

WALL STREET

16:02 14 Dec 2018

US benchmarks in the red by the closing bell as economic uncertainty looms large

US stocks ended the day in negative territory as the outcome of trade talks between US and China remain uncertain.

The Dow Jones Industrial Average fell about 500 points by the end of the day.

Johnson & Johnson (NYSE:JNJ) was a top decliner after Reuters reported the company knew about asbestos in its baby powder for decades.

The S&P 500 was down around 50 points by the end of the trading day.

Costco Wholesale Corporation (NASDAQ:COST) was a top decliner on the S&P following its disappointing fiscal first-quarter.

The tech-heavy Nasdaq slipped about 160 points, dragged lower by Costco, Adobe Inc (NASDAQ:ADBE), Walgreens Boots Alliance Inc (NASDAQ:WBA) and Amazon.com Inc (NASDAQ:AMZN).

The Russell 2000 was down about 1.7% by the closing bell.

Belmond Ltd (NYSE:BEL) was one of the best-performing stocks on the small-cap index luxury goods maker LVMH Moët Hennessy Louis Vuitton SE bought the company for \$3.2 billion.

Up north, the TSX dipped around 170 points as energy and tech stocks weighed on the exchange.

1:48 PM: Dow plunges 400 points amid global growth fears

US stocks traded sharply lower in midday trade Friday after the economies of China, Europe and the United States began to flash warning signs.

China's industrial production and retail sales data was lackluster, while European data also disappointed, with the IHS Markit Flash Eurozone PMI index, tracking manufacturing activity falling to 51.7 in December, its lowest level in four years. US data may not be entirely gloomy, but experts including former federal reserve chairman Alan Greenspan have warned that the US has entered a period of stagflation driven by runaway spending and entitlement programs.

The Dow Jones Industrial Average dropped 416.52 points, or 1.7%, to 24,180.86 led lower by Johnson & Johnson and Walgreens Boots Alliance.

The S&P 500 fell 1.4% to 2,613.92, while the Nasdaq Composite has declined 1.2% to 6,985.83.

The Russell 2000 small cap index fell 0.755% to 1,421.

10:00 AM: US stocks open lower as China's PMI data disappoints markets

US stocks retreated at the start of trade on Friday as disappointing PMI data from China, the world's second biggest economy, punished the markets.

China's purchasing manager index for November came in at 50, compared with the forecast at 50.2.

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MarketTopic Synopsis:

A look at the US markets.

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A reading above 50 indicates economic expansion while a reading under that number is seen as contraction for the economy at large.

The Dow Jones Industrial Average fell almost 247 points to 24,350. The index settled Thursday up around 70 points at 24,597.

The Nasdaq exchange dropped nearly 1.3% to trade around 6,979. The S&P 500 was off 0.9% to 2,626.

The Russell 2000 small cap index fell 1.5% to 1,432.

In Toronto, the TSX was lower by 0.2% to 14,750.

In Asia, Japan's Nikkei 225 index lost over 441 points at 21,374.

The Shanghai Composite Index declined about 40 points at 2,593.

7:09 AM: Dow Jones Industrial Average poised to plunge at open as China data disappoints markets
The Dow Jones Industrial Average is seen plunging nearly 200 points at the open as markets fret about China data Friday morning after a mixed close last night.

Asian shares lagged overnight, while European benchmarks are also lower today.

The Chinese data showed weakening consumer sentiment and slowing industrial growth.

Chinese purchasing manager indexes November
Manufacturing fell from 50.2 to 50.0 (forecast 50.2)
Services fell from 53.9 to 53.4 (forecast 53.8)#ausbiz #ausecon #chinadata #chinadata

— CommSec (@CommSec) 30 November 2018

On Thursday, there was choppy trade on Wall Street as the outcome of trade talks between the US and China remained uncertain.

The Dow Jones closed up around 70 points at 24,597, while the Nasdaq exchange finished off around 27 at 7,070. The S&P 500 closed down half a points at 2,650.

In futures today, the Dow Jones is down 190 points, while the Nasdaq is off almost 62 points. The S&P 500 futures are 21 points lower.

In Asia overnight, the Nikkei 225 index lost over 441 points at 21,374.

The Shanghai Composite Index lost around 40 points at 2,593.

In Toronto, the TSX shed around 32 points to 14,750.

Connor Campbell, analyst at spread better Spreadex in London, said: "European indices couldn't shake their Friday losses, some nasty data from China overnight and a set of dreadful

Eurozone PMIs keeping the region in the red."

He added: "Looking to the US open and the Dow Jones seems just as upset about the China data as its European peers."

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