



Global stocks sink as all eyes on mass tech sector lay-offs Free 221224

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The FTSE 100 ended the day 9.89 points lower, down 0.14%, at 7,296.25.

European and US stocks drifted into the red as a second round of mass redundancies swept across the global technology sector.

Instagram, Facebook and WhatsApp owner Meta said it would be cutting 13% of its workforce as boss Mark Zuckerberg blamed the economic downturn for declining revenues.

It comes soon after reports that thousands of staff at Twitter had been axed from their jobs following billionaire Elon Musk's takeover.

The FTSE 100 could not hold onto earlier gains and ended the day 9.89 points lower, down 0.14%, at 7,296.25.

By the time European markets closed, the pound had tumbled 1.2% against the US dollar and was worth 1.14 dollars, losing more than a cent from the highs of the day.

Meanwhile, US stocks were firmly in the red as Americans nervously await the outcome of the midterm elections, which will determine whether the Democrats or Republicans take control of Congress.

The S&P 500 was down 0.75% and Dow Jones had dipped 0.78% when European markets closed.

Chris Beauchamp, chief market analyst at online trading platform IG, said: "With the elections in the US still not providing a clear direction for investors, a quietly cautious atmosphere prevails in stocks.

"One potential note of caution is found in the US dollar, which has managed to stem its losses.

"Dollar 'bulls' will be on the lookout tomorrow for reasons to jump back into one of 2022's standout performers, with the focus once again on core consumer prices inflation (CPI) and any sign that inflation remains solidly entrenched despite the Fed's best efforts to bring it down."

Elsewhere in Europe, the German Dax lost momentum following solid gains on Tuesday. It fell 0.16% while the French Cac was down 0.17%.

The pound also lost strength against the euro and was trading 0.9% lower at 1.135 when European markets closed.

In company news, Marks & Spencer told shareholders that it was anticipating a more challenging trading environment as the "gathering storm" means customer demand will take a big hit.

The gloomy forecast follows a fall in its half-year profits by around a quarter as double-digit food price inflation took a bite out of the supermarket's costs.

M&S's share price fell 3.37% by the end of the day.

Elsewhere in the food and drinks world, pub giant JD Wetherspoon was somewhat more optimistic about its future, despite reporting a decline in sales and previously warning over "threats" to the hospitality industry.

The group said that its sales were very slightly lower, by around 1%, in the last five weeks compared to the same period in 2019, before the pandemic.

Shares in JD Wetherspoon tumbled 6.3%.

Meanwhile, Taylor Wimpey joined rival housebuilders in reporting a slowdown in private house sales and increasing cancellations as mortgage rates rise.

Shares in the FTSE 100-listed company were up 2.1% despite the downbeat sales volumes, as the housebuilder stuck by its previous profit guidance.

The biggest risers on the FTSE 100 were Smiths Group, up 55p to 1,606p, AB Foods, up 51p to 1,509p, Admiral Group, up 57p to 1,986p, Haleon, up 8.05p to 286.25p, and RS Group, up 24p to 906p.

The biggest fallers on the FTSE 100 were Ocado Group, down 35.2p to 668.4p, Informa, down 21.4p to 550.6p, Harbour Energy, down 12.9p to 376.1p, Glencore, down 14.3p to 510.4p, and Flutter Entertainment, down 320p to 11,465p.

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