



MARKET REPORT

Wednesday 25th March 2020

Market Headlines

In India Prime Minister Modi ordered a total lockdown of the 1.3bn population for 3 weeks.

Japan made the unprecedented decision to postpone the Tokyo Olympics until 2021.

The Dow Jones surged 11.4%, the largest one-day gain since 1933, as the US Senate agreed a \$2tr stimulus package, which is expected to be voted on today. Described as 'a war time level of investment', it will include sending cheques to millions of Americans and hundreds of billions in loans to businesses.

In Asia, markets followed the US higher, the Nikkei 225 rose 8%, the Hang Seng added 3.8% as the Shanghai Composite closed up 2.2%. European markets also cheered the agreement, up over 4%, as financial, retail and travel stocks made substantial gains.

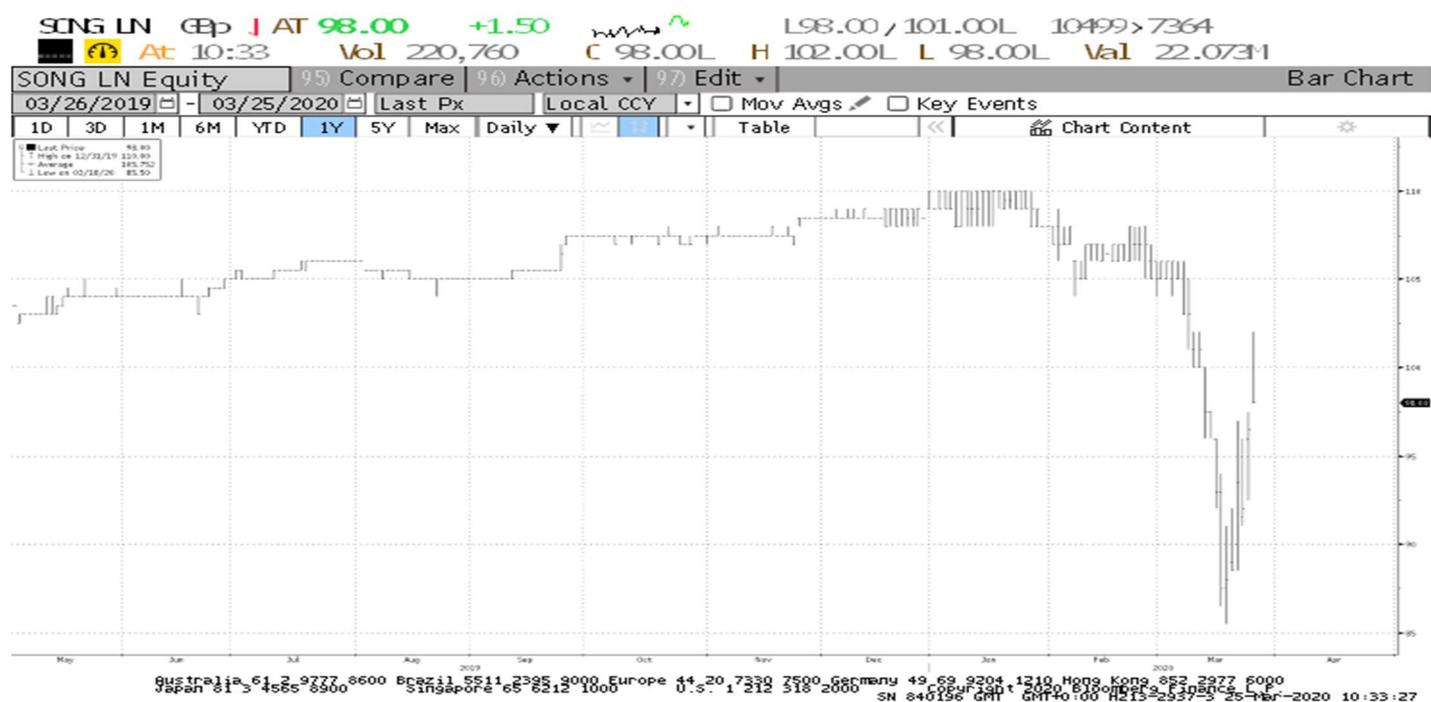
The International Air Transport Association said it now expected airlines globally to lose \$252 billion in revenue in 2020, more than double the previous estimate of \$113 billion.

Investments on our buy list

RBS (RBS) – Shore Capital raised RBS to buy today with an ambitious target of 245p.

