Essentra plc	305.6	-8.6	-2.7
Greggs plc	1632.0	-43	-2.6
John Laing Group Plc	302.2	-7.2	-2.3
Carnival plc	982.6	-19.4	-1.9
Schroders plc Non Voting	2070.0	-40	-1.9

Sector Losers	% change	Mkt Wt
FTSE All-Share / Technology Hardware & Equipment - SEC	-0.8	0.1
FTSE All-Share / Food Producers - SEC	-0.6	0.7
FTSE All-Share / Food & Drug Retailers - SEC	-0.5	2.0
FTSE All-Share / Gas, Water & Multiutilities - SEC	-0.3	2.6
FTSE All-Share / Electricity - SEC	0.5	0.8

Stocks Hitting Relative High
Bunzl plc
Antofagasta plc
Fresnillo PLC
Keywords Studios plc

Stocks Hitting Relative Low
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-
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Companies discussed in Morning Meeting

UK Equities

Micro Focus International Interim Results

Whitbread Q1 Update

International Equities

None

Review of Important News

- The state of Victoria in Australia, which includes the city of Melbourne, has been shut down for a period of 6 weeks, as new Covid-19 infections jumped by 191. Meanwhile, Beijing has noted no new infections for the first time in nearly one month. In the United States, new infections continue to climb, with new infections now approaching 3 million. Chris Holdsworth's weekly economic and strategy round-up highlighted the rolling 7-day new infection rate increasing 29% week-on-week. It is particularly concerning that more states are seeing transmission rates (R_t) above 1.0. As of yesterday, rtlive estimated that 41 of 50 states had an R_t value greater of 1.0, compared to roughly 30 over the past two weeks. Globally, cases now top 11.5 million, with deaths above 537,000.
- New stimulus measures are being released by various governments. In the UK, the Chancellor of the Exchequer is expected to announce a further £3 billion of support measures. The package will include £2 billion on a new green homes grant, with another £1 billion for insulating public buildings. These measures come on top of £1.5 billion of support measures announced for theatres, music venues and museums.
- In the United States, the Senate majority leader, Mitch McConnell, announced that he expected Congress to pass another round of fiscal stimulus by the end of this month. This comes on the back of a statement by a Federal Reserve official that the economic recovery in the United States may be levelling off. Raphael Bostic, who is president of the Federal Reserve Bank of Atlanta, stated that data had shown a "levelling off of economic activity".

Encouraging Economic Data

- Yesterday saw the release of some encouraging economic data. In the United States, the ISM non-manufacturing survey came in at 57.1, indicating economic expansion. Recall that this comes on the back of last week's manufacturing ISM survey, which came in with a reading of 52.6 (a number above 50 represents economic expansion). This encouraging data was not just limited to the United States. In Germany, Factory Orders for May increased 10.4% month-on-month, while Spanish industrial production increased 14.7% month-on-month. In the UK, the Markit/CIPS UK Construction PMI Survey produced a reading of 55.3, well ahead of expectations of 46, and of the prior reading of 28.9. In Hong Kong, the Markit PMI survey for June came in at 49.6, up significantly from the previous reading of 43.9, showing an improvement in economic conditions in the territory, in spite of the current disagreement between the UK and Chinese authorities over the HK security law.

Strong Equity Markets Yesterday

- These relatively positive economic releases fed through into strong equity market performance yesterday. In the United States, markets were up above 1.5%. The S&P 500 index rose by 1.6%, while the NASDAQ increased by 2.2%. Remarkably, this brings the year-to-date performance of the NASDAQ index to plus 23.42% year-to-date in sterling terms. Both indices were driven higher by Amazon, whose share price rose by greater than 5%. European markets were similarly strong. The Eurostoxx 50 index rose by 1.7%, also driven higher by Information Technology. The FTSE 100 enjoyed a similarly strong day, increasing by over 2%. Things are a bit more muted in early morning trading in Asia: in Tokyo, the Nikkei closed down 0.7%, while Hong Kong's Hang Seng index was down 0.55% at the time of writing. China's CSI 300 index was up 1.95%.
- Bond markets were a bit calmer. The yield on the US 10-year treasury bond fell 0.8bps to 0.668%, while in the UK, the yield on the 10-year Gilt increased 1.4bps to 0.198%. German 10-year bunds were unchanged at minus 0.44%, as were Japanese Government Bonds, which now yield 3bps.
- A quick update from the land of commodities: for crude oil, WTI and Brent both fell 1.3% yesterday to \$40.11 and \$42.54 per barrel respectively, while Gold traded slightly softer at \$1,783.55 per ounce.
- In economic news to be release today, we have US JOLTS job openings due this afternoon. Note that the Reserve Bank of Australia left rates unchanged at 0.25%.

