DOES A DECLINE IN CAR SALES ACTUALLY MEAN THE UK ECONOMY IS FADING? P24

CITY A.M.
BUSINESS WITH PERSONALITY

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More than 1,000 EU firms apply for passport to the City as Brexit looms

ANNA MENIN
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MORE than 1,000 banks, asset managers, payments firms and insurers from the European Union are planning to open offices in post-Brexit Britain so they can continue to serve UK clients.

The new offices would help financial firms counter the loss of business as unrestricted two-way access between the UK and EU comes to an end in December following a Brexit transition period.

By October last year 1,441 EU-based firms had applied to the Financial Conduct Authority (FCA) for temporary permissions to operate in the UK after Brexit, according to figures obtained via a Freedom of Information request from regulatory consultancy Bovill.

Most of these firms do not currently have an office in the UK, suggesting they intend to establish their first office after the UK's official departure from the EU.

The firms applied to operate in the UK under the Temporary Permission Regime (TPR), allowing companies from the bloc to operate in the UK while they seek full permission from the FCA.

Big Four firm EY said yesterday that large UK-based firms had now implemented plans enabling them to continue operating in the EU after Brexit. It estimated that around 7,000 positions would be relocated from London to the continent, and a further 2,400 jobs be created and hired for locally at the new EU hubs.

TIME TO DECIDE

JOHNSON URGED TO MAKE A DECISION ON HS2 AS COSTS SPIRAL TO MORE THAN £100BN

ALEX DANIEL
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PRESSURE mounted yesterday on Boris Johnson to make a decision on whether to go ahead with the divisive HS2 rail line, after it emerged the project's budget could blow out to £106bn.

As anti-HS2 opponents seethed at the latest cost estimate, up from just £56bn this time last year, business groups and rail industry voices urged the Prime Minister to put the future of Europe's biggest infrastructure project beyond doubt.

Despite the eye-watering price tag, review author and former HS2 Ltd chairman Douglas Oakervee will recommend that the government build the rail line in his as-yet unpublished report, which was leaked to the Financial Times. However, he will also advise the government to hit pause on a second phase of the project due to connect Birmingham, Leeds and Manchester.

Instead the review suggests the government consider conventional train lines to form part of the link between those cities. In response, more than 40 construction and rail industry bosses sought to put a stop to any lingering doubt, signing a letter which urged the PM to "get HS2 done".

CONTINUES ON P3

Global chiefs fall back in love with UK

JAMES BOOTH
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THE UK has bounced back as a destination for future growth among global chief executives, according to a major survey published yesterday.

The UK remained the fourth most important territory for growth for chief executives, joint with India and Australia, and behind the US, China and Germany.

Chief executives in Europe's largest economies rated the UK as one of the most important territories for their organisation's future growth, the survey from audit firm PwC found.

For chief executives in Germany, France and Italy, the UK is viewed as positively now as it was in 2015, with a "notable uptick since last year".

In Germany, the percentage of chief executives who view the UK as one of their top three growth targets jumped to 13 per cent, from six per cent last year, to match the level in 2015.

Meanwhile outside Europe, the UK has become more attractive to chief executives in the US, Australia and Japan.

Kevin Ellis, chairman of PwC UK, said the UK was viewed as "a beacon of relative stability".

ELLIS WEIGHS IN: P15

FTSE 100▼ 7,651.44 -23.12 FTSE 250▼ 21,847.04 -29.04 DOW 29,348.10 CLOSED NASDAQ 9,388.94 CLOSED £/$▼ 1.300 -0.003 £/€▼ 1.173 -0.002 €/$▼ 1.108 -0.001

CITY A.M.

THE CITY VIEW

BBC's new boss must win back its audiences

TONY Hall's decision to step down as BBC director general has created a vacancy for one of the most prestigious and influential jobs in UK media — if, that is, anyone is brave enough to take it. Speculation is already mounting about who will take up the mantle (there's a good chance the corporation will get its first female boss), but there's no doubt Hall's successor faces a wave of unprecedented challenges. Of course, the BBC is no stranger to scandals. From disputes over its political output and the coverage of historical sexual abuse allegations to the ongoing saga of its gender pay gap, the broadcaster has often found itself in crisis but always manages to come through the other side. Now, however, the public service broadcaster faces a more existential threat. Top of the list for the next BBC boss will be to forge a relationship with the government. Boris Johnson and his chief aide Dominic Cummings have already proven standoffish to say the least, instigating a boycott of Radio 4's flagship Today programme. They have also threatened to decriminalise non-payment of the licence fee — a move that would likely kneecap the organisation's funding. Meanwhile, Hall's replacement will be thrust into a fierce firefight between traditional broadcasters and Silicon Valley interlopers such as Netflix, which have far deeper pockets than the BBC and are not held back by public interest obligations. In fact, with younger audiences deserting the corporation at an alarming rate and the trusty over-75 shunned by the free licence fee cut, the BBC has never looked on shakier ground. There is, therefore, no doubt that the new Beeb boss will need to implement radical reform to ensure the historic institution can hold its own in the modern world. Yet the director general will have a first, more fundamental duty: to reestablish the BBC's purpose and value in the eyes of the British people. The broadcaster's obligation to serve everyone in the country is — and has always been — both a blessing and a curse. But now, for the first time, it faces real scrutiny over whether its public service remit remains relevant, or is merely an anachronism. Navigating these challenges is no mean feat. Nor is the task faced by chairman David Clementi, who will lead the search for the next chief of W1A. One thing is clear, however: the BBC must revitalise its offering and reconnect with its audience, or the new chief could find themselves managing an institution in decline.

> "The Beeb has never looked to be on shakier ground

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JUMPING FOR JOY Boris Johnson is full of energy as he gets to down to business at the UK-Africa Investment Summit in London

THE PRIME Minister had a spring in his step as he visited business stands at the Innovation Zone of the UK-Africa Investment Summit in London yesterday. Johnson put new technology to the test, including pavement slabs developed by Pavegen, a tech firm that converts footsteps into energy. The PM said the UK is the "investment partner of choice" for African countries.

UK to outpace Eurozone rivals

HARRY ROBERTSON

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THE UK will be the fastest-growing European economy in the G7 this year and next, the International Monetary Fund (IMF) said yesterday as it once again downgraded its forecasts for global growth.

The IMF predicted that the UK economy grew 1.3 per cent in 2019, its slowest since the crisis, and will grow 1.4 per cent and 1.5 per cent in 2020 and 2021 respectively. This puts British growth expectations third out of the G7 countries for 2020.

The updated forecasts came as the IMF cut its global growth expectations and said there are "no clear signs of a turning point" for the world economy despite the signing of a US-China trade deal.

The lender of last resort said it expects global growth for 2019 to come in at just 2.9 per cent. This is lower than its previous three per cent prediction, which would have already been the worst figure since the global financial crisis.

The international lender of last resort predicted global growth will pick up to 3.3 per cent this year, down from a previous prediction of 3.4 per cent. It foresaw growth in 2021 of 3.4 per cent.

The report came as world leaders and business figures jetted into the World Economic Forum in Davos, Switzerland. Sluggish global growth and geopolitical tensions can be expected to be a key topic at the elite meeting this week.

IMF chief economist Gita Gopinath said the downgrades "owed largely to downward revisions for India".

She said that "the world needs stronger multilateral cooperation" to tackle slowing growth.

ECONOMIC DIGEST

UK HOUSEHOLDS GROW CHEERIER IN JANUARY

UK households became more upbeat about their finances in January, a survey from data firm IHS Markit showed yesterday, with December's General Election result and falling inflation pushing optimism to a one-year high. The survey was the latest to show rising optimism following Boris Johnson's thumping election win in the middle of December. Firms and households can now be sure Britain is leaving the EU on 31 January, providing some economic certainty after a torrid 2019. Yet Joe Hayes of IHS Markit said: "Cooling inflation was most likely the real driving force, propping up real earnings and disposable incomes." Households reported that living cost inflation eased in January.

GERMAN GROWTH SET FOR WORST RATE SINCE 2013

Germany's central bank yesterday predicted that the country's economy grew last year at its slowest pace since the Eurozone crisis as its manufacturing sector was badly shaken by global trade tensions. The Bundesbank estimated that Europe's biggest economy grew by just 0.6 per cent in 2019, its worst figure since 2013 amid a sovereign debt crisis.

WHAT THE OTHER PAPERS SAY THIS MORNING

FINANCIAL TIMES

BARCLAYS BROTHERS IN TALKS TO SELL RITZ HOTEL

The billionaire Barclay brothers are in talks to sell London's Ritz Hotel to a private investment group that represents wealthy Saudi Arabian families. Sir David and Sir Frederick Barclay are reviewing interest from Jeddah-based Sidra Capital which may lead to one of London's most coveted properties changing hands for the first time in 25 years.

GLENCORE TO CUT SOUTH AFRICAN MINING ROLES

Glencore and its joint venture partner Merafe Resources could cut up to 665 jobs at their Rustenburg ferrochrome smelter as it battles rising electricity tariffs and power cuts. The review is the latest example of the risks to South Africa's mining industry posed by the unreliable and expensive electricity supply from power monopoly Eskom.

THE TIMES

BANKS UNDER PRESSURE TO STOP SUING CUSTOMERS

Bank of England governor Andrew Bailey is putting pressure on banks to pause legal action against small business owners until a new redress scheme has had a chance to consider their cases. Lloyds Banking Group has agreed to suspend its pursuit of a former customer, Trevor Mealham, pending the outcome of a report to the Business Banking Resolution Service.

EU NAVIES COULD ENFORCE LIBYAN CEASEFIRE IN MED

The European Union is proposing to revive joint naval operations in the Mediterranean in an attempt to enforce an arms embargo on Libya.

THE DAILY TELEGRAPH

PROSPECTIVE LONDON HOUSE BUYERS SURGE

The number of prospective London house-buyers surged to a 15-year high this month. More new buyers registered with agent Knight Frank in the second week of January than at any time for more than a decade and a half the estate agent said.

AUSTERITY ACADEMIC CALLS FOR UK TO UP SPENDING

The high priest of austerity, Harvard professor Ken Rogoff, has advised the British government to throw caution to the winds and let rip on "good" public spending, warning that it would be misguided to persist with belt-tightening as Brexit D-Day arrives.

THE WALL STREET JOURNAL

US HOSPITALS GIVE TECH GIANTS ACCESS TO RECORDS

US hospitals have granted Microsoft, IBM and Amazon the ability to access identifiable patient information under deals to crunch millions of health records, in the latest example of hospitals' growing influence in the data economy.

CORONAVIRUS CONTINUES TO SPREAD ACROSS CHINA

A leading Chinese health official said that a newly identified virus originating in central China has spread between humans, heightening health officials' concerns that it could be transmitted more quickly as the country's busiest travel season begins.

Tech bosses give new regulation a warm reception

JAMES WARRINGTON AND EMILY NICOLLE

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THE BOSSES of two of the world's largest technology companies embraced calls for updated regulation yesterday, amid an increased spotlight on such companies' behaviour.

Apple chief executive Tim Cook yesterday acknowledged that the global corporate tax system needs to be overhauled, adding he was optimistic that upcoming reform would be fair.

Speaking in Dublin, Cook said: "I think logically everybody knows it needs to be rehauled, I would certainly be the last person to say that the current system or the past system was the perfect system. I'm hopeful and optimistic that [regulators] will find something."

Tech giants such as Apple have come under increased scrutiny over their tax practices amid concerns they are dodging their liabilities by booking profit in low-tax countries. This has prompted the OECD to push for reform to ensure such companies paid tax in regions where they serve customers.

Apple is currently challenging a 2016 European Commission ruling forcing it to pay €13bn (£11bn) in back taxes to the Irish government.

Separately Google chief executive Sundar Pichai yesterday lent his support to a proposed temporary EU ban on facial recognition technology, over concerns it could be misused.

"I think it is important that governments and regulations tackle it sooner rather than later, and give a framework for it," said Pichai in Brussels.

The statement was among Pichai's first appearances as chief executive of both Google and its parent firm Alphabet, after founders Sergey Brin and Larry Page stepped down last month.

The Commission is set to take a tougher line on regulation of artificial intelligence, according to a draft proposal. One suggestion is a ban of up to five years on using facial recognition technology in public areas, in order to provide time for authorities to work out how to prevent abuses.

The move follows widespread outrage last autumn after it was revealed King's Cross Station in London had been using such technology for two years, without central oversight from the Metropolitan Police or City Hall.

Uber chief executive met TfL head amid battle over future in London

JAMES BOOTH

@Jamesdbooth1

UBER's chief executive met privately with Transport for London's (TfL) boss in recent days amid a legal battle over the ride-sharing giant's future in the capital, it emerged yesterday.

Dara Khosrowshahi met TfL commissioner Mike Brown to discuss the dispute, Sky News first reported.

The meeting, which had not been publicly disclosed, happened while Khosrowshahi was on his way to Davos in Switzerland for the World Economic Forum this week.

It came two months after TfL banned Uber in London for the second time.

TfL said unlicensed operators had uploaded photos on other people's Uber accounts, leading to at least 14,000 trips involving these fraudulent drivers.

Uber launched an appeal against the decision last month. A hearing is expected in the first half of this year.

An Uber spokesperson declined to comment on the meeting, but said: "We are appealing TfL's decision... Safety is our top priority."

A TfL spokesperson said late last night: "The [chief executive] of Uber met with the TfL commissioner while he was in Europe for a number of meetings."

OFF AIR BBC director Tony Hall in shock resignation after seven years at helm

THE BBC yesterday announced that Tony Hall will stand down as director general this summer after seven years in the role. BBC chairman David Clementi will now begin the search for Hall's successor, with candidates sought from both within the corporation and externally. Hall will now take over as chairman of the National Gallery.

Government criticised over HS2

CONTINUED FROM FRONT PAGE

"We want to take this opportunity to reiterate not only the devastating impact any curtailment of HS2 would have on our industry, but the detrimental effect cancellation would have on UK plc more widely in terms of jobs, manufacturing, investment and export potential," the letter said.

The government remained noncommittal yesterday, with transport secretary Grant Shapps saying only that he has asked Oakervee for more information before the "massive decision" can be made.

Economist Andrew Sentance, who sits on the panel for the HS2 review, followed the lead of former deputy to Oakervee on the document, Lord Tony Berkeley, in criticising the government's handling of the report.

He told the BBC that Downing Street had been "sitting on the report" since before the General Election was called in November last year.

"I'm a bit surprised to hear about the government calling this a draft report," he said.

Instead of being honest about the report's contents, senior government figures were "trying to condition the public to their own conclusions".

It comes after Berkeley called the review a "whitewash" last year before publishing his own dissenting report which claimed parliament was "misled" over the costs of HS2.

Fever-Tree dips as drinks maker warns on profit

JOE CURTIS

@joe_r_curtis

FEVER-TREE's shares plummeted yesterday as it warned that "subdued" Christmas trading in the UK would knock 2019 profit to be lower than last year's total.

The tonic maker now expects revenue growth of 9.7 per cent to £260.5m, compared to 2018's 40 per cent growth rate.

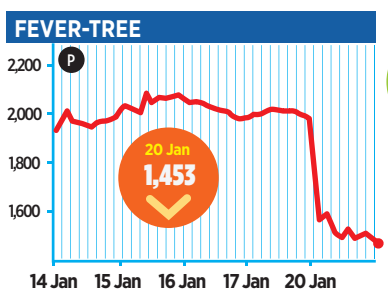
That will see sales miss expectations for 2019, leading Fever-Tree to warn full-year earnings would be around five per cent lower than 2018 as a result.

The board revealed that key UK trading slipped one per cent to £132.6m, blaming weak consumer confidence and a subsequent slowdown in spending.

Chief executive Tim Warrillow said: "Despite the subdued end to the year in the UK, we have delivered a strong performance across many of our regions in 2019."

"Whilst the UK mixer category has clearly not been immune from the consumer belt tightening seen in recent months, we remain the clear category leader and have a strong platform to return to growth during 2020 and beyond."

Fever-Tree's shares sank 27.2 per cent to 1,453p yesterday as investors sold out of the tonic company, marking the firm's their lowest share price since 2017.



SKY HIGH Boeing seeks to borrow more than $10bn amid ongoing 737 Max jet crisis

BOEING is in talks with banks about borrowing $10bn (£7.7bn) or more as 737 Max-related costs pile up, Reuters reported late last night. Boeing is said to have already secured $6bn from banks over fears that the 737 Max jet may remain grounded.

Retail landlord Intu confirms it is in talks to raise more money

JOE CURTIS

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INTU yesterday confirmed it will seek to raise equity as it works to patch up its shaky balance sheet after a dreadful 2019 for retailers.

The commercial real estate giant yesterday insisted it was making "good progress" on improving its balance sheet, hailing a "busy" Christmas and saying footfall was 0.3 per cent up last year compared to 2018.

The shopping centre landlord confirmed an equity raise that it will launch alongside its full-year results at the end of February. The emergency cash is likely to be around £1bn, the Sunday Times reported.

