

## MARKETS STABILIZE

European stocks stabilized on Tuesday after their worst sell-off this year in the previous session, The pan-European STOXX 600 index rose after worries about the fast-spreading coronavirus Delta variant and slowing economic growth.

Swiss bank UBS climbed after it posted a jump in second-quarter net profit, helped by a booming wealth management business. Peers Credit Suisse and Julius Baer also rose.

"Although the U.S. economy is in a slowdown phase and we expect European growth to peak this summer, we continue to favor risk assets over a 12-month horizon," analysts at BCA Research wrote in a note.

"The UK is a case in point — broad-based vaccinations are keeping hospitalization rates there low despite the sharp jump in COVID-19 infections. Thus, the market impact of the Delta variant may ultimately prove fleeting in developed economies."

British airline easyJet gained after saying it plans to fly 60% of its pre-pandemic capacity in the July-September period, Europe's travel & leisure index has fallen sharply from its April record highs, with travel-related stocks getting hit by soaring infections across the continent and last-minute changes to travel rules, among other stocks, Norwegian telecoms operator Telenor rose after it raised its full-year revenue outlook.

French spirits group Remy Cointreau inched down even as its first-quarter organic sales more than doubled after bars and restaurants reopened in Europe.

U.S. stock futures edged higher Tuesday, after major indexes tumbled Monday on concerns over the spread of Covid-19 variants and potential setbacks to the economic recovery.

Investors have grown concerned over the Delta coronavirus variant, prompting a reassessment of the economy's prospects. Despite this, the three major stock indexes each closed only around 3% down from their all-time highs Monday, underscoring the strength of the rally that powered equity markets in the first half of the year.

"When you get a selloff like we had yesterday, there are certainly going to be some investors who are going to see that as an opportunity to invest for the longer term," said Kiran Ganesh, a multiasset strategist at UBS Global Wealth Management.

Source: Investing.com, Financialpost.com