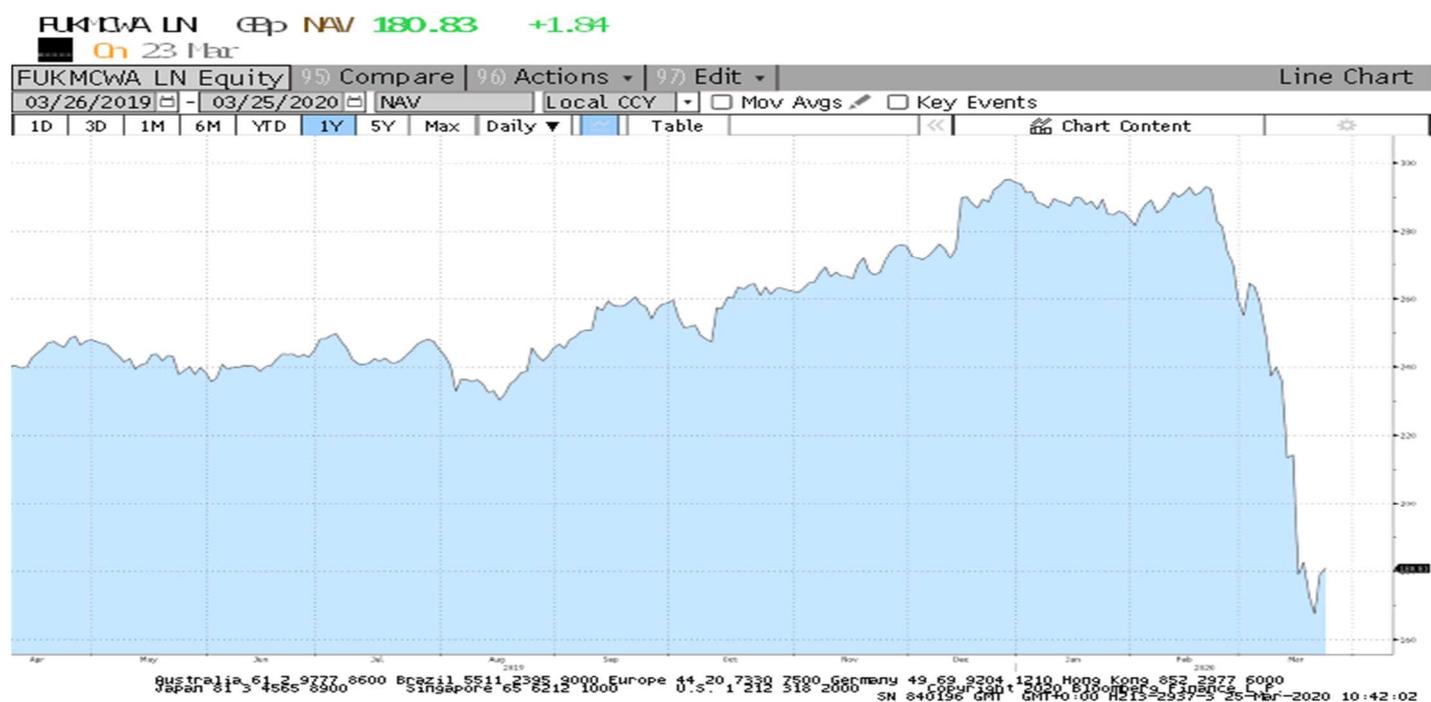


Hipgnosis Song Fund (SONG) – Stifel raised the fund to positive from neutral. We have previously highlighted the defensive qualities of the fund particularly given the increased streaming of music during the current crisis.



