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Another warning for Retail investors

Markets Overview:

FTSE 100 called to open +20pts at 7395, extending last week's rising channel rebound, re-testing yesterday's 7396 spike highs. Bulls need a break above 7400 for a rally towards 7500. Bears require a breach of shallow rising support at 7365 to jeopardize the uptrend. Watch levels: Bullish 7405, Bearish 7350

Calls for a positive open derive from another up-day on Wall St (Tech outperforming) and gains in Asia overnight. Sentiment buoyed by the US-Mexico agreement, hopes of a US-China trade deal at the G20, as well as more China stimulus following poor trade data, and, lastly, expectations a Fed rate cut to end its current hiking cycle, keeping global policy accommodative.

Copper extending is rebound gains should support name sin the Mining space. Gold has also stemmed its declines at \$1328 despite risk appetite. Brent Crude at \$63.5 is off yesterday's lows, adding to rising support from June's trough, which could help Oil majors and Explorers.

In corporate news this morning;

Bellway: Reservations +4.7%, Forward order book +2.7% in volume, -3.5% in value, 68% contracted; Land contracted +18.7%; Trading in-line with management expectations for full year.

Crest Nicholson Half-Year Revenues +7%, Total Forward Sales +15%, Flat pricing and continued build cost inflation means operating margin -270bp; pre-tax profit -11%, dividend maintained.

Halma FY revenues +13% (organic +10%), adjusted pre-tax +15% (organic adj. +11%); final dividend +7%; Return on Sales +40bp, Return on Invested Capital +90bp; Net debt -17.5%; New financial year started well; order intake remains ahead of both revenue and orders versus last year.

Ted Baker warns on full year profits (£50-60m versus £70m consensus) after extremely difficult trading conditions year to date, some of which will continue for remainder of the year.

Unilever says it is acquiring the high-end Japanese skincare brand Tatcha. No financials disclosed.

Compass Group to acquire Fazer Food Services, renowned in the Nordics, for €475m (€420m cash, remainder over 7 years); represents 0.8x revenues, 1.6x gross assets, 11.9x EBITDA.

Smith & Nephew to acquire Switzerland's Atracsys to help enable robotic-surgery products and optical tracking in digital surgery; Terms not disclosed.

Shell's floating LNG project ships its first cargo of fuel, to clients in Asia.

J Sainsbury appoints Jim Brown CEO of Sainsbury Bank; previously CEO of RBS' Williams & Glynn

Ferguson starts the \$500m 12-month share buyback program it announced yesterday.

SAGA says Marcus by Goldman Sachs is to become its new long term savings partner.

In focus today:

The latest UK Jobs and Wages (9.30am) is expected to be stronger, which would be rather at odds with yesterday's surprisingly weak GDP and Industrial/Manufacturing Production prints. This would surely give the weak GBP a boost, to the detriment of the FTSE.

While US NFIB Business Optimism (11am) is forecast weaker in May, the IBD/TIPP Economic Optimism (3pm) is anticipated stronger, maintaining the mixed messages from the US fueling the debate about a Fed rate cut on the horizon. Watch USD and US stocks/indices.

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