

FTSE100 drops 0.8%, as Standard Chartered slumps due to poor results

Market Update (26.10.2023) by Martin Assmann

The FTSE100 fell by 0.8% on Thursday, as Standard Chartered results plunged 12.4% and disappointing results from companies affected the market.

Standard Chartered's share price declined significantly, as it announced that profits shrunk from \$1.4bn in the third quarter of 2022 to \$633m the same quarter this year.

This was due to a \$886m hit from their exposure to the struggling property and banking markets in China.

Other earning reports also underperformed.

Matthew Spedding, a market researcher at Swift Research, said in an interview: "Consumers are spending less because of inflation, and it is starting to have an effect on company spending and revenues."

Rentokill Group, a business service giant, saw its stock price continue to decline sharply for the 10th day, as it fell an additional 10.6%. This was due to its biggest market, North America, having floundered after reduced demand.

Advertising company WPP Group also stumbled to its lowest level on the market in 2.5 years before recovering to -1,4%, after its earnings disappointed as well. Revenues dropped 0.6% after the market had predicted 1 per cent growth.

The S&P 500 and DAX both also edged lower, amid disappointing company results, falling by 0,2% and 0,5% respectively.