

Morning Meeting

20 July 2020

	Index	+/-	% change
FTSE 100	6290.3	39.6	0.6
FTSE All-Share	3472.7	18.7	0.5
DJ Industrial Average	26672.0	-62.8	-0.2
S&P 500	3224.7	9.2	0.3
NASDAQ Composite Index	10503.2	29.4	0.3
Nikkei Japan 1000 Index	1882.2	-6.6	-0.3
Hang Seng Index	25089.2	118.5	0.5
EURO STOXX 50 (EUR)	3365.6	0.3	0.0
Switzerland SMI (PR)	10410.5	-22.9	-0.2
France CAC 40	5069.4	-15.9	-0.3
Germany DAX (TR)	12919.6	44.6	0.3

Currencies		+/-	12 month range	
£:\$	1.254	-0.01	1.15	1.33
Y:\$	107.145	0.02	102.55	112.09
E:£	1.097	0.00	1.07	1.20
E:\$	1.142	0.00	1.07	1.14
10 Yr Bond	Yld %	+/-	-3 months	-12 months
UK	0.16	0.03	0.29	0.86
US	0.62	0.01	0.66	2.06
Germany	-0.46	0.02	-0.48	-0.30
	Price (p)	+/-	12 month range	
Investec plc	174.45	-1.95	128.8	511.4

Matrix Winners	Price	+/-	% change
Renishaw plc	4880.0	450.0	10.2
Fresnillo PLC	1091.5	47.5	4.5
Ted Baker PLC	76.0	3.3	4.5
Hammerson plc	78.8	3.3	4.4
Capita plc	39.2	1.6	4.4

Sector Winners	% change	Mkt Wt
FTSE All-Share / Electricity - SEC	2.6	0.8
FTSE All-Share / Health Care Equipment & Services - SEC	2.35	0.8
FTSE All-Share / Forestry & Paper - SEC	2.16	0.4
FTSE All-Share / Leisure Goods - SEC	1.8	0.1
FTSE All-Share / Mobile Telecommunications - SEC	1.8	1.8

Matrix Losers	Price	+/-	% change
Micro Focus International plc	294.0	-11.8	-3.9
Hays plc	120.2	-4.8	-3.8
Syncona Ltd GBP	254.0	-10	-3.8
easyJet plc	663.0	-22.2	-3.2
Carnival plc	1014.5	-30.5	-2.9

Sector Losers	% change	Mkt Wt
FTSE All-Share / Banks - SEC	-1.3	7.1
FTSE All-Share / Oil & Gas Producers - SEC	-1.2	8.2
FTSE All-Share / Nonlife Insurance - SEC	-0.8	1.1
FTSE All-Share / Industrial Transportation - SEC	-0.5	0.2
FTSE All-Share / Travel & Leisure - SEC	-0.5	3.8

Stocks Hitting Relative High
Antofagasta plc
BHP Group Plc
Flutter Entertainment Plc
Fresnillo PLC
Renishaw plc
Rio Tinto plc

Stocks Hitting Relative Low
Hurricane Energy Plc
Micro Focus International plc
Shaftesbury PLC
-
-
-

