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BUSINESS WITH PERSONALITY

IT'S NOT A GOLF THE SUPERCAR WITH SPACE FOR YOUR CLUBS **P24**

WHERE NOW? TENSIONS CONTINUE IN MIDDLE EAST AS NEXT STEPS REMAIN UNCLEAR **P9**

TUESDAY 7 JANUARY 2020 | ISSUE 3,528 CITYAM.COM FREE

KERCHING

RECORD CITY TAX TAKE IN 2019 FILLS TREASURY COFFERS ONCE AGAIN

HARRY ROBERTSON

@harrygrobertson

BRITAIN'S financial services sector contributed a record £75.5bn in tax in 2019, according to a new report on behalf of the City of London Corporation, amounting to 10.5 per cent of all government tax receipts.

The report, carried out by accounting giant PwC and released today, highlighted the value of financial services to the UK economy. Across the country the sector employs around three per cent of the UK workforce but contributed 11.6 per cent of all UK employment taxes thanks to significantly higher average salaries.

City minister John Glen told *City A.M.* the figures showed "the significant contribution the sector makes".

"Only by maintaining Britain's world-leading status in financial services can we continue to attract business and bring in record amounts of tax for our vital public services," he added.

Financial services are expected to be a sensitive issue in UK-EU negotiations.

Catherine McGuinness, policy chair at the City of London Corporation, told *City A.M.*: "We mustn't allow our enthusiasm to strike an early trade agreement either with the EU or with other partners around the world to lead us to a position where we accept a very flimsy trade agreement when it comes to services."

The £75.5bn figure was only a slight increase from the £75bn collected in the year to March 2018, reflecting a challenging year for the sector. It was a notable slowdown from the £2.9bn growth in tax contributions seen between 2017 and 2018.

PwC's report showed that of the 2019 figure, £33.4bn was paid by companies directly. The other £42.1bn was paid by employees through income tax and customers through levies such as VAT.

The amount of corporation tax financial services firms paid fell 9.5 per cent year on year, meaning the sector paid less than it did in 2008. McGuiness said this was a "worry" and said it was due to the lower profitability of firms.

Global trade tensions, political uncertainty and persistently low interest rates have created challenging conditions for much of the sector.

Barney Reynolds, head of financial regulation at law firm Shearman & Sterling, said he was positive about negotiations with the EU. He said the City is "not only important to the UK, it's an important global asset".

Angry-Rail: TfL confirms longer delay

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TRANSPORT for London (TfL) has confirmed that the central portion of Crossrail will not open before the autumn of 2021, making it a full three years late.

Speaking to the London Assembly's Budget and Performance Committee yesterday, commissioner Mike Brown said TfL was working to a timetable of between September and December 2021 for the service to begin operating.

Brown's statement comes after *City A.M.* first reported last month that the main section of the £18.25bn project would be delayed due to the timescales involved in trials of equipment and trains.

The line — which will connect Reading and Heathrow in the west to Shenfield and Abbey Wood in the east — was supposed to open in December 2018 at a cost of £14.9bn.

"We're waiting for the Crossrail board to give an assessment of the opening date, but actually we've taken... a very pragmatic look at the demand forecasts," Brown said.

"Both the chief executive of Crossrail [Mark Wild] and the board... know the imperative of bringing that date as far forward as they can possibly and safely do so because of the imperative that revenues will begin to flow in to TfL overall."

CONTINUES ON P5

FTSE 100▼ 7,575.34 -47.06 FTSE 250▼ 21,760.53 -227.66 DOW▲ 28,703.38 +68.50 NASDAQ▲ 9,071.47 +50.70 £/$▲1.316 +0.007 £/€▲1.177+0.005 €/$▲ 1.119 +0.002

CITY A.M.

THE CITY VIEW

Retail landscape will continue to evolve

AT FIRST glance, the £50m deal to convert a north London retail park into a warehouse and logistics hub is a perfect representation of the forces upending an embattled sector. The relentless rise of online shopping and home delivery means plots like the Ravenside site in Edmonton, snapped up by warehousing giant Prologis, is worth more as a distribution centre for Amazon and Argos than as a space for Mothercare and Carpetright. Prologis acquired the site from M&G, whose commercial property fund was suspended last month after investors clamoured to withdraw their cash. Taken together, the elements of this story appear to provide yet more evidence that traditional retail operations may have had their day. But the truth is that a brand such as Mothercare falling into administration attracts more attention than investment into the future of retail. Furthermore, this shift from bricks and mortar to online shopping is only part of the picture. The Sunday Times reported over the weekend that the head of one of Britain's biggest property investment firms, Bruntwood, has "called the bottom of the shopping centre slump." Chief executive Chris Oglesby believes that the tide is about to turn and physical retail sites now represent "a huge opportunity". Not everyone agrees, and plenty of investors remain wary of the low rents and, therefore, low values of such assets, but the prospect of a smart revival cannot be written off. Oglesby thinks the shift to online in certain parts of the retail landscape "has probably plateaued" and that consumers still value experiences and interaction alongside the convenience of ordering from an app. The other element in the retail landscape is the high street, whose death has been greatly exaggerated or, at least, misinterpreted. For a start, independent retailers are enjoying a boom. According to consumer research giant Which, no fewer than 10 sub-sectors of retail have seen an increase in premises on high streets in recent years. These include eating out, services (such as salons), food and drink retailers and event spaces. In other words, offerings that cannot be replicated online. As the new decade gets underway, retail remains a mixed bag. There will be more failures but, also, many more openings. Physical space will be repurposed and investors will look for new opportunities. This is a complex and evolving sector, and while its fortunes remain far from certain there are plenty of green shoots among the rubble.

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LIFE BEFORE THE DINOSAURS... IN DULWICH The Horniman shines a light on the little-known Permian in winter exhibition

GONDWANA STUDIOS

THE HORNIMAN Museum in south London announced yesterday that its newest exhibition will focus on the sabre-toothed predators of the Permian period, the last era before the dinosaurs arrived. The Permian, which is believed to have lasted around 47m years, ended with the largest mass extinction in the Earth's history. More information can be found at *horniman.ac.uk*

Election bounce for service firms

HARRY ROBERTSON

@harrygrobertson

SERVICES companies became much more positive last month following Prime Minister Boris Johnson's thumping election victory, survey data showed yesterday, with firms grateful for some certainty.

A key gauge of services activity picked up in December but the sector still failed to expand, data from IHS Markit and the Chartered Institute of Procurement & Supply (Cips) showed, marking the fourth month in a row without growth for the vital component of the economy.

The services purchasing managers' index (PMI) — a closely-watched barometer — came in at 50 in December, up from 49.3 in November. A score of 50 means business activity was unchanged. Economists had predicted a reading of 49.2.

Business optimism rebounded to its highest since September 2018, the survey showed. A number of respondents predicted a short-term boost to the sector after Britain leaves the EU at the end of the month.

Although the business community was largely opposed to Brexit, after three years of political wrangling firms are now grateful for some certainty upon which to base decisions.

Increased confidence and rising workloads led to a marginal increase in staffing levels in December, IHS Markit and Cips said.

"The decisive result of the General Election appears to have given the services PMI a bit of a boost," said Thomas Pugh, UK economist at Capital Economics.

"That may start to come through in other data in the first quarter, although the fourth quarter was clearly very weak."

Oil prices spike amid tensions in Middle East

EDWARD THICKNESSE

@edthicknesse

OIL PRICES spiked yesterday amid inflamed tensions in the Middle East, after the US exchanged threats with Iran over the weekend.

Brent crude crossed the $70 threshold for the first time since September's attacks on Saudi Arabia's state-owned oil company, before slipping back to $68.4. At one point, West Texas Intermediate touched $64.72, its highest level since April 2019, before dipping back to $62.75.

The rises follow a three per cent surge in prices on Friday after the killing of Iranian general Qasem Soleimani, raising concerns that unrest in the Middle East could disrupt oil supplies.

The region accounts for almost half of the world's oil output, and a fifth of global oil shipments pass through the straits of Hormuz.

WHAT THE OTHER PAPERS SAY THIS MORNING

FINANCIAL TIMES

CREDITORS OF JAMIE'S ITALIAN SET TO LOSE £80M

Creditors of celebrity chef Jamie Oliver's failed Italian restaurant chain are set to lose most of the £80m they are owed after its collapse last May, according to administrator KPMG. Unsecured creditors of Jamie's Italian would not recover the majority of their money, while HSBC and Oliver's holding company, which owned £57.7m of the company's secured debt, would also "suffer a significant shortfall", KPMG said in a report.

BIG TECH RESISTS EU RULES ON CONTENT LIABILITY

Groups including Google and Facebook have urged Brussels not to hold them legally liable for content but accepted that their effort to remove harmful activity might require a watchdog's oversight, as pressure grows on the regulation of tech giants.

THE TIMES

BRITAIN'S MOST PROLIFIC RAPIST JAILED FOR LIFE

The UK's most prolific rapist has been jailed for life after drugging and attacking nearly 200 vulnerable young men who he targeted outside nightclubs. Reynhard Sinaga, 36, stalked Manchester preying on lone, predominantly heterosexual students who had been drinking heavily.

DUCHESS OF YORK QUITS ROLE AT WEST END FIRM

The Duchess of York has stepped down as an executive director of a Chinese-backed entertainment company from which she once borrowed £290,000. Gate Ventures said Sarah Ferguson resigned to focus on other ventures.

THE DAILY TELEGRAPH

SACKED DELOITTE PARTNER TO PAY £125,000 IN COSTS

A Deloitte partner who was sacked over allegations of bullying and favouritism has been ordered to pay £125,000 after losing a legal claim against the accounting firm. David Joseph, a senior banking consultant, was expelled following an internal investigation.

BELSTAFF 'AT RISK' WITHOUT RATCLIFFE AS DEBT MOUNTS

British leather jacket brand Belstaff is dependent on billionaire owner Sir Jim Ratcliffe to survive, its auditor said after the heavily indebted firm posted a £48m loss. The firm could struggle to operate without a financial lifeline from parent company Ineos, KPMG said.

THE WALL STREET JOURNAL

WEINSTEIN FACES SEX CRIME CHARGES IN LOS ANGELES

Former Hollywood producer Harvey Weinstein was charged with sex crimes in Los Angeles yesterday as his criminal trial on similar accusations opened in New York. Weinstein was charged with raping one woman and sexually assaulting another in 2013.

YUM BRANDS TO BUY HABIT BURGER GRILL RESTAURANT

Yum Brands, which owns food brands KFC, Pizza Hut, and Taco Bell, said it would buy fast-casual burger chain Habit Restaurants for around $375m (£284.6m) as it seeks to broaden its range of restaurants and reach more customers with its offering.

Xerox prepares $24bn funding for HP takeover

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PRINTER maker Xerox yesterday announced it has secured $24bn (£18.3bn) financing for its $33.5bn takeover offer for HP — a deal the computing giant is opposing.

HP rejected Xerox's $22 per share offer in November, saying it "significantly" undervalued the company. Xerox then took the proposal directly to HP shareholders.

In a letter addressed to HP's board, Xerox chief executive John Visentin said his company had engaged in "constructive dialogue" with many of HP's largest shareholders.

"My offer stands to meet with you in person, with or without your advisors, to begin negotiating this transaction," Visentin wrote.

HP shares rose as much as one per cent in trading before settling flat, while Xerox fell 1.5 per cent yesterday.

Visentin has previously said HP's refusal to engage in mutual due diligence for the bid "defies logic".

Activist investor Carl Icahn — who holds a 4.2 per cent stake in HP and a 10.9 per cent stake in Xerox — last month urged HP shareholders who agreed with a merger with Xerox to reach out to the computer maker's directors for immediate action.

HP has said it will agree to a deal that involves the computer maker becoming the acquirer of Xerox, stating that it recognizes the potential benefits of consolidation.

The company has also accused Xerox of using "aggressive words and actions" to force through a deal without providing sufficient information.

Xerox responded: "While you may not appreciate our 'aggressive' tactics, we will not apologise for them."

The takeover bid comes after Xerox sold off its £2.3bn stake in Fuji Xerox to Fujifilm.

Fujifilm will also end its office equipment sales partnership with Xerox in 2021, the Nikkei Asian Review reported yesterday.

North London retail park bought for conversion into online logistics hub

JAMES BOOTH
@Jamesdbooth1

A RETAIL park owned by M&G's shuttered property fund has been bought for more than £50m to be converted into warehouses.

The deal indicates the growing dominance of online retail which requires large amounts of warehouse space to service customers.

The 128,000 square feet Ravenside retail park in Edmonton, north London was acquired by warehouse company Prologis from M&G.

M&G suspended trading in its property fund last month after investors rushed to withdraw money.

The move to convert a retail park into warehouse space is symbolic of the increasing importance of online retailers, which have grown at the expense of bricks and mortar rivals.

"The UK retail market is changing, as more and more people order goods online," said Robin Woodbridge, head of UK capital deployment at Prologis.

"Because of this, our customers, who include household retail names such as Amazon, Argos and John Lewis, need logistics facilities close to where people live and work, so they can fulfil deliveries of goods ordered online efficiently."

BECAUSE YOU'RE WORTH IT L'Oreal set to open new London HQ at White City Place

HAIR and beauty behemoth L'Oreal will move its 1,000 London staff into mammoth new headquarters in White City, near the former BBC TV Centre. The French firm will relocate from its current base in Hammersmith in autumn 2023.

'Win-win-win': Tech education company Mthree sells for £98m

ALEX DANIEL
@alexmdaniel

LONDON-BASED tech education firm Mthree has been bought by US multinational John Wiley and Sons in a deal worth $129m (£98m).

Mthree trains students and professionals looking to go into technology careers, and boasts revenue of more than $50m. It was sold by private equity firm ECI.

The acquisition, which closed on New Year's Day, was described by the buying company as "a win-win-win for the university, the corporation and, most of all, the student".

Brian Napack, president and chief executive of Wiley, said his firm was "committed to bridging the gap between education output and industry need".

In 2020 there will be more than 1.8m unfilled computer-related job roles in the US, Europe and the Middle East. But for the same area there will be only 100,000 computer science grads, the companies said, making technology among the most in-demand disciplines for students.

Official WLTP fuel consumption figures for the Audi A1 & Q5 in mpg (l/100km) from: Combined 30.7 (9.2) – 117.7 (2.4). NEDC equivalent CO_2 emissions: 177 – 49g/km.

Figures shown are for comparability purposes; only compare fuel consumption and CO_2 figures with other vehicles tested to the same technical procedures. These figures may not reflect real life driving results, which will depend upon a number of factors including the accessories fitted (post-registration), variations in weather, driving styles and vehicle load. There is a new test used for fuel consumption and CO_2 figures (known as WLTP). The CO_2 figures shown however, are based on a calculation designed to be equivalent to the outgoing (NEDC) test cycle and will be used to calculate vehicle tax on first registration. For more information, please see audi.co.uk/wltp or consult your Audi Centre. Data correct at 25/11/2019. Figures quoted are for a range of configurations and are subject to change due to ongoing approvals/changes. Please consult your Audi Centre for further information. Image for illustrative purposes only. *UK residents 18+. Subject to status. T&Cs and exclusions apply. Offer available to retail customers who purchase a new Audi (excluding RS models) in cash or with retail finance from participating Centres only. Vehicle must be ordered between 3 – 12 January 2020 and registered by 31 March 2020. Saving of £500, £1,000, £2,000 or £3,000 depending on the selected model. Maximum £3,000 saving applies to A7, A8, Q7, Q8, R8 and e-tron. Saving inc VAT will be applied to the retail invoice. Subject to availability. Offer may be combined with all current offers. Offer may be withdrawn at any time. Ask your Centre for further details or visit audi.co.uk

Javid to unveil first post-Brexit Budget in March

CATHERINE NEILAN

@CatNeilan

SAJID Javid will deliver the government's first post-Brexit Budget on 11 March, in what is likely to mark a shift in spending away from London and the south east.

Javid will this morning give Cabinet colleagues an economic update ahead of his first Treasury questions since Boris Johnson won an 80-seat majority last month.

He is expected to reiterate commitments made during the campaign, including raising the threshold for national insurance contributions as well as the pledge to "level up and spread opportunity" with a multi-billion-pound spending spree.

The environment, public services and the cost of living are expected to be prioritised at the Budget, and Javid will also introduce new fiscal rules, as outlined during the election.

The Budget date has been unveiled following a visit by the chancellor to Manchester's Trafford Park tram line yesterday, underlining the government's commitment to newly-wooed voters in the north.

Javid said: "People across the country have told us that they want change. We've listened and will now deliver.

"With this Budget we will unleash Britain's potential — uniting our great country, opening a new chapter for our economy and ushering in a decade of renewal."

The Treasury has already been told to change the formula used in its so-called green book, which guides investment decisions on everything from infrastructure to business development.

Currently the model favours investments in areas where the economy is already stronger but it is felt this entrenches regional inequality.

It will be Javid's first Budget since becoming chancellor after the one scheduled for November was scrapped amid the election campaign.

The British Chamber of Commerce's Carole Walker said it was "the first opportunity for the new government to demonstrate it listens to business."

LABOUR LEADERSHIP Party sets result date as Rebecca Long Bailey joins the race

SHADOW business secretary Rebecca Long Bailey late last night entered the race to become the new Labour leader. It came as the party said it will announce Jeremy Corbyn's successor on 4 April, with non-members able to vote for a £25 fee.

Centre for Policy Studies names City tycoon Spencer as chairman

HARRY ROBERTSON

@harrygrobertson

THE CENTRE for Policy Studies (CPS) think tank has named City veteran and billionaire Michael Spencer as its new chairman to replace Lord Maurice Saatchi, who will step down after 10 years in the role.

Spencer founded the financial services firm Icap, which became the Nex Group and was sold for almost £4bn last year. The tycoon is estimated to be worth around £1.5bn.

The CPS, which champions low taxes and a small state, is one of Britain's leading conservative think tanks. Its director is journalist Robert Colvile.

It became a driving force behind the economic and social policies that came to be known as Thatcherism after it was founded by Margaret Thatcher, Aldred Sherman and Keith Joseph in 1974.

Spencer's appointment maintains the think tank's close ties to the Conservative party. He was treasurer of the party from 2006 to 2010, helping to turn its finances around.

Crossrail confirms delay as London Assembly calls for more investment

CONTINUED FROM FRONT PAGE

Brown said the project was in "great disarray" in December 2018 and that individual Elizabeth Line stations were further from completion than thought.

He added that work to install signalling, wiring and other systems also took longer than expected.

Caroline Pidgeon, deputy chair of the London Assembly's transport committee, said the comments were "a depressing start to the New Year".

It came as a study by the Greater London Authority into transport expenditure found that London receives just £8 per rail passenger journey from central coffers, compared to £12 for the rest of the UK.


THURSDAY 19 DECEMBER 2019 | ISSUE 3,515 CITYAM.COM

CROSSRAIL TRIALS RISK MORE DELAY

How *City A.M.* reported the likely delay in December

A spokesperson for the Department for Transport denied that London was being ignored at the expense of the rest of the country.

"The government recognises London's vital contribution to the UK's economy and will continue to support its success while also levelling up the rest of the country," they said.

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Merlin owns a host of popular attractions including Madame Tussauds

Merlin Entertainments seeks new chair following £6bn takeover deal

JAMES BOOTH

@Jamesdbooth1

THE OWNER of Alton Towers and Madame Tussauds yesterday launched a hunt for a new chairman two months after it was taken private in a £6bn takeover deal.

Merlin Entertainments has appointed headhunter Spencer Stuart to recruit a successor to its long-serving chair Sir John Sunderland, Sky News reported.

The move follows Merlin's £6bn acquisition by a consortium consisting of Kirkbi — the investment vehicle of the Danish billionaire family behind Lego — and private equity firm Blackstone.

Chief executive Nick Varney is set to remain in his post following the takeover.

Merlin's brands include theme parks Alton Towers, Chessington World of Adventure and Thorpe Park, as well as Legoland Parks around the world and attractions such as Madame Tussauds, London Dungeons and Peppa Pig World.

Merlin's takeover was part of a wave of take-private deals last year which included Advent International's £4bn takeover of defence group Cobham and Thoma Bravo's acquisition of software firm Sophos for £3bn.

Aldi's Christmas revenue reaches whopping £1bn

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GERMAN discount retailer Aldi said yesterday that its Christmas sales increased 7.9 per cent year on year to break £1bn for the first time.

The supermarket chain said its sales in the four weeks ended Christmas Eve were driven by strong growth in beers, wines and spirits, its premium Specially Selected range and fresh meat.

Total beers, wines and spirits sales increased 9.2 per cent year on year, with sales of sparkling wine up more than 14 per cent.

During the run-up to Christmas, Aldi also sold 55m mince pies, 22m pigs in blankets and more than 2m Christmas puddings.

Giles Hurley, Aldi UK chief executive, said: "Although we saw strong growth across all key categories, sales of our premium Specially Selected range surpassed expectations, as customers snapped up these products for a fraction of the price they would have paid elsewhere."