Events Calendar

Date	Company	Event
07 July 2020	Micro Focus International Plc	Q2 2020 Earnings Release
08 July 2020	Costco Wholesale Corp.	June 2020 Sales and Revenue Release
09 July 2020	Persimmon Plc	Q2 2020 Sales and Revenue Release - Trading Update
13 July 2020	PepsiCo, Inc.	Q2 2020 Earnings Release
14 July 2020	Ocado Group Plc	Q2 2020 Earnings Release
14 July 2020	Halma Plc	Q4 2020 Earnings Release
14 July 2020	JPMorgan Chase & Co.	Q2 2020 Earnings Release
14 July 2020	Citigroup, Inc.	Q2 2020 Earnings Release
14 July 2020	Wells Fargo & Co.	Q2 2020 Earnings Release
15 July 2020	Burberry Group Plc	Q1 2021 Sales and Revenue Release - Trading Update
15 July 2020	Dunelm Group Plc	Q4 2020 Earnings Release
15 July 2020	Premier Oil Plc	Q3 2020 Sales and Revenue Release - Trading Update
15 July 2020	Severn Trent Plc	Q1 2021 Sales and Revenue Release - Trading Update
15 July 2020	UnitedHealth Group, Inc.	Q2 2020 Earnings Release
15 July 2020	ASML Holding NV	Q2 2020 Earnings Release
15 July 2020	The PNC Financial Services Group, Inc.	Q2 2020 Earnings Release
15 July 2020	U.S. Bancorp	Q2 2020 Earnings Release
15 July 2020	The Goldman Sachs Group, Inc.	Q2 2020 Earnings Release
16 July 2020	Anglo American Plc	Q2 2020 Sales and Revenue Release - Production Report
16 July 2020	Experian Plc	Q1 2021 Sales and Revenue Release - Trading Update
16 July 2020	easyJet Plc	Q3 2020 Sales and Revenue Release - Trading Update
16 July 2020	The Charles Schwab Corp.	Q2 2020 Earnings Release
16 July 2020	SSE Plc	Q1 2021 Sales and Revenue Release - Trading Statement
16 July 2020	Zalando SE	Q2 2020 Sales and Revenue Release - Trading Statement
16 July 2020	Compagnie Financi ?re Riche mont SA	Q1 2021 Sales and Revenue Release - Trading Update
16 July 2020	Hays plc	Q4 2020 Sales and Revenue Release - Trading Update
16 July 2020	Atlas Copco AB	Q2 2020 Earnings Release
16 July 2020	Johnson & Johnson	Q2 2020 Earnings Release
16 July 2020	Rio Tinto Plc	Q2 2020 Sales and Revenue Release - Operational Review
17 July 2020	Assa Abloy AB	Q2 2020 Earnings Release
17 July 2020	Investor AB	Q2 2020 Earnings Release
21 July 2020	BHP Group Plc	June 2020 Sales and Revenue Release - Operational Results
21 July 2020	Intermediate Capital Group Plc	Q1 2021 Sales and Revenue Release - Trading Statement
21 July 2020	Novartis AG	Q2 2020 Earnings Release
21 July 2020	Philip Morris International, Inc.	Q2 2020 Earnings Release
21 July 2020	UBS Group AG	Q2 2020 Earnings Release
21 July 2020	SGS SA	Q2 2020 Earnings Release
21 July 2020	The Coca-Cola Co.	Q2 2020 Earnings Release
21 July 2020	Intuitive Surgical, Inc.	Q2 2020 Earnings Release
22 July 2020	Close Brothers Group Plc	Q4 2020 Sales and Revenue Release - Pre Close Trading Update
22 July 2020	Melrose Industries Plc	Q1 2020 Sales and Revenue Release - Trading Update
22 July 2020	Northern Trust Corp.	Q2 2020 Earnings Release
23 July 2020	Croda International Plc	Q2 2020 Earnings Release
23 July 2020	Daily Mail & General Trust Plc	Q3 2020 Sales and Revenue Release - Trading Update
23 July 2020	Howden Joinery Group Plc	Q2 2020 Earnings Release
23 July 2020	RELX Plc	Q2 2020 Earnings Release
23 July 2020	The Sage Group Plc	Q3 2020 Sales and Revenue Release - Trading Update
23 July 2020	Unilever Plc	Q2 2020 Earnings Release
23 July 2020	Air Products & Chemicals, Inc.	Q3 2020 Earnings Release
23 July 2020	Roche Holding AG	Q2 2020 Earnings Release
24 July 2020	Centrica Plc	Q2 2020 Earnings Release
24 July 2020	Hexagon AB	Q2 2020 Earnings Release
24 July 2020	IMI Plc	Q2 2020 Earnings Release
24 July 2020	Vodafone Group Plc	Q1 2021 Earnings Release
24 July 2020	Schlumberger NV	Q2 2020 Earnings Release

	Monday 6 th July	Tuesday 7 th July	Wednesday 8 th July	Thursday 9 th July	Friday 10 th July
UK	CIPS Construction PMI SA	Halifax House Price SA 3-M/Y			
US	BEA Domestic Auto Sales SAAR PMI Composite SA (Final) Markit PMI Services SA (Final) ISM Non Manufacturing SA	JOLTS Job Openings FED Vice Chairman Randal Quarles gives speech about Financial Stability Board Remark at the Exchequer Club Luncheon via webcast	New York Federal Reserve Executive Vice President Singh speaks in Webinar Consumer Credit SA	Continuing Jobless Claims SA Initial Claims SA Wholesale Inventories SA M/M (Final)	PPI ex-Food & Energy SA M/M PPI ex-Food & Energy NSA Y/Y PPI ex-Food, Energy & Trade SA M/M PPI ex-Food, Energy & Trade NSA Y/Y

					PPI SA M/M PPI NSA Y/Y
RoW	GE - Manufacturing Orders SA M/M GE - Manufacturing Orders WDA Y/Y GE - Manufacturing Turnover M/M GE - PMI Construction	GE - Industrial Production SA M/M FR - Trade Balance SA		GE - Export SA M/M GE - Trade Balance SA	FR - Industrial Production SA M/M FR - Industrial Production SA Y/Y

Central Bank Meetings

Bank of England	6 th August 2020
European Central Bank	16 th July 2020
Federal Reserve	29 th July 2020

Disclaimer

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