Companies discussed in Morning Meeting

UK Equities

Renishaw

Company Update

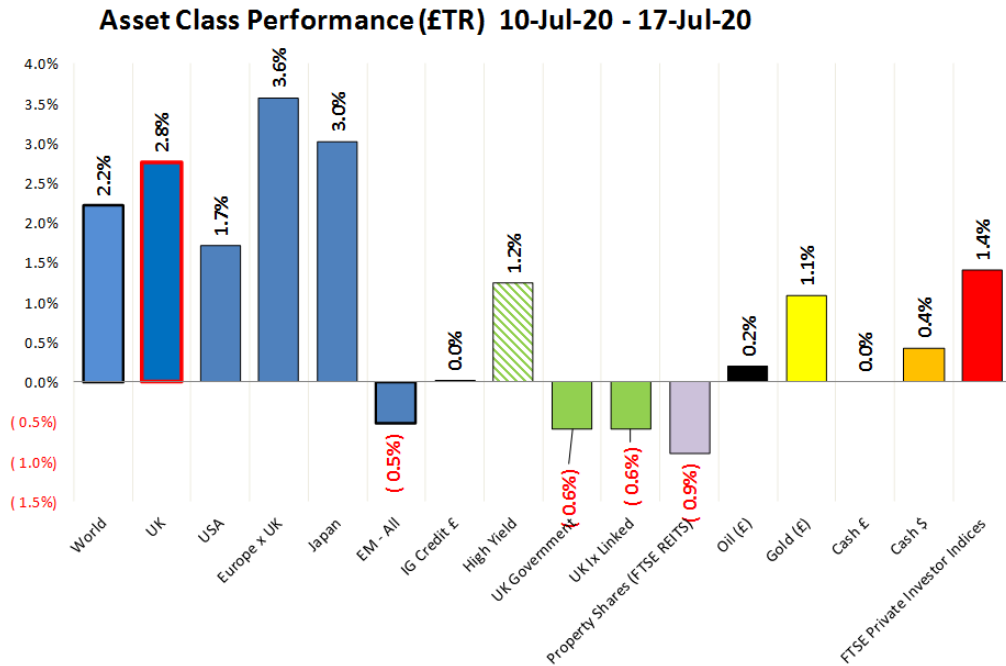
International Equities

None

Weekly Theme: Vaccine Hopes Inoculating Investor Sentiment.

Friday:

- US markets +0.3%.
- Shrugged off drop in University of Michigan Consumer Confidence survey.

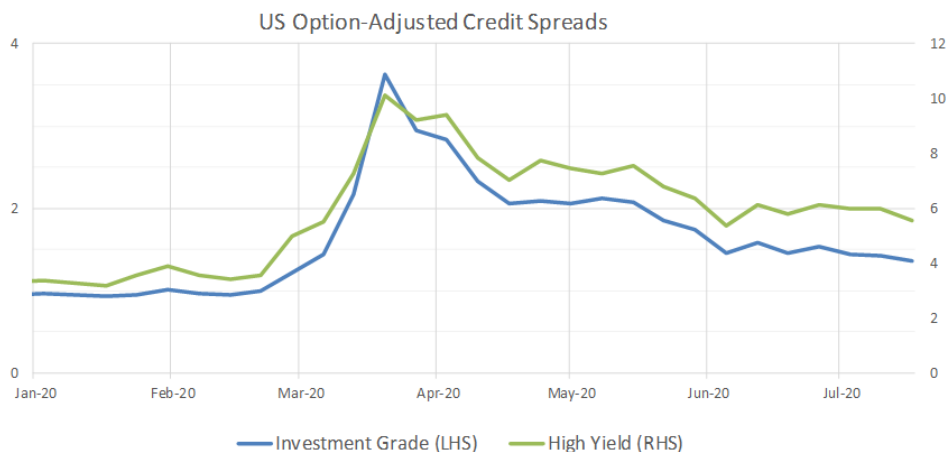


Weekly Market Features:

- Global Equities in £ +2.2%. UK Outperformed, US Underperformed. Europe Best Performer.

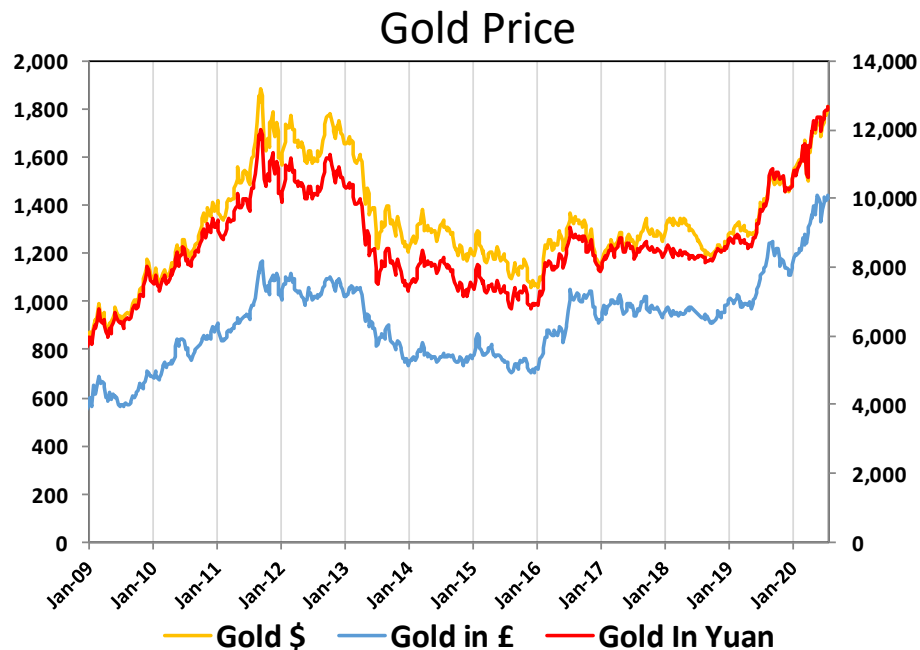
Fixed Income:

- Global Government bond markets: Although UK 10 year yield hit new lows on Thursday of 14 basis points, it closed above 16 basis points, one point above where it began. US 10 year yields were 2 basis points lower at 0.63%. Bunds were two basis points higher at -0.45%.
- US\$ Credit Markets saw spreads narrow marginally in Investment Grade (by 7 basis points to 1.36%), but more substantially in High Yield, which saw a 0.4% narrowing to just under 5.6%.



Commodities & Foreign Exchange

- Gold Price – New High
- Oil price – little changed



Developments

- EU court overruled legality of EU instructing Ireland to claim €13bn back taxes from Apple for under-taxing them.
- EU Corona Virus Recovery fund talks began on Friday.
- US COVID cases surge continued.
- U.K. GDP for May reported at 1.8% v +5% expected, following on from the -20.3% registered in April.
- Corporate earnings season began – investment banks earnings were delivered better than forecasts.

Weekend press

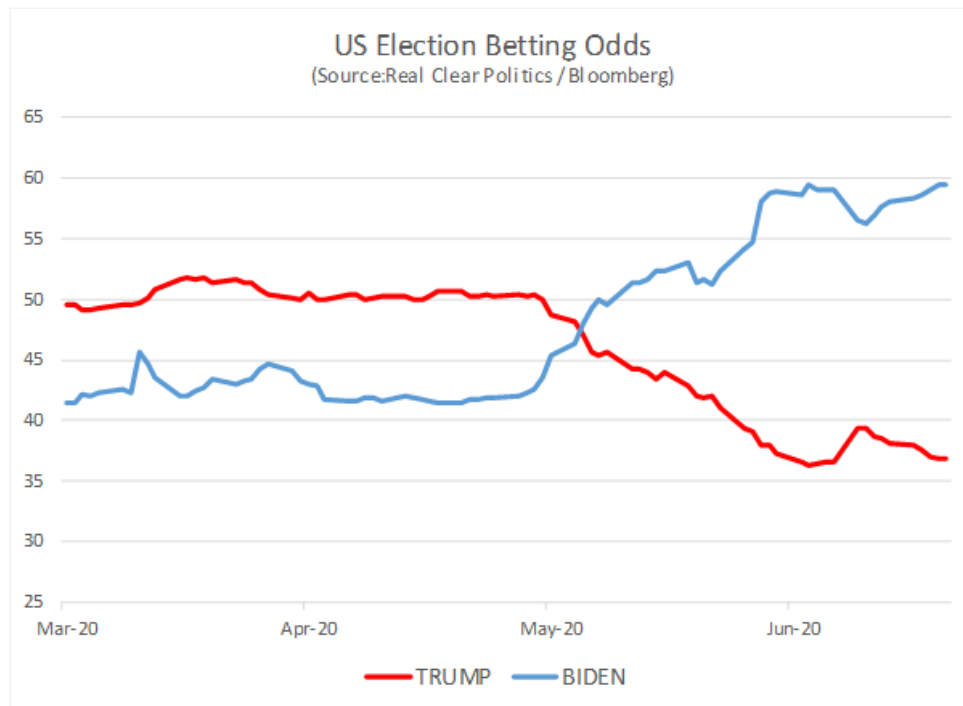
- U.K.: report to be published on Russia interference in elections. UK will also highlight hacking of Vaccine research. Russia indicate they are likely to begin testing vaccine imminently, with expectations of large scale production by Christmas. This would be the fourth vaccine to enter stage three trials (joining Oxford, Moderna and China initiatives).
- FT Gavin Davies article highlights risk of Double dip, through Covid re-lockdown. He notes that “R” is above 1 in all but 5 US states.
- EU recovery fund agreement talks drag through into Monday. The issue is the “frugal 4” (Austria, Denmark, Sweden, Netherlands) who are looking to adjust the balance if the €750 bn package more in favour of loans, less in favour of grants. The original proposal pencilled-in €500bn of grants and €250bn of loans. This morning, agreement is being sought on the basis of €390bn of grants and v €360bn of loans. There is also resistance (from Hungary & Poland) to any terms for the grants / loans which would tie them to compliance with European norms for political freedom.
- China - U.K. suspends extradition treaty (Sunday) with HK. China retaliations beginning? Chinese students? TikTok global HQ?