Neil Wilson, chief market analyst for Markets.com, said however that Aldi had delivered a "disappointing trading update", noting that its sales growth fell short of the 10 per cent in the same period last year and the 11 per cent growth across 2018.

"Like-for-like sales were said to be positive but no figure was provided — for sure almost all the growth is coming from new stores," he said.

Aldi currently has 874 stores and is aiming to expand to 1,200 stores by 2025.

Thomas Brereton, retail analyst at Global Data, described Aldi's number as "enviable", but said that its five to six per cent growth in store numbers during the year meant that like-for-like growth would probably be around three per cent.

"Aldi must now face the fact that it can no longer hope to achieve the same domineering double-digit growth it has done over the past decade," he said. Morrisons will publish its results today, with Sainsbury's, Tesco and Marks & Spencer set to follow later this week.

Glimmers of hope for Pandora as on-track trading drives up shares

EDWARD THICKNESSE

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SHARES in Danish jeweller Pandora leapt 12 per cent yesterday after the firm confirmed that it would meet its 2019 sales and profit guidance.

In a trading update the company said it expected like-for-like sales to fall four per cent in the fourth quarter and eight per cent for the whole of 2019.

Full-year earnings, excluding costs related to ongoing restructuring, are set to be at the top end of the 26 to 27 per cent forecast the firm had previously indicated. Organic sales for the fourth quarter were down one per cent, and fell eight per cent across the whole year.

The company said: "The sequential improvement in like-for-like confirms the strategic direction and the effectiveness of Programme Now to bring Pandora back to sustainable growth with industry-leading margins."

It added that like-for-like sales are expected to be negative in 2020, as previously forecast.

Nippon Active Value Fund set for a £200m float in first listing of 2020

JAMES BOOTH

@Jamesdbooth1

INVESTMENT firm Nippon Active Value Fund (NAVF) is set to fire the starting gun on a £200m listing today in what could be London's first initial public offering (IPO) of 2020.

NAVF is a closed-ended investment company that invests in securities with the majority of their operations in Japan. It is set to file its intention to float today, seeking admission of its shares to trading on the specialist fund segment of the London Stock Exchange.

NAVF is seeking to raise up to £200m at an issue price of 100p per share. The news will be welcomed by the City after a grim year for listings in 2019.

According to stock exchange data, only 36 companies went public on the London Stock Exchange in 2019, raising £4.4bn. In comparison 89 companies floated in 2018 raising £6bn in new cash.

Shore Capital is acting as financial adviser and sole bookrunner on the listing. NAVF is aiming to invest in a portfolio of quoted Japanese stocks with market capitalisations of up to $1bn (£760m) which its investment adviser deems to be undervalued.

It has appointed Rising Sun Management as investment adviser.

Google deserted its values, says former executive

EDWARD THICKNESSE

@edthicknesse

GOOGLE's former head of international relations has hit out at the company's human rights record and corporate culture in a blog post detailing why he left the tech giant.

Ross LaJeunesse, who left Google in May last year after 11 years at the firm, claimed that "standing up for women, for the LGBTQ community, for colleagues of colour, and for human rights — had cost me my career".

LaJeunesse, who is now running as a Democratic candidate for a seat in the US Senate, said that the firm, whose old motto was "don't be evil", had lost its way.

Citing examples such as the development of a censored search engine, codenamed Dragonfly, for the Chinese government, and work with Saudi Arabia, LaJeunesse wrote: "Just when Google needed to double down on a commitment to human rights, it decided to chase bigger profits instead."

Google, which quit China in 2010 in protest over the country's censorship rules, began to explore ways to return to the major tech market, culminating in the Dragonfly project, which was cancelled in July last year.

LaJeunesse said that to counter such developments he had come up with a human rights programme, but that company executives blocked his plans. He added that his experience at Google had made it clear to him that tech companies urgently required government oversight.

The former Silicon Valley executive also took aim at the tech giant's workplace culture, claiming that "senior colleagues bullied and screamed at young women, causing them to cry at their desks".

During a diversity exercise, LaJeunesse says that he was placed in a group "labelled 'homos' while participants shouted out stereotypes such as 'effeminate' and 'promiscuous'."

Responding to the claims, a Google spokesperson said: "We have an unwavering commitment to supporting human rights organisations and efforts. That commitment is unrelated to and unaffected by the reorganisation of our policy team, which was widely reported and which impacted many members of the team."

HEIR-RAISING Louis-Dreyfus borrowed $1bn from Credit Suisse for family stake

THE HEIRESS to Louis Dreyfus, one of the world's biggest crop traders, borrowed $1bn (£760m) from Credit Suisse to finance her buyout from the firm, it was revealed yesterday. Margarita Louis-Dreyfus paid $825m for a 16.6 per cent stake in the firm.

London technology investor Talis Capital bags huge profit boost

ANNA MENIN

@annafmenin

TALIS Capital has reported a 91 per cent jump in pre-tax profit following a bumper year for the London-based venture capital firm.

The company reported a £414,040 profit before tax for the year ending 31 March 2019, according to accounts filed with Companies House.

This represents a 91 per cent increase on the year before, when the figure was £216,564.

Unlike many venture capital firms, Talis Capital does not raise time-limited funds and instead seeks a set amount of capital each year, and aims to invest the whole amount during the year.

The amount the company owes creditors fell substantially during the period, dropping from £471,661 to £261,211, the accounts show.

In June, Talis announced it had raised a record $100m (£76m) to invest in tech startups in the UK, US and Europe. Talis has previously backed startups including Darktrace, Threads, Onfido and Luminance.

Thousands line streets for Quds chief's funeral

ANDY SILVESTER

@silvesterldn

CROWDS thronged the streets of Tehran for the funeral of general Qasem Soleimani yesterday following a US drone strike that killed him and other military figures in Baghdad last week.

Iranian state TV claimed that more than a million Iranians took part in the procession through the streets of the capital.

Many were seen holding pictures of Soleimani, who commanded the feared Quds Force and co-ordinated the activities of Tehran-aligned militias in the region, while others bore signs pledging revenge on the United States and its allies.

Protests against the killing continued across the Middle East, with a host of leaders calling for vengeance.

In Lebanon, Hezbollah general secretary Hassan Nasrallah said the US would pay the price for the targeted assassination and vowed to expel the US military from the region. The leader of the Shia militia, however, cautioned against attacks on American civilians and warned they would "help" US President Donald Trump.

Confusion mounts further as US letter 'mistake' stokes tensions in the region

ANDY SILVESTER

@silvesterldn

US DEFENCE secretary Mark Esper was last night forced to deny that the US was planning to withdraw troops from Iraq after multiple media agencies received a letter purporting to be from a senior American commander stating the country would be preparing for a "movement out of Iraq".

Joint chiefs of staff chair Mark Milley told reporters that the letter, though genuine, "is a draft" and shouldn't have been released.

He confirmed that there were no plans to move troops out of Iraq, as per a non-binding motion passed in the Iraqi parliament after the killing of Qasem Soleimani in Baghdad last week.

The period between the letter's release and the clarification was understood to have caused confusion among US allies.

British foreign secretary Dominic Raab said the UK's "overwhelming message is the importance of de-escalating the tensions and finding a diplomatic way through this crisis".

Raab will travel to Washington this week for discussions with US secretary of state Mike Pompeo to ascertain US President Donald Trump's next steps.

Any decision on US presence in Iraq would impact the 400 UK troops stationed there. Last night it was reported that the government was reducing staff numbers at the UK's embassies in Baghdad and Tehran.

Trump and Rouhani fire digital shots over Twitter

ANDY SILVESTER

@silvesterldn

THE LEADER of the free world and the President of the globe's largest Islamic Republic ramped up their rhetoric via Twitter yesterday, as any surviving diplomatic channels appeared to break down completely.

US President Trump wrote "IRAN WILL NEVER HAVE A NUCLEAR WEAPON" after his threat over the weekend to wipe out "52 Iranian sites", including cultural heritage sites, if Iran struck any American targets in revenge for Iranian general Soleimani's killing. The figure refers specifically to the number of US hostages taken by Iran between 1979 and 1981, although all were released.

Attacks on heritage sites would contravene the Geneva Convention.

Iranian President Rouhani warned that "those who refer to the number 52 should also remember the number 290" – the number of people killed when the US military shot down a civilian Iran Air flight in 1988.

London-based Solarcentury secures £50m to build Spanish power plants

HARRY ROBERTSON

@harrygrobertson

UK-BASED solar energy company Solarcentury today announced that it has secured almost £50m of financing to build two large solar plants in Spain.

Together, the developments will generate enough energy to power more than a quarter of a million homes each year with renewable energy. International trade secretary Liz Truss said the deal is an example of the UK's commitment to tackling climate change "bearing fruit on the international stage for exporters".

London's Solarcentury has been working in the renewable energy sector for 21 years. The £47.6m of funding will come from Natwest and HSBC, and is guaranteed by UK Export Finance, the UK's export credit agency.

The funding will secure the construction of two of the largest private subsidy-free solar developments in Spain to date. They are expected to start working before the end of 2020.

Neil Perry, chief financial officer of Solarcentury, said: "Today's announcement is testament to the strength of our business" and the potential of solar power.

Britain's car sales plunge to lowest volume since 2013

ALEX DANIEL AND JOE CURTIS

@alexmdaniel @joe_r_curtis

BRITISH car sales slumped to a six-year low in 2019, as widespread economic uncertainty put the brakes on an industry whose only glimmer of hope came in the form of record electric vehicle sales.

New car registrations fell two per cent to 2.31m last year, according to the Society of Motor Manufacturers and Traders (SMMT), amid a prolonged Brexit process and tough new restrictions on diesel vehicles.

It caps the industry's worst year since 2013 and marks the third drop in a row since 2016, when sales hit a record high of 2.69m.

SMMT chief Mike Hawes said: "A third year of decline for the UK new car market is a significant concern for industry and the wider economy.

"Political and economic uncertainty, and confusing messages on clean air zones have taken their toll on buyer confidence."

Car makers have been hit by Brexit uncertainty

But the organisation also pointed to new emissions legislation pushing buyers towards electric and hybrid vehicles — which enjoyed their biggest-selling year ever.

ANNOUNCEMENTS

LEGAL AND PUBLIC NOTICES

CITY OF LONDON

THE PLANNING ACTS AND THE ORDERS AND REGULATIONS MADE THEREUNDER

This notice gives details of applications registered by the Department of The Built Environment

Code: FULL/FULMAJ/FULEIA/FULLR3 – Planning Permission; LBC – Listed Building Consent; TPO – Tree Preservation Order; OUTL – Outline Planning Permission

16 Took's Court, London, EC4A 1LB

19/01169/FULL

Change of use from offices (Class B1) to flexible non-residential institution (Health Centre) (Class D1) and/or offices (Class B1) (Total floorspace 306 sqm).

27 Throgmorton Street, London, EC2N 2AQ

19/01228/LBC

Installation of artificial green wall and planters at third floor level and associated works.

Livery Hall, Butchers Hall, 87 - 89 Bartholomew Close, London, EC1A 7EB

19/01265/FULL

Application under Section 73A of the Town and Country Planning Act 1990 (as amended) to allow retention of works carried out together with minor amendments without complying with condition 22 (approved drawings) of planning permission 16/00328/FULL dated 11th August 2016.

55 King William Street, London, EC4R 9AD

19/01278/FULL

Installation and replacement of entrance doors with associated alterations to the entrance canopy

17 St Helen's Place, London, EC3A 6DG

19/01286/FULL

(i) Installation of plant equipment within new plant enclosure at roof level. (ii) Installation of replacement plant to rear lightwell. (iii) Installation of seven louvre panels in rear elevation in lieu of existing windows, removal of redundant louvers to the front and rear elevations. (iv) Installation of two satellite dishes at roof level (v) Removal of redundant roof lanterns and handrails to perimeter of roof along with removal of redundant external escape stair to rear.

1 & 2 Garden Court, Middle Temple, London, EC4Y 9BL

19/01288/FULL

Replacement of windows within dormers at fifth floor level on the rear (west) elevation.

2 Garden Court, Middle Temple, London, EC4Y 9BL

19/01289/LBC

Replacement of windows within dormers at fifth floor level on the rear (west) elevation.

160 Queen Victoria Street, London, EC4V 4BF

19/01291/FULL

Installation of: i) new entrance facade; ii) new canopy; and iii) additional roof plant.

160 Queen Victoria Street, London, EC4V 4BF

19/01292/FULL

Installation of two new doors, a balustrade and new floor finish to provide access to amenity space on the fourth-floor terrace.

Flat 162, Blake Tower, 2 Fann Street, London, EC2Y 8AF

19/01293/FULL

The enclosure of two external terraces in Flat 162 (16th floor level). Existing terrace doors, windows and floor finishes at the two terraces to be removed and replaced with new windows to match at the new facade line. Existing flat roof on 17th floor extended to accommodate enclosure of terrace.

Flat 162, Blake Tower, 2 Fann Street, London, EC2Y 8AF

19/01294/LBC

The enclosure of two external terraces in Flat 162 (16th floor level). Existing terrace doors, windows and floor finishes at the two terraces to be removed and replaced with new windows to match at the new facade line. Existing flat roof on 17th floor extended to accommodate enclosure of terrace.

79 Carter Lane, London, EC4V 5EP

19/01295/FULL

Construction of roof extension (28sq.m).

Applications can be viewed at www.planning2.cityoflondon.gov.uk or at the Department of the Built Environment, North Wing, Guildhall, Basinghall Street, London EC2, between 09.30 and 16.30. Representations must be made within 21 days of the date of this newspaper online or in writing to PLNComments@cityoflondon.gov.uk or the Chief Planning Officer, PO Box 270, Guildhall, London, EC2P 2EJ. In the event that an appeal against a decision of the Council proceeds by way of the expedited procedure, any representations made about the application will be passed to the Secretary of State and there will be no opportunity to make further representations.

CITY OF LONDON

UK's fossil-free power use sets a record in 2019

EDWARD THICKNESSE

@edthicknesse

THE UK recorded 83 days when no coal was used to generate electricity in 2019, almost four times as many as in 2018.

The UK's first fossil-free day for electricity came in 2017, when there were only two such days, demonstrating how far renewables generation has come in a short period of time.

According to new data from climate platform Carbon Brief, last year there were four months in which renewable sources produced more electricity than traditional forms of generation.

In addition, there were 137 days in which electricity generation from renewable sources surpassed that of fossil fuels. In total, fossil fuel output fell six per cent in 2019, meaning that total generation from fossil fuels has halved since 2010.

Coal production also fell 94 per cent in the last decade, due to government measures to phase out coal-powered electricity by 2025.

Despite the promising figures, Carbon Brief warned that the UK still has a way to go if it is to meet its generation targets. An additional 100 terrawatt hours of low-carbon generation — roughly 60 per cent of the current total — is required if the UK is to cut the carbon intensity of its generation to its target by 2030.

The government's plan for 40 gigawatts of offshore wind production will need to be supplemented by other sources such as solar, onshore wind or nuclear to reach its goal.

Energy UK interim chief executive Audrey Gallacher said: "While these figures show just how much progress the energy sector has made in moving to cleaner sources of power and reducing emissions, they are also a stark reminder of how much further we have to go with the net zero target in place."

Prince Charles has been a long-time campaigner for environmental issues

Prince Charles to urge business leaders to drive climate action

EDWARD THICKNESSE

@edthicknesse

PRINCE Charles will make a keynote speech at this year's Davos meeting in which he will call on leading global figures to spearhead the transition to a sustainable economy.

The Prince of Wales will use his speech to officially launch his Sustainable Markets Council, an advisory body of philanthropic leaders with a clear commitment to sustainability.

A palace spokesman said that the Prince "feels strongly that we are at a crucial point in human history when there may still be time to prevent irreversible damage to our planet".

The speech will mark Prince Charles' first visit to the annual World Economic Forum since 1992.

Equinor vows to slash emissions in next decade

EDWARD THICKNESSE

@edthicknesse

NORWAY's state-owned oil company Equinor has announced plans to slash fossil fuel emissions by 40 per cent by 2030, with aims to get close to net zero by 2050.

To achieve its 2030 target the firm will have to make annual cuts of more than 5m tonnes of emissions, roughly 10 per cent of the country's total.

In order to do so, Equinor plans to invest around $5.7bn (£4.3bn), which will be used to replace gas turbines with renewable energy and major installations, including offshore wind turbines and hydroelectric power.

Eldar Saetre, Equinor's chief executive, said: "Equinor supports the Paris agreement and a net zero target for society... We are now launching an unprecedented set of ambitions for forceful industrial action and substantial absolute emission reductions in Norway, aiming towards net zero in 2050."

Norway is heavily dependent on oil and gas, which account for roughly half of its export revenue. It has used the proceeds from these sales to build the world's largest sovereign wealth fund.

The London index suffered its worst outage in eight years in August

London Stock Exchange denies reports of cyber attack amid probe into outage

ANNA MENIN

@annafmenin

THE LONDON Stock Exchange has denied that a cyber attack was responsible for a major trading outage in August, as UK security agencies reportedly investigate the cause of the incident.

A British intelligence agency contacted the London Stock Exchange (LSE) in the past two months to request additional information about the outage on 16 August, the Wall Street Journal reported.

The incident, which delayed the market opening by more than an hour and a half, was the London index's worst outage for eight years.

A spokesperson for the London Stock Exchange Group denied claims that the incident was related to cybersecurity and said it "was caused by a technical software configuration issue following an upgrade of functionality".

The outage immediately triggered government cyber alert systems, and GCHQ is examining whether the software code could have played a role in the incident, according to the Wall Street Journal.

The paper reported that the status of the investigation and whether any action will be taken by regulators or the LSE is not clear. The Treasury is also reportedly involved in the probe.

The Treasury declined to comment on the reports.

Grays takes top spot for London commuter hubs

ALEX DANIEL

@alexmdaniel

AS THE price of annual train tickets continues to rise, life just got that bit trickier for those commuting into London every day.

But for people living in the Essex town of Grays, it is not all bad, after it was revealed as the most affordable London commuter town.

The report, published by Zoopla, combines the annual cost of a mortgage and a season ticket to get into work.

Grays took the top spot, offering a combined yearly cost of £15,008, with a 41-minute commute into Fenchurch Street station.

Leagrave in Bedfordshire came second, where home-owning commuters can travel to St Pancras in 55 minutes at a total annual cost of £15,399.

Crayford in Kent followed closely in third with a combined price of £15,662, with a 41-minute commute to Charing Cross.

Laura Howard, consumer expert at Zoopla, said: "As the new season ticket prices come into effect this month, much to the frustration of millions of commuters across Britain, those looking to relocate to save money should pay close attention to these figures.

"The past decade has seen significant property price growth in prime London commuter belt towns but despite this our analysis still picks out pockets across south east England that represent affordable value for commuters."

For commuters to Bristol, across the water in Wales, Newport (Gwent) came in first place with combined costs of £10,166 and a travel time of 35 minutes into Bristol Temple Meads station.

Highbridge & Burnham and Bridgwater, meanwhile, took second and third respectively.

Heading up to Birmingham, Wolverhampton presented the best value at £7,483 with a commute time of 20 minutes.

Moving further north to Manchester, Hindley took the top spot with combined costs of £6,883 and a 58-minute journey.

Meanwhile, those working in Edinburgh should consider moving to Dunfermline to get the most affordable commute (32-minute journey). Here a combined annual mortgage and season ticket will cost £7,530 a year.

Howard added: "Areas outside London and the south east are generally more affordable, but commuters can still save money on their daily travel into the likes of Birmingham and Bristol by looking at towns they might not have yet considered, but still have good transport links."

Grays in Essex was crowned the most affordable London commuter town

TOP 10 MOST AFFORDABLE LONDON COMMUTER TOWNS

TOWN	AVERAGE MORTGAGE AND SEASON TICKET COST
Grays	£15,008
Leagrave	£15,399
Crayford	£15,663
Basildon	£15,806
Harlow	£15,959
Dartford	£16,151
Hockley	£16,172
Stevenage	£16,253
Billericay	£16,482
Gravesend	£16,548

Greenwich and Woolwich bag a new cycleway

STEFAN BOSCIA

@Stefan_Boscia

SOUTH East London is set to benefit from a new five-kilometre cycleway spanning from Greenwich to Woolwich.

The planned cycleway will be built along the A206 Woolwich Road and will include pedestrian crossings, segregated cycle lanes and an overhaul of the Angerstein roundabout.

It will connect to the current cycleway between Tower Bridge and Greenwich, meaning there will be a direct cycling path between Tower Bridge and Woolwich.

Transport for London will also build a new two-kilometre bus lane on the same road.

The transport body said the new cycleway was being built due to the high number of road accidents on Woolwich Road.

There were 215 collisions leading to death or injury on the road in 2017 and 2018.

London's walking and cycling commissioner Will Norman said: "With additional pedestrian crossings and a new bus lane, the route will be made better and safer for everyone."

