



Tuesday 1st September

Markets Outlook

Equities: Following a slightly mixed day yesterday markets in Europe are opening to the positive except the UK which was closed yesterday and is having a weaker start today. The early European drive has been tempered by German GDP forecasts being lowered for 2021. Overall however PMI data has indicated that manufacturing activity is on the road to recovery in Europe and markets are reacting positively. The UK however is now focusing towards Brexit negotiations that so far are not proceeding well with Fishing and EU regulations a major stumbling block. The US is expected to continue a positive bias as markets follow on from the very strong August.

Currencies: The Euro is expected to strength against most international pairs as the improving economic backdrop supports the currency. Interestingly EU inflation has just been released and it is lower than expected this is offset by EU employment numbers also released which show a slightly lower unemployment rate of 7.7% than expected.

Safe-havens: Gold continued its movement higher as the dollar continues to be weaker on the back of the Fed new approach announced last week. Brent crude has also picked up to \$45.85 a barrel as investors feel a pick up in economies will drive demand again.

Key Events to Watch

- 01/09/2020 - US ISM manufacturing PMI
- 02/09/2020 - US ADP non-farm employment change
- 03/09/2020 - BOE Gov Bailey speaks
- 03/09/2020 - US ISM non - Manufacturing PMI
- 04/09/2020 - US unemployment rate

Market Moves

Equity Indices	Value	Daily Change	YTD Change
S&P 500	3,500	-0.22%	8.34%
DAX	13,047	0.77%	-1.66%
EuroStoxx	3,290	0.55%	-12.24%
ISEQ	6,389	-0.71%	-9.53%
FTSE	5,894	-1.17%	-21.24%
Nikkei 225	23,138	-0.01%	-2.19%

FX	Value	Daily Change	YTD Change
EUR/USD	1.1966	0.23%	6.72%
EUR/GBP	0.8906	-0.20%	5.41%
GBP/USD	1.3433	0.47%	1.30%
USD/CHF	0.9036	0.01%	-6.67%
USD/JPY	105.79	-0.09%	-2.61%
EUR/JPY	126.59	0.16%	3.93%

Fixed Income	Value	Daily Change
US 10yr	0.723	0.030
US 2yr	0.131	-0.080
Bund 10yr	-0.385	2.900
Irish 10yr	-0.038	0.001
Gilt 10yr	0.340	0.027
JGB 10yr	0.042	-0.004

Financial News Round Up

Astra Zeneca _ Covid

AstraZeneca has announced that it has expanded its agreement with cell therapy firm Oxford Biomedica to mass-produce its COVID-19 potential vaccine, as it looks to scale-up supply ahead of a possible U.S. fast-track approval. While the UK drugmaker works on the widely watched coronavirus vaccine hopeful, AZD1222, its main portfolio of treatments for cancer, diabetes and heart diseases scored a win after its drug, Imfinzi, was approved for use in Europe to treat an aggressive form of lung cancer. The company's shares gained as much as 1.5% in early trade this morning now at £84.6, outperforming the benchmark FTSE-100 index, after Oxford Biomedica announced the expanded agreement and on news of the EU approval for Imfinzi. Cambridge-based AstraZeneca's vaccine is among the leading candidates in the global race for a successful vaccine and it has entered late-stage trials in the United States, the company said on Monday, as it targets 3 billion doses of the vaccine, globally. Oxford Biomedica said in a statement that AstraZeneca would give it 15 million pounds (\$20 million) upfront to reserve manufacturing capacity at Oxford Biomedica's plant and that it could get an additional 35 million pounds under a new 18-month deal. The company was spun off in 1995 from the University of Oxford, which developed the vaccine before licensing it to AstraZeneca in April. It was among AstraZeneca's initial partners when they teamed up to produce the vaccine and focus on UK and European supply. Tuesday's deal could be expanded further by another 18 months into 2022 and 2023, Oxford Biomedica said, sending its share price up 2.1% to 862 pence.

Dalata Hotel Group

As expected the company reported a weak set of H1 2020 results against the backdrop of the Covid 19 lockdown. The company's Turnover for the period was €80million with a loss before tax of 70.9million. With the announcement the company commented that they took swift action to protect the business and all hotels have reopened they announced the new leases for two hotels in Brighton and Manchester.

The company also announced a share placing of 19.9% of the shares of the company which will be used to strengthen the balance sheet and allow the company take advantage of attractive new lease opportunities in the UK, further develop a new property in Shoreditch (UK) and ensure they have strong coverage if further Covid lockdowns occurred.