Assault charges against Philip Green dropped

JAMES BOOTH

@Jamesdbooth1

US ASSAULT charges against retail mogul Sir Philip Green have been dropped, his company Arcadia said yesterday.

Last May Green, 67, was charged with four counts of misdemeanour assault after an Arizona pilates instructor accused him of repeatedly touching her inappropriately.

Green was accused of spanking the instructor and grabbing her buttocks at the Canyon Ranch resort in Tucson, Arizona in 2016 and 2018, according to the Pima County Attorney's Office.

The billionaire chairman of Arcadia, which owns Topshop, denied the allegations.

Yesterday, Arcadia said the cases had been dropped.

"At the request of the prosecution the cases alleging assault against Sir Philip Green, due to be heard before the Consolidated Court of Arizona in and for the county of Pima on 20 February 2020, were dismissed by the order of the honourable justice Vince Roberts on 17 January 2020," Arcadia said.

Jobs at risk after Beales falls into administration

JESS CLARK

@jclarkjourno

DEPARTMENT store chain Beales collapsed into administration yesterday, putting more than 1,000 jobs at risk.

The retailer had been in crisis talks with potential buyers, however the company was unable to secure a deal.

Professional services firm KPMG was appointed as administrator, and the firm's 23 stores will continue to trade while it assesses options for the business, including "dealing with prospective interested parties".

Last month Beales hired KPMG to launch a strategic review and assess a potential sale of the business following one of the worst years for British retailers on record.

Will Wright, partner at KPMG and joint administrator, said: "For over a hundred years, Beales has been a stalwart of the high street in market towns up and down the UK, but like countless similar retailers, has found trading in recent times to be incredibly tough."

He added: "With the impact of high rents and rates exacerbated by disappointing trading over the Christmas period, and extensive discussions around additional investment proving unsuccessful, there were no other available options but to place the company into administration.

Wright said the firm will "endeavour to continue to operate all stores as a going concern while we assess options for the business, including dealing with prospective interested parties."

Beales will continue to accept gift vouchers, customer deposits and customer returns/refunds over the next few weeks.

The collapse of the chain, which was founded in 1881, comes after what experts have described as the "worst year on record" for retailers, as overall annual sales dipped for the first time since 1995.

The clothing and homeware retailer's revenue fell from £315.6m to £311.7m

Matalan suffers drop in revenue amid challenging retail market

JESS CLARK

@jclarkjourno

BUDGET retailer Matalan suffered a drop in sales and profit at the end of last year as it fell victim to the challenges facing the UK high street.

The clothing and homeware brand said total revenue dropped to £311.7m in the 13 weeks ended 30 November, from £315.6m the previous year, as spending was subdued in the face of political uncertainty. Earnings before tax, interest, depreciation and amortisation fell from £40m in 2018 to £33.7m last year.

Chief Jason Hargreaves said: "The challenges faced by ourselves and the wider market have been well documented and our results released today continue to reflect that."

Stagecoach in court with the UK government

POPPY WOOD

@poppyeh

BRITISH transport firm Stagecoach has taken the government to court over claims that it was unfairly excluded from rail contracts by ministers.

Stagecoach is suing the government after being disqualified from bidding for three rail franchises after the pair clashed over pensions liabilities last year.

The company is seeking compensation as well as a judicial review, which could render already-awarded rail franchises invalid.

In the first day of the legal challenge, lawyers for the company yesterday described the rail franchise system as being "in crisis", the Financial Times reported.

Since being disqualified for the rail bids by the Department for Transport, Stagecoach no longer runs any UK rail operations, and now solely focuses on buses and trams.

Arriva, part of German state-owned Deutsche Bahn, brought a separate claim for similar reasons, but settled out of court.

Warburg Pincus hires advisers to mull offloading of strong performer Reiss

JESS CLARK

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THE PRIVATE equity owner of high street retailer Reiss is mulling putting the fashion chain up for sale following a period of strong performance.

Warburg Pincus has appointed investment bank Rothschild to launch a review of strategic options for the business, which could involve a sales process, Sky News reported yesterday.

If the US firm decides to sell the business, the process could be launched in the second quarter of this year, the broadcaster said.

Reiss has performed strongly since Warburg Pincus bought a substantial stake in the firm in 2016, bucking the trend on the UK high street which has seen retailers struggle in challenging trading conditions.

In its latest accounts Reiss reported that sales were up 8.3 per cent in the year ended 2 February 2019, while earnings before interest, tax, depreciation and amortisation increased 24 per cent to £18.1m.

The company — which has 69 standalone stores — said its expansion in store and online, focus on full price sales and investment in staff, operations, omni-channel infrastructure and customer experience had contributed to its significant growth.

Reiss has outperformed the market since Warburg Pincus bought a stake in 2016

PM to put 'people before passports'

CATHERINE NEILAN

@CatNeilan

PRIME Minister Boris Johnson yesterday pledged to put "people before passports" after Brexit, as part of the UK's new immigration system.

Speaking at the UK-Africa Investment Summit yesterday, Johnson promised that "change is coming" as a result of the UK leaving the EU.

"Treating people the same regardless, wherever they come from and by putting people before passports, we will be able to attract the best talent from around the world, wherever they may be," he said.

It came as the Prime Minister yesterday suffered his first parliamentary defeat since winning an 80-seat majority last month, as the House of Lords voted to amend his key Brexit bill.

Peers backed the Oates amendment, ensuring EU nationals living in the UK have a physical document showing they have a right to live in the country. The amendment was passed by 270 votes to 229 — a majority of 41.

The Withdrawal Agreement Bill will return to the Commons tomorrow, where the amendment is likely to be overturned by Johnson's newly elected tribe of Conservative MPs.

Lords will then decide whether to persist with the cause during the process known as ping pong.

Johnson said the immigration system will become "fairer and more equal"

Row over Truss' private talks with minister

STEFAN BOSCIA

@Stefan_Boscia

INTERNATIONAL trade secretary Liz Truss has come under fire following a potential breach of the ministerial code of conduct.

Truss met Australian trade minister Simon Birmingham at the end of December. Birmingham was visiting the UK in a personal capacity and the two politicians arranged to meet for a meal, along with their families.

Over dinner, the pair discussed a potential UK-Australia trade deal.

However, *City A.M.* understands that no civil servants were at the meeting despite the ministerial code requiring the presence of an official "for all discussions relating to government business".

A spokesperson for Truss did not deny the code of conduct had been breached.

They said: "Liz told her principal private secretary (PPS) about the meeting and the PPS asked if she wanted anyone from the civil service there, to which she said 'no'".

"A full read out [of the meeting] was given to him afterwards."

When it was suggested that Truss had broken the code by not taking an official to the dinner, the spokesperson said: "She was told that it wasn't necessary by the PPS."

A spokesperson for the Department of International Trade denied Truss had done anything wrong.

However, Labour's shadow trade secretary Barry Gardiner said Truss was clearly in violation of the rules.

"The ministerial code is quite clear that any meeting with a foreign government minister where policy is to be discussed should be attended by a civil servant," he said.

"The secretary of state has to explain why she did not abide by the code and cannot shuffle off the responsibility onto her private secretary."

Downing Street declined to comment last night.

Business body tells UK to firm up Brexit stance

HARRY ROBERTSON

@harrygrobertson

UK BUSINESS leaders have called on the government to lay out its objectives for trade talks with the European Union, saying they can only make investment decisions once they have a clear sense of Number 10's position.

The intervention by the Institute of Directors (IoD), which represents British company bosses, came after chancellor Sajid Javid said at the weekend that the UK will diverge from European Union rules on goods trade after Brexit.

Javid's comments to the Financial Times prompted a backlash from various business bodies, however, as diverging from the EU's rules will result in worse access to its markets.

The IoD today became the latest group to express concern, saying that businesses need more clarity over the approach the UK government is going to take to negotiations.

The organisation also released the most recent poll of its members, which showed that 55 per cent said they can only make planning and investment decisions with certainty once they understood what the UK's future relationship with the EU will look like.

They also overwhelmingly said that trade negotiations with the EU are more important than talks with other countries.

Allie Renison, head of Europe and trade policy at the IoD, said the withdrawal agreement reached between the two sides in October only "provides clarity for the next 12 months and no further".

"To put in place their investments, many of our members need to work from a clearer framework on our post-Brexit relationship."

A Number 10 spokesperson said yesterday that the UK's position "will be set out in the coming weeks".

Former trade secretary Liam Fox will speak at a business conference in Geneva today

Frictionless trade just 'not possible', says Fox

CATHERINE NEILAN

@CatNeilan

ANY AUTOMATIC alignment to EU regulations as they change over time would be "completely incompatible with the concept of Brexit," former trade minister Liam Fox will tell Swiss business leaders today.

With just 10 days before the UK leaves the EU, Fox will stress that frictionless trade between the two sides is "simply not possible" under Downing Street's vision of the future relationship.

Fox, who famously said a post-Brexit free trade deal with the EU should be the "easiest in human history", will tell the business audience in Geneva that the regulatory relationship will be "the most contentious" part of talks.

He will also warn that "misunderstandings in the terminology" are already causing confusion.

"For the UK, the key element of any future regulatory environment will be the ability to determine its own rules so let us be clear at the outset that 'alignment' does not mean 'control'," he will say at a breakfast briefing.

BAE Systems to buy US military GPS and radio systems for over $2bn

EDWARD THICKNESSE
@edthicknesse

LEADING aerospace and defence company BAE Systems yesterday announced that it will purchase Collins Aerospace's military GPS system for almost $2bn (£1.5bn).

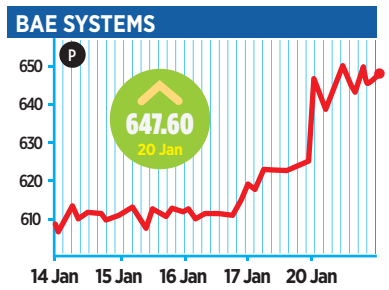
BAE said that the GPS business, which is considered a market leader, should generate revenues of $359m a year in 2020, with potential for growth of 10 per cent a year.

The multinational also announced the purchase of fellow defence contractor Raytheon's airborne tactical radio business for $275m.

The business, which supplies communications systems to the US Department of Defence, will be funded by cash from BAE's balance sheet, while the GPS system will be bought using new debt.

The multinational will take on roughly 675 of Collins' employees, but expects no other challenges to the integration. Both purchases are subject to the successful closure of Raytheon's merger with United Technologies, which is expected in the first half of 2020.

BAE's shares rose 3.7 per cent, making it the FTSE 100's top performer.



The global shipping industry accounts for 2.2 per cent of all global emissions

Shipping industry to face £1 trillion cost for decarbonising

EDWARD THICKNESSE
@edthicknesse

THE SHIPPING industry must spend at least $1 trillion (£800bn) on new fuel technology if it is to meet UN emissions targets by 2050.

According to a new study by experts from UCL and the Energy Transitions Commission, the average that would need to be spent every year from 2030 is $50bn.

Global shipping is responsible for about 2.2 per cent of the world's carbon dioxide emissions. The International Maritime Organisation has set itself the target of reducing emissions by 50 per cent by 2050.

If the sector was to fully decarbonise by 2050, an additional $400bn of investment would be needed over the 20-year period.

Oil prices rally amid pipeline closure in Libya

EDWARD THICKNESSE
@edthicknesse

OIL PRICES hit their highest levels in a week yesterday after a military blockade shut down production at two major sites in Libya, reducing crude flows from the Opec member to a trickle.

Two oilfields were shut on Sunday after forces loyal to Khalifa Haftar closed a pipeline, risking taking all of Libya's output capacity offline.

However, analysts said there was no need for concern as supply disruption is expected to be shortlived and other major producers can offset any drop in supply where necessary.

On Sunday world leaders met in Berlin to agree a truce in Libya, which has been rocked by internal discord since the death of Colonel Muammar Gaddafi in 2011.

Brent crude rose one per cent to $65.44, and West Texas Intermediate increased 0.7 per cent to $59.73.

Anglo American makes £405m offer for Sirius

EDWARD THICKNESSE
@edthicknesse

ANGLO American has agreed a £405m rescue deal with the board of embattled Sirius Minerals, it was announced yesterday.

Under the agreement, Sirius shareholders will receive 5.5p for each share, a 34 per cent premium on the British mining firm's 4.1p closing price on 7 January.

The deal is a lifeline for Sirius, which had been under pressure to come up with alternative funding for its North Yorkshire potash project.

In November the London-listed firm said it would welcome a strategic investor to help fund a new two-stage plan.

Anglo American said that it had been interested in the project for some time due to the "quality of the underlying asset".

In a statement, the mining giant said: "The project has the potential to fit well with Anglo American's established strategy of focusing on world-class assets, particularly in the context of Anglo American's portfolio trajectory towards later cycle products that support a fast-growing global population and a cleaner, greener, more sustainable world."

The polyhalite deposit, which is the focus of the project, is believed to be the largest high-grade site in the world. The mine will be the UK's largest in a generation.

Sirius has come under pressure for funding

The offer is good news for Sirius' share price, representing a 46.5 per cent premium on the firm's three-month price from last September. Sirius' shares rose 2.6 per cent to 5.55p yesterday.

Octopus Energy set to take over Engie's UK household business

EDWARD THICKNESSE
@edthicknesse

CHALLENGER energy supplier Octopus has agreed to take over Engie's UK household energy business, after the French firm decided to leave the domestic market.

The deal, which will see Octopus supply Engie's 70,000 UK customers, is the business' sixth acquisition in two years.

Octopus, which currently has 1.4m customers — or five per cent of the UK market — will add the new customers to its ranks over the next couple of months.

The company remains consumer magazine Which's only recommended energy supplier, and has recently announced a 2020 price cut for its customers.

Engie entered the UK market in 2017 but has decided to withdraw in order to focus on leading the zero carbon journey for businesses and local authorities.

The firm's business energy customers and district energy supply operations are not impacted by this acquisition.

Greg Jackson, the company's chief executive, commented: "It is an honour to acquire Engie's UK home energy supply operation."

Trafigura takes six per cent stake in oil explorer

EDWARD THICKNESSE
@edthicknesse

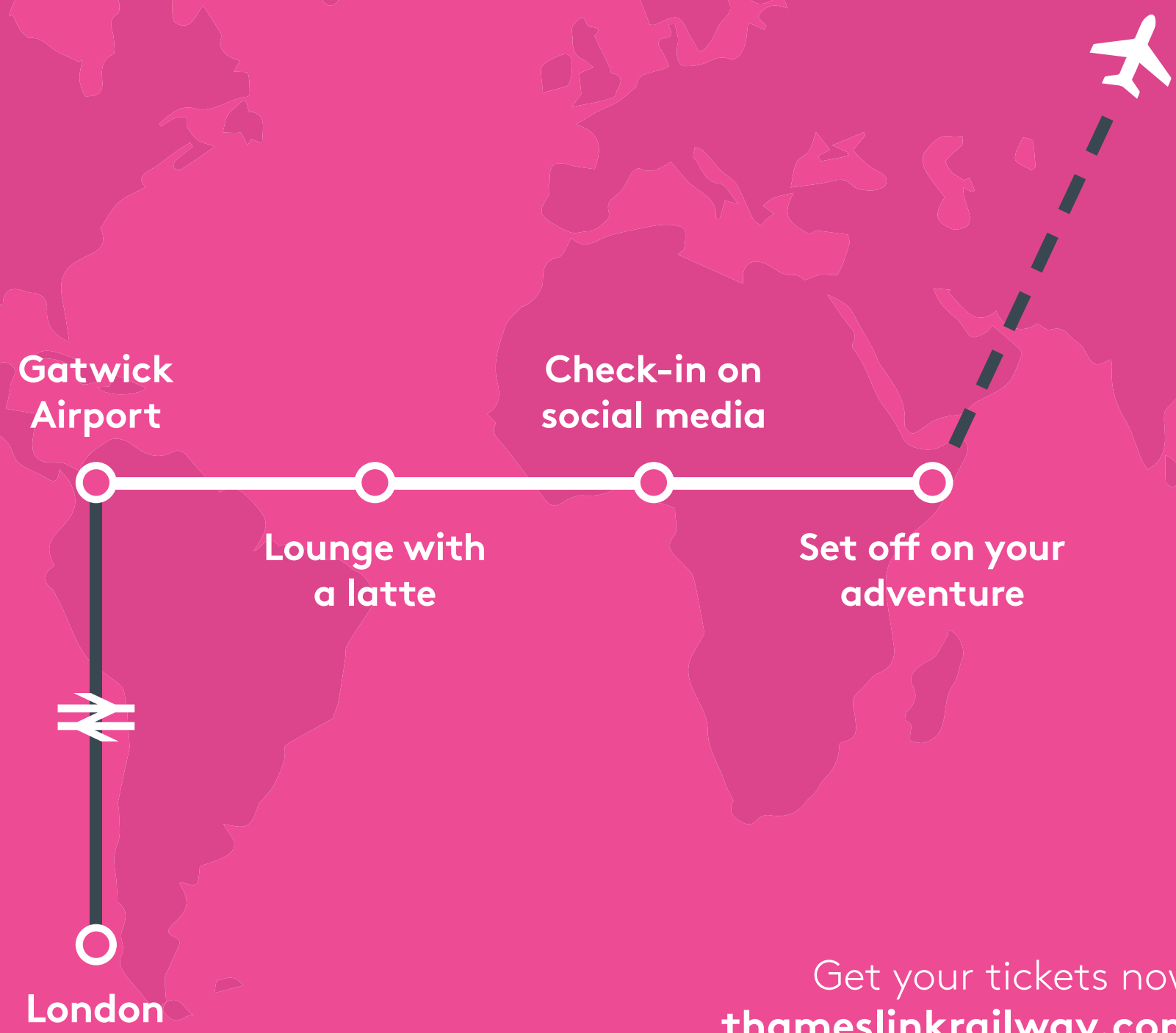
COMMODITIES trader Trafigura has bought a six per cent stake in oil explorer President Energy, which focuses on Latin America.

