

17:02 29 Jun 2020

FTSE 100 closes ahead as markets shake off last week's losses

- FTSE 100 closes up 66 points
- US pending home sales shot up by 44.3% in May,
- US benchmarks up

5pm: FTSE 100 closes 1.08% higher

FTSE 100 closed in positive territory on Monday as markets sought to put last week's losses behind them.

Britain's blue-chip benchmark finished up over 66 points, or 1.08%, at 6,225. Last week, the index shed around 2% over the course of the five days.

On Monday, midcap 250 also gained ground, advancing over 85 points at 17,198.

On Wall Street, the Dow Jones Industrial Average shot up over 400 points at 25,416, the S&P 500 gained around 30 at 3,039, while Nasdaq added nearly 72 at 9,829.

"It promises to be a busy, but shortened week, with all eyes on the jobs report, released Thursday due to Friday's US bank holiday," said Chris Beauchamp, analyst at spreadbetter IG Index.

"After the increasing signs of worry last week about rising infection numbers in the US, the pessimistic mood appears to be morphing into one of grim resignation - investors now hope that renewed restrictions on activity might help to turn the tide once again."

3.50pm: US home sale data cheers

US pending home sales shot up by 44.3% in May, well above the consensus forecast of a 19.3% increase.

"This looks like a huge increase, but the index fell by a total of 44.2% in the two months to April, so it's not a full recovery; pending sales remain 10.6% below their February level," cautioned Ian Shepherdson, the chief economist at Pantheon Macroeconomics.

"These numbers are captured at the point contracts are signed, so activity was crushed during the lockdowns. The quick rebound suggests signings were mostly deferred, rather than cancelled. Pending sales lag mortgage applications, which have fully recovered - and more - from the COVID hit, so we expect home sales to rise further over the next few months," he continued.

"The wave of job losses appears mostly to have hit younger renters rather than would-be home buyers, whose median age is about 47. For people who have kept the jobs, the drop in mortgage rates makes home purchase attractive," he added.

The numbers caused US stocks to perk up considerably, with the Dow up 418 points (1.7%) and the S&P 500 29 points

Price: 652.8

Market Cap: £2.85 billion

1 Year Share Price Graph



Share Information

Code: EZJ

Listing: LSE

52 week	High	Low
	1570	410

Sector: Leisure, gaming and gambling

Website: www.easyjet.com

Company Synopsis:

EasyJet is engaged in the provision of a low-cost airline service on short-haul and medium-haul point-to-point routes principally within Europe.

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(1.0%) to the good at 3,038.

That, in turn, has fired up UK equities, which had been slowly relinquishing the morning's gains. The FTSE 100 is now 79 points (1.3%) firmer at 6,238.

2.55pm: Boeing distorts the picture in the US

US stocks got off to a mixed start despite what the performance of the Dow Jones index might suggest.

The Dow Jones 30-share index was 194 points to the good (0.8%) at 25,214 but that was almost entirely down to one stock - Boeing, which has been given permission to try to get its troubled 737 permission to fly again. The broader-based S&P 500 was barely changed.

Back in Blighty, the FTSE 100 was giving back the morning's gains, fading to 6,188, up 29 points (0.5%), despite sterling falling by three-tenths of a cent against the US dollar.

Oil giant BP PLC (LON:BP.), up 2.2% at 311.4p, was lending its support to the index after agreeing to sell its global petrochemicals business to INEOS for a total consideration of US\$5bn.

"This is another reminder that the oil majors are currently trading at a large discount to fundamental valuations," said Peter Low, an energy analyst at equity research firm, Redburn.

It is 47 day since Ineos asked the UK Government for a £500 million bailout...
????<https://t.co/g1lh2nRp8o>

— Greenpeace UK (@GreenpeaceUK) June 29, 2020

2.05pm: US to bounce back from Friday's fall

US markets are expected to bounce back from Friday's battering with some strong gains.

