

ADVERTISEMENT

Markets | Mon Apr 18, 2016 8:29am EDT

Related: STOCKS, CURRENCIES, BONDS, MARKETS

# GLOBAL MARKETS-Shares follow oil down after Doha disappointment



(Adds Wall St futures, Morgan Stanley results)

- \* Failure of efforts to curb supply knocks 3 pct off crude prices
- \* Nikkei skids as investors assess Kumamoto quake impact
- \* Some signs of recovery in European trade
- \* Wall St to open only marginally lower

By Patrick Graham

LONDON, April 18 A dive in oil prices sent stock markets lower on Monday after producers meeting in Qatar failed to agree on a plan to curb global supply, quashing the more optimistic tone that had prevailed for much of the past week.

Japan's Nikkei index led the way, tumbling more than 3 percent after a devastating earthquake in the southwest of the country, with signs from a summit in Washington that other Group of 20 governments oppose intervention to weaken the yen also playing a role.

Losses in Hong Kong and Shanghai ranged around 1 percent and oil prices were down 3 percent, pushing U.S. crude below \$40 for the first time in a week.

Still, the falls on European markets eased as morning trade progressed and Wall Street was set to open only a third of a percent lower, helped by a gain for Morgan Stanley after its profits sank but beat forecasts.

"Energy and equity markets were flashing red this morning, as were commodity currencies like the Canadian and Australian dollars," Societe Generale analysts wrote in a morning note.

"But the scale of the carnage has lessened since London trading opened."

Some 18 oil-exporting nations, including OPEC members, had gathered in Doha, the capital of Qatar, over the weekend in an attempt to agree to stabilise output at January levels until October 2016. The pact fell apart after Saudi Arabia demanded that Iran join in.

## GROWTH FEARS

Concerns that falling oil prices will thwart efforts to get prices rising across the developed world have been at the heart of worries over growth and the broader health of the economy since the start of this year.

The other big concerns have been Chinese growth and another round of profit warnings and cost cuts at banks. Morgan Stanley's profits fell by more than 50 percent, but were strong enough compared to expectations to prod shares 2 percent higher.

"While we see some signs of market recovery, global uncertainties continue to weigh on investor activity," Chief Executive James Gorman said.

The yen, traditionally a target for capital in times of global stress, hit a 3-year high against the euro in response. It rose half a percent against the dollar but was still well short of highs of 107.63 yen per dollar hit a week ago.

Shares in Sony Corp, which has a plant in the Kumamoto area at the centre of Saturday's quake, fell almost 7 percent. Toyota Motor Corp tumbled 4.8 percent after it suspended production across Japan due to disruptions to its supply chain.

"Many are waiting for the dust to settle as it is not yet possible to quantify the damage in its entirety," said Martin King, co-managing director at Tyton Capital Advisors.

One big exception to the rule was Brazil, where stock market futures jumped 2.5 percent after a vote to impeach President Dilma Rousseff that looked set to force her from office after 13 years of leftist Workers Party rule.

The real rose more than 1 percent. (Additional reporting by Danilo Masoni in MILAN, Joshua Hunt in TOKYO; Editing by Kevin Liffey)



## More From Reuters

- Venezuela says U.S. seeking to scuttle OPEC, non-OPEC deal | 13 Apr
- Tiger recovering after killing Florida zoo worker | 17 Apr
- Saudi remarks on oil surge test prospects for output freeze | 17 Apr
- Short skirts, bad stars, chow mein: why rape happens in India | 13 Apr
- Iran will not attend Doha oil freeze talks on Sunday: sources | 16 Apr
- Gulf growth forecasts cut further despite oil rebound: poll | 18 Apr
- Deals of the day: Mergers and acquisitions | 18 Apr
- COLUMN-Saudi Arabia turns oil weapon on Iran: Kemp | 18 Apr
- MIDEAST STOCKS-Gulf ends firm despite Doha talks' failure; Egypt surges | 18 Apr
- Shares follow oil down after Doha disappointment | 18 Apr

## From The Web

Sponsored Links by Taboola



Are you a strategic thinker? Test your skills with millions of addic... Sparta Free Online Game



Silicon Valley for Bernie Sanders: Wer der Regierung misstraut, l... Frankfurter Allgemeine



Is this the best Wargame of all time? Soldiers: Free Online Game

## Sponsored Topics

Advertisement

- |                                    |   |                                    |   |
|------------------------------------|---|------------------------------------|---|
| 1. <b>Best Income Funds</b>        | ▶ | 5. <b>Top Penny Stocks</b>         | ▶ |
| 2. <b>Best Oil Stocks To Buy</b>   | ▶ | 6. <b>Retirement Annuity Rates</b> | ▶ |
| 3. <b>Roth IRA Interest Rates</b>  | ▶ | 7. <b>New Honda CRV</b>            | ▶ |
| 4. <b>Highest Paying Annuities</b> | ▶ | 8. <b>401k Rollover Options</b>    | ▶ |

ADVERTISEMENT



## REUTERS WINS PULITZER PRIZE FOR PHOTOGRAPHY OF MIGRANT CRISIS



The photography staff of Thomson Reuters has won a Pulitzer Prize in Breaking News Photography for their coverage of the migrant crisis. Slideshow

Pictures of the year: Migrant crisis

### BUILD YOUR PERFECT CANDIDATE

CAMPAIGN MANAGER

Public Opinion: ★★★★★  
Political Awareness: 83 pts  
Flip Flop Score: -

Download Reuters' White House Run from the App Store

### TRENDING ON REUTERS

- U.S. top court appears unlikely to revive Obama immigration plan VIDEO
- Sanders hits Clinton on campaign finance hours before New York votes VIDEO
- Saudi Arabia turns oil weapon on Iran: Kemp
- Britain says South China Sea arbitration ruling must be binding
- Ecuador counts over 400 quake deaths, damage in the billions VIDEO

### Sponsored Financial Content

The real face of Terry Gou Nikkei Asian Review

Including 28 new funds within Quantum, Oracle, Paragon and LifePlan. RL360\*

Top 10 Trading Mistakes with CFDs - Free 5 page guide Guardian Stockbrokers

Sign up for personalised news updates to help you trade successfully News.Markets

Get the latest Market Views from the experts MarketViews

### SPONSORED TOPICS

- Best Income Funds
- Best Oil Stocks To Buy
- Roth IRA Interest Rates
- Highest Paying Annuities
- Top Penny Stocks
- Reverse Mortgage Calculator

ADVERTISEMENT

Follow Reuters Twitter Facebook RSS YouTube LinkedIn

More from Reuters Newsletters | Podcasts | Apps

News and Media Division of Thomson Reuters

Thomson Reuters is the world's largest international multimedia news agency, providing investing news, world news, business news, technology news, headline news, small business news, news alerts, personal finance, stock market, and mutual funds information available on Reuters.com, video, mobile, and interactive television platforms. Thomson Reuters journalists are subject to an Editorial Handbook which requires fair presentation and disclosure of relevant interests.

NYSE and AMEX quotes delayed by at least 20 minutes. Nasdaq delayed by at least 15 minutes. For a complete list of exchanges and delays, please click here.