

European Central Bank

European markets await ECB bond-buying decision

US debt-ceiling breakthrough gives relief to Asian markets

Global Market Overview



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What you need to know

- European markets set to follow US stocks higher
- Euro in holding pattern ahead of ECB meeting
- Crude hovers at 3-month high
- South Korea stocks rally

Overview

European markets are expected to open higher as traders anticipate the European Central Bank's crunch meeting later today, at which ECB president Mario Draghi could signal a scaling-back of its €2tn bond-buying programme.

The euro is edging up to \$1.1920 as investors wait to see whether the ECB will discuss the single currency's rise.

Asia Pacific equities are rising following news that President Donald Trump had reached an [agreement with Democratic congressional leaders](#) for a short-term extension to the debt ceiling,

which saw the S&P 500 close up 0.3 per cent on Wednesday.

The deal also pushes back a September 30 deadline to pass a budget, in a temporary move to avoid a government shutdown.

Mr Trump backed the Democrats' proposal for a three-month extension to the debt ceiling that was set to expire this month, despite opposition from top Republicans.

Hot topic

Japanese stocks rose with the Topix index up 0.4 per cent, led by the consumer discretionary and industrials sectors. Energy stocks also rose amid higher oil prices.

Hong Kong's Hang Seng index is dipping 0.1 per cent with falls for the financials and information technology sectors.

Australia's S&P/ASX 200 has lost 0.1 per cent. [Rio Tinto](#) was up as much as 1.4 per cent after the company announced a 50 per cent increase in reserves at one of its Australian coal mines.



South Korea's Kospi is up 1.2 per cent and is heading for its best day since June after Mr Trump said military action was not his "first choice" to deal with North Korea in the wake of Pyongyang's nuclear test on Sunday.

Forex

The dollar index, which measures the greenback against a basket of peers, is down 0.1 per cent at 92.179 and the Japanese yen is flat against the US dollar at ¥109.05.

The Canadian dollar is flat at \$1.222 after surging to its highest level in more than two years against its US counterpart following the Bank of Canada's decision to raise interest rates by 25 basis points.

Fixed income

The yield on the 10-year US Treasury, which moves inversely to its price, is down 0.1 basis points at 2.094 per cent.

Commodities

International oil benchmark Brent crude is 0.3 per cent lower at \$54.03 a barrel after touching its highest level since May 25 in the previous session. West Texas Intermediate is down 0.2 per cent at \$49.05 a barrel.



Gold is hovering at a 10-month high at \$1,335.30 an ounce.

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