The deal, which will see Trafigura invest up to $10m (£7.7m), will help the oil firm to reduce its net debt.

According to the terms of the deal, the payment platform will take an initial $4m stake at 4.04p a share, with the option of potential further subscriptions worth $6m.

Shareholders will ratify the deal at a general meeting on 6 February.

Travel by train to Gatwick Airport from £10* one way.



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Brexiter chairman Tim Martin said Wetherspoons customers were keen to celebrate

Wetherspoons to celebrate Brexit Day by slashing price tags on drinks

JESS CLARK

@jclarkjourno

PUB CHAIN JD Wetherspoon is planning to celebrate Brexit by slashing the prices of a selection of drinks on 31 January as the UK leaves the EU.

The offer will reduce prices of drinks from across Europe, including Estrella, Beck's and Peroni, by around 60p. The promotion — which will run until 29 February — will be available across all of the companies 870 pubs across the UK.

The move appears to signal a change of heart from Brexit-supporting Wetherspoon chairman Tim Martin, who previously pledged to reduce the number of EU products sold at his pubs.

Martin said yesterday that there has been "far too much political posturing" between the UK and EU during the Brexit negotiations.

"Many of our customers are keen to celebrate Brexit. At the same time we want to remain friends with our European neighbours and offer a range of drinks at an excellent price."

In a statement yesterday Martin also said the government should remove tariffs on nearly 13,000 non-EU imports, saying "UK consumers will shun EU goods if tariffs are imposed on UK exports".

London's office market boosted by diverse firms

JESS CLARK

@jclarkjourno

OFFICE takeup in central London jumped in the final quarter of last year, as the diversity of businesses operating in the capital provided resilience for the city's commercial property market, new data showed.

Takeup increased four per cent to 3.6m square feet (sq ft) in the three months to the end of December, above the 10-year quarterly average of 3.3m sq ft.

Business services was the most dominant sector during the quarter, representing 25 per cent of overall takeup. During the period, Convene took 67,245 sq ft at 80 Fenchurch Street, Verisk Analysts moved into a 50,418 sq ft space at 22 Bishopsgate and Adecco Alfred Marks took 44,912 sq ft at 10 Bishops Square.

Banking and finance companies accounted for 23 per cent of central London office takeup, and creative industries made up 21 per cent of the total, according to the latest research by CBRE. The amount of space taken by flexible office operators dipped in the quarter, following heightened activity in the previous three-month period.

Meanwhile, office availability fell to 12.3m sq ft, lower than the 10-year average of 14.1m sq ft, and the 14.3m sq ft reported at the end of 2018.

CBRE UK research director Simon Brown said: "The diverse nature of central London office occupancy provides an exceptional degree of resilience and this supported healthy levels of takeup, both for the final quarter of 2019 and across the year as a whole.

"Looking ahead, we expect the occupier markets to remain strong in 2020, with under offers above trend and a high level of demand. Against a backdrop of low and tightening supply, we expect further rental growth."

Research published last week showed that central London office investment soared in the fourth quarter, with a 125 per cent jump on the previous quarter after the result of the General Election sparked a flurry of deal activity.

Government doubles funding for electric car charge points to £10m

ALEX DANIEL

@alexmdaniel

THE TRANSPORT secretary yesterday announced a fresh wave of funding to build thousands more on-street residential electric vehicle charge points this year.

Grant Shapps said he hoped to help make it easier to find "affordable, reliable" charge points for electric car drivers by doubling current funding to £10m. The sum is enough to build up to another 3,600 charge points across the country, according to the Department for Transport (DfT).

Ministers also hope to make information about all public charge points openly available in future, including locations and power ratings.

This could then be integrated into route mapping applications.

Shapps said: "We want to make electric cars the new normal, and ensuring drivers have convenient places to charge is key to that."

"By doubling funding again... we are helping drivers easily locate and use affordable, reliable charge points."

SPORT

EUROPEAN FOOTBALL AT RISK OF BEING TORN APART BY FIFA PROPOSALS, WARNS LALIGA CHIEF JAVIER TEBAS P28

Ukraine to press Iran for crashed jet's black boxes

ANNA MENIN

@annafmenin

UKRAINE will press Iran to hand over the black boxes from the Ukranian airliner that crashed in the country earlier this month, foreign minister Vadym Prystaiko said yesterday.

Prystaiko told reporters he would urge Iranian urban development minister Mohammad Eslami, who is visiting Ukraine, that returning the black boxes would show Iran wanted an unbiased investigation into the crash.

"His main task is to apologise and acknowledge what happened. We hope that we can go a little further than just political discussions and discuss practical problems. Among them in particular is the return of the black boxes," Prystaiko said.

Iran said on Sunday it was trying to analyse the black boxes from the plane shot down by its military on 8 January, denying an earlier report it would hand them over to Ukraine.

"At first they stated that they were handing them over, then the same person stated that they were not handing them over. This created some misunderstanding in Ukraine and we were starting to be asked: are they being handed over or not?," said Prystaiko.

All 176 on board the plane died in the crash. Many of those who died were Iranians with dual citizenship, but Iran does not recognise dual nationality, and said yesterday it would treat victims with dual citizenship as Iranian nationals.

Canada, which had 57 citizens on board the flight, said there were still no firm plans for data from the recorders to be downloaded. It has joined other countries in calling for the black boxes to be sent abroad for analysis.

The downing of the plane has increased international pressure on Iran as the country grapples with an ongoing dispute with the US over its nuclear programme, with tensions flaring earlier this month.

Iranian authorities did not immediately admit responsibility for the crash, prompting days of protests on the streets of Iran.

Meng Wanzhou, daughter of Huawei's chief executive, was arrested in late 2018

China repeats call for Canada to release Huawei's finance chief

ANGHARAD CARRICK

@angharadcarrick

CHINA yesterday repeated orders for Canada to release detained Huawei finance chief Meng Wanzhou as soon as possible ahead of an extradition hearing.

Foreign ministry spokesman Geng Shuang said Canada should correct its "mistake" in arresting the executive, who is the daughter of Huawei chief executive Ren Zhengfei.

"The resolve of the Chinese government to protect Chinese citizens' proper legal rights is firm and unwavering," Geng told reporters during a daily briefing, adding that Meng's case was a "serious political matter".

This week Wanzhou will face a Canadian court for a hearing — a huge step towards determining whether she will be extradited to the US.

Wanzhou was arrested in late 2018 at the request of the US government. She is charged with bank fraud and accused of misleading HSBC about Huawei's business in Iran.

Meng has denied the charges.

O2

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Representative example

Device Name	Duration of agreement	Upfront cost	Monthly Device Payment	Total Credit Amount	Total amount payable for device	Interest Rate (Fixed)	Representative APR	Device Cash Price	Airtime Plan, today to March 2020	Airtime Plan, April 2020 to March 2021	Airtime Plan, April 2021 to March 2022
Samsung Galaxy S10 128GB	36 months	£30	£15.59	£561	£591	0%	0%	£591	£25	£25 + RPI announced in Feb 2020 = Price A	Price A + RPI announced in Feb 2021

Annual RPI adjustment applies. Each year your Airtime Plan will be adjusted on your April bill by the RPI rate of inflation announced in the preceding February. Find out more at o2.co.uk/prices. £15.59 Device Plan for 36 months and £25 monthly rolling Airtime Plan. O2 Refresh custom plans: Direct purchases only. Pay the cash price for your device or spread the cost over 3 to 36 months (excludes dongles). The device cost will be the same whatever you choose. There may be an upfront cost. You need a monthly rolling Airtime Plan as long as you have a Device Plan. Pay off your Device Plan at any time and you can choose to keep your Airtime Plan, upgrade, or leave. If your Airtime Plan ends for any reason you will need to pay your Device Plan in full. UK calls/texts to standard UK landlines and mobiles and when roaming in our Europe Zone. Europe Zone data only. Fair Usage policy applies. Special and out of bundle numbers chargeable. Devices are subject to availability. 0% APR. Finance subject to status and credit checks. 18+. Direct Debit. Credit provided by Telefónica UK Ltd, SL1 4DX. Telefónica UK is authorised and regulated by the FCA for consumer credit and insurance. Terms apply, see o2.co.uk/terms

AFH posts strong earnings growth for the past year

ANNA MENIN

@annafmenin

AFH FINANCIAL has reported strong growth in revenue and funds under management (FUM) following after the financial adviser consolidator completed a string of acquisitions.

Revenue at the Aim-listed firm jumped to £74.3m for the year ending 31 October, fuelling an 82 per cent jump in profit after tax, which hit £10.8m.

AFH Financial's FUM stood at £6.2bn by the end of the period, compared to £4.4bn a year earlier, with a 10 per cent increase in organic gross inflows.

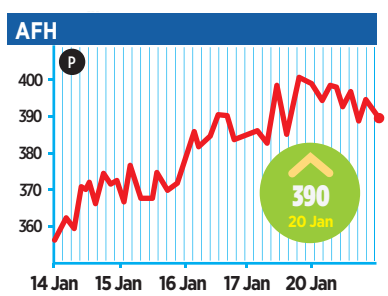
The firm completed eight acquisitions during the year, taking the number of acquisitions made since its 2014 float beyond 50.

"Although we have been acquiring within the sector, we've been doing very well... from an organic growth perspective, and I think that is in contrast with the investment-led models of the traditional wealth managers," chief executive Alan Hudson told *City A.M* yesterday..

AFH announced in September it would be easing off on further acquisitions and de-risk its business model through a "period of consolidation".

In November, it announced it had reached a £12m facility agreement with HSBC for further acquisitions, and AFH confirmed that none of the amount had yet been allocated.

Shares rose 1.3 per cent to 390p.



Spencer has pledged to contribute more than £25m to Element Ventures

Billionaire Icap founder Spencer backs British £100m fintech fund

ANNA MENIN

@annafmenin

MICHAEL Spencer, City grandee and founder of interdealer broker Icap, has become the cornerstone investor of a new UK fintech fund that is aiming to raise up to £100m.

Spencer will contribute at least £25m to the new fund, Element Ventures, via his investment vehicle IPGL. The fintech fund will focus on emerging firms that are developing technologies tackle challenges faced by the banking and financial services industries.

The investment is one of the largest made by the former Conservative party treasurer since he sold his trading technology firm Nex to the Chicago Mercantile Exchange for £3.9bn in 2018.

UK bond chief voices doubts over green gilts

ANNA MENIN

@annafmenin

THE HEAD of the UK's debt management office (DMO) has questioned the case for issuing so-called green government bonds, calling it a "symbolic" step unless investors were willing to pay more for the gilts.

Sir Robert Stheeman told the Financial Times the issuing of "green gilts" — government debt where proceeds are spent on environmentally-sustainable projects — could end up costing taxpayers more than normal bonds.

Stheeman, who has run the DMO since 2003, is in charge of raising billions of pounds per year in the bond market on behalf of the government, and has a mandate to keep costs down for taxpayers.

He told the paper he is sceptical that the issuing of green bonds would be cost effective, because it would be difficult to create a large and liquid market for the gilts.

"One of the natural ways you minimise cost is you try and ensure all your bonds are as liquid as possible," he said. "Smaller one-off bonds tend to fragment that process".

Rabobank joins £7.5m funding round in online mortgage platform Trussle

ANGHARAD CARRICK

@angharadcarrick

RABOBANK's strategic investment arm, Rabo Frontier Ventures, has contributed to a £7.5m funding round in online mortgage broker Trussle.

Rabo Frontier Ventures joined the latest round of funding alongside existing investors Goldman Sachs Merchant Banking Division, Finch Capital and Propel Venture partners.

It brings Trussle's total funding to £26.7m after it raised £13.6m in series B financing in May 2018.

Harrie Vollaard, head of Rabo Frontier Ventures, said: "The slow-moving and complex mortgage market is one of the biggest pain points of owning a home. Trussle is leading the way in reshaping the way people interact with their mortgage by utilising technology to make mortgages smarter, faster and fairer."

The tech startup recently expanded its senior leadership team, appointing chief technology officer Todd Zino and veteran banker Simon Williams as chairman.

Williams said the business is at a "pivotal" stage. Their appointments follow the abrupt departure of Trussle co-founder and chief executive, Ishaan Malhi at the start of the year.

Malhi set up Tressle with Jonathan Galore, a partner at private equity firm Silver Lake, in December 2015.

The tech startup has so far raised £26.7m following several funding rounds

BRITAIN SHOULD BE CONFIDENT IN POST-EU FUTURE

Kevin Ellis, chair at PwC, says the UK is in a strong position to lead global business

WITH the UK just days away from leaving the EU, one might think it would be a major talking point at the World Economic Forum in Davos. However — and perhaps refreshingly — conversations are largely focused on other geopolitical issues, those fundamental to our future global society, like inequality, societal divisions, and the climate crisis.

While there are differing views on what the next 12 months might hold, chief executive officers (CEOs) around the world are fairly united in their concerns and priorities. Their insight is more relevant than ever as the UK determines its future path, making our latest CEO survey one of the most important in its 23-year history.

What's striking in this year's survey — especially given the current political environment — is that the UK has become more attractive to some of our nearest European CEOs, including France and Germany. We're also the fourth most important territory in the world for growth.

These upbeat results are a helpful reminder that the UK is a relatively stable place in a world facing big challenges, and gives a timely sense of perspective.

The UK has other great credentials. These obviously include natural advantages such as an unbeatable location between the US, Asia and the rest of Europe and other strengths that have evolved overtime such as our fair and trusted legal system and business culture.

While our research shows CEOs worldwide predict slower global economic growth over the next year, the UK is in a strong position for the longer term if we can capitalise on our key characteristics.

Maintaining an open and globalised economy is crucial, as is an effective tax system. For example, it's quicker and easier to file taxes here than in most parts of the world, but there's clear scope for improvement through further digitisation.

Digitisation can also make our transport system more reliable, improve our productivity, make our cities greener, and so on.

But only if people have the right skills to innovate and reap the benefits.

CEOs globally say the availability of skills is the number one threat to their business and it's a top three concern for UK CEOs. Despite this, only about half of UK businesses at present are focused on improving the skills of their existing workers.

> "The UK has become more attractive to some of our nearest European CEOs

The UK is well-placed to take a lead, building on our eminence in education and our strong tech sector.

It requires more collaboration between businesses and educators, to map out and nurture the skills needed for a more automated world.

Moreover, policies and incentives are needed for regions most affected by automation — to help new types of business to grow, workers to transition, and small and medium sized businesses to support them.

Far more than just helping the UK become more attractive for investment, this is a societal obligation so that swathes of people don't get left behind. But in addressing the challenge, we'll boost the nation's reputation as a fair society where people want to work and do business.

This gets us back to the agenda at Davos — and how we can all help solve the bigger societal problems of the day such as climate change. This soared up the agenda for UK CEOs we interviewed this year, polling higher than concerns over populism, terrorism and access to captial. Having committed to achieving net-zero by 2050 the UK has a powerful incentive to help lead the charge and share its know-how.

So while it would be naive to suggest the coming years won't be challenging, if we can focus forwards and outwards the UK has every reason to be confident in its long-term future — our survey results suggest CEOs across many parts of the world would agree.

Kevin Ellis is chairman and senior partner of PwC UK

Climate change is major concern for UK business

EDWARD THICKNESSE

@edthicknesse

NEARLY two-thirds of UK chief executives believe that climate change presents a threat to their business, with 25 per cent saying they are "extremely concerned" about the issue.

According to PwC's annual global survey of chief executive officers (CEOs), UK business leaders consider climate change more of a threat to business than populism, terrorism, protectionism and access to capital.

The level of those "extremely concerned" has more than tripled since 2016, when it stood at seven per cent.

Globally, senior executives from Sri Lanka and New Zealand are the most concerned by climate change, at 86 and 83 per cent respectively.

Those from China and the Middle East were the least bothered, at 45 and 38 per cent respectively.

The UK, along with most of Europe, experienced a severe heatwave last summer

Perhaps most concerning was the fact that only 21 per cent of UK business leaders think that they are seeing effective change in climate change policies. Thus far, 57 per cent of organisations have assessed potential transition risks, but only 48 per cent have assessed the physical risk of climate change.