Westminster council set to hang up on hundreds of 'depressing' phone boxes

STEFAN BOSCIA

@Stefan_Boscia

UP TO 1,000 phone boxes may be removed throughout the borough of Westminster under plans to give the streets a much-needed facelift.

Westminster City Council has proposed scrapping the vast majority of the near 1,000 phone boxes that are in the borough, arguing they are not used.

The council is proposing a law that any phone box must be removed by telecoms companies if it is used fewer than 50 times a month.

However, this will not include the iconic red phone boxes often featured in tourist shots, and will instead only pertain to kiosks installed in the 1980s and 90s.

There are an estimated 100 red phone boxes and 900 of the more recent additions in the area.

Westminster City Council deputy leader Richard Beddoe said many of the boxes were "derelict and disued" and were a "depressing sight".

"Most people haven't used a phone box for 20 years and unfortunately, all too often these are left to fall into disrepair and just end up as hubs for anti-social behaviour or x-rated display boards for private escort services and drug dealers," he said.

"By drastically reducing the overall number of phone boxes we hope that telecoms firms will take more responsibility those that remain."

The council's proposed measures will relate to kiosks rather than iconic red boxes

Chilango rescue package backed by shareholders

ANNA MENIN

@annafmenin

CHILANGO'S creditors and shareholders have backed a rescue package to keep the struggling Mexican restaurant chain afloat, paving the way for the company to slash rents and exit some leases.

Chilango launched a company voluntary arrangement (CVA) in early December, which was first reported by *City A.M.*, in a bid to avoid entering into administration.

The chain has been struggling to continue trading amid increased operational costs and substantial debts, and is in the process of making both its co-chief executives redundant in a bid to cut costs.

At a meeting in central London yesterday, the company told shareholders that enough creditors had voted in favour of the CVA for it to go ahead.

"We are humbled to have received such strong support from our creditors and shareholders, and appreciate how pragmatic and understanding our stakeholders have been," said co-founders and former co-chief executives Eric Partaker and Dan Houghton.

Creditors had been given until 3 January to vote on bailout proposals including cutting rent by 40 per cent at three of its 12 restaurants and exiting four leases on dormant sites.

Around 1,500 small investors who ploughed £5.8m into Chilango's two mini-bond offerings are also set to have their investments converted into preferential shares in the company.

More than 80 per cent of creditors backed the bailout proposals related to the wider company, while 98.6 per cent backed the creation of the new shares for bondholders.

Over 700 investors backed Chilango's first bond raise in 2014, while another offering supported by almost 800 investors closed in April 2019, raising a blowout £3.7m.

The online trading platform is the main sponsor of Atletico Madrid football team

Plus 500 warns of profit slump amid online trading crackdown

JOE CURTIS

@joe_r_curtis

PLUS 500 yesterday warned that annual profit and revenue could fall for the first time in at least three years due to tougher industry regulations.

The online trader predicted revenue for its last financial year will hit $354m (£270.7m). That represents less than half of 2018's total revenue of $720.4m, and comes after a regulatory crackdown on contract-for-difference (CFD) bets, where investors bet on the share price fluctuations of stocks. Earnings before interest, tax, depreciation and amortisation are expected to be 62 per cent lower than the previous year.

Ford's quarterly sales slip amid demand shrink

SANJANA SHIVDAS

FORD yesterday posted a 1.3 per cent fall in fourth-quarter vehicle sales as soft demand for passenger cars outweighed higher sales of pick-up trucks.

Ford's figures rounded off US car makers' sales for 2019, with passenger cars falling out of favour with buyers amid lower oil prices and as automakers focused on SUVs and pick-ups that are more profitable.

Total US light-vehicle sales fell by about one per cent from 2018, but still finished above 17m vehicles for the fifth consecutive year.

Discounts during the key holiday season and lower interest rates helped pushed sales of Ford's trucks to 330,075 in the quarter, up from 284,859 trucks a year earlier.

However, passenger car sales at the company declined 41 per cent to just 63,400 cars over the period.

Fellow US car makers reported their quarterly sales numbers last Friday.

General Motors, which was hit by a month-long strike by its 48,000 hourly employees, reported a 6.3 per cent fall in sales for the fourth quarter.

Reuters

Ghosn escape: Ex-Nissan boss got bullet train

Ghosn was ousted from Nissan over claims he misreported his salary

ALEX DANIEL

@alexmdaniel

CARLOS Ghosn's escape from Tokyo to Beirut started with a three-hour ride on one of Japan's famed bullet trains, according to local media reports yesterday.

Nippon Television and TV Asahi reported that after strolling out of his rented house, the former Nissan chairman hopped on a bullet train at Shinagawa station in Tokyo at 4.30pm. The station is about 6km from where he had been under house arrest since April 2019.

If Ghosn did indeed use the high-speed rail link to get to the private jet which took him out of the country, it would raise further questions about how he evaded the authorities using public transport.

The disgraced businessman left the station more than two hours later in Osaka, and travelled to a hotel by taxi.

The ousted boss of Nissan and France's Renault was forbidden from leaving Japan while awaiting trial on charges of financial misconduct, which he denied.

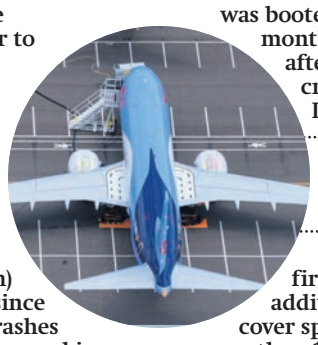
However he fled the country on 29 December, saying he had escaped a "rigged" justice system.

Boeing 'mulls raising more debt' as aerospace behemoth feels the pinch

ALEX DANIEL

@alexmdaniel

BOEING is said to be considering whether to raise more debt to boost its finances, which have come under intense strain from the grounding of its 737 Max jet.



The firm has already taken a nearly $10bn (£7.6bn) hit on the 737 Max since the second of two crashes involving the jet happened in March last year.

That incident, in Ethiopia, brought the death toll from Max-related crashes to 346 in under than six months, and prompted global aviation regulators to ground the jet indefinitely. Former chief executive Dennis Muilenberg was booted out of the firm last month, more than a year after the first of the two crashes, which was in Indonesia.

Boeing has taken a nearly $10bn hit from the 737 Max grounding

Analysts expect the firm to raise up to $5bn in additional debt to help cover spending that could be more than $15bn in the first half of this year.

Boeing is also mulling deferring some capital expenditures, freezing acquisitions and cutting spending on research and development to preserve cash, according to the Wall Street Journal.

However, according to its financial results, the company still had about $20bn in available funds at the end of the last reported quarter. It admitted in December that it would have to halt production of the plane this year, amid growing uncertainty over when it will return to service.

On Sunday, it emerged Boeing had cut its annual bonus for UK employees. It had already said it would withhold bonuses for its white collar US workers, usually due in February.

The firm also scrapped its annual Christmas bonus for UK-based employees, according to the Sunday Telegraph. This is normally thought to range from £1,000 for juniors to ten-times that for executives.

Former Brexit adviser joins Deloitte's ranks

HARRY BANKS

A FORMER senior adviser for the Department for Exiting the European Union announced last night that he has joined the ranks of Deloitte in London.

Raoul Ruparel held a number of positions in government, including working as special adviser to David Davis in DexEU and then worked directly for Prime Minister Theresa May on European matters. A popular figure in Westminster, Ruparel was formerly the co-director of think tank Open Europe.

He said last night that he would be working for the professional services firm on "economic policy, trade policy and, of course, Brexit".

New Deloitte recruit Raoul Ruparel

Another former Conservative adviser under the David Cameron and Theresa May administrations also joined the private sector ranks.

Tim Smith, whose most recent role in government was as a senior adviser to Jeremy Hunt as foreign secretary, is joining startup apprenticeships outfit Whitehat.

Smith told Politico that "providing better options and outcomes for those who don't go to [university] has to be part of the solution to bringing the country back together".

Whitehat matches non-university-educated recruits with apprenticeships at growing UK companies.

Vice UK blames Brexit as media firm's loss widens

JAMES WARRINGTON

@j_a_warrington

VICE UK has taken aim at Brexit uncertainty after the youth-focused media group revealed ballooning losses and a decline in revenue.

The millennial mainstay reported a pre-tax loss of £2.9m for the 12 months to 31 December 2018, up from £2.2m the previous year, while turnover dropped a third to £17.3m.

Vice Media last year said it would lay off 10 per cent of its staff

Vice UK, which operates a news and entertainment website, as well as third-party publishers and the Virtue ad agency, suffered a decline in revenue from both its digital and production businesses.

The company said uncertainty surrounding Brexit negotiations was "one of the biggest drivers" of this downturn in business, with revenue from within the EU dropping by more than 50 per cent over the year.

Vice also booked an impairment charge of £1.4m in 2018, while a £1.8m exchange gain in 2017 was not repeated last year.

Vice UK TV, which operates the firm' Viceland channel, posted a pre-tax loss of £1.9m, compared to a £1.6m loss in 2017.

The figures highlight the challenges faced by digital publishers in the face of fierce competition for advertising dollars.

The competition watchdog last month warned that online media firms were unable to compete with Google and Facebook "on equal terms" due to the sheer dominance of the so-called duopoly.

Vice said it will shift more attention to its Virtue ad agency, which it has identified as a key opportunity for growth.

News Corp wins VAT dispute over Times' digital edition

POPPY WOOD

@poppyeh

NEWS Corp yesterday won a legal dispute against HM Revenue & Customs (HMRC) over whether the Times' digital edition should be subject to VAT, in a landslide case that could save the company millions.

Rupert Murdoch's newspaper group successfully argued that online editions of the Times and the Sunday Times should not be subject to a 20 per cent VAT charge because their websites are only updated four times a day.

The tax exemption is usually reserved for newspapers, books and printed products that are considered public benefits.

However, the Upper Tribunal yesterday ruled that the periodic nature of updates to the Times' digital edition means that it meets the legal definition of a newspaper. It is "an essential characteristic of a newspaper that it is produced in periodic editions", the tribunal stated. The decision peddled back on an earlier ruling in favour of HMRC that the VAT exemption should only be applied to physical products.

The verdict means that revenue from the Times' and Sunday Times' 300,000 digital-only paid subscribers could save the company as much as £15m per year, the Guardian reported.

"This ruling is also good news for those concerned about the future sustainability of journalism," said Philip Munn, a VAT partner at RSM.

HMRC is expected to appeal the decision.

London's legal tech credentials burnished by $5m US investment

JAMES BOOTH

@Jamesdbooth1

LONDON'S status as a hub for legal tech was boosted today by a $5m (£3.8m) investment into contract startup Juro led by a US fund that backed Twitter and Kickstarter.

Juro is an end-to-end contract management platform with customers such as tech firms Deliveroo and Skyscanner.

The company today announced it has raised $5m in a series A round led by New York-based Union Square Ventures (USV).

USV was joined in the round by existing investors including Point Nine Capital, Seedcamp, Taavet Hinrikus — co-founder of Transferwise — and Indeed co-founder Paul Forster. It takes Juro's total funds raised to $8m.

Juro said its platform uses machine learning to help clients agree contracts up to 96 per cent faster than using manual means.

The firm was founded in 2016 by former Freshfields Bruckhaus Deringer lawyer Richard Mabey and Pavel Kovalevich and it has offices in London and Riga.

Speaking to *City A.M.* Mabey said: "London is becoming a hub for legal tech and I think that is being driven by having a well-established and respected legal services industry whether that's our court system or the international law firms that operate out of London.

"At the same time the UK is very strong regarding its engineering talent, particularly regarding AI [artificial intelligence] which is part of this product."

Juro said it will use the funds raised to invest in its product and grow its customer base in the EU and US.

John Buttrick, partner at USV, said: "We look for founders with products equipped to change an industry. While contract management might not be new, Juro's transformative vision for it certainly is.

"There's no greater proof of the product's ease of use than the fact that we negotiated and closed the funding round in it. We're delighted to support Juro's team in making their vision a reality."

Juro was represented in the transaction by Wilson Sonsini Goodrich & Rosati and Taylor Wessing. USV was represented by Latham & Watkins and Gunderson Dettmer.

Eurozone investors enjoy highest morale in a year

HARRY ROBERTSON

@harrygrobertson

EUROZONE investors started the new year in good spirits, a survey showed yesterday, as morale grew for the third month in a row thanks in large part to positive developments in the US-China trade war.

Research group Sentix's morale index rose to 7.6 points in January from 0.7 in December, taking it to its highest point in over a year.

Sentix said the most important factor in the increased optimism among Eurozone investors was "the gain in momentum in other regions of the world, especially in Asia".

Feeding into this was "the slight easing of the trade dispute between the United States and China," Sentix added.

The US and China — the world's two largest economies — have been locked in a trade war for more a year that has seen both sides slap tariffs on hundreds of billions of dollars worth of goods.

Yet the two countries are set to sign a phase one trade deal in the middle of the month. It is likely to contain a pledge by China to buy more US agricultural products.

A Chinese delegation led by vice premier Liu He is planning to travel to Washington on 13 January to sign the deal, the South China Morning Post reported on Sunday. Washington and Beijing are yet to officially confirm the visit, however.

Sentix said that the boost to morale means "a recession in the Eurozone seems to be off the table for the time being".

The release of the survey came as data firm IHS Markit said Germany's services sector grew at the strongest pace in four months in November.

Germany — Europe's biggest economy — suffered in 2019 under the weight of trade tensions and Brexit negotiations. Investors will be hoping that it can recover in 2020 and boost the Eurozone.

US considering applying additional sanctions on Venezuela as Maduro seizes control of congress

DAVID BRUNNSTROM

THE US is looking at additional sanctions to put pressure on the Venezuelan government, the US special envoy said yesterday after Venezuela's ruling Socialist party moved to install a new head of Congress.

Elliott Abrams, envoy for Venezuela, told reporters that Washington also was looking at new measures to support Democrats in Venezuela, a day after armed troops blocked opposition legislators, including their leader Juan Guaido, from entering parliament.

Troops with riot shields blocked Guaido from entering parliament for what was expected to be his re-election as head of Congress, at one point pulling him off the compound's iron railings after he tried to push past security forces.

Guaido is recognised by dozens of nations as Venezuela's rightful leader. Last year he led a groundswell movement to push Maduro from power, denouncing his 2018 re-election as a fraud and assuming a parallel presidency that quickly won the recognition of most western and Latin American nations.

Maduro has denounced Guaido as a US puppet.

The blockade on Sunday allowed the ruling Socialist Party to hand the post to legislator Luis Parra, who was recently expelled by an opposition party over corruption allegations.

The gambit by the government of President Nicolas Maduro was slammed by the US, the European Union and a dozen Latin American nations. *Reuters*

SPORT

He has won three of his last seven starts. When he is hot he is very hot

SAM TORRANCE ON JUSTIN THOMAS

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ANNOUNCEMENTS

LEGAL AND PUBLIC NOTICES

CITY OF LONDON

Notice is hereby given that the Common Council of the City of London as traffic authority for the undermentioned streets made several Orders on **27 December 2019** under Section 14(1) of the Road Traffic Regulation Act 1984 as amended by the Road Traffic (Temporary Restrictions) Act 1991. The effect of these Orders will be to prohibit vehicles (or pedestrians where stated) from entering the said roads.

Salisbury Court (Fleet Street to Salisbury Square) ---- *Mobile Crane*
8am to 5pm each Saturday from 1 February to 8 February 2020. Alternative route: via Fleet St, Bouverie St, Tudor St & Dorset Rise. Affected parking bays to be suspended. Remainder of Salisbury Square and Dorset Rise to be made temporary two-way for access.

Threadneedle Street (Mansion House Street to Bartholomew Lane) ---- *Carriageway Works*
9am Saturday 11 January to 4pm Sunday 12 January 2020. Alternative route: E/B via Lombard St, King William St & Gracechurch St.

Prince's Street (Lothbury to Mansion House Street) ---- *Carriageway Works*
9am Saturday 18 January to 4pm Sunday 19 January 2020. Alternative route: S/B via Lothbury, Gresham St, King St & Poultry.

Old Bailey (Bishops's Court to St George's Court) ---- *Mobile Crane*
8am each Saturday to 5pm each Sunday from 1 February to 2 February & 15 February to 16 February 2020. Alternative route: N/B via Ludgate Hill, Ave Maria Ln, Warwick Ln & Newgate St. S/B via Newgate St, Warwick Ln, Ave Maria Ln, Ludgate Hill & Old Bailey.

Artillery Lane (Bishopsgate to Sandy's Row) ---- *Building Maintenance*
From 8am Monday 3 February to 5pm Sunday 29 March 2020. Alternative route: via Bishopsgate, Middlesex St, Widegate St & Sandy's Row.

Great Winchester Street (Junction with Old Broad Street) ---- *Utility Works*
8am on Monday 6 January to 5pm on Friday 31 January 2020. Alternative route: via Old Broad St, London Wall & Great Winchester St or Great Winchester St, London Wall, Moorgate, South Place, Blomfield St, London Wall, Wormwood St, Bishopsgate, Threadneedle St & Old Broad St. Remainder of Great Winchester St to be made temporary two-way for access.

Great Winchester Street (Junction with London Wall) ---- *Utility Works*
8am on Friday 31 January to 2pm on Sunday 16 February 2020. Alternative route: via Great Winchester St, Old Broad St & London Wall. Remainder of Great Winchester St to be made temporary two-way for access.

Enquiries to Traffic Management Services on 020 7332 1551

Carolyn Dwyer BEng (Hons),
DMS, CMILT, FCIHT
Director of the Built Environment

Dated **3 January 2020**

CITY OF LONDON

CITY DASHBOARD YOUR ONE-STOP SHOP FOR BROKER VIEWS AND MARKET REPORTS

LONDON REPORT

UK shares falter as Middle East weighs on trade

BRITAIN's FTSE 100 closed 0.6 per cent lower yesterday with financial stocks leading the losses on concerns over tensions in the Middle East, although oil-fuelled gains for **Shell** and **BP** provided some support.

The FTSE 250 fell one per cent after US President Donald Trump threatened sanctions against Iraq and retaliation against Iran if it responded with force to last week's US air strike.

Apart from energy-related shares, which were lifted by oil price gains, all others closed the day lower.

US-Iran tensions have dampened initial hopes of a sustained rally in global equities on the back of an imminent phase one US-China trade deal.

"A severe escalation of tensions in the Middle East — or even outright hostilities — has the potential to easily subsume any benefits gained from the interim US-China trade agreement," said Oanda analyst Jeffrey Halley.

BP and Shell share price increases of 2.2 per cent and 0.5 per cent helped the FTSE 100, but were not enough to stop the index falling.

An index of airlines recorded its worst two-day fall since early December, as higher oil prices raised concerns about a potential impact on their margins.

Morrisons and **Sainsbury's** fell 3.3 per cent and 1.1 per cent respectively, after Bank of America said retailers faced structural challenges, including market share losses to discounters such as **Aldi**, which reported higher sales, and profit dilution due to e-commerce.

Shares in Morrisons dipped more than three per cent yesterday

Britain's major supermarkets are forecast to report lacklustre Christmas sales this week, reflecting weak economic growth and comparisons with generally solid festive results in 2018.

NMC Health, whose stock tanked 30 per cent last month after criticism from short-seller Muddy Waters, skidded another 4.5 per cent to the bottom of the main index.

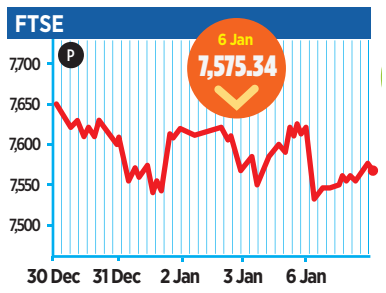
Hikma followed with a four per cent slide after a rating downgrade by JP Morgan.