The Dow Jones industrial average, which gave up 730 points on Friday, is expected to open around 204 points higher at 25,219. The S&P 500 is seen starting at around 3,027, up 18 points.

"Despite a tsunami of terrifying COVID-19 headlines throughout the weekend into Monday morning, the markets continued to err on the positive side of cautious," said Connor Campbell at Spreadex.

"The Dow Jones is set to join in with this baffling optimism when traders clock-in stateside," he added.

This may not be the time to point out that new US coronavirus cases yesterday jumped to 38,800 from 26,400 a week earlier, which is a 47.4% increase.

"The US is on course for 100K new cases per day by mid-July, unless changes in people's behaviour in the worst-hit states cause a slowdown in the rate of increase," warned Ian Shepherdson, the chief economist at Pantheon Macroeconomics.

"The seven-day moving average number of new cases rose in 37 states in the week through Sunday, with increases of more than 100% in Florida, Idaho, and Louisiana. New cases rose by more than 50% in Arkansas, Georgia, Nevada, Ohio, Texas and Wyoming," Shepherdson reported.

"The news is not all terrible. The proportion of positive tests nationally appears to have levelled-off at just over 7%, having risen from a sustained low of about 4½%. This is not yet definitive—we need to see more data—but at this time last week the share of positive tests was clearly trending higher," he noted.

In London, the FTSE 100 briefly forayed back above 6,200 and although it has subsided to 6,195, it is still up 36 points

(0.6%).

Futures this morning.

? S&P 500 ? 0.53%
? Nasdaq ? 0.09%
? Russell 2k ? 1.69%
? Dow Jones ? 0.84%

Happy Monday! pic.twitter.com/qPMtbYrwTI

— Stocktwits (@Stocktwits) June 29, 2020

12.20pm: Economic sentiment improves

The European Commission's Economic Sentiment Indicator (ESI) for the UK rose to 65.2 in June, from 61.7 in May.

A value of 100 represents the 1990-to-2019 average.

"The pick-up in the ESI in June adds to evidence that the UK economy is recovering, albeit at a slower pace than most others in Europe," observed Samuel Tombs, the chief UK economist at Pantheon Macroeconomics.

"The UK's ESI undershot the EU average, 74.8, in June by a substantial margin. Confidence ticked up across the manufacturing, retail, services and consumer sectors, but remained greatly below pre-Covid levels," he added.

"Services firms have remained the gloomiest of all, given that social distancing rules will impact their businesses in the second half of this year to a greater extent than others. Meanwhile, firms still plan to cut prices sharply in order to attempt to stimulate demand. The net balance of non-food retailers intending to increase prices rose to -10 in June, from -15 in May, but remained well below its +31 average in the 2010s. It points to core goods inflation declining to about -2.0% by August, from 0.1% in May, which would subtract 0.8pp [percentage points] from the headline rate," Tombs calculated, adding "that's probably a bit of a stretch, but the direction of travel is clear".

The FTSE 100 was up 31 points (0.5%) at 6,190.

This is to be expected as we entered the #Lockdown later & have relaxed measures later .

Also worth considering is that the economic sentiment indicator for the UK has run under the EU's since 2018 but has grown at essentially the same rate #DespiteBrexIt <https://t.co/f2BQnhLm3P>

— TIM GOLDFINCH (@TIMGOLDFINCH) June 29, 2020

Mortgage approvals for house purchases fell to a new record low of just 9,273 in May, according to Bank of England data.

The decline was from 15,851 in April, which in turn was a sharp fall from March's 56,145 approvals.

"The reduced level of mortgage approvals for house purchases in April and May occurred as the housing market was essentially brought to a standstill from late-March through to mid-May by the lockdown. The government advised homebuyers and renters to delay moving as much as they could while the emergency measures are in place. The lockdown introduced on 23 March to combat coronavirus meant that no visitors were allowed to visit properties while 'stay-at-home' measures were fully in force, including estate agents and surveys as well as potential buyers," explained Howard Archer, the chief economic advisor to the EY ITEM Club.