James Diggle, head of energy and climate change at the CBI, said: "Tackling climate change will require international action... from business."

PARTNER CONTENT

LONDON LINKS GET THE UK OFF THE GROUND

LONDON CITY AIRPORT

Richard Hill, Chief Commercial Officer of London City Airport

The events surrounding Flybe last week have put domestic connectivity right at the top of the agenda. While Flybe's situation is the last thing we want to see, the resulting examination of how best to support connectivity is a good thing.

Championing and investing in the regions is a priority for the government. Channel 4 is already relocating to Leeds and Conservative MPs have even floated the idea of moving a department to Darlington. However, this rebalancing should not be detrimental for London. As Sadiq Khan said in a speech last week, "clipping London's wings is not the answer if you want to help other cities and regions to soar". Without strong connections to London's financial, political, legal and cultural centres, efforts to boost the rest of the UK won't get off the ground.

It's important that people can quickly and easily move around the UK. But it is vital that people from across the country can quickly and easily get to and from central London. In the absence of high-speed rail, which has a limited reach and an uncertain future, aviation will remain the best way of achieving this for a long time to come.

London City Airport has always served this purpose. In 2019, for the first time ever, we saw over five million passengers travel to and from the airport. This success is due to the importance of London and our unique ability to provide people with a fast and convenient way of getting to where they want to go.

Today, 22 percent of our passengers are on flights to domestic destinations like Glasgow, Exeter, Jersey and the Isle of Man – more than double what other London airports manage.

Last year over 511,000 people flew between Edinburgh and London City Airport, making it our second most popular route. Since 2012 this link between two great capital cities has grown by about 60 percent, driven by a renewed financial sector and a burgeoning cultural exchange.

It's a similar story for Belfast, which has been revitalised in recent years. Of our top ten routes, Belfast grew the most in 2019 with approximately 211,000 people travelling between Northern Ireland and London via City Airport. Attractions like the historic Titanic Quarter mean this is two-way traffic, which has increased by nearly 75 percent since the route began in 2017.

We are continuing our role connecting the UK and central London this year, launching a route to Dundee in March. In fact, this route is returning to the airport having moved to Stansted in 2014. After that move passenger numbers shrunk to barely 21,000 per year from a peak of over 50,000 when flying into City. Announcing the return to LCY, local stakeholders said fast and frequent services to and from the centre of London were "the missing part of the puzzle". From March, Dundonians will be able to get there in 20 minutes from the airport for as little as £2.80 on the DLR.

It isn't just businesses that benefit either. 55 percent of our passengers are travelling for leisure, with trips to the Edinburgh Fringe and Devon's beaches popular. Soon they will also be able to visit the V&A in Dundee.

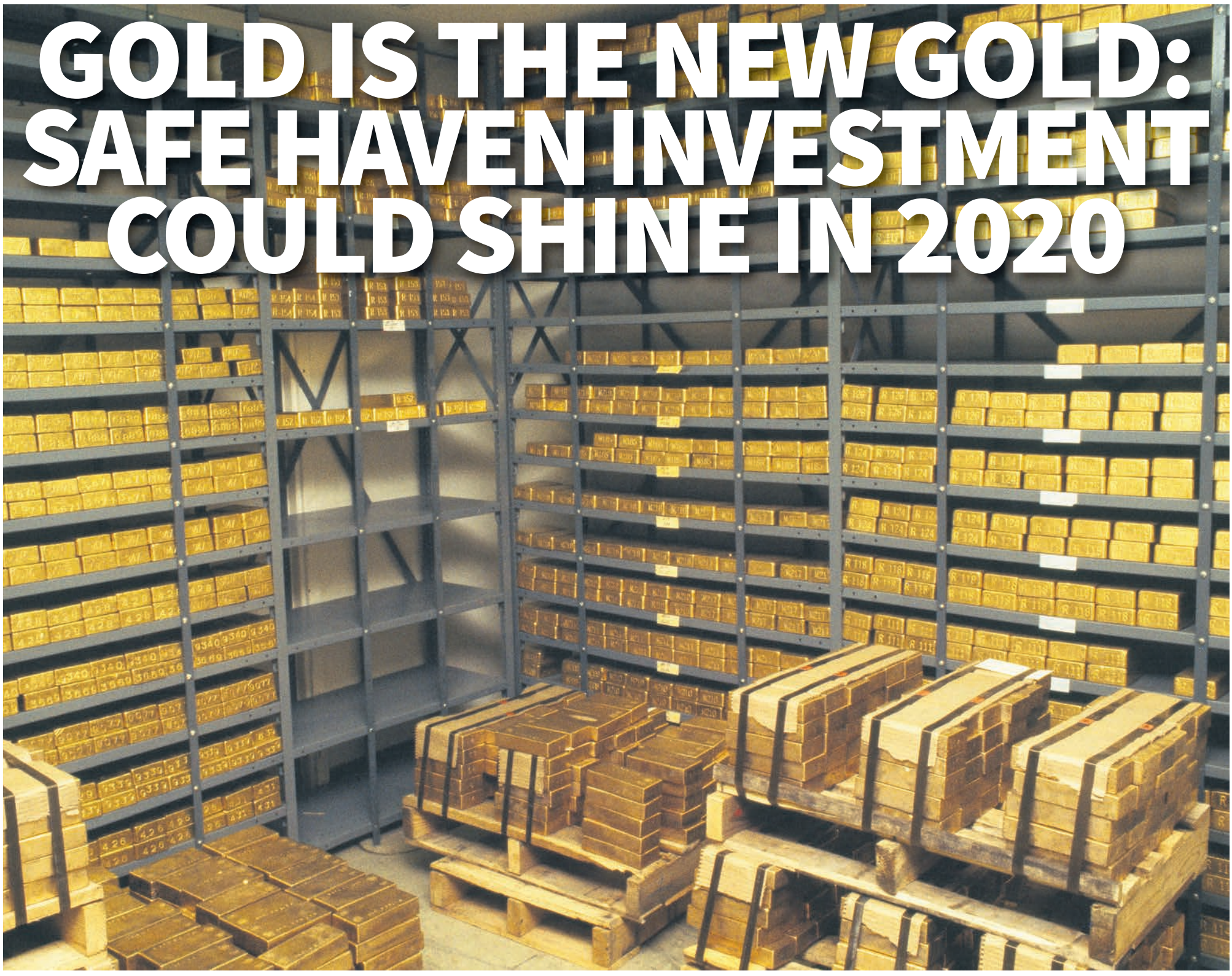
We have a proven model to make domestic connectivity work and we are investing in it. Our £500 million development programme is creating more capacity for flights to UK destinations. What's more, we are delivering that capacity quickly with new stands becoming operational soon.

If, as expected, the government looks at how to make flying a sustainable part of domestic connectivity in the coming weeks, a review of APD will be welcome. This double dip cost on both legs of your journey, in a competitive market and in the face of increasing costs, is a burden that doesn't tally with the value domestic flights have.

But it's essential that they consider connectivity from the passenger's perspective. The numbers show that they want fast, frequent and convenient ways of getting to and from central London. London City Airport is ready and willing to provide exactly that, as a vital cog in the machine that creates shared prosperity for the whole of the UK.

To find out more, please visit www.londoncityairport.com or @LondonCityAir on social media

GOLD IS THE NEW GOLD: SAFE HAVEN INVESTMENT COULD SHINE IN 2020



As government bonds lose their appeal, gold is set to regain its sparkle this year, says **Anna Menin**

THE START of 2020 has certainly been a rude awakening for traders returning to work after the Christmas break. Oil prices spiked after the US assassination of Iranian general Qasem Soleimani ignited tensions in the Middle East. Equities were shaken, and investors flocked to safe haven assets in a bid to shelter from the storm.

Although tensions between the US and Iran appear to have receded for now, global geopolitical uncertainty remains high.

One asset class above all looks set to benefit from this turbulence: gold.

The precious metal has climbed steadily over the past few months even as traders flitted between risk and retreat, with prices spiking in the aftermath of the US-Iran spat.

Gold surged over two per cent following the crisis to a seven-year high, breaking through the $1,600 (£1,228) per ounce barrier as investors rushed to the asset.

But can the yellow stuff retain this level of appeal — or gain even more — in the coming years?

Bridgewater, the world's largest hedge fund, certainly thinks so. Co-chief investment officer Greg Jensen last week backed gold for a record climb above $2,000 as geopolitical uncertainties mount.

While the precious metal tends to benefit from periods of global stress, the poor performance of another safe haven — government bonds — is also helping gold rise.

With debt-hungry investors saturating the market, bonds have become less appealing thanks to low, and sometimes even negative, yields.

Bond yields move inversely: as demand (and therefore prices) increase, yields fall. Because of this, it generally no longer pays to hold bonds — instead, investors must be willing to stump up for the security they offer.

"I see gold doing well because bond yields are so low and because the opportunity cost of holding gold is relatively low," says JP Morgan Asset Management strategist Thushka Maharaj.

Low starting yields also dent bonds' ability to act as a store of value, insulating investors against rising inflation, while gold generally performs well during both high and low inflation, she explains.

> "Gold acts as an insurance policy for rainy days during a time of high valuations and low yields

Last August, trade tensions between the US and China, coupled with mounting concerns over the rising risk of recession around the world, sparked a global bond rally.

Investors rushed en masse to the safety of government bonds, sending the yield on the benchmark 10-year US Treasury note diving to a three-year low.

Ole Hansen, Saxo Bank's head of commodity strategy, says this dramatic drop "really helped bring the focus back to gold, which had been kind of left alone for the previous four years".

Hansen is confident this "renewed demand is going to stick", because gold acts as an "insurance policy for rainy days" during a time of high valuations, low earnings expectations, and low yields.

Maharaj agrees that the gold rally "will continue as long as bond yields remain low" — as is expected in the coming years.

But, of course, no asset can perfectly protect investors. All safe haven assets have their own opportunity costs — for gold, this is a relatively low expected return compared to many other assets. "You have to think about diversifying the safety in your portfolio just as much as you think about diversifying the return-seeking aspect," says Maharaj.

As well as balancing gold alongside other prominent safe havens such as bonds or sovereign currency, there are also many different ways to invest in the precious metal.

"Normally I would say if you are looking to have exposure to gold, just go through some of the major exchange-traded funds (ETFs) which have shown their robustness throughout the past 10 years," says Hansen.

"If you are going for physical gold, then there are a few challenges with storage, transportation, and insurance," he adds.

Gold is undoubtedly reasserting its status as an archetypal safe haven asset at the moment, and while he doesn't name a figure, Hansen agrees with Jensen's prediction that it could soon hit another record.

"I would definitely not go against the potential for gold making a new high," he says. "Whether it's going to be this year or next really depends on how other markets develop."

With global tensions rumbling on — in some cases, very close to the surface — gold doesn't seem set to lose its shine anytime soon.

Podcast firm Audioboom boosts its revenue amid an advertising frenzy

JAME WARRGINTON

@j_a_warrington

PODCAST company Audioboom yesterday posted a sharp rise in revenue for the year after ramping up its share of advertising spend in the rapidly growing audio market.

The Aim-listed firm reported a 91 per cent increase in revenue to $22.2m (£16.9m) in the year to the end of December, while its loss before interest, tax, depreciation and amortisation was $3m, down from $4.7m in 2018.

Audioboom, which hosts podcasts including the Totally Football Show and Sue Perkins: An Hour Or So With..., hailed an "incredible" year and said it had exceeded market expectations for the first time in its history.

It boosted its brand advertisers count and increased global revenue per 1,000 downloads in the final month of the year. Audioboom has also benefitted from its focus on premium content, where advertising impressions rose 60 per cent to 1.6bn.

"Once again we outpaced the industry and enhanced our position as a global leader in podcasting," said chief executive Stuart Last.

While Audioboom is still yet to turn a profit, it has pared down its loss significantly over the last year through a cost-cutting plan.

Earlier this year the podcast platform opened two new studios in New York as it seeks to expand its slate of original shows.

Audioboom produces popular podcasts including the Totally Football Show

Online retailer Sosandar beats sales forecasts

JESS CLARK

@jclarkjourno

ONLINE fashion brand Sosandar said it expects full-year sales to beat market expectations following soaring growth at the end of last year, avoiding the gloom affecting many high street retailers.

The Aim-listed retailer said investment in customer acquisition drove revenue up 136 per cent to £3.8m in the three months to 31 December, exceeding the £2.8m reported in the first half of the year.

The sales growth was driven by product rate expansion and investment in TV advertising to attract new shoppers. The firm's customer database jumped 109 per cent to 207,672 during the period.

The mid-range fashion brand was set up by former Look magazine founders Ali Hall and Julie Lavington in 2016.

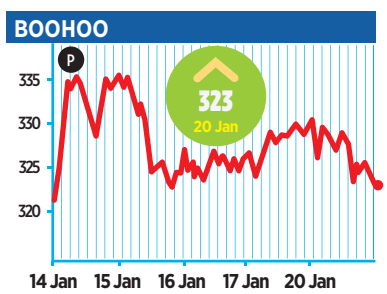
Its strong performance in the fourth quarter comes against a background of tough trading conditions for bricks-and-mortar retailers. Meanwhile online fashion brands, such as industry giant Boohoo which hiked guidance earlier this month following record quarterly sales, continue to thrive.

In a statement yesterday Hall and Lavington said: "The opportunity we identified appears to be bigger than we first through, with the success of new product areas helping to drive repeat purchases increasing the potential for future ranges.

"This has been enhanced by the successful trial in TV advertising which... expands our ability to attract more new customers than originally anticipated."

They added that repeat customers figures were up in January — a traditionally difficult trading period.

Investors failed to heed the positive announcements, with Sosandar shares falling almost eight per cent to 26.01p yesterday.



TI Media owns a roster of popular titles including Country Life magazine

Competition watchdog probes Future's merger with TI Media

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THE COMPETITION and Markets Authority (CMA) announced yesterday that it is investigating whether Future's proposed acquisition of TI Media could harm competition.

In October 2019, the publisher said it planned to acquire magazine printer TI Media, which owns popular titles Country Life and Marie Claire, for £140m in cash.

The CMA said it was considering whether the merger would create a situation that "may be expected to result in a substantial lessening of competition".

The acquisition would extend Future's offering in its core brands of gaming and entertainment, technology and home interest. The addition of TI Media's brands would give Future over 220 brands globally.

The UK watchdog is inviting comments on the transaction from any interested party until 31 January, and the deadline for the phase one decision is 16 March 2020.

Shopping firm Rezolve signs Huawei tie-up

JAMES WARRINGTON

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MOBILE shopping firm Rezolve has bagged a bumper deal with Huawei to embed its technology into the controversial Chinese tech giant's phones.

The new capability will be available from March, when Rezolve will reveal further tie-ups with retailers, restaurants and media partners.

The technology allows consumers to make purchases by using their phone's camera and microphone to interact with physical surroundings such as product labels and posters.

The London-based startup did not disclose financial details of the deal, but said it expected more than 200m people in Europe to have access to the software by the end of the year, rising to 500m when it is launched elsewhere.

Huawei is currently under fierce scrutiny over its role in the UK's 5G infrastructure amid fears its kit could be used for spying by authorities in Beijing — an allegation the company has always denied.

However, Rezolve chief executive Dan Wagner told *City A.M.* he was not concerned about security issues and played down accusations of espionage. "I think it's more of a tactical negotiating thing, it's not entirely down to Huawei," he said.

Montague was the only host on the Today show not to be paid more than £150,000

BBC pays Sarah Montague £400,000 following years of unequal salaries

JAMES WARRINGTON

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RADIO presenter Sarah Montague yesterday revealed that she won £400,000 and an apology from the BBC for being paid "unequally" over many years.

Montague, who hosts Radio 4's World at One, said she secured the settlement last year after a "long period of stressful negotiations".

In a series of tweets yesterday morning, the veteran journalist said she did not want to discuss her pay, but felt she had to respond to "erroneous" newspaper reports.

"When I discovered the disparity in my pay and conditions, I was advised that rectifying it all could run into the millions," she said. "I chose not to seek such sums from the BBC but I did want some recognition that they had underpaid me."

It followed incorrect reports yesterday that the BBC had paid her up to £1m. In 2018 Montague said she was "incandescent with rage" after discovering she was being paid less than her colleagues on the Today programme, where she was a presenter.

Montague was paid £133,000 a year for Today or more, while former co-host John Humphrys earned more than £600,000.

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

LONDON REPORT

FTSE slips amid BoE cut betting and Brexit fears

RECURRING fears of a hard Brexit and bets that the Bank of England (BoE) will cut interest rates hit London's FTSE 100 yesterday, while premium tonic water maker **Fever-Tree** endured its worst day ever.

The main index, which hit a near six-month high in the previous session, gave up 0.3 per cent. **British American Tobacco** weighed the most, while **Shell** and **BP** weakened despite a jump in crude prices.