Source: Bloomberg

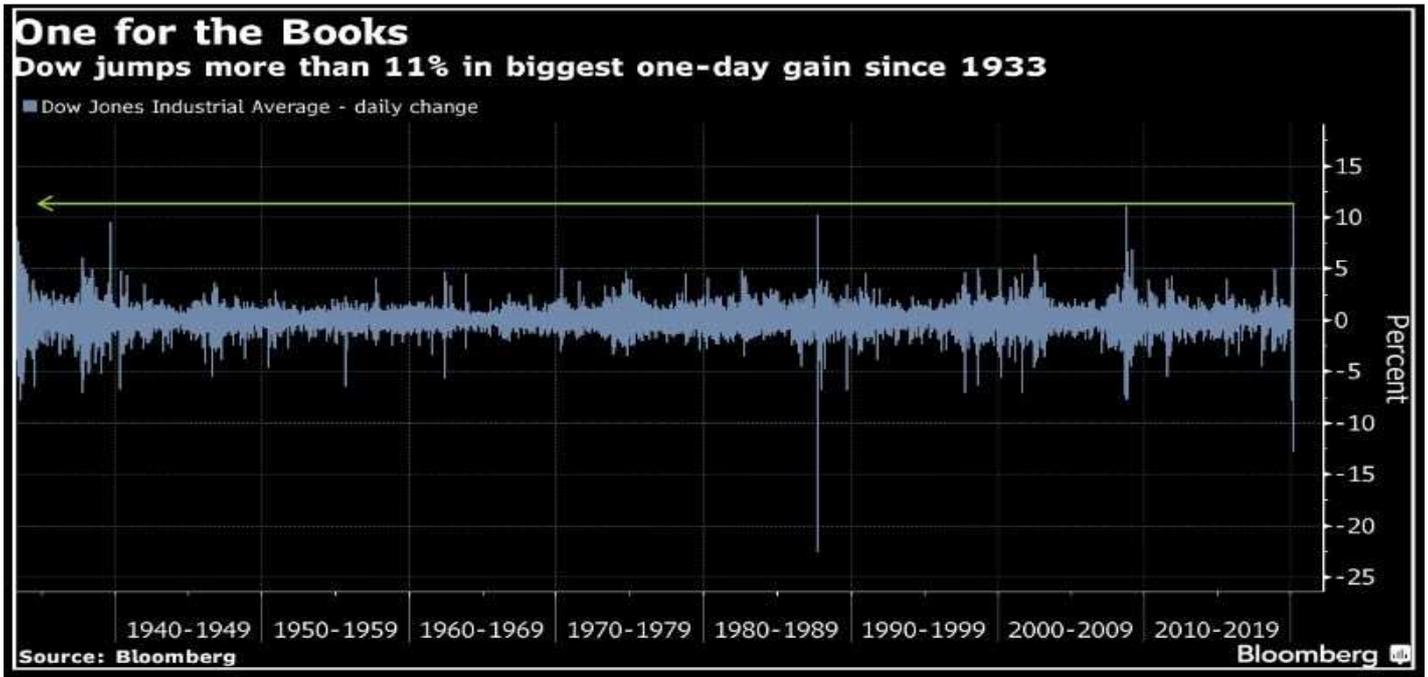
FTSE 250 index – a 5.6% gain in early trading took its two day gain to 14%, the most on record on an intraday basis. This is positive most notably for the **Franklin U.K. Mid Cap Fund**.



Source: Bloomberg

Chart of the day

On Tuesday the Dow Jones Industrial Average rose more than 11% to clock its biggest advance since 1933, while the S&P 500 climbed the most in 12 years.



Source: Bloomberg

Recap of yesterday

UK markets rallied hard and closed over 9% higher. There were some huge bounce backs in beaten up stocks, of the blue chips Carnival surged 28.3% and Evraz added 20.0%. In the mid caps William Hill soared 34.1%, Cineworld flew 31.4%, Cairn Energy climbed 30.4% and FirstGroup rose 30.3%.

Dunelm, Mulberry, Redrow and Taylor Wimpey added to the list of companies to suspend dividends in order to conserve cash through the crisis.

Unilever rose 1.7% as it donated €100m of soap, sanitiser, bleach and food and offered €500m of cash flow relief to its supply chain, with early payments to smaller suppliers and extended credit to retailers.

Telephone: **0151 236 8200** | Fax: **0151 243 3535**

Email: enquiries@blankstonesington.co.uk | www.blankstonesington.co.uk

Important information

Articles, news and research published by Blankstone Sington are provided solely to enable you to make your own investment decisions. They are not personal investment advice and may not be suitable for all investors. If you are unsure about whether an investment is suitable for your circumstances, you should seek advice. The value of investments will rise and fall, and you may get back less than your initial investment. Past performance is not an indication of future performance.

This report is a marketing communication. Any information presented herein which may be construed as 'investment research' has not been prepared in accordance with the legal requirements designed to promote the independence of investment research and is therefore 'non-independent research'. Non-independent research is not subject to FCA rules prohibiting dealing by members of staff ahead of its dissemination.

Member of The London Stock Exchange. Authorised and Regulated by The Financial Conduct Authority No. 143694. Registered in England No. 2378144