"The easing of restrictions for the Welsh, Northern Irish and Scottish (at end of month) housing markets occurred during June.

"There does appear to have been an immediate marked pick-up in housing market activity following the easing of restrictions - although it is questionable whether it will be sustained," Archer sated.

"For example, Rightmove reported in late June that 'Six weeks on from the English market reopening and sales agreed are 4% higher than pre-COVID levels - despite prolonged market closures in Scotland, Wales and N. Ireland. Rebound in activity [is] expected to subside in coming weeks as demand fell back 11% off a high base in [the] last two weeks, but [the] reopening of Welsh and Scottish markets will support near term demand'." Archer added.

Brutal! Bank of England data show mortgage approvals for house purchase at 9.3k in May. Down again from the already abysmal 15.9k recorded last month, and far below consensus expectation of 25k. Q2 approvals on track to fall 70% q/q as per our forecast from March. pic.twitter.com/yDF7FK9hy5

— Hansen Lu (@hansenlus) June 29, 2020

The figures did not come as a surprise and housebuilders such as Berkeley Group Holdings PLC (LON:BKG) and Persimmon PLC (LON:PSN) were among the more prominent blue-chip risers this morning, with the former up 2.3% at 4,200p and the latter 1.2% firmer at 2,310p.

The FTSE 100 was up 20 points (0.3%) at 6,179.

9.35am: Carnival sinks again

It took a while but expectations of a soft start for UK equities were realised with the Footsie dipping into the red.

London's index of blue-chip shares was down 21 points (0.3%) as the number of deaths worldwide attributed to the coronavirus topped half a million.

"Hopes of a robust economic recovery following the pandemic are now shattered. The risks of re-imposing lockdowns are high, and monetary policy stimulus which explains most of the recovery in asset prices from the March lows will become less effective going forward if it doesn't translate into a rebound in economic activity and better prospects for corporate earnings. Risk asset valuations remain elevated and the next few weeks ahead will tell us whether they will continue to hold or get bumped," said Hussein Sayed, the chief market strategist at FXTM.

If Sayed is right then investors seem to be taking the Doomsday scenario in their stride even to the extent of eschewing some of the usual defensive stocks, such as supermarkets, consumer goods makers and tobacco pedlars.

Unilever PLC (LON:ULVR), down 2.1% at 4,424p, was the worst-performing blue-chip while supermarket stocks Wm Morrison Supermarkets PLC (LON:MRW), Tesco PLC (LON:TSCO), J Sainsbury PLC (LON:SBRY) and fellow-traveller Ocado Group PLC (LON:OCDO) were between 1.2% and 1.9% weaker.

Fags makers British American Tobacco PLC (LON:BATS) and Imperial Brands PLC (LON:IMB) were down 1.3% at 3,069p and 1.1% at 1,508.5p respectively.

Cruises operator Carnival PLC (LON:CCL), no longer dragging the Footsie below the Plimsoll line since its relegation to the FTSE 250, was down 4.5% at 925p after it announced the pricing of its senior secured term loan facility.

8.35am: Coronavirus second wave fears persist

The FTSE 100 defied the dour predictions of a sharply lower start to open the trading week in positive territory - though only just.

Even so, worries continue to persist over America's handling of the coronavirus outbreak, while traders also have a weather eye on a potential second wave.

Caution was the watchword after the global death toll blew past 500,000 at the weekend and certain US states began to

reassess lockdown restrictions.

"Monday's markets are likely to be dominated by the same stories as second wave fears are not only isolated to the US," said James Hughes of Scope Markets.

"The UK and Germany are also trying to fight off the prospect, with the UK looking imposing its first localised lockdown in Leicester as the infection rate grows.

