

European Market Outlook - 16 March 2023

European stocks tumbled on Wednesday, with those from the banking sector going down sharply following Swiss lender Credit Suisse's short-term debt crisis triggering a massive sell-off.

The pan European Stoxx 600 fell 2.92%. The U.K.'s FTSE 100 plunged 3.83%, Germany's DAX tumbled 3.27% and France's CAC 40 dropped 3.58%, while Switzerland's SMI ended 1.87% down.

Among other markets in Europe, Austria, Belgium, Czech Republic, Finland, Greece, Iceland, Ireland, Netherlands, Norway, Poland, Portugal, Russia, Spain, Sweden and Turkiye ended sharply lower. Denmark closed nearly 1% down.

In the UK market, Prudential tanked 12.5%. Glencore plunged nearly 11% and Barclays tumbled 9.1%. Shell, BP, Standard Chartered, IAG, Anglo American, ABRDN, Rolls-Royce Holdings, Weir Group, Antofagasta and Frasers Group lost 6 to 8.5%.

In Paris, Societe Generale plummeted nearly 12%. Alstom, BNP Paribas, ArcelorMittal, Renault and Credit Agricole lost 5 to 10.3%. AXA, Kering, TotalEnergies, Airbus Group, Saint Gobain, Michelin, Publicis Groupe, Stellantis, Hermes International, LVMH and Legrand lost 2 to 5%.

In the German market, Deutsche Bank fell more than 9%. Commerzbank, Siemens Energy, Continental, Siemens, Sartorius Adidas, MTU Aero Engines, Alliance, Zalando and Volkswagen lost 4 to 8%.

In economic releases, Germany's wholesale price index rose 8.9% year-on-year in February, slower than the 10.6 percent rise in January, Destatis reported. This was the slowest rate since April 2021, when prices had grown 7.2%.

Separate data showed France's annual inflation was revised upwards to 7.3% in February from 7% in January as a result of higher food prices.

Data from Eurostat showed Eurozone industrial production posted a monthly growth of 0.7% after falling 1.3% in December.

The growth rate also exceeded economists' forecast of 0.4%.

On a yearly basis, industrial production grew 0.9% in January, in contrast to the 2% decrease in December. Economists had forecast a 0.2% rise for January.

The UK economy is set to contract this year yet avoid a technical recession due to the changing global developments and support measures taken by the government, Chancellor Jeremy Hunt said in his budget speech on Wednesday.

The Office for Budget Responsibility forecast the economy will not enter a recession at all this year with a contraction of just 0.2%.

A Euro equals to 1.06 USD

Top Gainers		
Company	Last Price	Change%
Bollore SE	€ 5.56	8.28%
Assura PLC	50.55p	2.16%
Galenica AG	CHF71.50	1.85%
arGEN-X SE	€ 336.40	1.63%
Pennon Group PLC	873.00p	1.45%

Top Losers		
Company	Last Price	Change%
Credit Suisse Group AG	CHF1.70	-24.24%
Prudential PLC	1,036.00p	-12.43%
Societe Generale S.A.	€ 21.50	-12.18%
Faurecia SE	€ 18.87	-11.89%
Lanxess AG	€ 34.85	-11.30%

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