

European stock futures mixed

Recession fears breed nervousness

European stock markets are expected to trade mixed Thursday, with investors fretting about the state of the global economy ahead of next week's crucial central bank meetings.

At 02:00 ET (07:00 GMT), the DAX futures contract in Germany traded 0.1% higher, CAC 40 futures in France climbed 0.1%, while the FTSE 100 futures contract in the U.K. fell 0.1%.

European investors are likely to retain a state of nervousness as the week nears the end, having been rattled by downbeat comments from top executives at a number of senior banks, predicting that tightening monetary conditions will likely result in a global recession in 2023.

Next week sees policy-setting meetings by the U.S. Federal Reserve and the European Central Bank, and these two senior central banks are both expected to lift interest rates once more to tackle inflation still at elevated levels.

The Fed is widely expected to issue a 50-basis point interest rate hike next week, and while that would be a smaller increase than recent rate hikes, investors are increasingly concerned that this just means a longer rate-hike cycle.

The ECB is also likely to hike by 50 basis points, but there exists a hawkish group within the central bank that wants a third successive increase of 75 basis points, even after Eurozone inflation fell for the first time in 18 months.

Crude oil prices rose Thursday, rebounding after falling to their lowest levels this year, although gains are tentative as concerns of a global economic slowdown grow.

The market received a boost from data released Wednesday showing U.S. inventories shrank more than expected last week, while China's loosening of more of its COVID mobility restrictions also helped sentiment.

Important Note: The information found on Ausprime platform is intended only to be informative, is not advice nor a recommendation, nor research, or a record of our trading prices, or an offer of, or solicitation for a transaction in any financial instrument and thus should not be treated as such. The information provided does not include any specific investment objectives, financial situation and needs of any specific person who may receive it. The past performance is not a reliable indicator of future performance and/or results. Past Performance or Forward-looking scenarios are not a guarantee of future performance. Actual results may differ materially from those anticipated in forward-looking or past performance statement