"This will be key for the UK and for markets as the success of local lockdown will be key in fighting the virus long term and making sure the economy isn't as hard as it has been for the last three months with a nationwide lockdown."

After a weekend of rhetoric from both the unions and executives over a planned 12,000 job cuts, British Airways owner IAG (LON:IAG) appeared to gain the backing of investors as its shares topped the Footsie, albeit with a lukewarm 1.5% advance.

Among the fallers was Unilever (LON:ULVR), down 1.9%. The Anglo-Dutch consumer staples giant was one of a cadre of big brand owners to pull advertising from Facebook over growing concerns about hate speech and divisive content.

Proactive news headlines:

Tiziana Life Sciences PLC (LON:TILS) (NASDAQ:TLISA) has said it is "aggressively advancing" a potential treatment for COVID-19 alongside a breakthrough method of delivering the inhaled version of this and other similar drugs. As part of the fast-track process the company has signed an agreement with STC Biologics for the good manufacturing practice (GMP) production of TZLS-501, a class of monoclonal antibody (mAb) called an anti-interleukin-6 receptor, or anti-IL6R for short. It is also working with a firm called Sciarra Laboratories on a unique technology that sends the drug directly to the lungs using a handheld inhaler or nebuliser.

H&T GROUP PLC (LON:HAT) has said it is reassured by the volume of customers being serviced since the reopening of its stores and the early recovery in new customer lending. The pawnbroking firm started the phased reopening of its estate in May, adding full financial service offering and retail jewellery as lockdown restrictions were eased by the government. It also implemented an online pawnbroking payment portal to settle loans remotely, and to date 12,000 customers have used this service making payments of £3mln.

Remote Monitored Systems PLC (LON:RMS) said its recently acquired Cloudveil unit has recently experienced an unprecedented level of enquiries for its services. The enquiries for Cloudveil's security and risk management services have come from a variety of blue-chip companies and other private and public bodies in the UK and Europe, the group revealed as it posted its full-year 2019 results. Cloudveil is at an advanced stage of negotiation of commercial terms with a number of these potential customers. As a consequence, Cloudveil is forecasting significant growth, including through sales of its IRIS management information platform, over the next eighteen months, including contracts expected to start in the forthcoming quarter.

Advanced Oncotherapy PLC (LON:AVO), the developer of proton therapy systems for cancer treatment, has announced a new strategic funding partnership and debt facility. The funding, which totals roughly £42mln, will go towards the development of the company's LIGHT system and advance the manufacturing of up to 30 LIGHT systems. The pre-revenue company also announced its results for 2019 in which it revealed a more or less unchanged loss before tax of £21.9mln.

Avation PLC (LON:AVAP) has reported a strong cash balance and said some of its main airline customers are returning to service as coronavirus travel restrictions are loosened. At the end of March, the aircraft leasing group had a cash balance of US\$131.6mln, said executive chairman Jeff Chatfield in the group's third quarter report. Chatfield added: "Immediately at the outset of the COVID-19 pandemic Avation instituted a programme of support for some of its airline customers to defer for later payment certain portions of their rent in the short term. The cashflow impact of this support programme has been mitigated by adjusting the amortisation profiles of the relevant financings with the agreement of lenders."

Emmerson PLC (LON:EML), the Moroccan focused potash development company, has appointed Graham Clarke as its chief executive, effective from 1 July 2020. Clarke is a highly experienced fertiliser industry executive with 26 years' experience in underground potash mining and a proven ability to attract talent and build operating teams with the capability to deliver large, complex projects in the fertiliser space.