UK-exposed banks including **Lloyds** and **RBS** were lower, as expectations that the BoE will ease policy this month continue to rise.

But homebuilders **Persimmon**, **Barratt** and **Berkeley** advanced about two per cent each. Lower interest rates make it easier for consumers to take out mortgages to buy houses.

The FTSE 250 was 0.2 per cent lower, with **Capita** dropping 4.2 per cent after UBS downgraded the stock. Separately, a media report on Saturday said the company was planning a £200m sale of a clutch of units.

Also weighing on sentiment were comments from UK finance minister Sajid Javid that Britain would not commit to sticking to European Union rules in post-Brexit trade talks.

Still, both benchmark indexes avoided any major shocks as overall trading volume remained thin, with US markets closed for the Martin Luther King Jr. holiday.

Though sharp moves were scant, Fever-Tree sank 27 per cent on its worst day ever after warning that annual revenue growth would be below its expectations following subdued trading over Christmas.

Intu Properties, which shed more than 70 per cent in value last year amid a string of bankruptcies on Britain's beleaguered high street, ended one per cent lower after saying it was targeting an equity raise.

Fever-Tree's shares plunged more than 27 per cent yesterday

Its shares had earlier tumbled as much as 10 per cent to a record low, while those of peer **Hammerson** gave up 3.7 per cent.

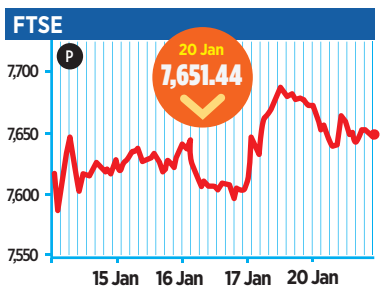
Defence company **BAE Systems** outperformed the blue-chips with a 3.7 per cent gain after saying it would buy two units being offloaded.

TOP RISERS

1. **BAE Systems** Up 3.68 per cent
2. **Barratt** Up 2.13 per cent
3. **Berkeley** Up 2.02 per cent

TOP FALLERS

1. **NMC Health** Down 3.69 per cent
2. **Burberry** Down 2.23 per cent
3. **IAG** Down 1.73 per cent



BEST OF THE BROKERS

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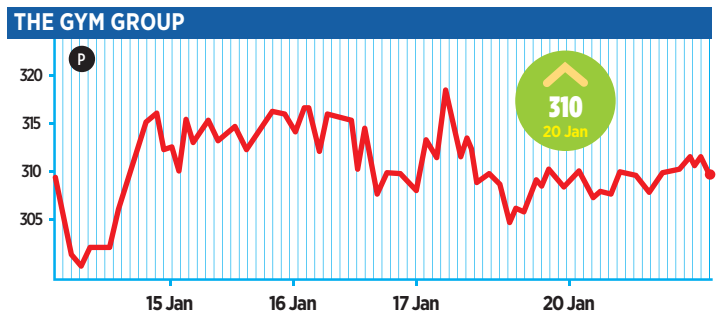
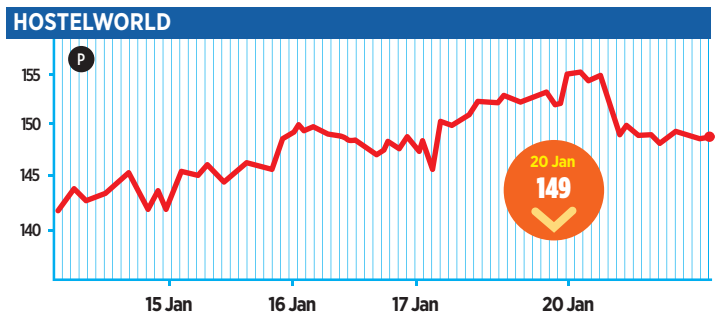
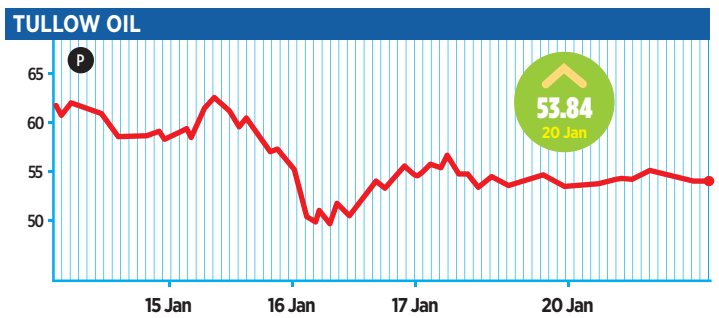


Analysts at Liberum may have put the Gym Group through its paces, but the company needn't have broken a sweat. Its latest trading statement showed trading is on track to meet expectations with revenue growth of more than 23 per cent to £153.1m. This was driven by a rise in average members to 796,000, while average revenue per member per month rose to £16.02. For Liberum, the Gym Group's hard work is starting to pay off, and they reckon the outlook is "encouraging". The analysts gave the fitness chain a "buy" rating with a target price of 330p.



Hostelworld also booked its interim figures, but the outlook was less rosy at the budget travelling firm. Peel Hunt said Hostelworld was continuing to invest in its product offering to travellers and accommodation owners, but while doing so is continuing to lose market share. Management said full-year earnings were expected to be below 2018 as bookings slowed, while revenue also slipped. Peel Hunt cut its earnings per share forecast by 14 per cent for the year reflecting the need for investment. They gave an "add" rating with a target price of 165p, down from 260p.



Tullow Oil was hoping for a rather more positive start to the new year after its huge share price drop in December but alas, it wasn't to be. Its latest trading update revealed a writedown of $1.5bn (£1.15bn) after lowering its long-term price outlook. This was worse than expected, said Canaccord Genuity, who complained that the update provided little other information. The brokers said the nub of the issue still boiled down to the outlook for Ghana, which remained risky. They maintained Tullow's "hold" rating with a slightly improved target price of 60p.

EUROPE REPORT

Europe shares inch lower as data looms

EUROPEAN shares retreated from recent peaks yesterday as investors paused before launching into a week packed with economic data and the European Central Bank's first policy meeting of the year.

The pan-European Stoxx 600 index was down about 0.1 per cent, after ending at a record high on Friday on optimism around US-EU trade talks. Market activity was thin because of a holiday in the United States.

The benchmark European index has risen about two per cent so far this month, as investors bet on a recovery in global growth amid cooling US-China trade tensions.

"We are seeing a little bit of a pullback, having seen a very good run in markets since the start of the year," said Craig Erlam, senior market analyst at Oanda in London, adding that there was also some profit taking ahead of a "big week" consisting of US corporate earnings and the World Economic Forum in Davos.

Markets will also be watching for the Purchasing Manager's Index (PMI) from the euro zone on Friday, with a recent Reuters poll showing that economists expect a slowdown in the bloc to have bottomed out in 2019.

Comments from ECB chief Christine Lagarde at the central bank's first policy meeting for the year on Thursday will also be a point of interest. The bank is expected to keep the deposit rate unchanged after cutting it in September for the first time since 2016.

"We got a massive policy stimulus announced a few months ago, and it's going to take some time for that to filter through to the financial system," Oanda's Erlam said.

For the day, the retail subindex was the worst performing sector, with Switzerland's **Dufry** leading losses with a 4.5 per cent drop.

Air France dropped to the bottom of the STOXX 600 after Davy Research downgraded the stock citing short-term pressures from its restructuring.

German stocks bucked the trend, rising about 0.2 per cent on strength in financials.

CITY MOVES WHO'S SWITCHING JOBS

GROSVENOR

Property firm Grosvenor has announced the appointment of Tor Burrows as director of sustainibility and innovation — a new role designed to galvanize delivery of our environmental goals for 2030 which will see the business become net carbon zero. Tor will sit on the business' executive committee and lead a team that combines the current sustainability and innovation functions. She has most recently held the position of director of placemaking at Grosvenor in Britain and Ireland, having worked in the business for nearly a decade. Tor is part of the Westminster Property Association's senior advisory committee and sits on the good growth committee of London's West End Partnership. James Raynor, chief executive officer (CEO) of Grosvenor for Britain and Ireland, said: "Tor understands Grosvenor exceptionally well, having worked in different roles across the estate for nearly ten years. I am delighted to start my tenure as CEO with such a critical appointment."

UHY HACKER YOUNG

National accountancy group UHY Hacker Young has appointed Robert Kidson as managing director in its corporate finance team. Robert joins UHY Hacker Young after being partner and head of corporate finance in London at MHA Macintyre Hudson for over four years. Robert started his career at Barclays and held senior positions at a number of leading investment banks before moving into corporate finance. Robert will continue to focus on advising owner managed businesses on mergers and acquisitions and finance raising having completed over 150 transactions over the last 27 years. Laurence Sacker, managing partner at UHY Hacker Young London, commented: "Robert has an excellent track record in advising owner managed businesses on mergers and acquisitions and corporate fundraising. His skills will add enormous value to UHY Hacker Young's corporate finance offering."

BFINANCE

Independent investment consultancy Bfinance has announced the appointment of prominent former LGPS investor Trevor Castledine as senior director of private markets. Trevor brings over 25 years' experience in financial services, pensions and investments. He was formerly deputy chief investment officer (CIO) and private credit investment director at LPP, and prior to that was deputy CIO at Lancashire County Pension Fund. Peter Hobbs, managing director and head of private markets said: "We are delighted to have Trevor join the team, bringing extensive experience in private markets including private credit, private equity and real estate, as well as his deep understanding of the needs of pension funds."

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FTSE 100	FTSE 250	FTSE ALL SHARE	DOW JONES	NASDAQ	S&P 500
7651.44	21847.04	4245.57	29348.10	9388.94	3329.62
23.12 ↓	39.04 ↓	12.36 ↓	CLOSED →	CLOSED →	CLOSED →

£					
/€	1.1726	↓ 0.0017	€/$	1.1083	↓ 0.0009
/$	1.2996	↓ 0.0032	€/£	0.8528	↑ 0.0013
/¥	143.19	↓ 0.3200	€/¥	122.11	↓ 0.0900

GILTS

	Price	Chg	High	Low
Tsy 4.750 20	100.53	-0.01	104.4	100.5
Tsy 8.000 21	110.33	-0.04	117.0	110.3
Tsy 2.500 24	363.40	-0.02	377.9	358.8
Tsy 5.000 25	123.12	-0.08	126.0	122.1
Tsy 4.250 27	128.94	-0.12	132.8	125.5
Tsy 6.000 28	147.11	-0.15	152.1	143.3
Tsy 4.125 30	382.98	-0.20	404.2	364.5
Tsy 4.250 32	140.65	-0.24	146.4	132.7
Tsy 4.250 36	148.61	-0.40	155.7	137.9
Tsy 4.750 38	163.19	-0.53	171.8	150.5
Tsy 4.250 46	170.51	-0.85	181.0	1.0

AEROSPACE & DEFENCE

	Price	Chg	High	Low
BAE Systems	647.6	23.0	647.6	443.9
Cobham	164.5	0.0	168.3	99.8
Meggitt	697.0	-0.4	697.4	489.9
QinetiQ	370.0	7.0	370.0	267.0
Rolls-Royce	664.4	-11.4	988.4	664.4
Senior	170.0	-1.7	239.2	165.7
Ultra Electronics	2268.0	4.0	2292.0	1232.0

AUTOMOBILES & PARTS

	Price	Chg	High	Low
Aston Martin	442.6	-9.4	1374.4	399.3
TI Fluid Systems	242.5	3.5	273.0	155.2

BANKS

	Price	Chg	High	Low
Barclays	175.0	-0.2	192.5	136.2
BGEO Group	1556.0	-25.0	1755.0	1252.0
HSBC Hldgs	592.4	-1.6	680.6	552.3
Lloyds Banking	57.9	-0.6	67.2	48.6
Royal Bank of Scot	222.7	-2.0	270.4	177.7
Standard Chartered	699.4	-2.6	738.6	575.7
TBC Bank Group	1266.0	-4.0	1706.0	1150.0
Virgin Money UK	171.7	-2.4	220.1	104.4

BEVERAGES

	Price	Chg	High	Low
Barr (AG)	551.0	-20.0	975.0	526.0
Britvic	900.0	25.5	1068.0	850.0
Coca-Cola HBC AG	2779.0	13.0	3074.0	2299.0
Diageo	3272.5	-8.5	3625.5	2701.0

CHEMICALS

	Price	Chg	High	Low
Croda International	5105.0	-15.0	5375.0	4564.0
Elementis	137.2	-4.7	197.9	129.8
Johnson Matt	2800.0	-41.0	3454.0	2770.0
Synthomer	323.4	-0.6	420.8	279.0
Victrex	2456.0	28.0	2540.0	1845.0

CONSTRUCTION & MATERIALS

	Price	Chg	High	Low
Balfour Beatty	262.0	0.2	295.0	194.2
CRH	2969.0	2.0	3100.0	2170.0
Galliford Try	139.4	-3.4	177.2	102.4
Grafton Group	896.5	1.5	937.0	645.5
Ibstock	291.4	-1.6	322.0	208.6
Marshalls	793.5	-8.0	876.0	496.0
Polypipe Group	531.0	5.0	546.5	372.8

DIVERSIFIED INDUSTRIALS

	Price	Chg	High	Low
Smith (DS)	357.7	-0.9	394.8	307.9
Smiths Gp	1751.0	18.0	1751.0	1378.0
Smurfit Kappa Gp	2736.0	18.0	2966.0	2096.0
Vesuvius	469.8	14.8	642.0	341.0

ELECTRICITY

	Price	Chg	High	Low
Contour Global	205.5	5.5	222.5	159.1
Drax Gp	287.2	5.2	412.0	251.0
SSE	1496.0	1.0	1496.0	1008.0

ELECTRONIC & ELECTRICAL EQUIPMENT

	Price	Chg	High	Low
Halma	2137.0	-18.0	2164.0	1390.0
Morgan Advanced	320.0	1.8	324.8	232.4
Oxford Instruments	1594.0	-4.0	1626.0	866.0
Renishaw	3676.0	-14.0	4670.0	3232.0
Spectris	2820.0	2.0	2962.0	2234.0

EQUITY INVESTMENT INSTRUMENTS

	Price	Chg	High	Low
3i Infrastructure	303.5	1.0	306.5	264.1
Aberforth Smlr Cos	1508.0	0.0	1546.0	1114.0
Alliance Trust	872.0	4.0	872.0	708.0
AVI Global Trust	802.0	2.0	802.0	696.0
Baillie Gifford Japan	842.0	1.0	848.0	711.0
Bankers InvTst	1032.0	2.0	1032.0	803.0
BlackRock Smaller	1724.0	2.0	1726.0	1280.0
BMO Global Smaller	147.9	-0.6	150.0	127.0
Caledonia Inv	3125.0	5.0	3180.0	2910.0
City of London IT	444.0	0.0	448.5	381.5
Edin Inv Trust	629.0	-4.0	652.0	535.0
European Opp	873.0	3.0	875.0	675.0
F&C Investment	783.0	1.0	783.0	655.0
Fidelity China SPE	253.0	1.5	253.0	193.4
Fidelity Euro Values	268.5	1.0	268.5	214.0
Fidelity Spec Val	278.5	0.0	280.5	240.5
Finsbury G&I Tst	887.0	-3.0	958.0	757.0
GCP Infra Inv	132.2	-1.2	133.4	122.6
Genesis Emerging	818.0	0.0	818.0	664.0
Greencoat UK	147.6	0.0	152.8	128.8
Harbourvest Glb	1838.0	8.0	1838.0	1406.0
Herald Inv Trust	1502.0	2.0	1514.0	1175.0
HICL Infr	178.0	-2.0	180.0	156.6
JPM American	506.0	0.0	506.0	411.0
JPM Emerg Mkt	1088.0	6.0	1088.0	861.0
JPM Indian IT	757.0	-7.0	790.0	633.0
JPM Japan IT	472.0	2.5	477.5	368.0
Jupiter Fund Mngt	386.2	-1.8	432.0	314.0
Law Debenture	646.0	-4.0	654.0	552.0
Mercantile IT	264.0	0.0	267.5	188.0
Monks Inv Tst	995.0	-2.0	997.0	768.0
Murray Intl Tst	1262.0	-2.0	1286.0	1114.0
Next Energy Solar	124.0	0.0	126.5	114.0
Pantheon Intl Partn	2505.0	10.0	2620.0	2020.0
Perpetual Inc & Grth	331.5	1.5	342.0	284.5
Pershing Square	1578.0	2.0	1578.0	1126.0
Personal Assets Tst	43300	200	43300	39000
Polar Cap Tech Tst	1680.0	-2.0	1682.0	1154.0
Renewables Infra Gp	136.0	0.2	139.2	115.4
RIT Cap Partners	2085.0	5.0	2180.0	1946.0
Schroder Asia	485.5	2.0	485.5	412.0
Scottish Inv Tst	818.0	-6.0	843.0	769.0
Scottish Mortgage	597.5	-1.0	601.5	465.7
Sequoia Econ Infra	117.6	-1.0	118.6	110.0
Smithson Inv	1346.0	4.0	1346.0	1030.4
Syncona	220.0	2.5	294.0	203.0
Temple Bar IT	1424.0	-2.0	1486.0	1162.0
Templeton Em Mkts	876.0	6.0	876.0	716.0
Vietnam Enterprise	480.0	4.5	509.0	421.5
VinaCapital Vietna	327.0	1.5	357.5	323.0
Witan Invest	234.5	0.0	235.0	197.4
Wwide Healthcare	3255.0	0.0	3255.0	2495.0

