

## Morning Meeting

21 July 2020

	Index	+/-	% change
FTSE 100	6261.5	-28.8	-0.5
FTSE All-Share	3461.0	-11.7	-0.3
DJ Industrial Average	26680.9	8.9	0.0
S&P 500	3251.8	27.1	0.8
NASDAQ Composite Index	10767.1	263.9	2.5
Nikkei Japan 1000 Index	1885.8	3.6	0.2
Hang Seng Index	25058.0	-31.2	-0.1
EURO STOXX 50 (EUR)	3388.3	22.7	0.7
Switzerland SMI (PR)	10470.9	60.4	0.6
France CAC 40	5093.2	23.8	0.5
Germany DAX (TR)	13046.9	127.3	1.0

Currencies		+/-	12 month range	
£:\$	1.265	0.01	1.15	1.33
Y:\$	107.195	0.05	102.55	112.09
E:£	1.106	0.01	1.07	1.20
E:\$	1.144	0.00	1.07	1.14
10 Yr Bond	Yld %	+/-	-3 months	-12 months
UK	0.14	-0.02	0.33	0.84
US	0.62	-0.01	0.63	2.05
Germany	-0.47	-0.01	-0.45	-0.34
	Price (p)	+/-	12 month range	
Investec plc	171	-3.44999	128.8	511.4

Matrix Winners	Price	+/-	% change
Weir Group PLC	1154.0	43.0	3.9
Equiniti Group Plc	150.2	5.2	3.6
Smart Metering Systems PLC	616.0	21.0	3.5
Keywords Studios plc	1914.0	58.0	3.1
Essentra plc	333.0	8.8	2.7

Sector Winners	% change	Mkt Wt
FTSE All-Share / Software & Computer Services - SEC	1.6	1.0
FTSE All-Share / Aerospace & Defense - SEC	0.92	1.0
FTSE All-Share / Construction & Materials - SEC	0.85	1.6
FTSE All-Share / Household Goods & Home Construction - SEC	0.8	4.2
FTSE All-Share / Real Estate Investment & Services - SEC	0.7	0.4

Matrix Losers	Price	+/-	% change
Ted Baker PLC	70.6	-5.4	-7.1
Marston's PLC	45.1	-2.88	-6.0
Hurricane Energy Plc	5.4	-0.3	-5.3
Hammerson plc	75.3	-3.54	-4.5
Carnival plc	977.8	-36.7	-3.6

Sector Losers	% change	Mkt Wt
FTSE All-Share / Leisure Goods - SEC	-2.7	0.1
FTSE All-Share / Tobacco - SEC	-2.5	3.8
FTSE All-Share / Oil & Gas Producers - SEC	-2.0	8.1
FTSE All-Share / Travel & Leisure - SEC	-2.0	3.7
FTSE All-Share / Life Insurance - SEC	-1.6	3.4

Stocks Hitting Relative High
CRH Plc
Antofagasta plc
BHP Group Plc
Bunzl plc
Ferguson Plc
Fresnillo PLC
Reckitt Benckiser Group plc
Rentokil Initial plc
Rio Tinto plc

Stocks Hitting Relative Low
HSBC Holdings Plc
Hurricane Energy Plc
Imperial Brands PLC
Informa Plc
Micro Focus International plc
-
-
-
-

### Companies discussed in Morning Meeting

#### UK Equities

**AstraZeneca** Company Update

**BHP** 4Q/20 And Full Year Production Report

**Intermediate Capital** Company Update

#### International Equities

**Novartis** Company Update

**UBS** 2Q 2020 Results

- The main news overnight is that EU leaders have reached an agreement on the EU recovery fund. This agreement includes €390 billion of grants (lower than the initially envisaged €500 billion amount), along with €360 billion of low interest loans. In addition, EU leaders also agreed the EU's next 7-year budget, with spending of over €1 trillion included in the budget. The "Frugal Four" of Denmark, The Netherlands, Austria, and Sweden will receive an increase in their budget rebates as part of this agreement. The overall agreement also includes provisions that will allow member countries to raise concerns that other member countries are not honouring assurances of economic reforms, and may stop payments into the recovery fund on a temporary basis. There is also a provision that allows for the suspension of payments to a member country if there are rule of law violations.
- Markets have taken the news of the agreement positively. The euro is trading mostly unchanged at \$1.143, implying that the agreement was largely priced in by markets. We have seen some closing of bonds spreads of peripheral European countries: the yield on the 10-year Italian government bond fell by 3.6bps to 1.065%, while Spanish and Portuguese spreads also declined.
- Equity markets have also taken the news positively. Hong Kong's Hang Seng index was trading up around 1.8% at the time of writing, while Tokyo's Nikkei index closed up 0.73%.
- Yesterday, markets were positively influenced by another important news item, this time from the Oxford vaccine trial. Results from a Phase 1 trial involving 1,077 adults in April and May of this year were published in The Lancet journal. The results showed that the vaccine led to increased levels of antibodies and T-cells, and did not have a serious adverse side effect profile. As Dr Mu has pointed out in his Wednesday coronavirus update, the side-effect profile of a vaccine is important, as the vaccine is given to people who are healthy. Therefore it is very important that the vaccine itself does not make people ill, so to see a low side effect profile combined with increased levels of antibodies and T-cells is a very positive result.
- Equity markets responded positively to this news. The S&P 500 traded up close to 1%, while the NASDAQ index traded up 2.5%, hitting another all-time high. European markets also traded up: the Eurostoxx 50 index traded up around 70bps, while the German DAX index was up around 1%. The FTSE 100 traded off around 50bps, but this was mainly due to sterling strengthening. The pound now trades at \$1.2593.
- A quick round-up on commodities: crude oil is trading slightly firmer – WTI is trading at \$40.92 per barrel, while Brent is trading at \$43.45. Gold continues on a positive path (unsurprising given the lack of yield available makes holding currency less attractive), firming to \$1,819.05 per ounce (but still below the all-time high the metal hit back in September 2011 of \$1,882.06 per ounce).
- In UK-specific economic news, the Chancellor Rishi Sunak announced above-inflation pay increases for public sector workers. Around 900,000 public sector workers will receive an above-inflation pay rise, including doctors, teachers and police officers. Teachers in England will receive the largest increase of 3.1%, while the lowest increase of 2% goes to members of the judiciary and senior civil servants.
- Economic data released in the UK showed the extent of the Covid-19-related stimulus on public sector finances: public sector net borrowing rose to £127.9 billion between April and June – the largest single amount of borrowing in a quarter since records began.
- To remind everyone, we are entering the busy season for companies reporting mid-year results. In the US today, we have Coke and Philip Morris international reporting around lunchtime today.

# 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 <sup>th</sup> July	Tuesday 21 <sup>st</sup> July	Wednesday 22 <sup>nd</sup> July	Thursday 23 <sup>rd</sup> July	Friday 24 <sup>th</sup> 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

<b>Bank of England</b>	6 <sup>th</sup> August 2020
<b>European Central Bank</b>	16 <sup>th</sup> July 2020
<b>Federal Reserve</b>	29 <sup>th</sup> July 2020

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