Bezant Resources PLC (LON:BZT), the AIM quoted mineral exploration and development company, announced that its CEO Laurence Read has, with the agreement of the board, resigned with immediate effect to enable him to pursue his other interests. The group said Read will be available to consult with the company to assist with an orderly transition of his responsibilities and provide ongoing assistance. In a statement, Colin Bird, Bezant's executive chairman commented: "On behalf of myself and the Board I would like to take this opportunity to thank Laurence for his considerable contribution to the Company and wish him well in his future endeavours. The last couple of years have not been an easy period for junior exploration companies, and as Chief Executive Officer Laurence has helped Bezant re-align its strategy and develop a clear copper-gold focus." Bird added: "The Company is in the process of finalising the appointment of members to the management team to support the technical requirements of its interest in the Kalengwa copper gold project in Zambia acquired in April 2020 and the Hope Copper-Gold project in Namibia which is currently under due diligence and will announce details in due course."

Echo Energy PLC (LON:ECHO) said it has agreed extensions to sales contracts with two key gas customers in Argentina until December 17 at a significant premium to the current spot price. The extensions are for gas supplied from its Santa Cruz assets and based on a weighted average contracted gas sales price of US\$4.37 per mmbtu (thermal unit). Spot prices in Argentina currently are US\$1.95 per mmbtu and have increased by 45% per cent since 20 May 2020.

One Media IP Group PLC (LON:OMIP) has reported a 93% increase in underlying profits in the half-year to the end of April and said its operations have remained "unimpacted" by the coronavirus pandemic. The half-year period, which was characterised by the group as a period of consolidation after completing five acquisitions in 2019, saw revenue increase 28% to £2.03m and the company said it continues to trade in line with expectations. Underlying profits (EBITDA) increased to £757,678 from £392,192 and pre-tax profits were up 177% to £399,236.

EQTEC PLC (LON:EQT) has formed an agreement with Ireland's Carbon Sole Group to jointly develop green energy solutions for the Irish market. Using EQTEC's Gasifier Technology, the pair initially plan to co-develop three green energy parks in Ireland utilising advanced biofuels, energy storage and district heating networks. The first two proposed sites are already zoned for enterprise or industrial use and are suitable for heat and electricity generation using biofuels, the companies said.

Equals Group PLC (LON:EQLS), the e-banking and international payments group, said revenues have returned to more normal levels after the initial impact of the coronavirus lockdown. Overall revenues in 2020 are running at around £108,000 a day versus £11,000 in 2019, the company said in its results statement for 2019. It noted that this year's revenue streams in both the business-to-business (B2B) segment and retail banking remain robust while, as one might expect given the strict restrictions on overseas travel, the business-to-consumer (B2C) operations have been hit hard by the coronavirus (COVID-19) pandemic, especially in March and April although things have been improving in the last two months.

OptiBiotix Health PLC (LON:OPTI) has announced the launch of WellBiome, a blend of fibres and minerals to promote the diversity of the gut microbiome. The life sciences firm said it is an evolution of its SlimBiome product, which is a functional ingredient sold in more than 70 countries formulated to support weight loss and weight management. The group noted that WellBiome provides a scientifically formulated, patented and trademarked solution for partners to either enter into, or extend, their product value proposition into the wellness market using functional ingredients to improve immune, digestive, heart or metabolic health.

Norman Broadbent PLC (LON:NBB), the recruiter and management services group, returned to profit in 2019, though it said business since has been slowed by the effects of the coronavirus pandemic. The AIM-listed business reported that continuing revenues increased by 22% to £11.5m in the year to December 31, 2019, while the group saw an £800,000 swing to a pre-tax profit of £84,000 from a loss of £741,000. Both the interim management and Solutions

arms of the business increased revenues over the year by more than 50%, Norman Broadbent said.

ReNeuron Group PLC (LOM:RENE) said its treatment for a hereditary form of progressive blindness has been shown to have a "meaningful effect" for all points measured up to 18 months. Its study of its human retinal progenitor cell (hRPC) therapy showed the single retinitis pigmentosa patient dosed a year and a half ago was able to read 16 more letters from a standard chart with the treated eye than with the untreated eye. Chief executive Olav Hellebø said: "The persistence of the observed clinical benefit is particularly encouraging."