FIXED LINE TELECOMMUNICATIONS

	Price	Chg	High	Low
BT Gp	180.8	-3.3	238.0	158.9
Talktalk Telecom	114.4	-1.1	126.5	96.5
Telecom Plus	1508.0	-26.0	1534.0	1130.0

FOOD & DRUG RETAILERS

	Price	Chg	High	Low
Greggs	2406.0	-18.0	2476.0	1546.0
Morrison (WM)	189.2	-1.8	245.8	176.9
Ocado Gp	1327.5	-7.0	1435.0	873.8
Sainsbury(J)	216.0	-0.4	293.9	177.1
SSP Group	664.0	-19.0	721.0	608.0
Tesco	246.2	-2.4	258.9	212.6

FOOD PRODUCERS

	Price	Chg	High	Low
Assoc British Foods	2628.0	-32.0	2672.0	2106.0
Bakkavor	139.4	0.4	170.0	93.3
Cranswick	3574.0	-140.0	3714.0	2472.0
Greencore Gp	245.0	-1.3	281.8	185.1
Hilton Food Gp	1030.0	0.0	1118.0	894.0
Tate & Lyle	801.4	3.4	801.4	663.8
Unilever	4400.5	0.5	5324.0	3941.0

FORESTRY & PAPER

	Price	Chg	High	Low
Mondi	1622.5	18.5	1898.0	1510.5

GENERAL FINANCIAL

	Price	Chg	High	Low
3i Group	1124.0	-2.5	1184.5	810.8
Ashmore Gp	556.5	-7.0	563.5	387.6
Brewin Dolphin	361.2	-3.2	375.2	287.6
Close Brothers	1577.0	-18.0	1663.0	1227.0
Coats Group	79.1	0.5	91.3	68.1
Finablr	136.5	0.1	215.0	126.0
Hargreaves Lans	1777.0	-23.5	2433.0	1633.0
IG Gp	685.6	4.4	708.0	474.8
Integrafin Holdings	455.0	5.0	462.0	334.1
Intermediate Capital	1695.0	24.0	1695.0	971.5
Intl Public Prtnshps	170.0	-1.2	171.2	146.8
Investec	437.3	-1.7	518.6	395.3
IP Group	66.7	-0.3	112.4	55.7
John Laing Gp	392.0	2.0	402.0	349.8
London Stock Exch	7624.0	-16.0	7766.0	4413.0
Man Group	155.2	1.6	175.2	130.5
Onesavings	410.4	-2.2	452.0	313.6
Paragon	488.2	-8.6	553.5	388.0
Plus500	919.0	-3.2	1647.0	495.0
Provident Fin	462.9	-0.4	610.0	356.0
Quilter	155.7	0.5	167.6	120.8
Rathbone Brothers	2005.0	-45.0	2540.0	2005.0
Schroders	3246.0	-51.0	3419.0	2541.0
TP ICAP	403.0	-0.9	417.5	270.0

GENERAL RETAILERS

	Price	Chg	High	Low
B&M	375.7	-6.8	420.9	315.0
Dixons Carphone	142.4	-1.6	150.0	104.9
Dunelm Gp	1129.0	-27.0	1173.0	704.5
Frasers Group	511.0	-3.5	518.0	214.0
Howden Joinery Gp	698.0	0.2	698.0	478.8
Inchcape	700.0	0.0	720.0	545.5
JD Sports Fashion	865.2	-8.8	874.0	441.5
Just Eat	882.0	-3.0	901.0	587.4
Kingfisher	212.0	1.7	266.2	185.9
Marks & Spencer	187.8	0.8	303.2	163.9
Next	6924.0	-14.0	7340.0	4724.0
Pets at Home Gp	280.2	-3.6	287.8	126.8
Vivo Energy	117.8	-0.2	139.5	111.4
Watches of Switz	378.0	-9.6	390.8	270.0
WH Smith	2548.0	-20.0	2654.0	1876.0

HEALTH CARE EQUIPMENT & SERVICES

	Price	Chg	High	Low
Convatec	205.5	-7.3	217.3	118.5
Mediclinic Intl	403.4	-6.6	415.3	293.4
NMC Health	1500.0	-57.5	3000.0	1256.5
Smith & Neph	1889.5	-2.5	1990.0	1405.5
UDG Hlthcare	822.0	12.0	832.5	551.0

HOUSEHOLD GOODS

	Price	Chg	High	Low
Barratt Devel	816.4	17.0	816.4	532.6
Bellway	4055.0	51.0	4055.0	2698.0
Berkeley Grp Hldgs	5142.0	102.0	5214.0	3437.0
Countryside Prop	502.5	3.5	502.5	277.6
Crest Nicholson	444.0	2.0	445.0	332.0
McCarthy & Stone	147.0	-0.2	158.8	123.5
Persimmon	2948.0	57.0	2948.0	1836.0
Reckitt Benckiser	6133.0	-78.0	6688.0	5593.0
Redrow	792.0	18.0	792.0	533.0
Taylor Wimpey	214.4	2.0	214.4	142.9
Vistry Group	1356.0	6.0	1399.0	975.0

INDUSTRIAL ENGINEERING

	Price	Chg	High	Low
Bodycote	927.0	10.0	971.0	652.0
Hill & Smith	1446.0	6.0	1510.0	1049.0
IMI	1184.5	6.0	1206.0	906.0
Melrose Ind	237.9	1.7	242.3	156.8
RHI Magnesita	3702.0	-52.0	5000.0	3420.0
Rotork	327.2	1.5	341.2	267.6
Spirax-Sarco	9155.0	-20.0	9400.0	6240.0
Weir Gp	1450.0	-1.0	1814.0	1261.5

INDUSTRIAL METALS

	Price	Chg	High	Low
Evraz	426.2	7.4	709.4	341.4
Ferrexpo	156.2	0.1	301.3	123.0

INDUSTRIAL TRANSPORTATION

	Price	Chg	High	Low
Clarkson	3045.0	-30.0	3075.0	2200.0
Fisher (James)	2000.0	-20.0	2260.0	1790.0
Royal Mail	209.9	-3.3	304.3	188.4
Signature Avi	324.9	0.0	406.0	285.2

LEISURE GOODS

	Price	Chg	High	Low
Games Workshp	6900.0	-105.0	7005.0	2800.0

LIFE INSURANCE

	Price	Chg	High	Low
Aviva	408.8	1.1	438.8	352.3
Lancashire Hldgs	760.0	0.0	780.5	561.5
Legal & General	302.2	3.0	317.7	216.7
Phoenix Gp	738.7	-4.3	758.7	627.6
Prudential	1415.0	-1.5	1790.0	1279.5
St James Place	1108.5	-2.0	1199.5	913.6
Std Life Aberdeen	313.9	-2.0	336.9	231.1

MEDIA

	Price	Chg	High	Low
4imprint	3380.0	-20.0	3500.0	1917.5
Ascential	407.6	-4.8	421.2	319.0
Auto Trader Gp	583.6	10.2	607.6	448.4
Euromny Inst Inv	1312.0	2.0	1498.0	1152.0
Future	1446.0	0.0	1572.0	512.0
Informa	857.4	-6.2	892.0	675.2
ITV	145.9	-0.1	156.5	103.6
Moneysupermkt.com	328.4	-4.2	417.7	290.3
Pearson	588.6	0.0	943.8	563.4
RELX	1995.0	-9.0	2011.0	1606.0
Rightmove Group	663.0	-0.4	663.4	465.9
WPP	1017.5	-2.0	1077.5	800.4

MINING

	Price	Chg	High	Low
Anglo American	2240.5	-5.0	2266.0	1666.6
Antofagasta	976.2	-7.8	1022.5	779.6
BHP Group	1841.2	-10.4	2049.0	1563.0
Centamin	128.6	0.6	152.3	79.8
Fresnillo	649.0	8.8	1027.5	539.6
Glencore	241.8	-1.4	340.3	216.9
Hochschild Mining	173.0	2.7	227.0	152.0
Kaz Minerals	554.8	-6.2	738.4	380.3
Polymet Int	1260.5	11.5	1272.0	772.6
Rio Tinto	4677.0	26.0	4976.5	3761.5

MOBILE TELECOMMUNICATIONS

	Price	Chg	High	Low
Vodafone Gp	155.0	0.6	165.2	123.3

NONLIFE INSURANCE

	Price	Chg	High	Low
Admiral Gp	2310.0	-20.0	2330.0	2014.0
Beazley	533.0	-0.5	628.0	492.6
Direct Line Ins	331.8	-3.0	366.5	270.5
Hastings Gp Hldgs	180.9	3.5	231.6	167.9
Hiscox	1353.0	-16.0	1777.0	1213.0
RSA Ins Gp	554.8	-2.2	597.0	501.6

OIL & GAS PRODUCERS

	Price	Chg	High	Low
BP	493.5	-2.9	582.5	462.4
Cairn Energy	191.5	-2.2	213.8	143.1
Energean Oil & Gas	868.0	-7.0	1082.0	613.3
Premier Oil	115.4	-1.4	118.7	65.1
Royal Dutch Shell A	2242.0	-6.5	2612.0	2144.5
Royal Dutch Shell B	2252.5	-12.5	2622.0	2126.5
Tullow Oil	53.8	0.5	250.0	39.9

OIL EQUIPMENT & SERVICES

	Price	Chg	High	Low
Hunting	356.8	0.2	657.0	356.6
Petrofac	383.4	2.7	559.0	374.4
Wood Gp(J)	404.0	10.8	598.6	319.6

PERSONAL GOODS

	Price	Chg	High	Low
Burberry Gp	2277.0	-52.0	2345.0	1695.0
PZ Cussons	201.0	1.0	227.0	178.6

PHARMACEUTICALS & BIOTECHNOLOGY

	Price	Chg	High	Low
AstraZeneca	7837.0	-41.0	7878.0	5325.0
Dechra Pharma	2890.0	56.0	3068.0	2290.0
Genus	3092.0	8.0	3246.0	2158.0
GlaxoSmithKline	1838.0	-8.0	1846.0	1436.0
Hikma Pharma	1954.0	-1.5	2200.0	1510.5

REAL ESTATE

	Price	Chg	High	Low
Assura	77.3	-0.7	79.3	54.9
Big Yellow Gp	1165.0	6.0	1200.0	933.0
BMO Comm Prop	113.0	0.6	130.4	106.0
British Land	581.4	-6.6	638.8	468.3
Captl & Count Prop	263.3	-1.9	270.5	184.8
CLS Hldgs	285.0	0.0	312.5	212.0
Daejan Hldgs	5250.0	-30.0	6160.0	4715.0
Derwent London	4170.0	-16.0	4186.0	2884.0
Grainger	300.0	-2.0	315.6	217.4
Grt Portland Est	933.8	2.6	933.8	649.4
Hammerson	255.2	-9.9	388.4	203.9
Land Securities	971.4	-8.8	1001.5	735.4
LondonMetric Prop	232.2	-1.8	241.2	176.6
NewRiver Retail	193.4	-0.2	246.0	147.6
Primary Hlth Prop	159.4	-0.8	160.2	112.0
Safestore Hldgs	777.5	4.0	817.5	536.5
Savills	1222.0	14.0	1232.0	781.0
SEGRO	894.6	-9.2	903.8	625.4
Shaftesbury	924.5	1.5	979.5	739.5
St Modwen Props	499.0	-1.0	510.0	373.0
TR Property IT	484.5	-1.0	491.5	377.0
Tritax Big Box	140.9	-0.6	159.7	135.3
UK Commercial Prop	87.5	0.4	92.7	79.9
Unite Group	1274.0	-3.0	1277.0	873.5
Workspace Gp	1175.0	4.0	1198.0	806.0

SOFTWARE & COMPUTER SERVICES

	Price	Chg	High	Low
Avast	523.0	-2.0	525.0	276.0
Aveva Gp	5035.0	-20.0	5055.0	2712.0
Computacenter	1753.0	3.0	1829.0	1018.0
FDM Group	1004.0	-6.0	1100.0	647.0
Kainos Gp	836.0	12.0	836.0	430.0
Micro Focus Intl	1119.0	-13.0	2160.0	1004.0
Playtech	377.1	-9.3	457.7	360.5
Sage Group	727.0	-7.2	820.4	623.6
Softcat	1239.0	5.0	1239.0	684.0
Sophos	567.8	1.8	577.0	298.2

SUPPORT SERVICES

	Price	Chg	High	Low
Aggreko	853.6	-3.0	869.2	693.2
Ashtead Gp	2527.0	-27.0	2554.0	1805.5
Babcock Intl Grp	614.6	-5.6	646.6	416.7
Bunzl	2075.0	-11.0	2551.0	1943.0
Capita	164.7	-7.7	183.0	99.9
DCC	6466.0	-52.0	7496.0	6225.0
Diploma	1940.0	3.0	2084.0	1261.0
Electrocomp	702.2	2.2	729.8	537.0
Equiniti	221.4	2.2	236.2	186.2
Essentra	427.6	3.8	449.0	357.4
Experian	2643.0	-7.0	2650.0	1884.0
Ferguson	7130.0	-46.0	7216.0	4800.0
G4S	210.9	1.6	234.3	168.3
Hays	165.6	-3.8	183.5	138.0
Homeserve	1340.0	5.0	1340.0	930.0
Intertek Gp	5936.0	-20.0	5962.0	4643.0
IWG	459.4	-9.6	469.0	220.2
Network Int	579.0	-3.0	645.0	513.0
Pagegroup	476.4	-9.6	539.0	367.8
Paypoint	1070.0	-18.0	1118.0	825.0
Rentokil Initial	471.5	-4.0	475.5	329.0
Sanne Group	613.0	-5.0	752.0	450.0
Serco	164.6	1.1	165.0	110.1
SIG	97.6	0.3	153.0	93.2
Travis Perkins	1650.0	-11.0	1692.5	1166.0

TECHNOLOGY HARDWARE & EQUIPMENT

	Price	Chg	High	Low
Spirent Comms	232.0	5.0	251.5	139.0

TOBACCO

	Price	Chg	High	Low
Br Am Tob	3421.5	-45.0	3507.0	2375.0
Imperial Brands	2038.5	-7.0	2713.5	1668.2

TRAVEL & LEISURE

	Price	Chg	High	Low
Carnival	3645.0	-63.0	4430.0	3056.0
Cineworld Group	191.3	0.8	321.0	190.5
Compass Gp	1935.0	-1.5	2138.0	1583.0
Dominos Pizza	300.2	-3.5	326.4	221.2
easyJet	1450.0	-27.5	1509.0	854.8
EI Group	284.0	-0.2	285.0	194.0
FirstGroup	127.0	0.4	137.5	89.0
Flutter Ent	8976.0	-90.0	9456.0	5525.0
Go-Ahead Gp	2116.0	20.0	2278.0	1746.0
GVC Hldgs	911.4	0.8	939.0	507.5
Intercontl Htls	5146.0	-11.0	5738.0	4257.5
Intl Cons Airl	657.2	-13.8	671.0	413.5
Marstons	120.2	-1.1	131.4	93.3
Mitchells & Butlers	407.5	-3.5	470.5	238.0
National Express	474.4	4.4	476.0	379.8
PPHE Hotel Gp	1990.0	30.0	1990.0	1630.0
Rank Gp	280.0	-1.5	281.5	144.0
Restaurant Grp	137.0	0.7	166.4	111.9
Stagecoach Gp	152.1	-0.3	167.0	115.5
TUI AG	892.2	0.6	1213.5	698.0
Wetherspoon (JD)	1611.0	-12.0	1734.0	1187.0
Whitbread	4504.0	23.0	5152.0	3988.0
William Hill	179.4	-2.9	205.2	132.3
Wizz Air Holdings	4227.0	-27.0	4329.0	2880.0

