

WALL STREET

16:50 11 Feb 2019

Stocks flip-flop as investors pause in light of US-China trade negotiations

It was a mix of green and red for stock markets Monday as stocks flip-flopped and investors paused as the US and China began trade negotiations and politicians in Washington continued to aim toward reaching an agreement on border funding.

The Dow Jones Industrial Average slipped 53.22 points, or 0.2%, to 25,053.11, while the S&P 500 Index edged up 0.1% to 2,709.8.

Abiomed Inc (NASDAQ:ABMD) was a top gainer on the S&P, with the manufacturer of medical implant devices up 4% at US\$354.92.

The tech-heavy Nasdaq Composite nudged higher, up 0.1% to 7,307.90.

Clps Inc (NASDAQ:CLPS) jumped 40% to US\$15.73.

Walt Disney Co (NYSE:DIS) was a significant detractor among the blue-chips, falling 1.8% to \$109.44.

Small-cap stocks had a strong day, with the Russell 2000 Index rising 0.8% to 1,518.01.

In Canada, the S&P/TSX Composite Index dropped 0.4% to 15,572.66

1:30 pm: Stocks fluctuate as US-China trade concern drives market

Stocks swung between gains and losses Monday as US-China trade drove trading, with a delegation from Washington arriving in Beijing.

Trade Representative Robert Lighthizer and Treasury Secretary Steven Mnuchin were reportedly scheduled to meet with China's vice premier later in the week.

The Dow Jones Industrial Average slipped 32.22 points, or 0.1%, to 25,074.11, while the S&P 500 Index edged up 0.1% to 2,709.51.

Caterpillar Inc (NYSE:CAT) advanced 1.4% to \$83.51 and DowDuPont Inc (NYSE:DWDP) rose 0.5% to \$51.98 on tempered speculation that the US and China will come to terms before new tariffs go into effect.

The Nasdaq Composite was 0.1% higher to 7,305.67.

Electronic Arts Inc (NASDAQ:EA) rallied 2.5% to \$100.08 on speculation that its Apex Legends videogame will rival Fortnite. Last week, Electronic Arts announced that Apex Legends had reached 10 million players.

UnitedHealth Group Inc (NYSE:UNH) was the biggest loser among the blue-chips, falling 1.8% to \$257.15.

Small-cap stocks were having a good day, with the Russell 2000 Index rising 0.6% to 1,515.55.

In Canada, the S&P/TSX Composite Index dropped 0.3% to 15,594.06.

Share Information

MarketTopic Synopsis:

A look at the US markets.

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10:10 am: US stocks rise amid ongoing stream of US-China trade, government shutdown headlines
US stocks rose at the open Monday amid an ongoing stream of US-China trade and government shutdown-related headlines.

This week, delegations from the US and China are set to meet in Beijing, according to a White House statement. Government negotiators are trying to get the world's two largest economies on the same page to meet a March 1 deadline to resolve their trade dispute.

The Dow Jones Industrial Average gained 21.07 points, or 0.08%, to 25,127.40, led higher by Nike, Visa and Walmart.

The S&P 500 increased 4.87 points, or 0.18% to 2,712.75. Electronic Arts, Motorola Solutions, Arconic Inc and Norfolk Southern Corp were among the top boosts to the S&P 500.

The Nasdaq Composite index climbed 16.10 points, or 0.22% to 7,314.30, led higher by Electronic Arts, JD.com, and Tesla.

Elsewhere, the Russell 2000 index of small-cap stocks was flat at 1,506.49.

7:15 am: Wall Street shares set for higher open Monday as US/China trade talks back in focus
Wall Street stocks are poised to start higher Monday after a mixed Friday close as trade talks resumed between the US and China and investors are bracing for another government shutdown later in the week.

In Europe, equity markets are higher at the time of writing.

On the trade talks, there is a March 1 deadline that President Donald Trump has set, otherwise, he says he will increase existing tariffs and follow through with another wave of penalties on the Chinese Republic.

The renewed US government shutdown came back into view as budget talks between Democrats and Republicans ground to a halt over the weekend.

The media was able to get my work schedule, something very easy to do, but it should have been reported as a positive, not negative. When the term Executive Time is used, I am generally working, not relaxing. In fact, I probably work more hours than almost any past President.....

— Donald J. Trump (@realDonaldTrump) 10 February 2019

On Friday, the Dow Jones Industrial Average fell 63.27, or 0.3%, to close at 25,106. The Nasdaq erased its decline, ending the day up 0.1% to 7,298

The broader-based S&P 500 Index also erased its drop, rising almost two points, or 0.1% to 2,707.

In futures trade Monday, the Dow Jones is up 50 points; the Nasdaq is ahead by around 21 and the S&P 500 futures are up six points.

In Toronto, the TSX closed Friday down around 70 points or 0.45% to 15,633.

Connor Campbell, at spread better Spreadex said: "The Dow's overall performance this week is likely going to be dependent on what comes out of the US-China trade talks in Beijing, given Donald Trump's less than promising comments last week, and the impending ceasefire deadline at the start of March."

In European shares, FTSE 100 is ahead by 20 points at 7,091 as the Brexit debacle rumbles on, while the German DAX is up over 77 points. The French CAC 40 is ahead by around 37 points.

In Asia overnight, the Nikkei 225 shed around 418 points, while the Shanghai Composite Index added around 35.

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