TOP RISERS

1. **BP** Up 2.03 per cent
2. **BAE Sytems** Up 1.34 per cent
3. **Polymetal Int** Up 0.95 per cent

TOP FALLERS

1. **NMC Health** Down 4.49 per cent
2. **Hikma** Down 3.73 per cent
3. **Evraz** Down 3.47 per cent



BEST OF THE BROKERS

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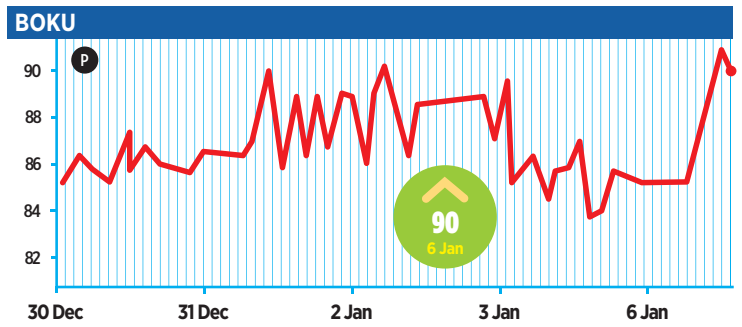
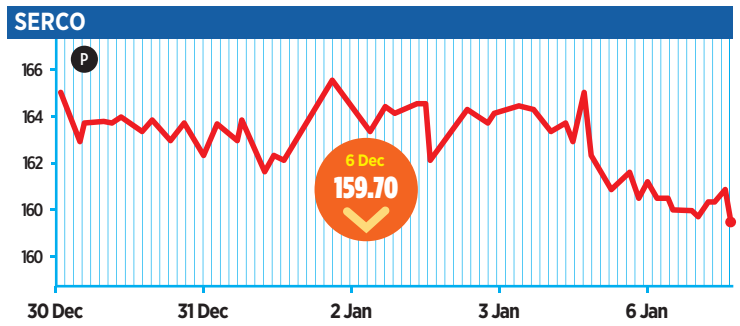
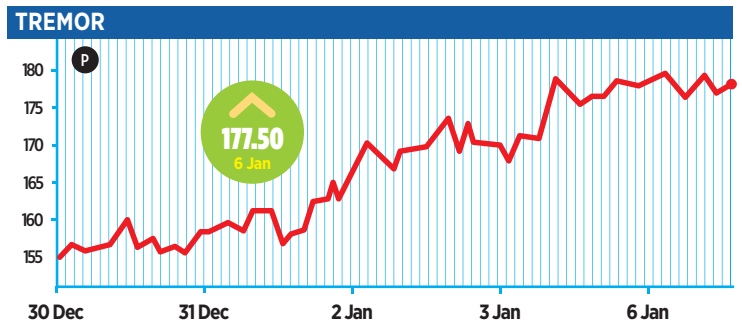


Mobile payment platforms Boku is expected to see solid growth for its end of year earnings in 2019, with an expected sales increase of 45 per cent. However, Peel Hunt notes that the company has been slow to get its new platform Identity off the ground, holding it back somewhat. Better news comes for Boku in the form of a new partnership with telecommunications provider Swisscom, giving the firm "some strategic momentum". Peel Hunt retains its "buy" rating for Boku shares and lifts its target price to 245p.



Liberum expects "sound" revenue growth and "strong" margin progress for Serco Group. The public services provider is expected to perform well in its US activities, while at home it may not be as fortuitous. It has been given a contract for a US asylum, while it has also benefitted from American naval spending. Liberum believes there are "opportunities in UK prisons" for the firm, and increases its projections of earnings per share for Serco by 10 per cent in December. Analysts at Liberum restate their "buy" rating with a target price of 190p.



Tremor yesterday bought advertising platform Unruly from News Corp through the issuance of 8.5m new shares. The announcement sent the advertising company's stock price up as it increased by 4.41 per cent to 177.5p at the end of the day's trading. It has also released a trading update, which revealed that second half earnings were in line with expectations. Analysts at Finn Cap say the company now trades at "a substantial discount to its peers" and give the company a "buy" rating, with a target price of 500p.

NEW YORK REPORT

Wall St ticks up despite US-Iran tensions rising

US STOCKS ended higher yesterday, rebounding from Friday's losses as investors brushed aside worries about increased tensions in the Middle East and shares of **Alphabet** and other internet names gained.

The S&P 500 energy index rose along with oil prices after the US air strike that killed Iran's top military commander last Friday, raising the threat of a new conflagration in the Middle East.

"The geopolitical spark knocked it down from its highs, but in the absence of any additional escalation there, the market will end up shrugging its shoulders and I think that's what you saw today," said Michael Antonelli, market strategist at Robert W. Baird in Milwaukee.

Stocks investors remained jittery at the start of trade yesterday but the market gained strength heading into the close. Friday's losses came a day after major indexes notched record highs on the new year's first trading day in 2020.

Top internet companies led the S&P 500 higher. Alphabet rose 2.7 per cent after Pivotal Research upgraded the stock to "Buy."

But chipmakers were among the day's biggest decliners, after ranking as star performers in 2019. The Philadelphia semiconductor index, which surged about 60 per cent last year, was down one per cent.

The Dow Jones Industrial Average rose 68.5 points, or 0.24 per cent, to 28,703.38, the S&P 500 gained 11.43 points, or 0.35 per cent to 3,246.28, and the Nasdaq Composite added 50.70 points, or 0.56 per cent, to 9,071.47.

Boeing closed up 0.3 per cent, reversing slight losses earlier. The Wall Street Journal reported that the aeroplane maker was considering plans to raise more debt to bolster its finances after the grounding of its 737 Max jet.

The S&P 500 communication services index was the top gainer among the major sectors, rising 1.2 per cent. The S&P 500 posted 23 new 52-week highs and one new low.

CITY MOVES WHO'S SWITCHING JOBS

HISCOX

Specialist global insurer Hiscox has announced the appointment of James Millard as its new chief investment officer (CIO). James will be responsible for overseeing the management of its $6.4bn (£4.9bn) of assets, implementing overall investment policy and directing all portfolio management, research, trading and strategy. He will be based in London and report to Aki Hussain, group chief financial officer. James has a wealth of experience across investment management, most recently at Aberdeen Standard Investments, where he held the post of co-head of multi-manager strategies, overseeing the management of £27bn of assets. Previously, he was CIO at Skandia Investment until its merger with Old Mutual Asset Managers, where he became director of investments and a member of the executive management team of Old Mutual Global Investors.

GETT

Corporate on-demand transportation firm Gett has appointed Evan Nacke as its new general counsel. Evan brings with him substantial capital markets, fundraising and regulatory compliance experience having worked in London for more than 12 years both in private practice and as an in-house legal adviser at top tier investment banks. He was previously a director in the Europe, the Middle East and Africa equity capital markets legal team at Bank of America Merrill Lynch, as well as a vice president in the investment banking and capital markets legal team at Credit Suisse. Prior to that Evan worked at Freshfields Bruckhaus Deringer. Evan will be based in London alongside Gett's new chairman, Amos Genish. Dave Waiser, chief executive officer of Gett, said: "We are extremely fortunate to have Evan join us and bring his extensive capital markets experience as well as strong track record to the role of general counsel. Evan will play a vital part in supporting our international ambitions and potential initial public offering."

HOME MADE

London proptech company Home Made has announced the appointment of build-to-rent expert Jo Green as head of business development. Jo joins Home Made from proptech firm Ideal Flatmate where she was UK sales director, having previously held the role of director of PRS. With over 20 years of business development experience, Jo will lead the continued growth of Home Made's business-to-business arm. Jo commented on her new role: "With so many letting agencies over-promising and under-delivering it is so exciting to join a company who has been testing and refining their model for over two year."

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FTSE 100

7575.34 ↓ 47.06

FTSE 250

21760.53 ↓ 227.66

FTSE ALL SHARE

4206.93 ↓ 28.72

DOW JONES

28703.38 ↑ 68.50

NASDAQ

9071.47 ↑ 50.70

S&P 500

3246.28 ↑ 11.43

£

/€	1.1766	↑ 0.0046	€/$	1.1187	↑ 0.0015
/$	1.3162	↑ 0.0072	€/£	0.8499	↓ 0.0033
/¥	142.66	↑ 1.3000	€/¥	121.25	↑ 0.6400

GILTS

	Price	Chg	High	Low
Tsy 4.750 20	100.68	-0.02	104.6	100.7
Tsy 8.000 21	110.41	-0.10	117.4	110.4
Tsy 2.500 24	361.68	-0.48	377.9	358.8
Tsy 5.000 25	122.40	-0.23	126.0	122.1
Tsy 4.250 27	127.95	-0.37	132.8	125.2
Tsy 6.000 28	145.93	-0.42	152.1	143.1
Tsy 4.125 30	378.77	-0.88	404.2	364.2
Tsy 4.250 32	139.15	-0.46	146.4	132.4
Tsy 4.250 36	147.11	-0.57	155.7	137.5
Tsy 4.750 38	161.65	-0.76	171.8	150.0
Tsy 4.250 46	168.70	-0.95	181.0	1.0

AEROSPACE & DEFENCE

	Price	Chg	High	Low
BAE Systems	588.6	7.8	588.6	443.9
Cobham	164.4	0.0	168.3	99.8
Meggitt	661.8	2.2	669.8	479.3
QinetiQ	364.6	-2.8	367.4	267.0
Rolls-Royce	677.0	-0.8	988.4	677.0
Senior	186.2	2.0	239.2	165.7
Ultra Electronics	2162.0	22.0	2252.0	1232.0

AUTOMOBILES & PARTS

	Price	Chg	High	Low
Aston Martin	520.8	-15.4	1374.4	399.3
TI Fluid Systems	264.0	-9.0	273.0	155.2

BANKS

	Price	Chg	High	Low
Barclays	181.0	-2.3	192.5	136.2
BGEO Group	1586.0	-36.0	1755.0	1252.0
HSBC Hldgs	585.2	-9.2	680.6	552.3
Lloyds Banking	63.2	0.2	67.2	48.6
Royal Bank of Scot	240.0	1.7	270.4	177.7
Standard Chartered	707.0	-13.8	738.6	575.7
TBC Bank Group	1252.0	-44.0	1706.0	1150.0
Virgin Money UK	184.3	-3.5	220.1	104.4

BEVERAGES

	Price	Chg	High	Low
Barr (AG)	571.0	2.0	975.0	540.0
Britvic	902.5	-4.0	1068.0	820.5
Coca-Cola HBC AG	2628.0	23.0	3074.0	2299.0
Diageo	3183.5	-6.0	3625.5	2701.0

CHEMICALS

	Price	Chg	High	Low
Croda International	5095.0	10.0	5375.0	4564.0
Elementis	178.3	-1.6	197.9	129.8
Johnson Matt	2936.0	-55.0	3454.0	2770.0
Synthomer	346.4	-8.8	420.8	279.0
Victrex	2502.0	-12.0	2540.0	1845.0

CONSTRUCTION & MATERIALS

	Price	Chg	High	Low
Balfour Beatty	259.0	-4.4	295.0	194.2
CRH	3023.0	-29.0	3100.0	2148.0
Grafton Group	881.5	-4.0	937.0	645.5
Ibstock	318.0	-2.8	322.0	208.6
Marshalls	850.5	-6.0	876.0	486.0
Polypipe Group	535.0	-7.0	546.5	351.8

DIVERSIFIED INDUSTRIALS

	Price	Chg	High	Low
Smith (DS)	381.7	-5.4	394.8	307.9
Smiths Gp	1699.0	-10.0	1726.0	1378.0
Smurfit Kappa Gp	2870.0	-46.0	2966.0	2096.0
Vesuvius	497.0	-0.6	642.0	341.0

ELECTRICITY

	Price	Chg	High	Low
Contour Global	199.0	-6.0	222.5	159.1
Drax Gp	307.0	-2.4	413.8	251.0
SSE	1442.0	-3.0	1467.5	1008.0

ELECTRONIC & ELECTRICAL EQUIPMENT

	Price	Chg	High	Low
Halma	2091.0	-21.0	2164.0	1385.0
Morgan Advanced	313.4	1.4	324.8	232.4
Oxford Instruments	1546.0	-8.0	1626.0	866.0
Renishaw	3866.0	-36.0	4670.0	3232.0
Spectris	2912.0	-25.0	2962.0	2234.0

EQUITY INVESTMENT INSTRUMENTS

	Price	Chg	High	Low
3i Infrastructure	291.5	-4.0	306.5	259.0
Aberforth Smlr Cos	1484.0	-30.0	1546.0	1114.0
Alliance Trust	844.0	-8.0	853.0	704.0
AVI Global Trust	775.0	-8.0	789.0	687.0
Baillie Gifford Japan	822.0	-14.0	848.0	694.0
Bankers InvTst	993.0	-13.0	1012.0	798.0
BlackRock Smaller	1710.0	-14.0	1726.0	1250.0
BMO Global Smaller	146.1	-2.9	150.0	125.5
Caledonia Inv	3150.0	-20.0	3180.0	2900.0
City of London IT	441.5	-6.0	448.5	381.5
Edin Inv Trust	626.0	-4.0	652.0	535.0
European Opp	811.0	-9.0	875.0	675.0
F&C Investment	758.0	-8.0	778.0	651.0
Fidelity China SPE	236.0	-2.5	250.0	191.4
Fidelity Euro Values	259.0	-3.5	263.5	213.5
Fidelity Spec Val	276.0	-4.5	280.5	239.0
Finsbury G&I Tst	880.0	-15.0	958.0	757.0
GCP Infra Inv	131.2	-0.8	132.4	122.6
Genesis Emerging	788.0	-16.0	805.0	642.0
Greencoat UK	152.0	-0.8	152.8	127.6
Harbourvest Glb	1804.0	-6.0	1810.0	1372.0
Herald Inv Trust	1468.0	-18.0	1514.0	1115.0
HICL Infr	170.8	-0.2	174.0	156.6
JPM American	481.0	-5.0	494.5	406.0
JPM Emerg Mkt	1050.0	-16.0	1072.0	860.0
JPM Indian IT	724.0	-23.0	790.0	633.0
JPM Japan IT	459.0	-2.5	477.5	368.0
Jupiter Fund Mngt	403.0	-5.5	432.0	304.3
Law Debenture	638.0	-6.0	654.0	552.0
Mercantile IT	258.0	-5.5	267.5	181.3
Monks Inv Tst	954.0	-15.0	971.0	753.0
Murray Intl Tst	1238.0	-22.0	1286.0	1114.0
Next Energy Solar	126.5	0.0	126.5	112.0
Pantheon Intl Partn	2565.0	-45.0	2620.0	1960.0
Perpetual Inc & Grth	332.5	-7.0	342.0	284.5
Pershing Square	1464.0	-18.0	1570.0	1084.0
Personal Assets Tst	42700	-100.0	43150	39000
Polar Cap Tech Tst	1596.0	-22.0	1622.0	1132.0
Renewables Infra Gp	137.6	-0.6	139.2	115.4
RIT Cap Partners	2100.0	-15.0	2180.0	1944.0
Schroder Asia	452.5	-9.5	476.5	400.0
Scottish Inv Tst	831.0	-5.0	843.0	769.0
Scottish Mortgage	581.0	-5.5	588.0	465.7
Sequoia Econ Infra	117.0	-0.4	117.6	110.0
Smithson Inv	1304.0	-8.0	1334.0	1007.2
Syncona	221.0	-2.0	294.0	203.0
Temple Bar IT	1454.0	-18.0	1486.0	1162.0
Templeton Em Mkts	838.0	-18.0	856.0	694.0
Vietnam Enterprise	472.0	-4.5	509.0	421.5
VinaCapital Vietna	329.0	-7.0	357.5	323.0
Witan Invest	231.0	-3.0	234.5	197.4
Wwide Healthcare	3110.0	-45.0	3255.0	2495.0

FIXED LINE TELECOMMUNICATIONS

	Price	Chg	High	Low
BT Gp	193.2	-0.5	238.9	158.9
Talktalk Telecom	119.1	1.5	126.5	96.5
Telecom Plus	1516.0	-4.0	1534.0	1130.0

FOOD & DRUG RETAILERS

	Price	Chg	High	Low
Greggs	2376.0	6.0	2476.0	1367.0
Morrison (WM)	192.4	-6.7	245.8	176.9
Ocado Gp	1271.5	6.0	1435.0	860.0
Sainsbury(J)	226.6	-2.6	293.9	177.1
SSP Group	657.0	0.0	721.0	608.0
Tesco	254.0	-1.1	258.9	208.1

FOOD PRODUCERS

	Price	Chg	High	Low
Assoc British Foods	2615.0	22.0	2642.0	2106.0
Bakkavor	140.2	-3.4	170.0	93.3
Cranswick	3382.0	-82.0	3464.0	2472.0
Greencore Gp	261.0	-0.1	281.8	185.1
Hilton Food Gp	1092.0	-26.0	1118.0	894.0
Tate & Lyle	773.6	4.0	800.4	663.4
Unilever	4324.5	-32.5	5324.0	3941.0

FORESTRY & PAPER

	Price	Chg	High	Low
Mondi	1727.0	-40.0	1898.0	1510.5

GENERAL FINANCIAL

	Price	Chg	High	Low
3i Group	1088.5	-19.5	1184.5	806.6
Ashmore Gp	517.0	-4.0	542.5	367.8
Brewin Dolphin	370.0	0.2	375.2	287.6
Close Brothers	1613.0	-12.0	1663.0	1227.0
Coats Group	73.5	-1.1	91.3	68.1
Finablr	164.0	-2.0	215.0	140.2
Hargreaves Lans	1872.0	-65.5	2433.0	1633.0
IG Gp	687.2	-12.6	708.0	474.8
Integrafin Holdings	445.5	-15.0	462.0	314.2
Intermediate Capital	1603.0	-23.0	1642.0	971.5
Intl Public Prtnshps	170.8	3.6	170.8	146.8
Investec	438.3	-12.0	518.6	395.3
IP Group	73.2	-1.9	112.4	55.7
John Laing Gp	382.0	-0.4	402.0	339.0
London Stock Exch	7500.0	-138.0	7760.0	4165.0
Man Group	158.8	-0.8	175.2	130.5
Onesavings	427.4	-12.8	452.0	313.6
Paragon	517.5	-24.0	553.5	388.0
Plus500	859.8	6.6	1647.0	495.0
Provident Fin	443.9	-9.6	658.6	356.0
Quilter	163.2	-2.3	165.6	118.8
Rathbone Brothers	2115.0	5.0	2540.0	2045.0
Schroders	3259.0	-78.0	3419.0	2541.0
TP ICAP	409.5	-1.6	417.5	270.0

GENERAL RETAILERS

	Price	Chg	High	Low
B&M	403.4	2.6	420.9	308.9
Dixons Carphone	137.8	-3.2	150.0	104.9
Dunelm Gp	1139.0	4.0	1173.0	675.0
Frasers Group	469.8	-2.8	474.6	214.0
Howden Joinery Gp	660.0	-4.6	685.8	463.0
Inchcape	710.0	-4.0	718.5	545.5
JD Sports Fashion	816.4	5.2	844.2	374.0
Just Eat	855.2	-11.8	867.0	587.4
Kingfisher	219.6	0.6	266.2	185.9
Marks & Spencer	213.1	-1.0	303.2	163.9
Next	6944.0	2.0	7340.0	4644.0
Pets at Home Gp	279.2	-8.6	287.8	117.5
Vivo Energy	118.4	-3.0	139.5	111.4
Watches of Switz	375.4	-14.6	390.0	270.0
WH Smith	2588.0	-16.0	2654.0	1841.0

HEALTH CARE EQUIPMENT & SERVICES

	Price	Chg	High	Low
Convatec	198.6	-2.8	202.8	118.5
Mediclinic Intl	403.8	-7.2	415.3	293.4
NMC Health	1671.5	-78.5	3000.0	1300.5
Smith & Neph	1812.0	-35.0	1990.0	1405.5
UDG Hlthcare	794.0	-16.0	832.5	551.0

HOUSEHOLD GOODS

	Price	Chg	High	Low
Barratt Devel	747.8	1.8	774.2	479.3
Bellway	3825.0	6.0	3888.0	2693.0
Berkeley Grp Hldgs	4859.0	-22.0	5214.0	3437.0
Bovis Homes Gp	1312.0	0.0	1399.0	887.0
Countryside Prop	461.2	-3.0	474.4	277.6
Crest Nicholson	431.0	-2.0	445.0	332.0
McCarthy & Stone	147.8	-1.9	158.8	123.5
Persimmon	2689.0	3.0	2826.0	1836.0
Reckitt Benckiser	6156.0	-35.0	6688.0	5593.0
Redrow	759.0	0.0	767.0	519.0
Taylor Wimpey	193.4	-1.4	201.2	140.4

INDUSTRIAL ENGINEERING

	Price	Chg	High	Low
Bodycote	940.0	-1.0	971.0	652.0
Hill & Smith	1460.0	-25.0	1510.0	1049.0
IMI	1180.0	-1.5	1206.0	906.0
Melrose Ind	238.4	-3.6	242.3	156.8
RHI Magnesita	3712.0	-40.0	5000.0	3420.0
Rotork	334.1	-0.8	341.2	259.3
Spirax-Sarco	8960.0	-60.0	9400.0	6240.0
Weir Gp	1505.0	-7.5	1814.0	1261.5

INDUSTRIAL METALS

	Price	Chg	High	Low
Evraz	387.0	-13.9	709.4	341.4
Ferrexpo	158.2	2.5	301.3	123.0

INDUSTRIAL TRANSPORTATION

	Price	Chg	High	Low
Clarkson	2935.0	-60.0	3030.0	2200.0
Fisher (James)	1972.0	-78.0	2260.0	1750.0
Royal Mail	222.1	-4.2	304.3	188.4
Signature Avi	324.9	0.0	406.0	283.2

LEISURE GOODS

	Price	Chg	High	Low
Games Workshp	6225.0	60.0	6225.0	2800.0

LIFE INSURANCE

	Price	Chg	High	Low
Aviva	414.0	-5.4	438.8	352.3
Lancashire Hldgs	767.0	-12.5	780.5	561.5
Legal & General	305.0	-1.0	317.7	216.7
Phoenix Gp	746.1	-5.7	758.7	585.9
Prudential	1429.5	-20.0	1790.0	1279.5
St James Place	1147.0	-20.0	1199.5	913.6
Std Life Aberdeen	325.3	-4.9	336.9	231.1