Covid update

- 14m cases recorded
- 600,000 deaths
- Sat: 260,000 new cases – record daily number.
- CDC says covid under control in 4-8 weeks if everyone wore a mask

US politics update

- Donald Trump odds of becoming president faded by 1% last week (Biden increased by 1%)
- Texas polling - reported neck & neck: The last time Texas voted Democrat was to elect Jimmy Carter.



- Today Markets – Asia mixed – HK off 0.4%, CSI300 +2.8%, Japan Flat. Europe opening down 1%.

Week ahead

Key Topics:

- Corporate Earnings
- 88 releases from S&P 500 companies and another 76 from the STOXX 600. In terms of the highlights to look out for, today we have IBM. Tomorrow Novartis, The Coca-Cola Company, Texas Instruments, Philip Morris, Lockheed Martin and UBS. Wednesday Microsoft, Thermo Fisher Scientific and Tesla. Thursday sees Roche, Intel, AT&T, Unilever, Union Pacific, Daimler, Twitter and Hyundai release earnings. Finally on Friday, we'll hear from Verizon, NextEra Energy, T-Mobile and American Express.
- Based on consensus forecasts, S&P 500 earnings for the second quarter of 2020 are expected to fall -45.8% year-over-year on -11.3% lower revenues, following an earnings decline of -15.6% in the first quarter. This is the largest drop in twelve years, when the S&P 500 posted a -68% year-over-year earnings decline in the fourth quarter of 2008.
- Ex-energy, the S&P 500's Q2 earnings growth rate forecast would be -40.5% year-over-year, while ex-financials the index estimate stands at -43.2%.
- Disagreement amongst analysts covering the same stock, or earnings estimate dispersions, are high in part due to lack of guidance from company managements given the unknown impacts of the covid-19 - the number of companies issuing guidance for 2Q2020 is 54% below the five-year average.

- Year over year Earnings Growth Rates are expected to Trough in the Second Quarter: Q3 & Q4 currently see year-over-year earnings decline estimates of -26% and -13%. Q1:2021 is expected to see a return to positive growth.
- US fiscal cliff. In politics, the primary focus will be on the “fiscal cliff” that could hit the \$600/wk Federal Pandemic Unemployment Compensation benefit which expires on 25 July without being replaced. This would catalyse a 60% drop in income for those on these benefits. Replacing the benefits is part of overall extended stimulus package initiatives being proposed by the rival political parties. The House Democrats are seeking a \$3.4tn spending package, Republicans are looking to limit the new spending to \$1tnn.
- FOMC next week – July 28/29