Haydale Graphene Industries PLC (LON:HAYD) said it has moved to phase 2 of its collaboration with Thai petrochemicals giant IRPC. The pair are working to develop transparent graphene and functionalised acetylene black conductive inks for tracking and communications technologies such as RFID and NFC and "related applications". Under the agreement, IRPC will pay an upfront fee to Haydale following the signing of the contract, with a second payment following the submission of the final report.

Gore Street Energy Storage Fund PLC (LON:GORE), the industrial battery investor, said it has added a further 131Mw of assets to its exclusive pipeline including 81Mw that are already in operation and generating cash. The acquisition of the operational assets, which are based across Great Britain, is expected to be completed in mid-August, said the specialist investment trust. The remainder of the exclusivity agreements is made up of a 50Mw project under development in Southern England.

Trident Resources PLC (LON:TRR) is acquiring a royalty from Moxico Resources PLC over production from the operating Mimbula copper mine and associated stockpiles in Zambia's prolific Copperbelt Province. The royalty is being acquired in exchange for a cash consideration of US\$5m, and Trident will be entitled to royalty payments on production commencing from 1 July 2020 and extending in perpetuity. Initially, the royalty rate will be 1.25%, but it will drop once Trident's US\$5m outlay has been covered, down to 0.3%, and then subsequently down to 0.2% once the royalty has been paid on 575,000 tonnes of copper cathode.

Solo Oil PLC (LON:SOLO) said it has arranged a US\$5m financing facility to meet its commitments on the Ntorya prospect in Tanzania while it negotiates the sale of its stake. Financier Prolific Basins is providing the money through a tranching investment structure that Solo said allows it to have a flexible funding option in place, should it be required, for the planned appraisal programme on Ntorya. Solo also said it is to switch its strategy going forward towards energy transition opportunities in the European power sector including gas storage, gas peaking and battery storage.

Oriole Resources PLC (LON:ORR) has initiated a 10,000 metre air core drilling campaign at the Faré target on its Senala project in Senegal, where joint venture partner IAMGOLD Corporation has the option to spend up to US\$8m to earn a 70% interest. "We are delighted to see the start of drilling at the Faré prospect, in the north of the Senala licence," Oriole chief executive Tim Livesey said in a statement. Livesey highlighted strong historic intercepts at Faré, including seven metres grading 86.39 grams per tonne.

NQ Minerals PLC (LON:NQMI) has announced the acquisition of the high-grade and historic Beaconsfield Gold Mine in Tasmania, Australia. The mine has historic recorded production of about 1.8m ounces of gold averaging around 15 grams per tonne and was closed in 2012 due to the low gold price at that time. The miner said it plans to re-open the mine as soon as practicably possible as the gold price has more than doubled since 2012.

Ferro Alloy Resources Ltd (LON:FAR) booked revenue of just over US\$1.8m in the year to December 31, 2019. Losses rang in at US\$3.3m, and there was US\$650,000 in the bank at end December, although the company raised more money post the period end. Significant progress has now been made towards a major expansion of the existing processing operation, with the new equipment installed increasing capacity to 60 tonnes of vanadium pentoxide per month.

Pembridge Resources PLC (LSE: PERE) booked a loss of US\$13m in the year to December 2019. That loss included a US\$6.4m charge which reflected costs of re-starting operations at the Minto copper mine in Canada during the period. "The financial results for 2019 reflect the investment made and costs incurred to acquire and restart the Minto mine," said Gati Al-Jebouri, chief executive of Pembridge.

SIMEC Atlantis Energy Ltd (LON:SAE) said it will publish its full-year results and annual report between August 7 and 14 after being given an extension due to the coronavirus pandemic. Cash and equivalents were £9.4m as at June 26, the AIM-listed group said in trading update on Monday, adding that it had seen minimal disruption from the coronavirus pandemic to its tidal business and its Green Highland Renewables (GHR) operations and maintenance business.