MEDIA

	Price	Chg	High	Low
4imprint	3350.0	-30.0	3500.0	1800.0
Ascential	386.8	-2.8	411.0	319.0
Auto Trader Gp	577.0	-7.6	607.6	441.8
Euromny Inst Inv	1300.0	6.0	1498.0	1152.0
Future	1448.0	-8.0	1572.0	488.0
Informa	851.8	-6.6	892.0	640.2
ITV	148.6	-1.2	156.5	103.6
Moneysupermkt.com	334.6	0.9	417.7	281.4
Pearson	634.8	-8.2	1027.5	615.0
RELX	1898.5	-11.5	2011.0	1606.0
Rightmove Group	640.2	2.0	649.6	463.5
WPP	1064.0	-6.5	1077.5	800.4

MINING

	Price	Chg	High	Low
Anglo American	2145.0	-41.5	2266.0	1666.6
Antofagasta	908.8	-14.0	1022.5	779.6
BHP Group	1775.2	-21.2	2049.0	1563.0
Centamin	122.8	-3.9	152.3	79.8
Fresnillo	661.0	0.0	1027.5	539.6
Glencore	236.3	-5.3	340.3	216.9
Hochschild Mining	172.6	-2.6	227.0	152.0
Kaz Minerals	526.4	-16.2	738.4	380.3
Polymet Int	1221.5	11.5	1272.0	772.6
Rio Tinto	4430.0	-74.0	4976.5	3761.5
Sirius Minerals	3.7	0.0	24.3	2.9

MOBILE TELECOMMUNICATIONS

	Price	Chg	High	Low
Vodafone Gp	147.1	-0.9	165.2	123.3

NONLIFE INSURANCE

	Price	Chg	High	Low
Admiral Gp	2281.0	-9.0	2317.0	2014.0
Beazley	546.5	-13.0	628.0	492.6
Direct Line Ins	314.8	-1.5	366.5	270.5
Hastings Gp Hldgs	182.0	1.3	231.6	167.9
Hiscox	1384.0	-44.0	1777.0	1213.0
RSA Ins Gp	561.0	-6.0	597.0	501.6

MAIN CHANGES UK 350

Risers ↑		%	Fallers ↓		%
Wood Gp(J)	407.90	3.8	Spirent Comms	229.50	-6.7
Babcock Intl Grp	628.40	2.5	Hammerson	291.60	-5.5
Intl Public Prtnshps	170.80	2.2	Trainline	472.50	-4.5
BP	504.10	2.0	NMC Health	1671.50	-4.5
Ferrexpo	158.20	1.6	Pagegroup	497.80	-4.5
BAE Systems	588.60	1.3	Paragon	517.50	-4.4
Talktalk Telecom	119.10	1.3	Network Int	602.00	-3.8
Senior	186.20	1.1	Fisher (James)	1972.00	-3.8
Ultra Electronics	2162.00	1.0	Watches of Switz	375.40	-3.7
Games Workshp	6225.00	1.0	Hikma Pharma	1912.00	-3.7

OIL & GAS PRODUCERS

	Price	Chg	High	Low
BP	504.1	10.1	582.5	462.4
Cairn Energy	207.6	-0.2	213.8	143.1
Energean Oil & Gas	933.0	0.0	1082.0	613.3
Premier Oil	101.5	0.2	106.2	65.1
Royal Dutch Shell A	2309.0	10.5	2612.0	2144.5
Royal Dutch Shell B	2313.5	7.0	2622.0	2126.5
Tullow Oil	59.5	-0.5	250.0	39.9

OIL EQUIPMENT & SERVICES

	Price	Chg	High	Low
Hunting	416.8	3.8	657.0	363.8
Petrofac	386.7	2.9	559.0	374.4
Wood Gp(J)	407.9	14.8	598.6	319.6

PERSONAL GOODS

	Price	Chg	High	Low
Burberry Gp	2188.0	-36.0	2345.0	1695.0
PZ Cussons	206.5	-2.0	227.0	178.6

PHARMACEUTICALS & BIOTECHNOLOGY

	Price	Chg	High	Low
AstraZeneca	7623.0	-77.0	7808.0	5325.0
Dechra Pharma	2918.0	-22.0	3036.0	2144.0
Genus	3216.0	-14.0	3246.0	2158.0
GlaxoSmithKline	1770.4	-14.0	1818.8	1436.0
Hikma Pharma	1912.0	-74.0	2200.0	1510.5

REAL ESTATE

	Price	Chg	High	Low
Assura	76.1	-1.2	79.3	53.5
Big Yellow Gp	1171.0	-19.0	1200.0	881.0
BMO Comm Prop	115.4	-1.0	132.8	106.0
British Land	615.0	-14.8	638.8	468.3
Captl & Count Prop	262.1	0.1	270.5	184.8
CLS Hldgs	290.0	-9.5	312.5	212.0
Daejan Hldgs	5420.0	-50.0	6160.0	4715.0
Derwent London	3974.0	18.0	4010.0	2884.0
Grainger	313.2	-2.4	315.6	214.8
Grt Portland Est	854.4	-4.4	871.0	649.4
Hammerson	291.6	-17.1	388.4	203.9
Land Securities	983.0	-6.4	1001.5	735.4
LondonMetric Prop	231.0	-5.0	241.2	175.1
NewRiver Retail	197.2	-5.8	246.0	147.6
Primary Hlth Prop	157.8	-1.8	160.0	112.0
Safestore Hldgs	799.0	-11.0	817.5	527.5
Savills	1134.0	-17.0	1175.0	728.0
SEGRO	891.0	-5.0	900.0	614.0
Shaftesbury	945.0	8.5	979.5	739.5
St Modwen Props	504.0	1.0	510.0	373.0
TR Property IT	482.0	-6.5	491.5	377.0
Tritax Big Box	145.6	-2.7	159.7	135.2
UK Commercial Prop	87.8	-0.7	92.7	79.9
Unite Group	1241.0	-19.0	1261.0	842.5
Workspace Gp	1175.0	-15.0	1198.0	806.0

SOFTWARE & COMPUTER SERVICES

	Price	Chg	High	Low
Avast	474.0	3.6	474.6	276.0
Aveva Gp	4676.0	-18.0	4722.0	2500.0
Computacenter	1783.0	-15.0	1829.0	1008.0
FDM Group	1050.0	-22.0	1100.0	647.0
Kainos Gp	752.0	6.0	786.0	430.0
Micro Focus Intl	1091.6	-9.4	2160.0	1004.0
Playtech	396.6	-6.4	457.7	360.5
Sage Group	736.2	-2.2	820.4	592.0
Softcat	1154.0	-30.0	1198.0	589.0
Sophos	558.0	-5.2	577.0	298.2

SUPPORT SERVICES

	Price	Chg	High	Low
Aggreko	845.0	-2.4	856.6	693.2
Ashtead Gp	2404.0	19.0	2450.0	1805.5
Babcock Intl Grp	628.4	15.4	641.0	416.7
Bunzl	2068.0	-26.0	2551.0	1943.0
Capita	164.3	-0.7	183.0	99.9
DCC	6404.0	-92.0	7496.0	6225.0
Diploma	2008.0	-12.0	2084.0	1243.0
Electrocomp	668.0	-4.0	729.8	523.8
Equiniti	206.0	-1.2	236.2	186.2
Essentra	436.0	-10.8	449.0	357.4
Experian	2536.0	-14.0	2631.0	1874.5
Ferguson	6906.0	-100.0	7070.0	4800.0
G4S	210.2	-3.0	234.3	168.3
Hays	177.0	-2.5	183.5	138.0
Homeserve	1270.0	-15.0	1291.0	870.0
Intertek Gp	5810.0	-2.0	5962.0	4643.0
IWG	433.5	-5.4	439.6	218.4
Network Int	602.0	-24.0	645.0	513.0
Pagegroup	497.8	-23.2	539.0	367.8
Paypoint	1014.0	0.0	1118.0	819.0
Rentokil Initial	452.5	-5.4	467.8	329.0
Sanne Group	685.0	-12.0	752.0	450.0
Serco	159.7	-2.6	165.0	108.6
SIG	122.2	-1.5	153.0	99.3
Travis Perkins	1610.5	10.5	1692.5	1100.5

TECHNOLOGY HARDWARE & EQUIPMENT

	Price	Chg	High	Low
Spirent Comms	229.5	-16.5	251.5	121.2

TOBACCO

	Price	Chg	High	Low
Br Am Tob	3350.0	-2.0	3352.0	2375.0
Imperial Brands	1911.0	-11.2	2713.5	1668.2

TRAVEL & LEISURE

	Price	Chg	High	Low
Carnival	3481.0	-106.0	4430.0	3056.0
Cineworld Group	220.1	-0.6	321.0	191.0
Compass Gp	1859.0	-31.0	2138.0	1583.0
Dominos Pizza	322.6	-3.8	326.4	221.2
easyJet	1353.0	-29.0	1501.0	854.8
EI Group	284.2	-0.2	285.0	194.0
FirstGroup	123.0	-3.0	137.5	89.0
Flutter Ent	9366.0	-90.0	9456.0	5525.0
Go-Ahead Gp	2136.0	-46.0	2278.0	1603.0
GVC Hldgs	906.0	1.0	919.0	507.5
Intercontl Htls	5088.0	-101.0	5738.0	4257.5
Intl Cons Airl	610.0	-15.4	667.6	413.5
Marstons	125.7	-2.5	131.4	93.3
Mitchells & Butlers	443.0	-13.5	470.5	238.0
National Express	461.8	-8.8	476.0	377.6
PPHE Hotel Gp	1910.0	0.0	1990.0	1630.0
Rank Gp	275.0	-3.0	280.0	144.0
Restaurant Grp	162.9	-1.1	166.4	111.9
Stagecoach Gp	159.8	-3.8	167.0	115.5
TUI AG	968.2	-8.2	1213.5	698.0
Wetherspoon (JD)	1644.0	-32.0	1734.0	1155.0
Whitbread	4802.0	-63.0	5152.0	3988.0
William Hill	185.1	-1.1	205.2	132.3
Wizz Air Holdings	3784.0	-112.0	4013.0	2880.0

AIM 50

	Price	Chg	High	Low
Abcam	1337.0	-14.0	1500.0	1066.0
Advanced Medical	307.5	5.5	354.5	225.0
Alliance Pharma	83.8	-0.7	84.5	60.0
ASOS	3372.0	-42.0	4066.0	2107.0
Blue Prism	1124.0	-26.0	1472.0	788.0
Camellia	8725.0	-25.0	11750.0	8600.0
Caretech Holdings	440.0	0.0	445.0	325.0
Central Asia Metals	216.0	-5.0	266.5	180.0
Clinigen Group	924.0	5.0	1069.0	737.5
CVS Group	1150.0	10.0	1160.0	395.0
Dart Group	1674.0	-1.0	1750.0	709.5
Diversified Gas & Oil	106.0	0.0	116.5	97.0
Draper Esprit	493.0	9.0	548.0	410.0
EMIS Group	1120.0	0.0	1242.0	890.0
Fevertree Drinks	2063.0	-19.0	2475.0	1732.5
First Derivatives	2680.0	-135.0	3555.0	2050.0
Frontier Devs	1236.0	-16.0	1260.0	844.0
Gamma Comms	1350.0	0.0	1390.0	762.0
GB Group	800.0	3.0	800.0	420.0
Gooch & Housego	1440.0	-20.0	1527.5	954.0
Hurricane Energy	30.5	-2.3	53.6	29.5
Impax Asset Mgmt	391.0	3.5	394.0	184.0
Iomart Group	400.0	14.0	400.0	316.5
IQE	49.6	-1.9	98.0	41.8
James Halstead	538.0	6.0	560.0	434.0
Johnson Service Gp	210.0	8.5	210.0	122.0
Keywords Studios	1517.0	-36.0	1838.0	900.0
Learning Tech Gp	135.8	-2.0	143.0	62.2
M&C Saatchi	116.0	-3.5	394.0	79.0
M.P. Evans	710.0	-1.0	750.0	612.0
Majestic Wine	222.0	-1.5	318.0	213.0
Midwich Group	532.0	0.0	633.0	474.5
Mortgage Advice B	775.0	15.0	795.0	546.0
Next Fifteen Comm	542.0	2.0	658.0	465.0
Nichols	1440.0	-47.5	1880.0	1410.0
Numis Corporation	302.5	-3.0	306.0	212.0
Polar Capital Hdgs	562.0	2.0	604.0	450.0
Purplebricks Gp	126.0	0.4	132.0	96.0
Redde	107.4	0.6	127.6	100.6
Renew Holdings	530.0	-24.0	568.0	355.0
RWS Holdings	621.0	3.0	670.0	450.0
Scapa Group	246.0	2.0	403.0	157.0
Secure Income REIT	447.0	2.0	454.0	384.0
Serica Energy	130.8	2.8	143.4	103.6
Smart Metering Sys	546.0	-6.0	665.0	310.0
Telford Homes	349.5	0.0	358.0	267.0
Thorpe (F.W.)	346.0	-13.0	359.0	248.5
Watkin Jones	244.0	-2.0	247.5	199.6
Young's Brew NV	1290.0	0.0	1310.0	1030.0
Young's Brew-A	1660.0	10.0	1885.0	1450.0

EU SHARES

	Price	Chg	High	Low
ADIDAS	289.65	-2.30	296.35	193.85
AIR LIQUIDE	125.45	-0.85	130.80	102.40
ALLIANZ AG	217.70	-1.35	223.80	176.10
AMADEUS IT GROUP	72.60	-0.66	73.70	42.30
ANHEUSER BUSCH INBEV	74.27	-0.13	92.71	60.78
ASML HOLDING NV	263.10	-4.85	269.40	136.12
AXA	25.14	-0.34	25.47	19.22
BANCO SANTANDER	328.50	-2.20	402.00	295.05
BASF	66.27	-1.00	74.49	56.20
BAYER AG	71.74	-0.84	73.60	52.53
BBVA	5.00	-0.05	9.56	4.19
BMW	73.05	-0.27	77.75	58.70
BNP PARIBAS	52.68	-0.26	53.58	39.32
CRH	3023.00	-29.00	3100.00	2148.00
DAIMLER	48.80	-0.27	59.31	40.53
DANONE	74.76	0.14	82.00	61.32
DEUTSCHE POST AG	33.62	-0.17	34.91	24.89
DEUTSCHE TELEKOM	14.58	-0.04	16.25	14.10
ENEL	7.23	0.01	7.21	5.10
ENGIE	14.71	0.01	15.12	12.45
ENI	14.32	0.21	15.94	13.04
ESSILORLUXOTTICA	128.75	0.00	128.75	128.75
FRESENIUS MEDICAL CARE	65.02	-0.48	76.32	57.92
IBERDROLA	9.13	-0.05	9.54	6.02
INDITEX	31.53	-0.28	32.37	2.55
ING GROEP NV	10.86	-0.09	12.05	8.34
INTESA SANPAOLO	2.34	-0.01	2.41	1.83
KERING	590.80	-10.10	600.90	394.30
KON KPN NV	2.65	0.01	2.96	2.47
L'OREAL	263.00	-0.90	266.10	195.25
LVMH MOET HENNESSY	415.15	-3.95	419.15	246.55
MUENCHENER RUECKVE	262.70	0.10	267.30	186.30
NOKIA	21.88	0.00	21.88	21.88
ORANGE	13.19	-0.07	15.01	13.12
ROYAL PHILIPS	43.53	-0.23	44.34	30.02
SAFRAN	136.45	-1.55	149.90	105.55
SANOFI	91.35	0.57	90.86	72.24
SAP SE	119.56	-0.90	124.72	87.97
SCHNEIDER ELECTRIC	92.70	-0.12	93.74	58.20
SIEMENS AG	115.82	-0.54	119.90	85.00
SOCIETE GENERALE	31.08	-0.26	31.66	21.13
TELEFONICA SA	6.34	0.01	9.18	5.94
TOTAL	50.44	0.06	52.27	43.18
UNILEVER NV	50.96	-0.40	57.56	46.03
VINCI	98.72	-0.50	102.40	72.90
VIVENDI	25.88	-0.43	26.42	21.49
VOLKSWAGEN AG	176.62	-0.02	183.46	138.16

CRYPTO A.M. DAILY POWERED BY BEQUANT

CRYPTOCURRENCIES

Name	Price (USDT)	↑/↓(24h)	
Bitcoin (BTC)	$ 7,585.55	1.25%	↑
Ethereum (ETH)	$ 141.63	3.68%	↑
Ripple (XRP)	$ 0.21	8.90%	↑
Bitcoin Cash (BCH)	$ 236.26	4.80%	↑
Litecoin (LTC)	$ 44.71	2.61%	↑
EOS.IO (EOS)	$ 2.78	2.59%	↑
Bitcoin SV (BSV)	$ 116.59	4.76%	↑
TRON (TRON)	$ 0.01	3.62%	↑
NEO (NEO)	$ 9.64	4.83%	↑
Cardano (ADA)	$ 0.03	3.75%	↑
CryptoCompare Large Cap Index		1.68%	↑
CryptoCompare Small Cap Index		0.50%	↑

Market	$203,286,485,360	
Bitcoin Volatility	2.00%	↑
Bitcoin Volume on BEQUANT Exchange (USDT)	151,303,808	

Sources: Bequant.io, CryptoCompare.com
Prices and data are correct as of 14:30, 06.01.2020
Crypto AM features in City AM every Tuesday.
Previous Editions:www.cityam.com/crypto-insider
Read more at: https://bequant.pro/cityam

CRYPTO & COFFEE

The sentiment was dominated by safe haven flows, with gold advancing to its highest level in nearly seven years and oil prices rallying past $70 a barrel for the first time in more than three months as the US warned of increased threats to energy facilities in the Middle East, after the assassination of an Iranian general last week.

This, together with Bitcoin's hash rate reaching record highs in anticipation of the miner reward halving later this year meant that the market for digital assets was well bid. In addition, the most recent mining difficulty adjustment of 6.57% on Jan. 1 was the largest since September.

In terms of other news flow, the average block time on the Ethereum blockchain decreased by almost a quarter after the mining difficulty was decreased (successful implementation of Muir Glacier hard fork). Elsewhere, Bloomberg writes the ousted Bitmain co-founder Micree Zhan Ketuan has initiated a legal case to try to regain his position, escalating a battle for control of the world's largest miner of cryptocurrency.

Finally, Telegram has been ordered by a judge to explain why it should not have to turn over financials concerning its $1.7 billion ICO.