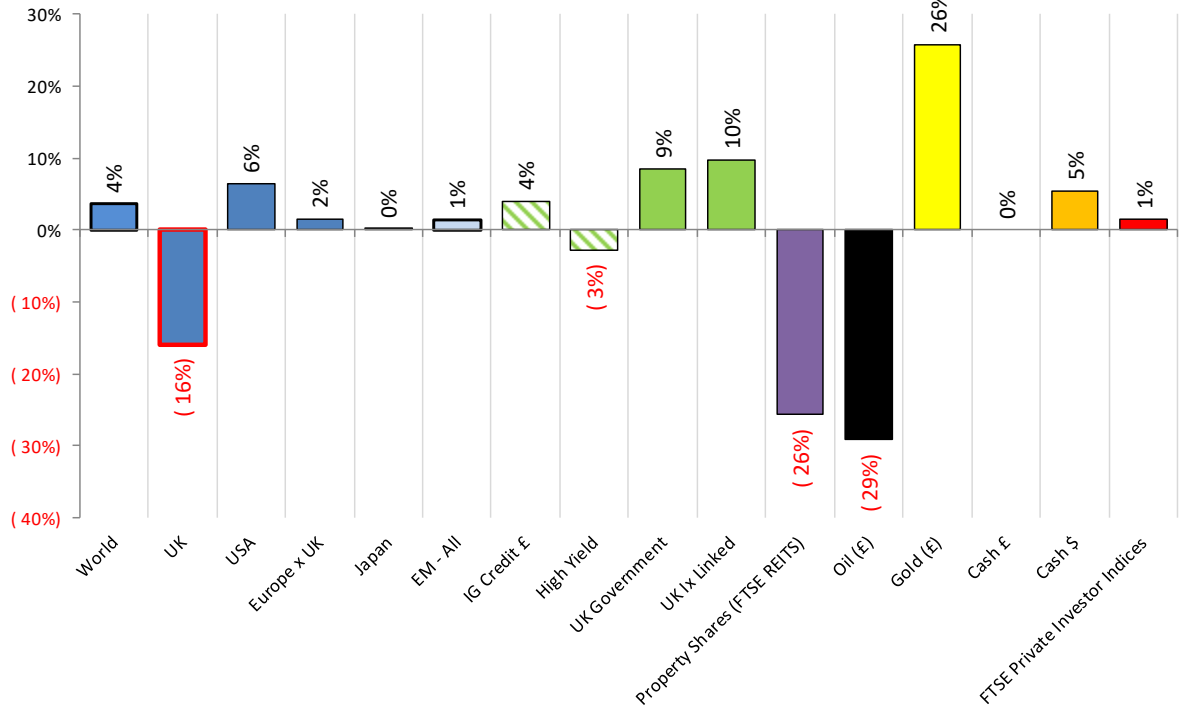
Corporate News today

- Synairgen, a UK respiratory drug company, announced that its candidate SNG001 reduced risk of getting severe Covid-19 disease by 79%. The drug works by boosting a naturally-occurring chemical that helps coordinate antiviral disease. It is commonly used and safe. This will add another important tool to the toolbox.
- Charles Schwab – indicate online trading has surged since the pandemic – which may be reflected in Hargreaves Lansdown.
- Intesa (Italian Bank) & UBI merger terms sweetened – European Bank consolidation could be a positive force for Financials.
- UK Press coverage focussed on who is cutting jobs – Airlines and retailers.