Anglo Asian Mining PLC (LON:AAZ) has revealed in written form questions that will be answered at its AGM later today. The questions were submitted in writing, as the company, in common with many around the world, is unable to host a full meeting of shareholders due to coronavirus restrictions. The company said in its written answers that gold production on its Azerbaijan portfolio of assets is likely to increase, assuming that its new discoveries turn out to be viable.

Landore Resources Ltd (LON:LND) has conditionally raised gross proceeds of £2.8m through a placing of 414m shares at a price of 0.675p. The discount was 7.53% to the closing mid-market price on 26 June 2020. The placing shares will represent 23% of the company's share capital. Holders of the placing shares will also be issued one warrant to subscribe for one share. The net proceeds will allow Landore to complete 3,400 metres of exploration drilling to follow up on identified gold targets on its projects in Canada.

Canadian Overseas Petroleum Limited (LON:COPL) (CSE:XOP) has entered into a non-brokered subscription agreement with an investor for a £500,000 equity placing at 0.3p per common share. The international oil and gas exploration and development company, which is focused on sub-Saharan Africa, said the subscription is an upsize, or similar, of a previous placement announced on June 23 with the same investor. The company said the funds received from the placing will cover general working capital and enable it to continue focusing on its Nigerian OPL 226 project as disclosed on June 4, 2020.

Diversified Gas & Oil PLC (LON:DGOC), the US-based owner and operator of natural gas, natural gas liquids, and oil wells as well as midstream assets, has revealed that the company's bank lending group, led by KeyBank National Association, has completed the semi-annual redetermination of the group's senior secured credit facility and reaffirmed the existing \$425m borrowing base. It said the bank group also approved amendments enhancing the company's hedging capabilities, with no changes to pricing or covenant terms. Following the redetermination, DGOC's net debt approximates \$756m and current liquidity approximates \$213m, comprised of cash on hand and availability under the facility.

Caledonia Mining Corporation PLC (LON:CMCL) (NYSE AMERICAN:CMCL) has declared a further increased quarterly dividend of 8.5 US cents, a 13% hike from the previous quarterly dividend of 7.5 cents, which, together with the increase to the dividend in January 2020 from 6.875 US cents, represents a cumulative 24% increase since October 2019. The group highlighted significant business resilience demonstrated through the COVID 19 pandemic with gold production levels still within the range of 2020 guidance of 53,000-56,000 ounces, and with target production for 80,000 ounces of gold per annum from 2022. It said that stable production, a high gold price and good cost control have resulted in increased cash generation in 2020, has given the group's board confidence that the business can sustain a higher level of dividend distributions.

KRM22 PLC (LON:KRM), the technology and software investment company, had announced that further to its announcement of April 17, 2020, it has settled the £0.55m convertible loan note (CLN) due to Cinnober Financial Technologies AB by converting it into 1,454,434 new ordinary shares at 38.4p per share. The CLN, provided by KRM22 to Cinnober, as consideration for the remaining 40% stake in Irisium, was for a one-year term and could be satisfied by either the allotment and issue of ordinary shares in the company by no later than July 31, 2020, or settled by cash at any point in the CLN term, at the company's sole discretion. KRM22 has exercised its right to settle the CLN for £0.55m plus accrued interest of £0.01m. The transaction immediately removes £0.6m of debt and liabilities from the group's balance sheet.

MetalNRG PLC (LON:MNRG), the natural resource investing and exploration company, announced Friday that it has entered into an agreement, via SI Capital and Peterhouse Capital, the company's brokers, with a number of shareholders in relation to the issue of up to £375,000 of Convertible Loan Notes (CLNs). All MetalNRG Directors have participated in the issue. The CLNs are fixed-rate, unsecured loan notes carrying a simple, non-compounding interest

rate of 10% per annum (accruing on a daily basis) with an expiry date of January 31, 2021. Holders of the CLNs may convert them into new MetalNRG ordinary shares at a price of 0.6p each or at 85% of the average published volume-weighted average share price over the 10 trading days prior to conversion at any time prior to or on January 31, 2021.