COMMODITIES

Gold	1572.40	+124.80	Copper Cash Official	6076.00	-89.25
Silver (Pence)	1821.00	+28.50	Aluminium Cash Official	1757.50	-14.00
Silver (Cents)	1395.00	+37.00	Nickel Cash Official	13737.50	-335.00
Krugerrand	1591.18	+30.35	Aluminium Alloy Cash Official	1325.00	+5.00
Brent Crude	68.60	+2.35	Natural Gas	33.07	+2.04
Platinum	983.00	-4.00	Tin Cash Official	16737.50	-400.00
British Sovereign	371.32	+6.95	Zinc Cash Official	2283.00	-15.00
Lead Cash Official	1889.25	-14.50	White Sugar	357.20	+4.50

TOURIST RATES

Canada	1.6287	New Zealand	1.8131
Croatia	7.8729	Norway	11.02
Czech Republic	27.33	Poland	4.3784
Denmark	8.3151	Singapore	1.6455
Hong Kong	9.6843	Sweden	11.71
Iceland	140.68	Switzerland	1.2105
India	82.38	Turkey	7.4197
Israel	4.0841	United States	1.2514

WORLD INDICIES

	Price	Chg	%Chg		Price	Chg	%Chg
FTSE 100	7575.34	-47.06	-0.62	S&P 500	3246.28	+11.43	+0.35
FTSE 250	21760.53	-227.66	-1.04	Dow Jones I.A	28703.38	+68.50	+0.24
FTSE All-Share	4206.93	-28.72	-0.68	Nasdaq Composite	9071.47	+50.70	+0.56
FTSE AIM All-Share	960.68	-3.39	-0.35	Xetra DAX	13126.99	-92.15	-0.70

	Price	Chg	%Chg		Price	Chg	%Chg
CAC 40	6013.59	-30.57	-0.51	Hang Seng	28226.19	-225.31	-0.79
Swiss Market Index	10665.41	-34.41	-0.32	Nikkei	23204.86	-451.76	-1.91
ISEQ Overall Index	7210.64	-31.44	-0.43	STI Index	3218.86	-19.96	-0.62
FTSEurofirst 300	1629.54	-5.80	-0.35	ASX All Ordinaries	6857.40	+2.20	+0.03

US SHARES

	Price	Chg	High	Low
3M	178.62	0.17	219.50	150.74
ABBOTT LABORATORIES	86.34	0.45	88.74	68.27
ADOBE INC	333.71	1.90	334.43	232.68
ALPHABET NON VTG-C	1394.21	33.55	1367.37	1036.23
ALPHABET-A	1397.81	36.29	1368.68	1116.79
AMAZON.COM	1902.88	27.91	2020.99	1588.22
AMERICAN EXPRESS	124.06	-0.54	128.57	97.99
APPLE INC	299.80	2.37	300.35	150.00
AT&T	39.10	0.04	39.63	29.37
BANK OF AMERICA	34.85	-0.05	35.64	25.51
BERKSHIRE HATHAWAY	226.99	0.81	228.39	195.78
BOEING CO	333.74	0.98	432.69	320.42
CATERPILLAR INC	148.34	-0.10	150.53	113.38
CHEVRON	120.60	-0.41	126.54	111.39
CISCO SYSTEMS	47.80	0.17	58.05	43.21
CITIGROUP	79.45	-0.25	81.23	55.46
COCA-COLA CO	54.67	-0.02	55.77	44.69
COMCAST	44.67	-0.34	46.97	34.97
DOW	52.21	-0.21	66.65	40.71
EBAY INC	35.78	-0.18	41.57	30.00
EXXON MOBIL	70.87	0.54	83.38	66.70
FACEBOOK	212.60	3.93	209.78	174.60
GOLDMAN SACHS GROUP	233.95	2.37	234.32	175.37
HOME DEPOT INC	219.96	1.03	238.85	174.87
HONEYWELL INTERNATIONAL	177.51	-1.35	182.01	135.09
IBM	134.10	-0.24	151.36	119.83
INTEL	59.93	-0.17	60.84	43.46
JOHNSON & JOHNSON	144.10	-0.18	146.44	126.95
JPMORGAN CHASE & CO	138.23	-0.11	141.09	98.93
MASTERCARD INC	301.23	0.80	303.39	192.28
MCDONALD'S	202.33	2.25	221.15	173.97
MEDTRONIC	114.89	1.01	114.56	83.03
MERCK & CO	91.64	0.39	92.04	72.92
MICROSOFT	159.03	0.41	160.62	102.05
NETFLIX	335.83	9.93	385.03	254.59
NIKE INC	101.83	-0.09	102.20	76.04
ORACLE	54.04	0.28	60.15	47.78
PAYPAL HOLDINGS	110.17	1.41	121.30	96.64
PEPSICO	136.15	0.52	140.28	118.61
PFIZER INC	38.88	-0.05	44.40	34.24
PROCTER & GAMBLE	122.75	0.17	126.09	90.44
TRAVELERS COMPANIES	137.17	0.15	154.83	117.84
TWITTER	31.64	0.12	45.42	28.89
UNITED HEALTH GROUP	291.55	2.01	295.97	215.26
UNITED TECHNOLOGIES	153.68	0.33	153.35	108.90
VERIZON COMMUNICATIONS	60.27	-0.13	62.07	53.28
VISA	189.19	-0.41	191.12	168.86
WALGREENS BOOTS ALLIANCE	59.59	0.51	76.05	49.29
WALMART	117.65	-0.24	121.28	93.86
WALT DISNEY CO	145.65	-0.85	151.64	107.79
WELLS FARGO & CO	53.10	-0.32	54.46	43.38

TRADING & INVESTMENT

Luke Graham examines the outlook for the world markets in the year ahead

WILL 2020 BE A HAPPY NEW YEAR?

AFTER the festive break, everyone in the City is slowly settling back into work. The opening week of 2020 has been hectic already, with oil and gold prices rising and stocks falling in reaction to tension in the Middle East. But what else are the financial experts and asset managers keeping an eye on for the year ahead?

LIVING IN AMERICA

US equities were the best performing asset class in 2019, according to research by investment platform Fidelity, producing a total return of 25 per cent. The next best performers were global equities at 21 per cent, and real estate at 20 per cent. In fact, 2019 was the best year for US stocks since 2013.

So will US equities continue to outperform this year? Not necessarily. There's a great deal of geopolitical uncertainty hanging over American stocks, such as whether the US-China trade war will be resolved, and how Iran will react to the drone strike that killed its top general Qasem Soleimani.

And then there's the presidential election campaign and the question of whether Donald Trump will hold onto the White House in November.

"One issue that is not uppermost in investors' minds currently, but will become increasingly so, is the election cycle in the US and the potential for a lot more domestic political noise in the US," warns Jeremy Podger, portfolio manager of the Fidelity Global Special Situations Fund. "This, in turn, could mean that other parts of the global equity markets will become more attractive than the US."

LAND OF THE RISING SUN

One such region that may become more attractive is Japan. Its stocks produced a total return of 15 per cent for investors last year, according to Fidelity's research.

This year, Naoya Oshikubo, senior economist at Sumitomo Mitsui Trust Asset Management, believes that the country's economic growth will remain solid, boosted by the Olympics.

"The Tokyo Olympics and Paralympics will have a significant economic impact of around 32 trillion yen (approximately $29bn) — much bigger than the 2019 Rugby World Cup — boosting inbound and domestic tourist consumption," he says.

"Among the sectors which are due to benefit from this global sporting event are manufacturing, in particular companies producing electrical equipment such as TVs, as well as the leisure sector with companies in the fitness business (such as gyms), dining services, and hotels expected to reap great rewards."

Oshikubo tips Sony, which controls a large share of the high-end TV market, and NEC, a tech firm whose facial recognition system will be used for security at the Olympic games, as two companies set to benefit.

He also predicts that Japan's equity market will increase in 2020, backed by solid corporate earnings growth.

"The stock market will also benefit from the Olympic games, as historic data shows that markets of countries hosting the games tend to rise," he added. "In fact, since the 1984 Los Angeles Olympics, every host nation has seen higher share prices at the end of the year following the games compared to the year preceding. Japan should be no exception."

BACK IN BRITAIN

What about things back home? The performance of UK equities was similar to Japan, producing a total return of 15 per cent last year.

Of course, the UK has its own uncertainties to deal with, primarily focused around whether Prime Minister Boris Johnson will actually manage to "Get Brexit Done" and strike a trade deal with the EU this year. But beyond this political uncertainty, the economic picture for the UK has improved for 2020, according to Adam Avigdori, co-manager of BlackRock Income and Growth Trust.

"The employment market is strong, with underlying growth in both nominal and real wages for the first time in recent years. Combined with increasing fiscal spending, we believe the UK economic outlook is more encouraging," he says.

THE PATH LESS TRODDEN

Away from the developed economies, emerging markets are also looking enticing to some investors.

> "Other parts of the global equity markets will become more attractive than the US

Last year, emerging market equities produced a modest total return of about nine per cent, outperforming corporate and government bonds, as well as commodities.

Looking ahead, emerging markets offer potentially strong opportunities for long-term investors. Some stocks in this region are trading at low valuations and paying attractive dividends, according to Emily Fletcher, co-manager of BlackRock Frontiers Investment Trust.

"In terms of the regional outlook, we continue to like Latin America," she adds.

"Meanwhile, the sentiment on the ground in China remains mixed with consumer activity doing well but industrial and trade indicators slowing. Despite the stimulus feeding through into the real economy, sentiment is affected by trade tensions and businesses remain hesitant to invest in this environment."

THE ROARING TWENTIES

While we've looked at a few specific regions, what about the markets as a whole? Global equities produced a total return of 22 per cent last year — a particularly stellar performance, but will it be repeated?

Not likely, according to some market analysts.

Last year's outperformance was partly just a bounce back after the sharp sell-off seen in late 2018, argues Rupert Thompson, chief investment officer at Kingswood. He predicts that returns are likely to be considerably lower this year.

"The economic backdrop has undoubtedly improved, and we are expecting global growth to pick up," he says. "However, the upturn will be modest and clear risks remain — not least on the geopolitical front, as highlighted by the latest ratcheting up of US-Iran tensions. Renewed growth in corporate earnings is likely to be needed if equity markets are to sustain further gains."

Making predictions about the future can of course often prove to be a fool's errand — crystal balls don't work in real life. And even with all the data and analysis at hand, unforeseen events can rapidly upset markets.

What we do know is that the investment landscape in 2020 will be far from dull.

FORUM

EDITED BY RACHEL CUNLIFFE

Around the world: Political risk predictions for a new era

John Hulsman

AS JULES Verne's unmatchable adventure Around the World in Eighty Days so eloquently put it: "Anything one man can imagine, other men can make real."

Fresh off my firm's victorious analysis of both Brexit and the outcome of December's British General Election, we sincerely hope that the new year continues to affirm for us Verne's pious prayer for any first-rate geopolitical analyst.

The developments between the US and Iran are of course taking centre stage in the opening weeks of 2020, and merit a full column all on their own. But it also pays to take a more long-term view of the year, and consider what some of the main geopolitical stories will be.

So without further ado, here is our main political risk prediction for the coming year, along with four other teasers that will do much to define the nascent age we find ourselves in.

First and foremost, Washington and Beijing are now in the opening stages of a Cold War for dominance in Asia that will come to define our new era.

Forget the "success" of the December 2019 Phase I agreement between the US and China — this amounts to little more than a truce in what remains an ongoing trade war.

While it did cool the 17-month trade war between the world's two most powerful economies, upon closer inspection it is so much less than meets the eye.

Yes, the Trump administration put off announced December tariffs and slightly modified older ones, while the regime of Xi Jinping agreed to sharply increase its purchases of American farm products over the next two years. But "no new tariffs for soybeans" is not about to settle the structural differences brewing between the world's sole superpower and its only possible near-term peer competitor.

The basic reason for this is less the fault of any single statesman than the reality of two unbridgeable differences. China, with its very different state-centric model of capitalism — a construct that the US finds inherently unfair and not in tune with global trade rules — is not about to change its heretofore successful system because America does not like it.

President Xi, in continuing to promote his "China in 2025" state-centric economic vision, shows no signs of abandoning the economic model which has pulled 800m Chinese out of abject poverty and made his proud country a great power once again.

As such, there is no Phase II deal, and the "breakthrough" of December is merely a truce in what historically amounts to an ongoing economic battle for supremacy between the two powers.

If Beijing is not about to budge on economics, the US is surely not going to voluntarily surrender its geopolitical advantage in East Asia. Here, Washington and Beijing have a fundamental state of being problem: the US is the greatest power in the region, and China wants to be the greatest power in the region (as it has been traditionally).

No amount of honeyed words, diplomatic skill, or changing the subject can alter this basic geostrategic fact.

Washington and Beijing are now in the opening stages of a Cold War for dominance in Asia

If you accept that the US understandably will not give up its dominant position without a fight — coupled with China's equally understandable refusal to radically alter its economic system — you have only one political risk conclusion to reach. The US and China are in the first stages of a Cold War that, more than anything, will shape the coming era.

Beyond that, here are our other major 2020 geopolitical predictions, which will be teased out in subsequent columns in this paper.

First, the one last hope for the EU is French President Emmanuel Macron besting the French street over pension reform and quickly finding an able German interlocutor to at last embark on European-wide economic reform. Barring that, Europe will continue its downwards geopolitical slide.

Second, the key to post-Brexit success for the UK is not the trade deal with Europe, but whether Boris Johnson can, over his full five-year term, negotiate free trade deals with the Anglosphere (Canada, Australia, New Zealand, the US and India). If he does so, Brexit will be seen as an historical success. If not, then a failure.

Third, as the Democrats continue to commit acts of political self-harm (impeachment) and move left of Trotsky on the issues — ranging from reparations for slavery, the Green New Deal, Medicare for all, and decriminalising illegal immigration — Trump will be re-elected President of the United States in November.

And finally, the North Korean crisis will turn septic again this year, raising the threat of yet more instability in Asia, the seat of most of the world's future economic growth, as well as much as its future political risk.

Like Phileas Fogg and his loyal friend Passepartout, I hope that we can once again journey around the planet together this coming year, seeing its beauty and fascination, as well as its tragic limitations.

Dr John C. Hulsman is senior columnist at City A.M., a life member of the Council on Foreign Relations, and president of John C. Hulsman Enterprises. He can be reached for corporate speaking and private briefings at www.chartwellspeakers.com.

Let's kick off the decade with a plan for ending the misery of the daily commute

Tom Thackray

IT'S THE start of the year, and you may have already had to suffer through a cancelled train, a packed carriage, or a traffic jam that's cost you a meeting. Not the best way to kick off a new decade.

Among those returning to their offices today are the newly appointed members of the government, with in-trays full of the promises made during the election campaign.

Having pledged nothing short of an "infrastructure revolution", Boris Johnson's government will be under pressure to act quickly. Indeed, we've already seen metro mayors and local leaders pushing their own "wish lists" of regional infrastructure, eager to address the poor connectivity that is currently leaving their areas behind.

Commuter experience is key to this. A CBI poll of 2,000 employees across the country found that they lost on average 2.7 hours a week owing to travel disruption and delays. Over the course of a working year, the average employee loses 125 hours, or over five whole days, thanks to commuting problems.

Improvements in how people get to work therefore have the potential to improve not only the UK's productivity, but also our quality of life.

Clearly, more investment is needed, but simply turning on the spending taps is not sufficient. Businesses want the government to deliver certainty through a national infrastructure strategy and a Budget outlining how it will be funded.

This should be accompanied by a plan for a more accountable and transparent rail system, with greater alignment between those who own the tracks and those who run the trains; a focus on easing congestion on our roads and delivering seamless connectivity in our towns and cities; and a strategy to make transport systems greener and more affordable for all.

And if the UK is to move up the global infrastructure ranks, the new government must set a vision that attracts business to invest in the UK by seizing the opportunities from technological innovations around mobility and the transition to a net-zero economy.

Businesses know that they too have a part to play. While they may already recognise that expensive, stressful and unreliable commuting experiences take a toll on their staff, they could do more to make workers' journeys easier and more productive. CBI research found that a mere 16 per cent of employees had been offered a flexible start time to avoid rush hour, and just 23 per cent could decide the hours they worked.

As work patterns change, the potential for flexible working is set to increase, bringing significant opportunities to better use existing infrastructure capacity and reduce emissions from transport.

To help the UK on this journey, over the next 18 months the CBI is working with KPMG to outline the type of investments in infrastructure that can tackle the UK's productivity gap, and how government and business can work together to make the commute greener, more affordable, and more reliable.

This morning, as the newly appointed ministers make their own commute, businesses across the country want to quickly see the detail behind the grand pledges of the election campaign. Meeting this challenge would not only start to address the UK's long-standing productivity problem, but perhaps also build trust with those who "lent their vote" at the election, and will now be expecting a response.

Tom Thackray is infrastructure and energy director at the CBI.

LETTERS
TO THE EDITOR

Moral turpitude

[Re: We can make this the decade of purpose-drive capitalism]

It is always interesting when people start talking about "purpose-driven capitalism", since one might imagine that capitalism already had a purpose. But in the modern era, we know that this is no longer enough. Companies must also show that they have cuddly values, or risk the pillory of public opinion. But is it just spin?

Certainly throughout history there has been no shortage of evangelists for the "moral" side of capitalism; the problem is that, from Calvin onwards, it has become a circular argument very quickly. If God blesses the elect with riches, then by definition those with wealth are favoured by God. If we live in a society where purpose-driven firms succeed, it follows that the firms that succeed must be purpose-driven. But the downside is pernicious. If a firm fails, then it clearly had the wrong values. If you get the plague, maybe God didn't like you after all. The pitfall of trumpeting how ethical our markets are is that we turn economic failure into moral turpitude.

The beauty of free markets is that they preclude such hypocrisy. People can say what they like in public, but they vote with their wallets. This is a good thing. Morality is ephemeral, and what we believe in today may well be considered the height of wrongness tomorrow, but people will still buy things they want.

Ultimately, demanding a greater emphasis on purpose does not suggest a crisis of confidence in capitalism, but a lack of faith in our ideals.

Name withheld

BEST OF TWITTER

New Labour leader named on April 4, a busy day in history
1721 Walpole becomes first British PM
1814 Napoleon abdicates for the first time
1841 Harrison becomes 1st US pres to die in office
1968 Martin Luther King Jr. assassinated
1980 Johnny Borrell off of Razorlight born
@MattChorley

The White Elephant that is HS2 is what will always happen when you have civil servants based in London believing they know and deciding what is best for the Midlands and the North. The Midlands and the North need more control of our own infrastructure spending.
@ABridgen

Surely vegans going to KFC and paying a huge chicken company money for their new burger kinda defeats the object? It's paying them to carry on a business killing and selling chickens? But yet I see loads of people buzzing off it?
@georgiafoote

As I expected, vegans and veggies are lambasting Burger King for jumping on a bandwagon given their vegan burger is not truly vegan. However they also bleat on about people making meat free choices. This is exactly that, for people willing to try. You can't have it both ways!
@SmushS

WE WANT TO HEAR YOUR VIEWS E: theforum@cityam.com **COMMENT AT:** cityam.com/forum : @cityam

The civil service needs new talent — and a cull of poor performers

Charlotte Pickles

DOMINIC Cummings has, once again, taken aim at the establishment — this time the civil service. In an unorthodox job advert last week, he declared his intentions to hire "an unusual set of people" to revolutionise government.

Predictably, retired grandees of the profession are up in arms.

Whenever anyone calls for Whitehall reform — and it should tell us something that this happens every few years — it is combined with the obligatory "there are many brilliant people in the civil service" line. That, in fact, is the first line of Cummings' blog.

Having worked as an adviser to the work and pensions secretary during the coalition government, I agree. I also know that believing this is not contradictory to acknowledging that there are too many mediocre or poor civil servants.

But while I welcome Cummings' plan, a Downing Street unit of data scientists and "misfits" won't be enough. A more radical shake-up is needed — one that stretches beyond the doors of Number 10.

A Whitehall fit to meet the challenges of the coming decades must be less hierarchical, less bureaucratic, and more diverse. That means hiring new talent. But it also means getting rid of poor performers.

Most people will recognise that Whitehall has a shortage of the specific technical skills that Cummings identifies — computer scientists, data analysts, mathematicians. Technology is advancing at a pace that is far outstripping the government's ability to manage it. There'll be no opposition to rectifying that, though it will require an honest conversation about pay given the salaries that these skills can command in the private sector.

Just as important is his more controversial clarion call for cognitive diversity. Groupthink leads to failure; just look at the 2008 financial crash. Research has repeatedly shown that diversity — of experience and perspective — is a key ingredient of high performing teams. Yet the civil service is largely homogeneous.

A key observation from my time in government was the tendency to overlook potential unintended consequences of policy changes. It was a failure in critical thinking, and a classic symptom of groupthink.

Encouragingly, attempts are being made to open up the fast stream to people from less privileged backgrounds, but it's not enough. These are the future civil service leaders, and for the most part they are identikit models of each other.

Can Dominic Cummings deliver a revolution and keep the show on the road?

Cummings is right — a top Russell Group degree should not be the litmus test for Whitehall success. More maverick thinkers across the board would make a big difference, but to attract and retain them the old-school culture will need to change. You can't break groupthink if, once hired, you force people to conform to a uniform model of a "good" civil servant or expect them to work through layer-upon-layer of hierarchy.

The real challenge, however, is clearing out the poor performers. That's the uncomfortable part of the conversation, the part that triggers those grandees. But failure to grasp this will make it harder to retain the high performers — who wants to work with incompetent or unmotivated colleagues? — and therefore more difficult to deliver the reforms the country needs.

Let's be clear: when a procurement fails, an IT programme goes wrong, or a policy triggers unintentional issues, much of the fault lies with civil servants. A commercial, or digital, or policy official is paid to do that specific job. To bastardise a phrase, ministers decide, civil servants devise.

This, then, will be the true test of the new Prime Minister's mettle. That infamous "Rolls Royce" civil service will be essential if Boris Johnson is to succeed in delivering both Brexit and his ambitious reform agenda.

Whitehall is ripe for a radical shake-up. The question is, can Cummings simultaneously deliver a revolution and keep the show on the road? For the sake of the country's future prosperity, I hope that he can.

Charlotte Pickles is director of the think tank Reform.

DEBATE

Are calculations like 'High Pay Day' useful to the conversation around executive salaries?

YES

CHARLES COTTON

Most people expect Britain's top executives to be on higher salaries than the rest of society. However, "High Pay Day" shines a light on just how much they're being paid. Can it be right that FTSE 100 chief executives only need to work three days in 2020 to take home the average worker's annual salary of £30,000? Given that many workers have struggled to see pay keep pace with the cost of living for almost a decade, I suspect few would agree.

By highlighting this disparity, we want to generate an informed discussion about remuneration across all levels of the workforce. CEO pay ratio reporting arrives this year, and will only further the push for greater transparency and dialogue on performance and reward.

The new requirement will compel firms to challenge flawed assumptions that keep executive pay so high, like thinking these individuals are the lynchpin of business success. Business success is a collective endeavour — it's time reward practices reflect this.

Charles Cotton is senior pay and reward adviser for the CIPD, the professional body for HR and people development.