Economic Data

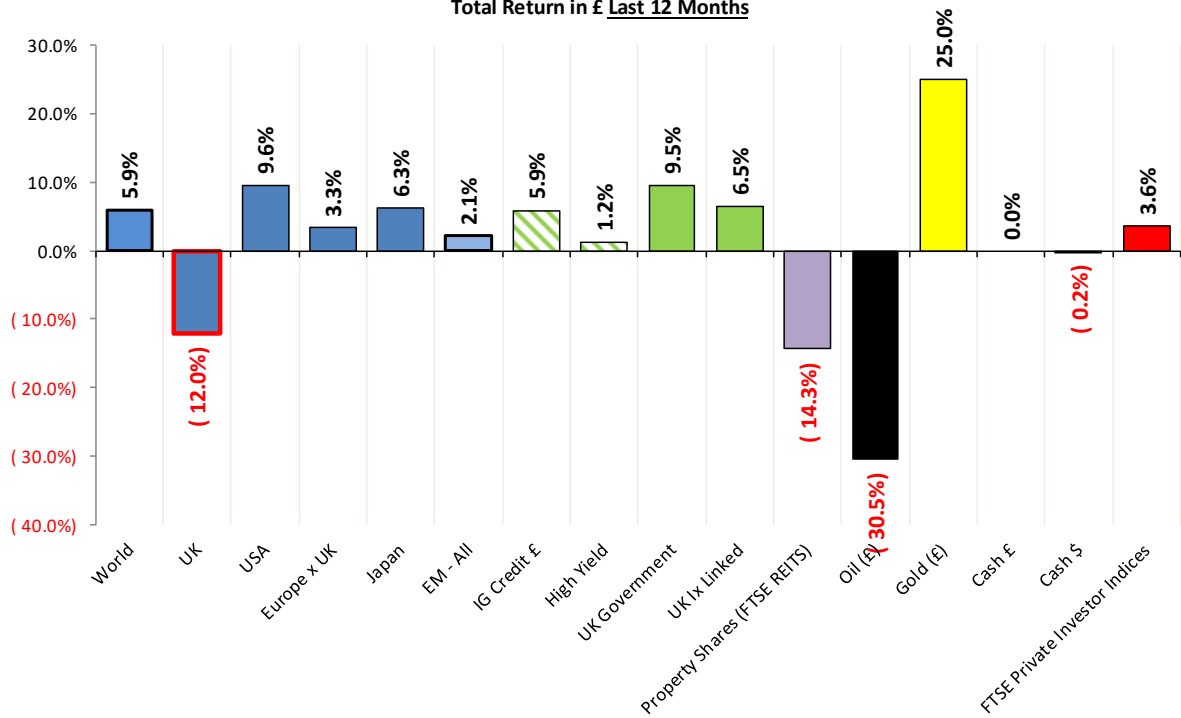
- Mon 20 July
- None significant
- Tue 21 July
- Japan Machine Tool Orders - June (indicator of China / Global Industrial demand)
- UK Public Sector Borrowing – June
- Wed 22 July
- Japan Preliminary PMIs - July
- US housing price data
- Thu 23 July
- US Weekly jobless claims est 1.5m v 1.3m previously.
- Germany GFK Consumer Confidence – August
- Europe Consumer Confidence - July
- Fri 24 July
- Preliminary PMIs (Services & Industrial): US, UK, Euro Area
- Misc
- U.K. Uber appeal to Supreme Court over status of drivers. 60,000 drivers in U.K. 4.7m in Gig economy.