AIM 50

	Price	Chg	High	Low
Abcam	1371.0	-29.0	1500.0	1066.0
Advanced Medical	288.0	-2.0	354.5	225.0
Alliance Pharma	84.1	-0.5	84.6	61.0
ASOS	3035.0	-155.0	4066.0	2107.0
Blue Prism	1241.0	-14.0	1472.0	788.0
Camellia	8800.0	225.0	11750.0	8475.0
Caretech Holdings	465.0	2.0	473.0	325.0
Central Asia Metals	224.0	-0.5	266.5	180.0
Clinigen Group	987.5	1.5	1069.0	737.5
CVS Group	1148.0	-19.0	1172.0	395.0
Dart Group	1774.0	-18.0	1820.0	709.5
Diversified Gas & Oil	103.0	0.0	116.5	97.0
Draper Esprit	524.0	4.0	548.0	410.0
EMIS Group	1186.0	6.0	1242.0	890.0
Fevertree Drinks	1453.0	-542.0	2475.0	1453.0
First Derivatives	2720.0	75.0	3555.0	2050.0
Frontier Devs	1344.0	24.0	1350.0	844.0
Gamma Comms	1360.0	20.0	1390.0	782.0
GB Group	700.0	-23.0	800.0	420.0
Gooch & Housego	1440.0	10.0	1527.5	954.0
Hurricane Energy	25.7	0.1	53.6	25.6
Impax Asset Mgmt	400.0	-5.0	405.0	184.0
Iomart Group	384.0	0.0	400.0	316.5
IQE	50.5	3.1	98.0	41.8
James Halstead	546.0	-12.0	562.0	440.0
Johnson Service Gp	204.5	-1.5	211.5	128.0
Keywords Studios	1560.0	35.0	1838.0	900.0
Learning Tech Gp	137.6	-2.0	143.0	62.2
M&C Saatchi	120.0	-1.0	394.0	79.0
M.P. Evans	690.0	-32.0	750.0	612.0
Majestic Wine	220.0	-2.5	318.0	213.0
Midwich Group	523.0	5.0	633.0	474.5
Mortgage Advice B	708.0	16.0	795.0	546.0
Next Fifteen Comm	544.0	-1.0	658.0	465.0
Nichols	1420.0	25.0	1880.0	1380.0
Numis Corporation	283.5	-3.5	306.0	212.0
Polar Capital Hdgs	576.0	-14.0	604.0	450.0
Purplebricks Gp	122.6	-0.4	132.0	96.0
Redde	107.8	0.2	127.6	100.6
Renew Holdings	532.0	-4.0	568.0	360.0
RWS Holdings	616.0	-3.0	670.0	455.5
Scapa Group	282.0	-1.5	403.0	157.0
Secure Income REIT	462.0	1.0	462.0	384.0
Serica Energy	135.0	-4.0	143.4	103.6
Smart Metering Sys	550.0	-22.0	665.0	310.0
Telford Homes	349.5	0.0	358.0	267.0
Thorpe (F.W.)	341.0	-5.0	359.0	251.0
Watkin Jones	252.5	-2.5	255.0	199.6
Young's Brew NV	1275.0	-10.0	1310.0	1030.0
Young's Brew-A	1630.0	5.0	1885.0	1475.0

MAIN CHANGES UK 350

Risers ↑		%	Fallers ↓		%
BAE Systems	647.60	3.7	Capita	164.65	-4.5
Vesuvius	469.80	3.3	Cranswick	3574.00	-3.8
Britvic	900.00	2.9	Hammerson	255.20	-3.7
Contour Global	205.50	2.8	NMC Health	1500.00	-3.7
Wood Gp(J)	404.00	2.7	Barr (AG)	551.00	-3.5
Redrow	792.00	2.3	Convatec	205.50	-3.4
Spirent Comms	232.00	2.2	Elementis	137.20	-3.3
Barratt Devel	816.40	2.1	SSP Group	664.00	-2.8
Berkeley Grp Hldgs	5142.00	2.0	Watches of Switz	378.00	-2.5
Dechra Pharma	2890.00	2.0	Galliford Try	139.44	-2.4

EU SHARES

	Price	Chg	High	Low
ADIDAS	310.25	-1.40	316.05	197.00
AIR LIQUIDE	128.85	-0.55	130.80	104.40
ALLIANZ AG	221.70	2.05	223.80	182.72
AMADEUS IT GROUP	78.08	-0.52	78.60	42.30
ANHEUSER BUSCH INBEV	71.42	-0.62	92.71	64.00
ASML HOLDING NV	270.60	-0.30	272.40	141.36
AXA	24.48	0.10	25.47	20.11
BANCO SANTANDER	306.30	-9.60	402.00	295.05
BASF	64.91	0.39	74.49	56.20
BAYER AG	75.50	0.25	75.36	52.53
BBVA	4.76	-0.04	9.56	4.19
BMW	71.64	0.58	77.75	58.70
BNP PARIBAS	50.49	-0.26	53.58	39.32
CRH	2969.00	2.00	3100.00	2170.00
DAIMLER	46.56	-0.12	59.31	40.53
DANONE	73.22	-0.48	82.00	61.96
DEUTSCHE POST AG	34.27	0.21	34.91	25.26
DEUTSCHE TELEKOM	14.76	0.08	16.25	14.10
ENEL	7.63	-0.10	7.72	5.10
ENGIE	15.30	0.10	15.20	12.45
ENI	13.88	-0.03	15.94	13.04
ESSILORLUXOTTICA	128.75	0.00	128.75	128.75
FRESENIUS MEDICAL CARE	68.86	1.00	76.32	57.92
IBERDROLA	9.45	0.05	9.54	6.02
INDITEX	31.18	-0.57	32.37	2.55
ING GROEP NV	10.51	-0.11	12.05	8.34
INTESA SANPAOLO	2.32	-0.02	2.41	1.83
KERING	599.00	-11.20	610.20	410.00
KON KPN NV	2.78	0.03	2.96	2.48
L'OREAL	274.30	-1.00	275.30	198.70
LVMH MOET HENNESSY	429.75	-9.30	439.05	257.10
MUENCHENER RUECKVE	271.60	3.00	268.70	194.25
NOKIA	21.88	0.00	21.88	21.88
ORANGE	13.06	0.03	15.01	12.86
ROYAL PHILIPS	45.05	0.02	45.03	31.59
SAFRAN	142.15	-0.40	149.90	109.20
SANOFI	91.90	-0.29	92.72	72.24
SAP SE	125.66	-0.30	125.96	88.83
SCHNEIDER ELECTRIC	93.98	-0.24	94.22	59.18
SIEMENS AG	116.82	-0.28	119.90	85.00
SOCIETE GENERALE	30.59	-0.07	31.79	21.13
TELEFONICA SA	6.32	0.17	9.18	5.94
TOTAL	48.57	0.07	52.27	43.18
UNILEVER NV	51.04	-0.03	57.56	46.40
VINCI	102.10	-0.30	102.40	74.64
VIVENDI	25.10	-0.11	26.42	21.49
VOLKSWAGEN AG	182.02	0.66	185.52	138.16

CRYPTOA.M. DAILY POWERED BY BEQUANT

CRYPTOCURRENCIES

Name	Price (USDT)	↑/↓(24h)	
Bitcoin (BTC)	$ 8,587.22	-0.68%	↓
Ethereum (ETH)	$ 162.93	-1.42%	↓
Ripple (XRP)	$ 0.23	-2.18%	↓
Bitcoin Cash (BCH)	$ 330.92	0.36%	↑
Litecoin (LTC)	$ 56.53	-0.38%	↓
EOS.IO (EOS)	$ 3.54	-1.65%	↓
Bitcoin SV (BSV)	$ 284.89	15.99%	↑
TRON (TRON)	$ 0.02	-0.26%	↓
NEO (NEO)	$ 10.94	-0.85%	↓
Cardano (ADA)	$ 0.04	1.53%	↑
CryptoCompare Large Cap Index		0.20%	↑
CryptoCompare Small Cap Index		1.50%	↑

Market	$234,661,857,442	
Bitcoin Volatility	-14.00%	↓
Bitcoin Volume on BEQUANT Exchange (USDT)	290,593,204	

Sources: Bequant.io, CryptoCompare.com
Prices and data are correct as of 14:00, 20.01.2020
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 lack of stops immediately above $9,000 has turned the sentiment upside down. In turn, the profit taking mode that ensued over the weekend carried over into Monday, with the market trading broadly lower as a result. Interestingly, despite a softer spot market, much of the options flow over the weekend carried a bullish bias. As such, buying on dips seems to be the strategy in play and a retest of $9,000 in the near future should not come as a surprise. Similarly, the futures curve remained steep, though off recent highs.

Ethereum may have underperformed on the move lower but it has yet to translate into lower interest across DeFi applications. Having crossed 3mln in early January, the amount of Eth locked across the ecosystem is now set to cross 3.2mln mark, while Maker dominance now stands at 56.99%.

Looking elsewhere, BitcoinSV bucked the trend and traded higher throughout the session, seemingly ignoring press reports that raised concerns over Craig Wright's ability to access Bitcoin wallets in question. Specifically, Craig Wright's lawyer stated that the file received last week did not include private keys and also affirmed that Wright did not claim he would possess the private keys.

COMMODITIES

Gold	1559.30	+0.95	Copper Cash Official	6276.00	-24.25
Silver (Pence)	1806.00	+5.00	Aluminium Cash Official	1795.75	+2.00
Silver (Cents)	1385.00	+6.00	Nickel Cash Official	13837.50	-450.00
Krugerrand	1576.00	+3.92	Aluminium Alloy Cash Official	1400.00	u/c
Brent Crude	64.85	+0.23	Natural Gas	28.31	-0.52
Platinum	1016.00	-17.00	Tin Cash Official	17762.50	+62.50
British Sovereign	367.85	+0.90	Zinc Cash Official	2433.50	-4.25
Lead Cash Official	1976.50	-50.00	White Sugar	398.80	-0.20

TOURIST RATES

Canada	1.6143	New Zealand	1.8264
Croatia	7.8587	Norway	11.01
Czech Republic	27.04	Poland	4.3641
Denmark	8.3151	Singapore	1.6298
Hong Kong	9.5648	Sweden	11.78
Iceland	142.45	Switzerland	1.1968
India	81.31	Turkey	7.2845
Israel	4.0461	United States	1.2389

WORLD INDICIES

	Price	Chg	%Chg		Price	Chg	%Chg		Price	Chg	%Chg		Price	Chg	%Chg
FTSE 100	7651.44	-23.12	-0.30	S&P 500	3329.62	u/c	Closed	CAC 40	6078.54	-22.18	-0.36	Hang Seng	28795.91	-260.51	-0.90
FTSE 250	21847.04	-39.04	-0.18	Dow Jones I.A	29348.10	u/c	Closed	Swiss Market Index	10846.29	+4.47	+0.04	Nikkei	24083.51	+42.25	+0.18
FTSE All-Share	4245.57	-12.36	-0.29	Nasdaq Composite	9388.94	u/c	Closed	ISEQ Overall Index	7184.64	-9.86	-0.14	STI Index	3280.09	-0.94	-0.03
FTSE AIM All-Share	963.40	-11.45	-1.17	Xetra DAX	13548.94	+22.81	+0.17	FTSEurofirst 300	1657.72	-2.31	-0.14	ASX All Ordinaries	7196.30	+16.00	+0.22

US SHARES

	Price	Chg	High	Low
3M	181.35	0.00	219.50	150.74
ABBOTT LABORATORIES	89.00	0.00	89.00	69.05
ADOBE INC	349.74	0.00	349.74	238.27
ALPHABET NON VTG-C	1480.39	0.00	1480.39	1036.23
ALPHABET-A	1479.52	0.00	1479.52	1116.79
AMAZON.COM	1864.72	0.00	2020.99	1588.22
AMERICAN EXPRESS	131.52	0.00	131.52	99.71
APPLE INC	318.73	0.00	318.73	152.70
AT&T	38.38	0.00	39.63	29.37
BANK OF AMERICA	34.71	0.00	35.64	26.25
BERKSHIRE HATHAWAY	230.20	0.00	230.20	195.81
BOEING CO	324.15	0.00	432.69	320.42
CATERPILLAR INC	147.78	0.00	150.53	113.38
CHEVRON	115.58	0.00	126.54	111.39
CISCO SYSTEMS	49.02	0.00	58.05	43.52
CITIGROUP	81.12	0.00	81.91	60.33
COCA-COLA CO	56.94	0.00	56.94	44.69
COMCAST	47.50	0.00	47.50	34.97
DOW	53.34	0.00	66.65	40.71
EBAY INC	35.82	0.00	41.57	32.61
EXXON MOBIL	68.56	0.00	83.38	66.70
FACEBOOK	222.14	0.00	222.14	174.60
GOLDMAN SACHS GROUP	249.46	0.00	249.72	182.49
HOME DEPOT INC	231.91	0.00	238.85	176.89
HONEYWELL INTERNATIONAL	183.23	0.00	183.23	139.82
IBM	138.31	0.00	151.36	122.52
INTEL	59.60	0.00	60.84	43.46
JOHNSON & JOHNSON	149.17	0.00	149.17	126.95
JPMORGAN CHASE & CO	138.20	0.00	141.09	98.93
MASTERCARD INC	323.66	0.00	323.66	198.35
MCDONALD'S	211.98	0.00	221.15	173.97
MEDTRONIC	119.03	0.00	119.03	84.15
MERCK & CO	90.97	0.00	92.04	72.92
MICROSOFT	167.10	0.00	167.10	102.78
NETFLIX	339.67	0.00	385.03	254.59
NIKE INC	104.53	0.00	104.53	77.14
ORACLE	55.13	0.00	60.15	48.94
PAYPAL HOLDINGS	116.04	0.00	121.30	96.64
PEPSICO	141.26	0.00	141.26	118.61
PFIZER INC	40.51	0.00	44.40	34.24
PROCTER & GAMBLE	126.41	0.00	126.41	90.44
TRAVELERS COMPANIES	140.73	0.00	154.83	122.36
TWITTER	34.22	0.00	45.42	28.89
UNITED HEALTH GROUP	298.47	0.00	300.74	215.26
UNITED TECHNOLOGIES	154.40	0.00	154.40	111.06
VERIZON COMMUNICATIONS	60.13	0.00	62.07	53.28
VISA	204.70	0.00	204.70	168.86
WALGREENS BOOTS ALLIANCE	54.41	0.00	76.05	49.29
WALMART	114.96	0.00	121.28	93.86
WALT DISNEY CO	144.33	0.00	151.64	107.79
WELLS FARGO & CO	49.18	0.00	54.46	43.38

FORUM

EDITED BY RACHEL CUNLIFFE

Corbyn has busted the myth of Labour's moral superiority

Robert Colvile

LET'S play a game. Imagine that a Tory-supporting business leader had delivered her company's worst financial results for more than three decades.

Let's further imagine that the company had then, because of significant overspending, had to fire dozens of ordinary workers — while rewarding said senior executive with a bumper new contract and significant additional responsibilities.

Let's suppose that, while this was going on, this firm had been accused of being institutionally racist, and was under formal investigation — and that this woman had been accused of interfering personally to ensure that grievance cases were hushed up. Further imagine that she was an extremely close ally, personally and professionally, of the single largest donor to the Conservative party.

And now let's imagine that Boris Johnson chose to put this woman in the House of Lords.

What do you think Jeremy Corbyn would say? Would he be aggrieved? Outraged? Would he shout from the rooftops about a corrupt system, the abuse of power, and the need for the stables to be cleansed? You bet he would.

There's just one problem: the woman in question is Karie Murphy, Corbyn's chief of staff. And the person who wants to put her in the Lords is him.

For those who aren't familiar with the story, here are the brief highlights. Murphy, one of Corbyn's key advisers and a close friend of Unite boss Len McCluskey, was at the heart of Labour's disastrous response to accusations of institutional antisemitism. Last year, her opponents within the high command — including John McDonnell — managed to get her removed from the leader's office, after a series of vituperative disagreements over strategy and management.

But instead of being fired, Murphy was shifted sideways to oversee campaigning. In her new job, she insisted on a General Election strategy which shunned defending vulnerable seats (and following polling data) in favour of a full-on assault on Tory-held constituencies.

> Karie Murphy has been rewarded with a new full-time contract and now appears on the proposed honours list — talk about failing upwards

After the ensuing disaster, she has been rewarded with a new full-time contract and responsibility for overseeing party membership — and now appears on Corbyn's proposed honours list. Talk about failing upwards.

The truth is that nothing illustrates the hypocrisy of the Corbyn project as neatly as its approach to the House of Lords.

Having promised that he would not nominate peers, because he disagreed with the existence of the upper chamber on principle, Corbyn changed his mind in order to nominate Shami Chakrabarti — shortly after she published her notoriously lenient report on Labour antisemitism.

In now appointing an individual who is under active investigation for institutional discrimination, rather than just someone who cleared his party of it, Corbyn has gone from the cynical to the farcical.

Consider too that the Labour leader has also nominated outgoing House of Commons speaker John Bercow, who was found to have overseen a parliamentary regime riddled with bullying and harassment, and has been accused of mistreating his own staff.

Labour MPs were previously open about the fact that Bercow only remained in post because he was on their side over Brexit, to an extent which drove a coach and horses through the idea of the speaker as a neutral arbiter.

Yet it is not just in Corbyn's own office where the smell of hypocrisy is in the air. Consider his activist fan club Momentum, whose founding premise is that "the Labour party must be transformed into a more open, democratic, member-led party".

Momentum recently offered its own members a choice for party leader between Rebecca Long-Bailey and Rebecca Long Bailey (add or remove hyphen according to your preference). As a result of this yes-no ballot, the group will campaign full bore for the Notorious R.L.B. on the basis of an endorsement by just 12.5 per cent of its members.