NO

DANIEL PRYOR

Chief executives can make or break a company. Evidence shows that unexpected CEO deaths significantly affect stock prices, profitability, investment, and sales growth — both positively and negatively.

Good decisions at the top mean better outcomes for workers, shareholders, and anyone with a private pension, so it makes sense for firms to fork out top dollar for the best talent. Burberry's former chief executive Angela Ahrendts transformed the ailing fashion house into a premium brand. The firm's share price dropped by £536m when she moved to Apple. And when Steve Jobs died, Apple lost five per cent of its value.

The reverse is also true: firms are punished for hiring mistakes. When Microsoft's former boss Steve Ballmer failed to invest in the smartphone market, his 2013 resignation added billions of dollars in value.

Calculations like "High Pay Day" are an unwelcome distraction from this discussion, fuelled by the politics of envy. Ideas like maximum pay ratios are solutions in search of a problem.

Daniel Pryor is head of programmes at the Adam Smith Institute.

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CRYPTO A.M.

Our series on AI, Blockchain, Cryptoassets, DLT and Tokenisation

PARTNER CONTENT

CITY A.M.'S CRYPTO INSIDER

JAMES BOWATER

Welcome to the first edition of Crypto AM and I hope you had a wonderful festive period and rang in the New Year and for this new and exciting decade - one in which AI, Blockchain and DLT will surely flourish!

On 3rd January Bitcoin (BTC) turned 11 years old and it's a timely reminder to see how it has performed over the last 8 by charting the year-on-year annual lows: 2012 – $4; 2013 – $65; 2014 – $200; 2015 – $185; 2016 – $365; 2017 – $780; 2018 – $3200 and 2019 – $3356. What is abundantly clear is that, despite all the naysayers, BTC continues on its upward trend.

The crypto market has opened its 2020 account in a positive fashion and inevitably the spectre of potential conflicts in the Middle East has played its part with BTC at the time of writing trading at US$7,534.19 / GB£5,743.48; Ethereum (ETH) is at US$140.73 / GB£107.51; Ripple (XRP) is at US$0.2197 / GB£0.1664; Binance (BNB) is at US$14.65 / GB£11.18 and Cardano (ADA) is at US$0.03609 / GB£0.02757. Overall Market Cap is at US$203.84bn / GB£154.90bn (data source: www.CryptoCompare.com)

Since launching Crypto AM, I have attended a number of regular London meet-ups and viewed other resources that have been created by leaders in the wider blockchain space. Given this is the 'back to school' edition I thought you might like to know about some of them:

AmaZix is the blockchain industry's leading full-service consultancy. AmaZix is now publishing free educational materials to help teams to navigate the challenges of the crypto winter. Their new webinar covers bear market investor trends and how to capture funding have a look via http://webinar.amazix.com

On Yavin's Cointelligence Academy is hosting monthly cryptocurrency meet-ups in London. The first one will be Thursday 16 January at WeWork Labs at 6:30PM. This free event is a great chance to network with crypto enthusiasts and for further info in the events section www.cointelligence.com

Erica Stanford has turned the Crypto Curry Club into one of the UK's highest rated networking events for professionals in crypto, blockchain, fintech and emerging tech. January events with spaces left are 20th Jan dinner on AI & blockchain for the future of payments and 29th Jan lunch on 'How to Start a Bank'. Email hello@cryptocurryclub.com for details

Jonny Fry of Team Blockchain hosts a series of monthly events in London where guest speakers form a panel and give a keynote. They are very worthwhile to attend and can be found through http://teamblockchain.net

Obviously I organise regular Crypto AM events, as well as London Blockchain Forum seminars in association with City AM. I will keep you informed about forthcoming dates right here!

WHEN ONE BAND SINKS, ANOTHER STARTS PLAYING

Designed by Phill Snelling, Bowater Media

The new decade comes with a technology power shuffle. Gone is Deep Learning, which hit the buffers a good year ago. Whilst the band is still playing, its seemingly relentless journey into our lives will be continued only by befriending something altogether different. Driving that change may be one of the true stars of the 20s: blockchain. Blockchain is all about gluing lots of individual contributions together without having to argue about which bits are where and in what order. Nobody has a list of these things that's any more important than anybody else's, and the whizz-bang technology driving blockchain provides a way of reaching consensus as to what goes on that list without it turning into a fight.

From an outsider's perspective, it's easy to believe that blockchain is only about crypto-currencies and digital money, but that does it a huge disservice. There are those, either deliberately or through ignorance, who focus on this one application—money—and value it above and to the exclusion of all other applications. Usually, but not always, the target for these affections is bitcoin. This is a mistake.

When you look at what blockchain does, delivering self-service trust and a shared, growing global state, it starts to look like a tool for almost everything. Even more so, when you consider the built-in incentive scheme makes it more profitable to play nice than not. Restricting this to digital money misses the point. It applies to all forms of value exchange, and drives the ability to intelligently connect value providers, many of which are currently incredibly wasteful. Take IoT devices: utilisation is poor, devices are incompatible, insecure and they cannot talk to each other in a common language. At present, there is no incentive for fixing any of this. While everyone is finding elaborate new metaphors for just how much electricity is burnt shaking the dice for bitcoin's proof-of-work (which'll change soon anyway), they're missing the irony that it may well be bitcoin's underlying innovation—the blockchain itself—that provides the most dramatic saving of energy that technology has ever delivered short of switching it all off.

Blockchain is the foundation piece, the cornerstone, the very fabric that allows the world's things to find each other, talk to each other and transact on a private, scaleable network where nobody needs to believe anyone in order to trust what's going on. The decentralised incentives that make it a no-brainer to connect knowledge, data sources and things to such networks also deliver the power and collective intelligence to make it work. Now, we can bring the individual components of the economy to life, in a world that is owned by all its users, that adapts in real time to bring everyone together, free of borders, restrictions and centralised control. Business can get done.

There's a long way to go. We're all familiar with the annual rolling out of the "this year will be the year of the Linux desktop" phrase. The smiles brought on by this betray an underlying issue: like Linux, blockchain and its surrounding technologies are hard, and decentralisation comes without the support and attention to detail that mere mortals need. The technology and its benefits are challenging to understand, and can appear unwelcoming and frightening. If this slammed-door approach continues, we collectively stand to lose a lot: and for those of us who understand the potential of decen-

Crypto A.M. shines its Spotlight on Changelly

Changelly provides a non-custodial, instant cryptocurrency exchange service, which means that no user funds are held on by the service. Changelly acts as an intermediary between crypto exchanges and users, offering access to 150+ cryptocurrencies. The company's mission is to make the exchange process effortless for everyone who wants to invest in cryptocurrency. Operating since 2015, Changelly attracts over a million monthly visitors who enjoy the high limits, fast transactions, and 24/7 live support the service offers. Changelly has an intuitive interface, superb exchange rates, secure transactions, and it's super quick, one can sign up in less than a minute with just their email address.

Changelly is giving back to the community in 2020. For the whole month of January, Changelly users will benefit from the **'zero network fee'** campaign. Customers will be able to swap and exchange crypto at a floating rate, having to pay just a single transparent fee of 0.25%, while all other third-party fees **including network fees will be paid by the company.**

Changelly also provides users with the chance to swap crypto using a fixed rate, both on desktop and mobile. While the user will not be utilising the 'zero network fee' campaign on fixed rate basis, as it is only for floating rate exchanges, users who want to receive the exact amount of cryptocurrency displayed to him/her at the beginning of an exchange, regardless of rate fluctuations can utilise this method of exchange seamlessly.

> "Changelly provides users with the chance to swap crypto using a fixed rate, both on desktop and mobile.

Eric Benz, Founder & CEO of Changelly

Changelly has also upgraded its product with their new self-developed **SmartOptimizer** algorithm. This custom-built tool selects the best rates on the market, offering Changelly users the best value for money when swapping and exchanging crypto.

This new innovative feature further demonstrates Changelly's dedication to providing its users the best possible rates as the company continues to consistently develop new exchange algorithms and improve its existing ones. It also aids in offering an overall better customer experience to Changelly users.

With this new campaign and feature, customers can choose a crypto pair they would like to exchange, make use of the best rates possible for their crypto swap, accompanied by Changelly's superbly low, transparent 0.25% service fee and swap their crypto instantaneously. And since the network fee is on Changelly, users can get more crypto from their money's worth!

Eric Benz, CEO of Changelly believes that, "being able to provide the best and most efficient rails to acquire and swap crypto has been our focus from day one. Changelly is an important tool in this ever growing ecosystem and as a result we want to provide all of our users with zero fees this holiday season and for the beginning of the new year." He also added that Changelly's customers "have been a special part of what makes our company successful and this is our way of showing our appreciation."

For more information check out: www.changelly.com

E: CryptoInsider@cityam.com @CityAm_Crypto In association with CryptoCompare

tralisation, it's grim to watch centralisation of blockchain ooze into place in front of our very eyes.

Part of the blockchain adoption problem is the community's continued bafflement that people don't get it. It's all well and good to say that bitcoin and blockchain let you be your own bank and control your own identity, but not everyone wants that responsibility, or understands why that's better than what they already have. Do you want to be your own hospital? Fire station? No, you do not. Good technology is just there. It's in the background, invisible, it has safety nets and it helps you get things done better than if it was not there. Blockchain can and should be able to provide this, because delivering properly incentivised disintermediation resets the Internet back to where it was: decentralised, with value and power pushed to you, rather than a rapidly shrinking number of increasingly vast corporations. It's the thing that lets us operate at scale, eliminate wastage by fully utilising the value around us, and it is the perfect partner for machine intelligence and learning—a collective intelligence owned by everyone, for the benefit of everyone.

Of course, blockchain's public relations have not been particularly brilliant. Between the OneCoins of this world, horror-show ICOs and general in-fighting, it's a fair observation that decentralisation may bring trust, stability and agreement to a global data structure, but may not deliver a stellar marketing campaign. In spite of this, blockchain has long since been embraced by businesses, finding its way into supply chains, finance, asset management and so much more. The corporate world needs professional support and proper service-level contracts: they want someone to call when it goes wrong. For everyone else, we want ease-of-use, interoperability and a more mature space that recognises that innovation didn't begin and end with Satoshi Nakamoto's 2008 bitcoin paper. We're at the start of something far grander that will touch all of our lives: life is no longer a zero-sum game—it's a dynamic, building-block based economy that adapts in real time to suit a changing world.

So welcome to the new decade, where companies such as Fetch.ai are combining technologies like autonomous agents, blockchain and AI to decentralise how we extract value from the world around us. No data, device, service, person or knowledge will go unused or unappreciated: a fitting combination of technology that's kinder to the environment, and provides each and every one of us something we've had cleverly eased out of us over the past decade: ownership of ourselves and our stuff. The future may not have delivered holidays on the moon or flying cars, but it has delivered something even cooler: it has made co-operation and sharing pay.

Toby Simpson, Co-Founder & CTO of Fetch AI in conversation with James Bowater. Toby is @pretzelsnake on Twitter, and his blog is at https://medium.com/@toby.simpson. Further information can be found at https://fetch.ai

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INSURANCE AND BLOCKCHAIN

Troy Norcross, Co-Founder Blockchain Rookies

Claims. Assessments. Adjustments. Payouts. Reinsurance. Underwriting. The insurance industry is layered, complex - and filled with opportunities to provide support where trust is lacking. And where trust is lacking, blockchain can add real value.

The insurance industry has made great strides in moving away from paper towards digital formats for data collection, storage and processing. However, they still lack trust.

Making a claim may start with a phone call, but will often require multiple pieces of supporting information to move through the process of evaluating and ultimately settling the claim. All too often, data submitted as part of a claim is lost, incorrectly entered or somehow "stuck" in the system. In other situations, potentially fraudulent data is used to support a claim providing no way of identifying the source of information.

When recording a claim on the blockchain, all of the relevant information is accessible. Information submitted by one person can be verified or validated by another person. The identity of the provider and verifier of the data are stored on the blockchain, making audit trails easier. A byproduct of this transparency is that it can discourage fraud.

A cross-industry claims blockchain can provide a rich source of data. Artificial intelligence can identify patterns and improve risk assessments. Individuals and businesses can refer to the system to support their record of having made no claims. Regulators can access the system to ensure sufficient compliance. Reinsurance companies can ensure that policies are packaged and vetted appropriately.

Utilising smart contracts, insurers can even automate payouts.

There are numerous companies currently working to provide blockchain solutions in the insurance space. Today most of them are still acting as intermediaries trying to charge a fee for their services, e.g., they aren't blockchain companies. The real opportunity is for the industry to work together to build a multi-party blockchain.

Get in touch with us: info@blockchainrookies.com / Twitter @igetblockchain

CRYPTOCOMPARE MARKET VIEW

Bitcoin Makes Strong Start to 2020

Bitcoin has entered 2020 with its right foot forward: the cryptocurrency's price is already up 3% since the beginning of the year, trading at the time of writing at $7,540. Ether, the second-largest cryptocurrency by market cap, is doing even better, up 5.26% since crypto has entered the new decade, while total cryptoasset market capitalization has surpassed $200 billion due to these gains.

One dynamic possibly behind the price performance is the growing number of on-ramps, with leading crypto trading platform Binance adding six new trading pairs with the Euro at the start of the year. Over the past few weeks, Binance has added trading pairs for the Euro, the Russian Ruble, the Turkish Lira, and the Nigerian Naira, all while letting its users buy Bitcoin and Ether with over a dozen currencies.

Binance isn't the only company adding support of late for the cryptocurrency ecosystem. Payments firm Square, a company founded by Jack Dorsey, has listed a job ad on LinkedIn that suggests it's looking to grow its Bitcoin-related services on the Cash App. These may include peer-to-peer "BTC gifting" and an auto-investing feature. The ads, however, clarify that the project manager hired will have freedom to grow cryptocurrency adoption via the app in "whatever ways" they see fit.

Other industries are beginning to get involved in crypto internationally, with Burger King slowly starting to accept cryptocurrency payments. In Venezuela, one location is accepting BTC, ETH, USDT; DASH, and BNB, with plans to expand adoption to 40 locations. In Slovenia, at least one location has been shown accepting BCH.

The new year also started out with the chief economist of the Nasdaq-listed lending marketplace Lending Tree, Tendayi Kapfidze, asserting that he believes bitcoin to be a pyramid scheme - claiming that "you only make money based on people who enter after you."

CRYPTO A.M. INDUSTRY VOICES

Tower of Babel: The State of Cross Border Payments and Blockchain

Interoperability, whether you're talking about technology, financial systems, or user experience, remains a crucial gap for blockchain, with our broken, siloed chains of virtual machines that don't work very well in their own respective systems, never mind in their ability able to talk to each other.

As with the technology, the same could be said of the promise of a global, decentralized, and trustless marketplace: our age's Tower of Babel is made up of countless stakeholders and all their respective needs, each with their own systems, blindly trying to find each other through Byzantine global commerce.

Interoperability is crucial to the usefulness of any technology. An yet, we've failed to produce products, services, or a superior customer experience at a low cost that encourages mass adoption.

This is what happens when everyone presumes the preciousness of their own babies in bubbles,without thinking ahead as to how to grow that child responsibly to be of service in this world.

Whether they're cars or protocols, they need roads, and rails, to get to customers, or at least enlist customers to show them what doesn't yet exist, but what could be. But then, who pays for it? Ironically, the tech built on the value of a trustless system has yet to find a collaborative yet decentralized framework.

Payment systems are the greatest opportunity to onramp those alienated from the global economy towards mass adoption. We can't talk about banking the unbanked, financial inclusion and creating the 4th industrial revolution until we figure out how to make it easier for people to trade and get paid easier, faster, and a lower cost globally through tools that can cut across legacy infrastructure, and systems.

A user-friendly wallet is a good start, but hardly a new global economic system.

A single payment network can't handle the vast increase in terms of usage and regulatory constraints affecting the different stakeholders in world trade. This we know through the failure of globalization 1.0.

Since the rise of the global economy in the 1950s and the fall of the Berlin Wall in 1989, several networks, often American, emerged with a catch-all response to the need for trade 'beyond borders'.

But a one-size-fits-all concept poses persistent problems linked to exchange rate snags and government regulatory limitations, and to the network itself.

Who shares the responsibility in the value chain when a transaction fails?

Some global network have adapted to different practices such as ecommerce or proximity shops in retail or wholesale. But these systems are not present in all countries, in all currencies, and for all applications.

China forbids the use of Visa/Mastercard networks for buying or selling. The Chinese Yuan is partially convertible despite many regulatory constraints, but the Chinese government prohibits (or inhibits) foreign companies – especially American ones – from entering the market.

This is an untenable position. Protected markets tend to fall behind or lose relevance over the longterm.Some players adapted and increased the number of technical methods and local entry points as well as additional financial processes: 'Go local to go global'. And the local can be as personal as your local grocer turned into a bank kiosk, or the mobile device as a mall.

To grasp this brave, new economy, the payment industry must teach users not to underestimate the payment factor as part of the international development project we call the data-driven global economy. Too often, payments is seen as a mere detail. But also, payment companies must wake up to reinvent themselves, and take risks to enlist regulators, and enterprise with vision.

MOTORING

BY MOTORINGRESEARCH.COM FOR CITY A.M.

GRAN TURISMO

The McLaren GT combines supercar thrills with grand touring comfort. **Tim Pitt** drives it

Supercar reviews don't usually begin by discussing boot space, but this isn't a supercar. At least, not according to McLaren. The GT is a Gran Turismo – or perhaps the anglicised (and somewhat less exotic) 'Grand Tourer', given it hails from Woking.

It's designed for going far and fast, blatting across Europe on hedonistic weekends away. So while a common-or-garden supercar has just enough room for a passport, toothbrush and spare pair of pants, the GT has 570 litres of luggage capacity: more than a Range Rover Evoque.

There are some caveats, though. The 'frunk' beneath the bonnet can accommodate a small wheelie case, but the main boot sits atop the mid-mounted engine. Accessed via a glassy tailgate, it's long and shallow: fine if your weekend involves skiing or golf, less so if you enjoy mountain biking. And unlike some '2+2' rivals, there are no rear seats to stash bulkier bags. Still, there's plenty of room for pants.

The £163,000 GT is easier to live with than most McLarens, too. It retains the marque's signature butterfly doors, but they soft-close with a mechanised click. It has plush heated seats rather than masochistic fixed-back buckets. And its snug cabin is enhanced by subtle ambient lighting, premium Bowers and Wilkins hi-fi and an electrochromic roof that darkens at the touch of a button. Optional cashmere upholstery is a world-first for a production car.

MCLAREN GT	
PRICE:	£163,000
0-62MPH:	3.2 SECS
TOP SPEED:	203MPH
CO2 G/KM:	270G/KM
MPG COMBINED:	23.7MPG

THE VERDICT	
DESIGN	★★★★☆
PERFORMANCE	★★★★★
PRACTICALITY	★★★☆☆
VALUE	★★★☆☆

It also sounds less rambunctious than you'd expect, albeit still loud enough to wake your neighbour at 5:30am (she texted me later to complain). With smaller turbochargers than the 720S, it makes 620hp at 7,500rpm, but a kerb weight of just 1,530kg – 50kg less than a Porsche 911 Carrera, mainly thanks to an F1-style carbon fibre chassis – means performance is hardly muted. Use launch control and it passes 62mph in 3.2 seconds, with a 203mph top speed.

The 4.0-litre V8 feels a little flat until 3,000rpm, then a torrent of turbocharged boost scoops you up like a tsunami. The whoosh to warp-speed is like opening a shaken-up can of cola: an explosion of energy that makes you laugh out loud before glancing worriedly at the speedo. On public roads, you'll need iron resolve to resist it.

Especially once you escape the city. The GT lays siege to B-roads with aggressive turn-in, shattering speed and abundant tactility. Proactive Chassis Control suspension is a carry-over from the 720S, and while it doesn't inherit that car's active anti-roll system, it feels tied-down and tenacious. The hydraulic power steering is an utter joy, too. Short of doing a handstand in the road, your palms couldn't feel more connected to the tarmac. Only the iron brakes feel slightly soft, lacking the bite of McLaren's usual carbon-ceramic discs (they cost extra).

As for the GT's grand touring credentials, the picture is more mixed. Its canopy-style cockpit offers excellent visibility, the dual-clutch auto gearbox can be left to its own devices and the front splitter isn't so low that speed humps provoke a buttock-clenching sense of fear.

On the minus side, the boomy exhaust gets tiresome on motorways, its infotainment is baffling and ride quality is unflinchingly firm.

Ultimately, the McLaren isn't as comfortable as the benchmark Bentley Continental GT, yet it's more rewarding on the right road. Nor is it as outrageously exciting as the 720S, but it costs nearly £50,000 less. Assuming its well-heeled customers don't simply buy the Bentley and a 720S, McLaren may have found a new niche.

Tim Pitt works for motoringresearch.com

NOT CONVINCED? CHECK OUT THESE ALTERNATIVES...