Asset Class Performance (£ - Total Return) Year To 17-Jul-20



Asset Class Returns

Total Return in £ Last 12 Months



Events Calendar

Date	Company	Event
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	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	Philip Morris International, Inc.	Q2 2020 Earnings Release
21 July 2020	Intuitive Surgical, Inc.	Q2 2020 Earnings Release
22 July 2020	Antofagasta Plc	Q2 2020 Sales and Revenue Release - Production Report
22 July 2020	Britvic Plc	Q3 2020 Sales and Revenue 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
22 July 2020	Thermo Fisher Scientific, Inc.	Q2 2020 Earnings Release
22 July 2020	Microsoft Corp.	Q4 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	Tate & Lyle Plc	Q1 2021 Sales and Revenue Release - Trading Statement
23 July 2020	Air Products & Chemicals, Inc.	Q3 2020 Earnings Release
23 July 2020	Roche Holding AG	Q2 2020 Earnings Release
23 July 2020	Danaher Corp.	Q2 2020 Earnings Release
24 July 2020	Centrica Plc	Q2 2020 Earnings Release
24 July 2020	IMI Plc	Q2 2020 Earnings Release
24 July 2020	Pearson Plc	Interim 2020 Earnings Release
24 July 2020	Vodafone Group Plc	Q1 2021 Earnings Release
24 July 2020	Hexagon AB	Q2 2020 Earnings Release
24 July 2020	Schlumberger NV	Q2 2020 Earnings Release
27 July 2020	SAP SE	Q2 2020 Earnings Release
27 July 2020	LVMH Mo 1/4t Hennessy Louis Vuitton SE	Q2 2020 Earnings Release
28 July 2020	Greggs Plc	Q2 2020 Earnings Release
28 July 2020	3M Co.	Q2 2020 Earnings Release
28 July 2020	Reckitt Benckiser Group Plc	Q2 2020 Earnings Release
28 July 2020	St. James's Place Plc	Q2 2020 Earnings Release
28 July 2020	Roper Technologies, Inc.	Q2 2020 Earnings Release
28 July 2020	Visa, Inc.	Q3 2020 Earnings Release
28 July 2020	Mondelez International, Inc.	Q2 2020 Earnings Release
28 July 2020	Beyond Meat, Inc.	Q2 2020 Earnings Release
29 July 2020	Next Plc	Q2 2020 Sales and Revenue Release - Trading Statement
29 July 2020	Sanofi	Q2 2020 Earnings Release
29 July 2020	Tullow Oil Plc	Q2 2020 Sales and Revenue Release
29 July 2020	The Weir Group Plc	Q2 2020 Earnings Release
29 July 2020	Barclays Plc	Q2 2020 Earnings Release
29 July 2020	Smith & Nephew Plc	Q2 2020 Earnings Release
29 July 2020	Taylor Wimpey Plc	Q2 2020 Earnings Release
29 July 2020	Rio Tinto Plc	Q2 2020 Earnings Release
29 July 2020	GlaxoSmithKline Plc	Q2 2020 Earnings Release
29 July 2020	The Boeing Co.	Q2 2020 Earnings Release
29 July 2020	Facebook, Inc.	Q2 2020 Earnings Release
29 July 2020	PayPal Holdings, Inc.	Q2 2020 Earnings Release
30 July 2020	Anglo American Plc	Q2 2020 Earnings Release
30 July 2020	AstraZeneca Plc	Q2 2020 Earnings Release
30 July 2020	BAE Systems Plc	Q2 2020 Earnings Release
30 July 2020	Compass Group Plc	Q3 2020 Sales and Revenue Release - Trading Update
30 July 2020	Equiniti Group Plc	Q2 2020 Earnings Release
30 July 2020	Total SA	Q2 2020 Earnings Release
30 July 2020	LafargeHolcim Ltd.	Q2 2020 Earnings Release
30 July 2020	Lloyds Banking Group Plc	Q2 2020 Earnings Release
30 July 2020	Morgan Advanced Materials Plc	Q2 2020 Earnings Release
30 July 2020	Schroders Plc	Q2 2020 Earnings Release
30 July 2020	Smart Metering Systems Plc	Q2 2020 Sales and Revenue Release - Trading Update
30 July 2020	Standard Chartered Plc	Q2 2020 Earnings Release
30 July 2020	Ultra Electronics Holdings Plc	Q2 2020 Earnings Release
30 July 2020	Anheuser-Busch InBev SA/NV	Q2 2020 Earnings Release
30 July 2020	Credit Suisse Group AG	Q2 2020 Earnings Release
30 July 2020	Nestl (R) SA	Q2 2020 Earnings Release
30 July 2020	Danone SA	Q2 2020 Earnings Release
30 July 2020	Royal Dutch Shell Plc	Q2 2020 Earnings Release
30 July 2020	RSA Insurance Group Plc	Q2 2020 Earnings Release
30 July 2020	Linde Plc	Q2 2020 Earnings Release
30 July 2020	Procter & Gamble Co.	Q4 2020 Earnings Release
30 July 2020	Xylem, Inc.	Q2 2020 Earnings Release
30 July 2020	Alphabet, Inc.	Q2 2020 Earnings Release
30 July 2020	L'Or (R)al SA	Q2 2020 Earnings Release
30 July 2020	Vivendi SA	Q2 2020 Earnings Release
30 July 2020	Electronic Arts, Inc.	Q1 2021 Earnings Release
30 July 2020	Apple, Inc.	Q3 2020 Earnings Release