Catenae Innovation PLC (LON:CTEA), the AIM quoted provider of digital media and technology, announced Friday that it has received notification for the exercise of a warrant over 10,113,636 ordinary shares in the company at an exercise price of 0.4p each providing the company with proceeds of £40,454.55.

Itaconix PLC (LON:ITX) confirmed on Friday that, further to its announcements on June 23, 2020, and June 24, 2020, relating to a placing, subscription and US additional subscription to raise £1.8 million, a general meeting will be held at Hillside, Station Road, Warkworth, Northumberland NE65 0XP, at 11.30am on July 14, 2020. In addition to the resolutions required to enact the fundraising, the group's directors are seeking authorisation to issue shares equal to 15% of the enlarged share capital for cash free of pre-emption rights and the removal of the restriction in the Articles on the Directors' borrowing powers.

Regency Mines PLC (LON:RGM) has said it will be hosting a shareholder question and answer session on Monday June 29 at 12pm GMT, in line with its commitment to maintaining positive engagement with its shareholders. Investors will be able to ask questions of Regency's CEO Scott Kaintz for the duration of the session. To log in/register investors should go to: www.yourregencymines.com

6.15am: FTSE 100 set to open sharply lower

The FTSE 100 looks set to open sharply lower amid worries about a coronavirus second wave and the ability of the US to contain the outbreak.

Asia's main markets set the tone as the global death toll from the pandemic hit half a million.

Worrying was the decision by certain American states to reconsider easing lockdown restrictions.

"Rising infection rates in the US, which saw some US states either postpone their reopening's or close back down again, saw equity markets slide lower on the week on Friday, over concerns that any economic recovery may well take longer to take hold," said Michael Hewson of CMC Markets.

"In spite of these concerns the losses that we saw turned out to be fairly modest when compared to previous sessions, as well as previous weeks.

"There is no question that some investors are calling into question the pace of any recovery in economic output, with gold prices hitting their highest levels since October 2012.

"However, the reality remains that while there is concern about the economic impact of a second lockdown, the bar to another countrywide one being implemented remains very high indeed."

Gold, a haven investment in times of economic strife, found support at just under US\$1,800 an ounce, while the price of crude oil eased amid worries that a faltering global economy will hit demand.

Looking ahead, it is expected to be a busy week for scheduled corporate news with updates expected from budget carrier easyJet (LON:EZJ), the supermarket chain Sainsbury (LON:SBRY) and Associated British Foods (LON:ABF), the owner of Primark.

Around the markets: Pound worth US\$1.2368 (up 0.36%); gold changing hands for US\$1,787.90 an ounce, up US\$7.80; Brent crude US\$40.15 a barrel, down 87 cents.

Monday's main news

Finals: Advanced Oncotherapy PLC (LON:AVO), Equals Group PLC (LON:EQLS), GB Group PLC (LON:GBG), Victoria Oil & Gas PLC (LON:VOG)

Business headlines

Financial Times

- EY prepares for backlash over Wirecard scandal
- Lloyds to push further into wealth management and insurance
- Facebook fails to stem advertising boycott over hate speech
- Prices are rising faster than official figures suggest

Times

- London market left in shade as rivals zoom on
- Borrow big and spend, L&G chief Nigel Wilson tells Boris Johnson
- Fishing deal 'must not limit UK access to Nordic waters'

Telegraph

- Britain headed for Brexit customs chaos
- Starbucks joins Facebook advertising boycott
- McCarthy & Stone boss: Stamp duty cuts would get the economy moving again

Guardian

- Chesapeake Energy, fracking pioneer, files for bankruptcy owing \$9bn
- Red alert issued over Landsec executive's bumper pension package

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