ASTON MARTIN DB11 AMR

		THE VERDICT:	
PRICE:	£174,995	DESIGN	★★★★★
0-62MPH:	3.7 SECS	PERFORMANCE	★★★★★
TOP SPEED:	208MPH	PRACTICALITY	★★★☆☆
CO2 G/KM:	265G/KM	VALUE	★★★☆☆
MPG COMBINED:	24.8MPG		

BENTLEY CONTINENTAL GT W12

		THE VERDICT:	
PRICE:	£159,900	DESIGN	★★★★☆
0-62MPH:	3.7 SECS	PERFORMANCE	★★★★★
TOP SPEED:	207MPH	PRACTICALITY	★★★★☆
CO2 G/KM:	278G/KM	VALUE	★★★☆☆
MPG COMBINED:	23.3MPG		

HONDA NSX

		THE VERDICT:	
PRICE:	£170,000	DESIGN	★★★★★
0-62MPH:	3.3 SECS	PERFORMANCE	★★★★★
TOP SPEED:	191MPH	PRACTICALITY	★☆☆☆☆
CO2 G/KM:	242G/KM	VALUE	★★☆☆☆
MPG COMBINED:	26.4MPG		

OFFICE POLITICS

Is meditation the secret to productivity?

It's 2020 and you're probably already feeling stressed and tired . **Will Williams** has some ideas that might help you out

EVERYONE wants to be more productive. In fact, so eager have we become to get the most juice out of our work that we've spawned an entire productivity industry, filled by people promising to maximise our efficiency and get us more bang for our buck.

But what we often find is that after only a brief period of higher-than-usual productivity, we fall back into old habits — or worse, find ourselves more stressed and anxious than ever.

One of the problems with the usual pursuit of productivity is that regimes of extreme organisation or meticulous time management create tension and encourage a controlling mindset that leaves no room for anything else.

And in all discussions of productivity, it's important to think about what we really mean. Productivity isn't just about work, even if that's the association which we usually make. It's about getting the most out of our lives.

There is one small change that anyone can make that will send their productivity sky-high in the workplace and elsewhere — without a corresponding rise in stress. And that's meditation — the simplest, most effective, and cheapest way of getting more value out of the effort that you put into your life.

Far from inducing a blissed-out, anaesthetised state, meditation sharpens your mind, boosts your creativity, and moves you into a higher gear, while reducing the risk of burnout in a way that your coffee habit won't.

The ways in which meditation increases productivity are diverse. It isn't just about being calmer or having more energy. Vedic meditation — the kind of meditation that I teach — has a powerful pacifying effect on the entire nervous system, one of the first effects of which is vastly improved sleep. We all know that a good night's sleep can, by itself, be the key to a much more productive day than usual.

But there's more. If you practise before work, for example (and you can practise meditation on your commute or in almost any context) you are effectively charging up your prefrontal cortex with adaptation energy. This is the energy you have to respond to new events as they occur throughout the day. The accumulation of events like these can leave you feeling run-down, but meditation gives you the composure and resistance to stress needed to stay productive — even when everything around you seems to be falling to pieces.

Saying you 'don't have time to meditate' is a bit like saying you're 'too hungry to eat'

This is particularly useful to those working in dynamic and high-pressure industries. The corporate world is a hotbed of change, and the ability to remain calm and adaptable is not just desirable, but necessary.

What meditation gives to workers in the corporate world is this kind of calm responsiveness to change, which stops firms from sliding into the kind of fearfulness and rigidity that can set in when change happens too quickly and workers are caught off-guard.

Anyone who meditates will notice an increase in their ability to absorb information, prioritise, and make good decisions quickly. There's a corresponding increase in empathy and compassion — vital traits for any team player or manager.

Arguably, the most powerful cognitive effect of all is on your creative functions, which benefits those in creative roles but also anyone who has to problem-solve. To those who worry that by meditating they will lose their "edge", I say this: you'll only become more creative, not less. The only thing you'll lose is your edginess — the stress that stops you from thinking clearly.

Simply put, meditation allows you to "do life" better. It doesn't end or even have to start with work. Its effects colour your social and family life as well. It helps you to be successful at 100 per cent of life, not 50.

There are some who think of meditation as "hippie-ish", and others who say that they "don't have time to meditate" — which is a bit like saying you're "too hungry to eat".

But they are only depriving themselves of a very simple, efficient way of becoming an altogether more effective human being. And that should appeal to everyone.

Will Williams is the founding teacher at Beeja Meditation in London.

JUST SAY OM

Deep Meditate
Free

If you're feeling ready to give meditation a go, probably your next question is: how do you get started? This app offers guided meditations, including shorter ones for beginners. It also has a wide catalogue of calming music and nature sounds to help you de-stress, and can play stories to you to help you fall asleep at night.

COFFEE BREAK

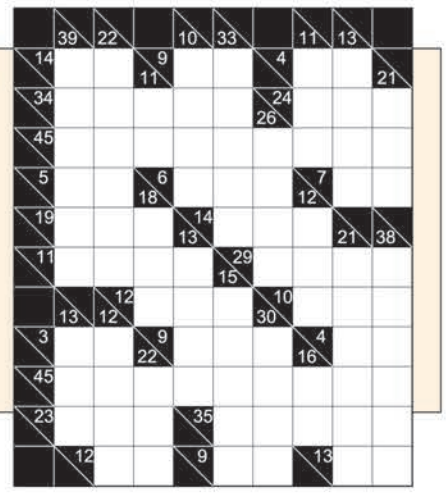
SUDOKU

Place the numbers from 1 to 9 in each empty cell so that each row, each column and each 3x3 block contains all the numbers from 1 to 9 to solve this tricky Sudoku puzzle.

				9				6
	7					2		8
1		5			4			
7						8		
	9	6	1		3			5
3								
	1		4			7		9
8	4		3			5	6	

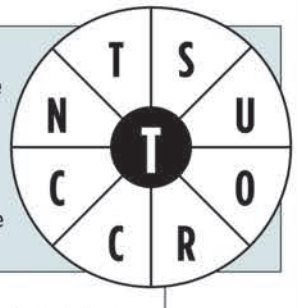
KAKURO

Fill the grid so that each block adds up to the total in the box above or to the left of it.
You can only use the digits 1-9 and you must not use the same digit twice in a block. The same digit may occur more than once in a row or column, but it must be in a separate block.

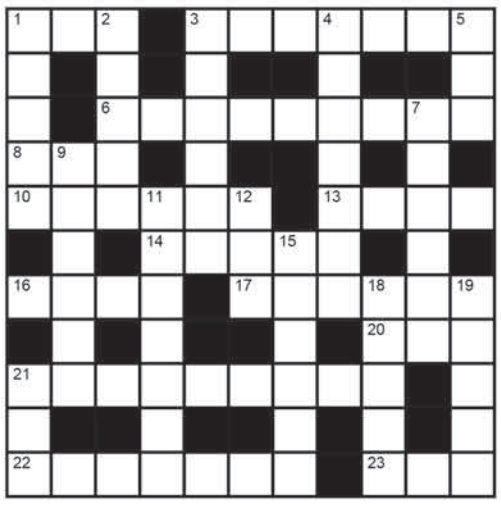


WORDWHEEL

Using only the letters in the Wordwheel, you have ten minutes to find as many words as possible, none of which may be plurals, foreign words or proper nouns. Each word must be of three letters or more, all must contain the central letter and letters can only be used once in every word. There is at least one nine-letter word in the wheel.



QUICK CROSSWORD



ACROSS

1 Oxygen, for example (3)
3 Business organisation (7)
6 Cause to feel self-conscious (9)
8 Everything (3)
10 Chewy sweet (6)
13 Standard (4)
14 Become less intense (5)
16 Burden of responsibility (4)
17 Large brownish European flatfish (6)
20 Unspecified (object or degree) (3)
21 Having curative properties (9)
22 Bird that frequently nests in farm buildings (4,3)
23 Sum up (3)

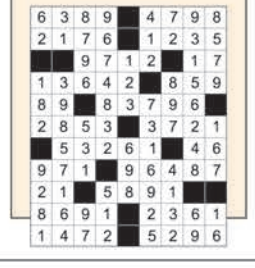
DOWN

1 Bothered (3,2)
2 Ledge (5)
3 Spider's snare (6)
4 Associate who works with others (7)
5 Aye (3)
7 Religious address given during a service (6)
9 Sitting room (6)
11 Style (7)
12 Consume food (3)
15 Underground passage (6)
18 Strong, lightweight wood (5)
19 Keyed into a machine (5)
21 Disorderly crowd of people (3)

LAST ISSUE'S SOLUTIONS

QUICK CROSSWORD

KAKURO



SUDOKU

8	2	1	9	4	7	5	6	3
9	7	4	5	3	6	2	8	1
6	5	3	8	1	2	9	7	4
1	9	7	2	5	8	3	4	6
4	8	5	6	7	3	1	9	2
3	6	2	1	9	4	8	5	7
2	1	9	7	6	5	4	3	8
5	4	6	3	8	1	7	2	9
7	3	8	4	2	9	6	1	5

WORDWHEEL

The nine-letter word was **EXPLOSION**

SPORT

TURNAROUND

Faith in Arteta grows after half-time anger sparks Arsenal revival, writes **Felix Keith**

Nelson grabbed the game's only goal to send Arsenal through

HIS tenure as Arsenal manager may be only 18 days old so far, but Mikel Arteta has already been witness to the many sides of his new side. Having crumbled to succumb to a 2-1 defeat by Chelsea and shone in a 2-0 win over Manchester United, the Gunners last night combined their previous performances to create the epitome of football's favourite cliche: a game of two halves.

Completely out-played on home turf in the first period by a spirited, organised and talented Leeds, Arsenal returned in the second to remind everyone of their qualities.

Reiss Nelson duly scored the only goal of a highly entertaining game and put Arteta's team through to play Bournemouth in the fourth round of the FA Cup.

BIELSA BALL

The first half was all about Leeds, who put on a 45-minute demonstration of the benefits of Marcelo Bielsa's coaching. The Championship-topping visitors looked every inch the Premier League side, dominating possession, pressuring Arsenal into making mistakes and peppering Emiliano Martinez's goal with attempts.

Bielsa's attention to detail and tactical prowess was clear, with Leeds dismantling a shaky Gunners midfield and back line time and again. Unfortunately for them, they didn't take any of their chances – 15 of them in total.

Martinez palmed away a drive from Jack Harrison, Patrick Bamford smashed the crossbar, Kalvin Phillips' low free-kick tested Martinez and the long-serving reserve goalkeeper had to push away a back-post header from Ezgjan Alioski.

Leeds limited Arsenal to 37 per cent possession in the first period and just 71 per cent accurate passes, but Bielsa's side won only admirers and confidence that they can compete in the top flight, if they were to be promoted in May.

FA CUP

ARSENAL	LEEDS
1	0
Nelson 55'	

THREADBARE GUNNERS

As impressive as Leeds were, Arsenal were every bit as poor. Playing out of position at right-back Sokratis was harried constantly by Alioski, while on the other flank Sead Kolasinac was run ragged by the tricky Harrison.

Matteo Guendouzi and Granit Xhaka struggled with the ball and were powerless without it, unable to prevent the onrushing stream of Leeds attackers.

Arteta is keen to strengthen his squad and watching his side being outclassed by a Championship team – albeit it one top of the division and coached by one of the world's most influential football thinkers – showed exactly why.

RECOVERY JOB

We are just four games into his managerial career but thanks to Alexandre Lacazette's post-match interview we have already gained an insight into Arteta's style. Despite his softly-spoken voice, Arsenal's new manager is not afraid to use the stick as well as the carrot.

Arsenal's captain for the night said the former Manchester City assistant "shouted a lot" at the break and it certainly had the desired effect.

The Gunners shot out of the blocks, with Nelson charging forward immediately on a counter-attack and Lacazette skimming the crossbar with a free-kick.

The game's only goal was a potential blueprint for how Arteta wants Arsenal to attack: quickly and decisively. Nicolas Pepe combined with Lacazette down the right before Nelson scuffed in a loose ball from close range.

Having been out-shot 15 to three in the first half, Arsenal turned the tables in the second, taking 13 attempts to their opponents' three. It wasn't just a renewed attacking purpose, but a physical, aggressive bite to their play which had been absent under Unai Emery.

Xhaka has been the lightning rod for criticism this season and was very fortunate to avoid at least a yellow card for four late challenges, but his efforts to hurry Leeds were influential in turning the tide.

"We saw two different teams from the first to second half," Arteta said. "We changed our attitude, desire and organisation at half-time and then we were completely different."

He is right – and the fact he can have that effect is extremely encouraging for Arsenal going forward.

Five key sports technology trends to watch in 2020

INDUSTRY COMMENT

Rebecca Hopkins

DRAMA is the currency of sport but if current trends continue in 2020, below-the-radar work will be the stuff really making the hard yards.

Last year, forward-thinking organisations have been focused on leveraging newer media platforms better and tailoring engagement better, often with a social slant. Two stand-out performers were AS Roma, which used the transfer window to promote awareness of missing children, and World Rugby's work on TikTok during the Rugby World Cup.

So, what will brands' behaviour in engaging sports fans be this year?

DON'T BADGE, MAKE BANK

Last year marketers focused on creating tangible commercial returns from their investments. Whether driving subscriptions, selling tickets or lowering costs to increase profits, brands are looking to maximise revenues, not simply flag-wave.

IF YOU'RE NOT PAYING FOR IT, YOU ARE THE PRODUCT

This was never truer than in 2019 and sits interestingly alongside brands' quest for financial returns. But how will the exchange of data for rewards continue? Two clear factors influence sports fans when data sharing: whether they trust the brand harvesting the information; and whether the reward is worth it. Increasingly this means highly personalised, relevant and engaging content delivered in the manner of fans' choosing.

Woe betide the 2020 marketer who cannot differentiate Snapchat from Spotify or Twitter from TikTok.

AR V VR

Virtual reality has been hyped – wrongly – for imminent, widespread adoption for years; it will undoubtedly achieve traction at some point but augmented reality is far more embraceable. AR has two forms: marker and markerless, which roughly means digital imagery either related to a product or posted in the sky.

Some AR executions have been dramatic – see Estudiantes de La Plata's AR lion if you missed it – but its core attribute is the potential for gamification, a growing force in sports.

For example, at live games, rather than firing merchandise into the crowd, fans can catch prizes virtually via their phones. Expect more of this in 2020.

5G OR NOT 5G

People get very excited about the speeds and capabilities of 5G but with fewer than 20 UK cities currently enabled, it's still far from a major factor in fan engagement. As the saying goes, quick downloads don't compensate for boring content so backing 5G in 2020 is an each-way bet at best.

SOCIAL POLITICS

Any brand operating in sport which hasn't yet reviewed its environmental, diversity and equality behaviour is already behind the curve; as sports battle to win young fans, these will be key.

Sustainability is probably at the forefront of this charge, as evidenced by recycled-material medals promised at the Tokyo Games, 100 per cent renewable energy at the Aviva Stadium and eco-cups keeping 9m plastic beakers from landfill annually. But with live sports fixtures generating around 41 tonnes of carbon dioxide, fans will look to sports to improve both its behaviour as well as theirs.

Rebecca Hopkins is chief executive of The STA Group, a sports communications, events and consultancy business, specialising in sports technology, operating across sport globally.

SIBLEY'S SET-UP Opener's century puts victory in England's grasp

England need to take eight wickets on the final day of their second Test match against South Africa at Newlands today to level the series at 1-1 after the hosts held firm yesterday. South Africa reached 126-2 in pursuit of a Test record 438 to win, with opener Pieter Malan remained unbeaten on 63 alongside nightwatchman Keshav Maharaj. Opener Dean Elgar was adjudged caught behind off Joe Denly's leg-spin for 34, while Jimmy Anderson struck in the penultimate over to remove Zubayr Hamza and set up a tense fifth day. England's position came courtesy of a first Test century by Dominic Sibley, who finished unbeaten on 133, and Ben Stokes's quick-fire 72, which saw them declare on 391-8 in Cape Town.

REDS FACE BRISTOL CITY OR SHREWSBURY IN FA CUP

Runaway Premier League leaders Liverpool will travel to play either Bristol City or Shrewsbury in the fourth round of the FA Cup. Liverpool, who beat rivals Everton 1-0 on Sunday to progress, will play the Championship or League One side between 24 and 27 January. Holders Manchester City face Fulham, Chelsea travel to Hull City, while Leicester are away at Brentford. West Ham welcome West Brom, Millwall play Sheffield United and QPR are at home to Sheffield Wednesday. Northampton, the lowest-ranked side left in the draw, host Derby.

GRIFFITHS: SARACENS CUTS MAY PROVE NECESSARY

Saracens might have to alter their squad in order to comply with salary cap rules, says interim chief executive Edward Griffiths. Sarries were fined £5.36m and docked 35 points for breaching salary cap regulations in November and Griffiths admitted changes would have to be made to reduce the Premiership champions' wage bill, who had eight players representing England at the Rugby World Cup last year. "One [option] would be to reduce the head count and the other would be for people to take a pay cut," he told BBC Sport. "Now I'm not saying either or both are necessary, but those would be the two options or a combination of the two."

SPORT DIGEST

SPURS: NO EVIDENCE OF RACISM AGAINST RUDIGER

Tottenham have found no evidence to support allegations of racism from Spurs fans towards Chelsea defender Antonio Rudiger during their Premier League encounter last month. Play was postponed on 22 December after Rudiger reported hearing monkey noises, but Spurs said the club and the Metropolitan Police had "exhausted all avenues of investigation" and no further action would be taken. The club statement added: "We fully support Antonio Rudiger with the action that he took, however there is no evidence to corroborate or contradict the allegation."

WILDFIRES COULD AFFECT THE AUSTRALIAN OPEN

The Australian Open could be delayed and matches may be suspended due to the ongoing wildfire crisis in the country, organisers said yesterday. Air quality in Melbourne is currently "very poor" and "hazardous" although conditions are expected to improve before qualifying begins on 14 January and the tournament starts six days later. "The health of players, fans and staff is a priority at all times and we will continue to make these decisions with that in mind," said tournament director Craig Tiley.

GOLF COMMENT

Sam Torrance

HUNGRY THOMAS IS BACK AT HIS RED HOT BEST

JUSTIN Thomas played beautifully for much of his win at the Tournament of Champions in Hawaii on Sunday, but the world No4's route to victory wasn't without a few twists.

It was quite a surprise to see Thomas finish his final round bogey-par-bogey, squandering the two-shot lead he'd held with three not particularly difficult holes to play and sending him into a play-off with Xander Schauffele and Patrick Reed.

His second shot into 18, which landed in the hazard, was extraordinary. He had half of Hawaii on the right but overhooked it, perhaps trying to play the perfect shot because he feared playing partner and overnight leader Schauffele would make birdie.

As it was, Schauffele missed the chance to take the win when he three-putted the last – another big shock. He had putted really well all day but was just too aggressive with his first effort from 35 feet, which didn't break and sailed seven feet past the hole.

Reed, meanwhile, was already in the clubhouse on 14 under par, having carded a closing 66 despite not playing very well.

Time and again he missed greens – he was 33rd out of 34 players for making greens in regulation – but repeatedly got up and down. Reed led the field by a distance for strokes gained: putting.

Thomas eventually prevailed at the third play-off hole, after Reed had passed up chances to win at the first two, taking his tally to 12 wins on the PGA Tour. It is the most of any player in their 20s, while only Tiger Woods and Jack Nicklaus had won more before turning 27.

He seems very hungry for more success – after this win he said he felt he should in fact be winning more – and you are never more hungry than at the start of a new year. You've had Christmas off to rest so in January you are ready to push yourself again.

Having gone 12 months without a title until last year's BMW Championship, Thomas has now won three times in his last seven starts. When he is hot, he is very hot indeed and when you are that good you do expect to be challenging every time. Maybe that's where his hunger comes from.

The 2017 US PGA Championship winner is always one of the leading contenders for Majors and that will surely be the case in 2020 too.

I think it's interesting that both Thomas and Schauffele were taught by their fathers, as I was, too.

Because they love you, dads don't hold anything back – unlike some coaches, who may fear destroying their players – and that's why there is nothing better.

KING LOUIS TO DEFEND CROWN

The European Tour cranks up again this week in Johannesburg with the South African Open, where home favourite Louis Oosthuizen will be looking to defend his crown.

Oosthuizen rated his success last year right up there with his Open victory at St Andrews in 2010, so this event is hugely important to him.

He will be the man to beat again at a tournament that produces swathes of home winners – 13 of the last 23 have been South African – owing to tricky conditions that are more familiar to local players.

RYDER CUP COUNTDOWN

Lastly, the start of 2020 means we are now officially in a Ryder Cup year, bringing the contest closer to the front of players' minds in Europe and the United States.

All will have planned the schedules with the Ryder Cup in mind. Those who have experienced it before will be eager for another shot, and those who haven't will be desperate to make their debuts.

We'll be talking about it a lot more as September approaches but for now it's exciting that the ball is rolling.

Sam Torrance OBE is a multiple Ryder Cup-winning golfer and media commentator. Follow him @torrancesam