31 July 2020	British American Tobacco plc	Q2 2020 Earnings Release
31 July 2020	BNP Paribas SA	Q2 2020 Earnings Release
31 July 2020	BT Group Plc	Q1 2021 Earnings Release
31 July 2020	Fresenius SE & Co. KGaA	Q2 2020 Earnings Release
31 July 2020	International Consolidated Airlines Group SA	Q2 2020 Earnings Release
31 July 2020	Intertek Group Plc	Q2 2020 Earnings Release
31 July 2020	Legrand SA	Q2 2020 Earnings Release
31 July 2020	London Stock Exchange Group Plc	Q2 2020 Earnings Release
31 July 2020	Chevron Corp.	Q2 2020 Earnings Release
31 July 2020	Glencore Plc	Q2 2020 Sales and Revenue Release - Production Results
31 July 2020	Royal Bank of Scotland Group Plc	Q2 2020 Earnings Release
31 July 2020	Exxon Mobil Corp.	Q2 2020 Earnings Release
31 July 2020	Illinois Tool Works, Inc.	Q2 2020 Earnings Release
03 August 2020	HSBC Holdings Plc	Q2 2020 Earnings Release
03 August 2020	Renishaw Plc	Q4 2020 Earnings Release
03 August 2020	Siemens Healthineers AG	Q3 2020 Earnings Release
04 August 2020	Bayer AG	Q2 2020 Earnings Release
04 August 2020	BP Plc	Q2 2020 Earnings Release
04 August 2020	Diageo Plc	Q4 2020 Earnings Release
04 August 2020	Direct Line Insurance Group Plc	Q2 2020 Earnings Release
04 August 2020	Rotork Plc	Q2 2020 Earnings Release
04 August 2020	Spectris Plc	Q2 2020 Earnings Release
04 August 2020	The Walt Disney Co.	Q3 2020 Earnings Release
05 August 2020	Continental AG	Q2 2020 Earnings Release
05 August 2020	Hill & Smith Holdings Plc	Q2 2020 Earnings Release
05 August 2020	Legal & General Group Plc	Q2 2020 Earnings Release
05 August 2020	SEGRO Plc	Q2 2020 Earnings Release
05 August 2020	William Hill Plc	Q2 2020 Earnings Release
05 August 2020	Costco Wholesale Corp.	July 2020 Sales and Revenue Release
06 August 2020	Aviva Plc	Q2 2020 Earnings Release
06 August 2020	EOG Resources, Inc.	Q2 2020 Earnings Release
06 August 2020	Ibstock Plc	Q2 2020 Earnings Release
06 August 2020	ING Groep NV	Q2 2020 Earnings Release
06 August 2020	ITV Plc	Q2 2020 Earnings Release
06 August 2020	Mondi Plc	Q2 2020 Earnings Release
06 August 2020	Novo Nordisk A/S	Q2 2020 Earnings Release
06 August 2020	Serco Group Plc	Q2 2020 Earnings Release
06 August 2020	AXA SA	Q2 2020 Earnings Release
06 August 2020	Glencore Plc	Q2 2020 Earnings Release
06 August 2020	Zoetis, Inc.	Q2 2020 Earnings Release
07 August 2020	Hikma Pharmaceuticals Plc	Q2 2020 Earnings Release
07 August 2020	Hargreaves Lansdown Plc	Q4 2020 Earnings Release
07 August 2020	Standard Life Aberdeen Plc	Q2 2020 Earnings Release
07 August 2020	Rightmove Plc	Q2 2020 Earnings Release

	Monday 20 th July	Tuesday 21 st July	Wednesday 22 nd July	Thursday 23 rd July	Friday 24 th July
UK				CBI Industrial Trends Total Orders NSA M/M	Retail Sales ex-Autos Fuel SA M/M Retail Sales SA M/M Retail Sales SA Y/Y CIPS Manufacturing PMI SA (Preliminary) CIPS Services PMI SA (Preliminary)
US		Chicago Fed National Activity Index	FHFA Home Price Index Existing Home Sales SAAR	Continuing Jobless Claims SA Initial Claims SA Leading Indicators SA M/M Kansas City Fed Manufacturing Index	Building Permits SAAR (Final) PMI Composite SA (Preliminary) Markit PMI Manufacturing SA (Preliminary) Markit PMI Services SA (Preliminary) New Home Sales SAAR
RoW	GE - PPI NSA M/M GE - PPI NSA Y/Y			GE - GfK Consumer Confidence SA FR - Business Climate Index FR - Manufacturing Business Climate Index	FR - Markit PMI Manufacturing SA (Preliminary) FR - Markit PMI Services SA (Preliminary) GE - Markit PMI Manufacturing SA (Preliminary) GE - Markit PMI Services SA (Preliminary)

Central Bank Meetings

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

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