Or consider the wider Labour leadership contest, in which so many of the candidates are insisting on zero tolerance for antisemitism, despite having served — in many cases in extremely senior positions — under a leader who dragged their party into the moral sewer with his refusal to confront the problem or even fully acknowledge that it existed.

The reason all this matters is that one of the foundations of Labour theology — especially the Corbynite strain of it — is moral superiority. Labour are the good guys, the poverty-fighters, the anti-racists. To be a Tory is to be not just wrong, but actively wicked.

If there is no other legacy of Corbyn's disastrous tenure as Labour leader, let it be the final shattering of that misguided myth. There is a cavernous gap between the people Labour's leaders tell us they are, and how they actually behave.

Robert Colvile is a political commentator.

The power of Open Banking can rebalance the market and put consumers in control

Imran Gulamhuseinwala

TWO YEARS since its inception, Open Banking has begun to transform the banking world. While understanding may still be low among those outside of the financial sector, do not underestimate this phenomenon.

In fact, low awareness is to be expected — Open Banking is a technology that exists behind the scenes, and customers will only engage with it indirectly. If they don't notice it, that shows that it's working.

Open Banking allows people to safely and securely connect their bank accounts with regulated third parties, offering a host of new benefits — from automatic savings and discounts, to helping users build up their credit rating.

And while customers might not be aware of the term, they are certainly using the technology. New figures we have published this week show that Open Banking has surpassed one million customers — and numbers are growing, more than doubling in under six months.

We are still at the very early stages, but already third-party apps are helping both consumers and small businesses manage their money better, benefit from more affordable credit, and find the best loans on offer.

Some are even being used to help vulnerable customers cope with financial stress, offering budgeting tools and alternatives to high-interest pay-day loans.

In time, Open Banking will give us all the tools to make better financial decisions.

So far, the majority of the effort in getting Open Banking off the ground has been on designing and implementing the underlying technology standards.

It has required unprecedented collaboration among mainstream banks, fintechs, regulators, and consumer representatives.

There are now over 200 authorised third parties in various stages of enrolment into the ecosystem. This is a huge show of confidence that Open Banking will continue to grow and deliver on its potential to rebalance the market in favour of consumers.

And now that the foundations of this finance revolution have been built, the real progress can begin.

Today, Open Banking relates only to payment accounts such as current accounts and credit cards. But its central principle — that the data a bank holds on a customer belongs to that customer and not to the bank — could be applied to other products.

In the future, products such as savings, mortgages, insurance and pensions could have their Open Banking moment under the broader banner of "Open Finance".

Imagine if customers could see all their financial relationships in one place and use that information to make better decisions — automatically seeing what mortgage they could afford, switching to the best value savings account or insurance product, and gaining a holistic perspective on their retirement planning.

This technology could bring the power of bespoke financial advice (usually reserved for the very wealthy) to all banking customers.

The UK is recognised the world over as a pioneer in Open Banking. We should be immensely proud of what we have achieved so far.

Imran Gulamhuseinwala is a trustee of the Open Banking Implementation Entity.

LETTERS
TO THE EDITOR

Davos dreams

[Re: Is there any point to the World Economic Forum in Davos?]

As proceedings continue in Davos, it's hard to shake the feeling that the summit has become less about finding genuine solutions, and more of a backslapping exercise for the jet-setting elite — a chance to broadcast your achievements on a global stage.

Last year, this sentiment was aptly displayed by Rutger Bregman's take down of the Davos billionaires for tax avoidance. The moment caught our attention because it captured something we so rarely see: powerful leaders being confronted with their own hypocrisy on a public stage.

With this year's focus being sustainability, there is clear potential for another confrontation over the hypocrisy of those in attendance. While there are those who will utilise the event to galvanise the global reaction to the crisis, their voices are in danger of being drowned out by climate change deniers in attendance — or by the fleet of private jets that many flew in on.

At a time when trust is at an all-time low, the most powerful result Davos can produce is to use its platform to rebuild public faith in business, politics and institutions. Whether this means banning private jets from the summit, or providing a platform for people to directly challenge the chief executives on the public stages, the conference can take action to shake the atmosphere of hypocrisy that clouds it, and allow those in attendance to be held to account.

If they succeed, Davos could once again be elevated to a genuinely constructive and impactful occasion.

David Richards, chief executive and co-founder, WANdisco

BEST OF TWITTER

If House of Lords is to move north York is the obvious choice. A great, vibrant northern city, halfway between London & Edinburgh and also direct rail links to Newcastle, Glasgow, Leeds, Manchester and Liverpool.
@MartinFBFrost

If the House of Lords does move — a radical change — it will be a radical change, in the best Roman manner, that draws on the ancient past. In the early 3rd C, the province of Britain was divided in 2: London remained the seat of the southern governor, York that of the northern.
@holland_tom

So if the House of Lords moves to York, the House of Commons should move to Lancaster, obviously. To keep things balanced.
@Frances_Coppola

Tony Hall making sure he's still the BBC's Director General for Eurovision 2020 just so he doesn't have to pay for a ticket to the final deserves a round of applause.
@DanielRosney

Now hiring: someone to fend off competition from streaming rivals, fight a government boycott and allegations of bias, battle to save the licence fee funding model and settle multiple equal pay cases. Good luck.
@j_a_warrington

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

Without visa reform, there can be no UK-Africa partnership


Lauren McEvatt

ON MONDAY, the UK government hosted one of the largest African trade and investment conferences it has ever been involved with. Even so, in comparison to most African trade and investment conferences, it was relatively small — which is in keeping with Britain's low starting point relative to our global competitors.

There is no greater example of this than the evidence given to the Foreign Affairs Committee last year. The former Africa minister indicated that, although the long-promised "Africa Strategy" had been formulated (and indeed launched by the now former Prime Minister Theresa May on her three-day visit to the continent), it hadn't been written down in a manner that could be presented to the Committee for scrutiny.

As any citizen of an African nation who has tried to obtain a UK visa knows, if it isn't written down, the British government won't believe it or act upon it. And up until now, the UK has spectacularly failed to put its money where its mouth is.

Africa has learned to be wary of overtures from the UK. There is a new scramble for Africa underway, and since Britain didn't cover herself in glory in the last one, our promises of a "partnership" with the continent are rightly viewed with scepticism. The UK runs a real risk of missing out on a world of potential.

Yet there is a glimmer of hope — that perhaps this Prime Minister is willing to go where so few have dared to tread, and to begin to treat Africans as equals within the UK's visa system.

Two years ago, a woman called Linda Bonyo applied for a visa to come to the UK. She supplied all her relevant documents, which ludicrously included her property lease agreement and bank statements, to the UK's High Commission in Nairobi.

Her visa was rejected on the grounds that the UK was "not satisfied" that she was "genuinely seeking entry permitted by the visitor routes" — nor, further, that she had "sufficient funds" in relation to her visit "without working or accessing public funds". So far, so standard for a refusal to enter.

But Linda Bonyo is not just any woman. She was not applying to come to the UK as a tourist, or for an unspecified amount of time, or for an unspecified purpose.

She is a lawyer, and a leader in her field. She specialises in tech and immigration law. Her reputation is at the very forefront of the legal sector in Kenya, where she is the founder of Lawyers Hub Kenya and a curator of the Africa Law Tech conference.

> "We aren't treating the continent as a partner — we're patronising it as a supplicant

And the cast-iron proof of the lack of "partnership" between the UK and Africa? She had been invited to be here, for a legal tech conference.

I wish I could say that this was the only example of our Kafka-esque visa system that I've seen, but it is not. Nor is it even the most egregious.

That dishonourable award is won by the farcical experience faced by three Ugandan technology entrepreneurs, who were denied a visa to attend a tech conference in the UK despite being backed by the International Trade Centre in Geneva, a joint UN-WTO agency.

There can be no "partnership" between our nation and Africa without reform of the visa system. Until Linda Bonyo is able to sit in the UK African Investment Summit as easily as her head of state is, we aren't treating the continent as a partner — we're patronising it as a supplicant.

The Prime Minister has been keen to portray himself as ambitious in his efforts to improve the UK's trading relationship with the African continent. After years of stagnation and a lack of ambition in the UK government's approach, this is to be welcomed. But if he's serious, the change not only in tone but in action needs to start now.

Lauren McEvatt is managing director of Morpeth Consulting, an international affairs consultancy. She is a former adviser to the UK and Kenyan governments

DEBATE

Should the government move the House of Lords to York?

YES


ALASTAIR BENN

The British state is now more centralised than it has been for many decades. In large part, we owe that to Margaret Thatcher, who tended to treat the UK's constituent parts as regions, rather than as distinct polities with their own political traditions, and flattened out networks of local patronage.

Moving the House of Lords to York would be a welcome correction to that London-centric development, and follows logically from the introduction of metro mayors across England and Wales under the coalition government.

But if Boris Johnson is serious about rebalancing the UK and moving the centre of gravity away from London, he should go further and abolish the House of Lords in its current form, reshaping it into a second chamber with representatives of all the regions and constituent nations of the UK. Westminster would then become the seat of a newly-badged English parliament.

A federalist option would diffuse the notion that Brexit is a Westminster power grab, and portray it rather as the beginning of a fruitful reimagining of how the UK can fit together in harmony.

Alastair Benn is news editor of Reaction.

NO


JOHN OXLEY

Our parliamentary system is built on the two chambers being proximate both to each other and to the other organs of government. Taking the House of Lords away from the Commons, the civil service, and the executive would frustrate and dilute it.

It is hard to see how important parliamentary institutions like Joint Committees could function with The Other Place 200 miles up the east coast.

Nor does a new home necessarily mean a new outlook. Still largely drawn from London elites, peers are unlikely to see much more of Yorkshire than the railway station and the Grand Hotel. Expenses claims would balloon, not to mention the duplication of costs like security and staffing, all for little gain if the aim is regional rebalance.

God's Own Country came up with everything from stainless steel to sparkling water without a parliamentary chamber in its boundaries. Unelected ermine wearers won't make it better, and could instead draw resources away from the local private sector.

Encourage businesses to move to York instead, and keep Yorkshire peerless.

John Oxley is a Conservative commentator.

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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

All eyes focussed on Bitcoin (BTC) last week as there was a price surge which saw it hitting US$9,113 / GB£7,013 briefly before fluctuating down and up settling above $8,500. It also didn't go unnoticed that a total of $1.1bn was moved by a Bitcoin whale for the princely sum of $80 which boggles the mind compared to any regular banking transaction.

Looking at the market at the time of writing green candles were abundant and BTC was trading at US$8,654.28 / GB£6,669.05; Ethereum (ETH) is at US$166.27 / GB£128.32; Ripple (XRP) is at US$0.2325 / GB£0.1765; Binance (BNB) is at US$17.20 / GB£13.26 and Cardano (ADA) is at US$0.04370 / GB£0.03355. Overall Market Cap is at US$216.33bn / GB£166.66bn (data source: www.CryptoCompare.com)

Yesterday I met with Napoleon AM is the first algorithmic crypto asset manager to be fully regulated by the French AMF (https://napoleonx.ai). Which is based in Paris and a pioneer in France in the digital assets space. Napoleon's team comprises former asset managers from the legacy financial markets, computer/data scientists and blockchain experts. Meeting with Head of Sales, Damien Moser he explained that in the Napoleon Bitcoin fund - launched in December 2019 - is the first AMF regulated fund, offering qualified professional investors exposure to the performance of Bitcoin via the CME Futures. He went on to tell me "We have also developed around 15 quantitative strategies on the most liquid cryptos, currently available in the form of managed accounts, that we are planning to launch under properly regulated funds as well in the future."

Today I arrive in Davos for the WEF 2020 which also sees a host of Crypto and Blockchain focused meet-ups following last week's Crypto Finance Conference in St Moritz which coincided with a landmark trade took place that made international headlines. Swiss based BrickMark AG, an innovative, high-growth real estate investment company, announced that it has signed a purchase agreement about the largest ever real estate purchase using tokens, buying a prime commercial property on Zurich's prestigious Bahnhofstrasse. The transaction volume amounts to over CHF130 million. A considerable part of which will be paid in BrickMark tokens. "We are implementing what was once no more than a concept in the real estate industry," said Stephan Rind, CEO of BrickMark. The purchase agreement opens up new dimensions in terms of the size and institutional character of token-financed real estate transactions.

Finally, with thanks to headline sponsors Electroneum, I am delighted to announce that the inaugural Crypto AM Awards 2020 will be taking place on Wednesday, 11th March. The nominations are open and free to register, please use the following link https://www.cityam.com/crypto/crypto-am-awards/ Sponsorship opportunities are still available and if you are interested please contact events@cityam.com

WIRELESS MESH NETWORKS: CONNECTING THE UNCONNECTED

Designed by Phill Snelling, Bowater Media

Mesh networks have been around since there were military experiments in the 1980s and have become the foundation of the Internet. Wireless Mesh Networks (WMN), however, also now appear to be moving from adolescence to maturity as they become adopted into people's homes to solve issues of patchy coverage and seamless access.

Essentially a WMN is a set of devices that work together with no cables to send and receive information with no need for centralised control.

This network topology helps to solve many current issues and may provide a pathway to our future desires for Augmented Reality, automated cars, Smart Cities and the Internet of Things. In conjunction with blockchain technology, it is also the key to providing access to the Internet for the 3.4bn people who currently have no access.

ISSUES WITH MOBILE INFRASTRUCTURE

We have become too reliant on centralised mobile operators and internet providers. When over 30m customers were affected by the most recent O2 loss of service, people's livelihoods were impacted and transport networks ground to a halt, it became abundantly clear we need a better architecture.

Who has experienced black spots for mobile coverage? It can be difficult to get a good signal in the both the centre of cities and rural communities. Did you know that 60% of mobile internet traffic is delivered through home and public Wi-Fi and not through the mobile operator GSM networks? The mobile network infrastructure of today has huge issues keeping up with consumer's insatiable demand for data. Hopes for 5G resolving coverage issues are distant and face significant hurdles in regulation, spectrum allocation, cost structure and hardware compatibility.

WHAT DO WMNS OFFER?

Although WMNs may not be the answer to all issues we have today in gaining better access to the internet, it is highly likely that they will become an integral part of what is required to make it a whole lot better.

There is no single point of failure – where there is a network outage, the network will auto route traffic over a different part of the network. Nodes on the network have intelligence built in to distribute the traffic over alternative routes. The network will self heal and exclude any failed nodes on the network.

It has been demonstrated that there are large cost savings to be achieved with the implementation of WMNs in an increasing number of scenarios. The ability to provide multi radio nodes and improved routing algorithms have helped to overcome early WMN bottlenecks.

WMNs can offer a single network over a large area providing a single login and seamless connectivity. They also have the benefit of aggregating the total bandwidth available in cases of high demand. In many applications, speed is increased due to the fact that not all packets need to return to a central server.

WIRELESS MESH NETWORKS USE CASES

There are particular use cases for WMNs that will benefit greatly from the advanced versions of this technology. As technology is advancing with the advent of better security with Wi-Fi Protected Access 3 (WPA3) and better capacity and density with Wi-Fi 6 (802.11ax), these mesh networks will become more robust and reliable in the very near future.

Community Mesh Networks are becoming more widespread due to factors

Crypto A.M. shines its Spotlight on Aeroband

David Galea Sammut and Brendan McKittrick are experts in the aviation industry. Their portfolio of experience has seen them work with over 300 airlines to help them improve their revenues, reduce their costs, and transform their customer experience – 3 tenets they inculcated into the Aeroband brand that they co-founded in 2019 and winner of the 'FINTECH Startup of the Year' at Malta AIBC Summit 2019.

They have been long enough in the aviation industry to see the slow demise in airlines' profits due to rising costs and heightened competition. As margins tighten, airlines on the periphery of the comfort spectrum face imminent demise. Twenty-three airlines stopped flying in 2019 alone, including Iceland's WOW and the UK's Flybmi. Although the industry has collectively enjoyed ten years in the black and annual revenues are creeping upwards towards $900 billion, the average profit margin has slid to 3.1% in 2019 with a modest increase forecasted for 2020.

"The investment in aviation is enormous, with a single airbus A350 costing in excess of $300 million and yet the average profit per passenger is oft quoted as 'not enough to buy a Big Mac in Zurich'" says David. Brendan agrees. "I was the CTIO of one of the world's most successful and largest airline ticket processors. We had over 20 products servicing 350 airlines. We had the largest customer base worldwide for airline revenue accounting and supported a global ticket settlement process handling over

> "In Aeroband we know there's a big gap in aviation, and we both had the same idea how to fill it.

Brendan McKittrick
Chief Executive Officer & Co-founder of Aeroband

$200 billion in ticket value annually" recalls Brendan, "The processes are archaic and prone to disputes and expensive handling costs. I wanted to do something a bit more focused on value, more agile and at the cutting-edge of technology. Starting Aeroband with David was absolutely perfect, and I think we've hit on something very special."

Brendan and David believe blockchain technology enables smarter behaviours by brokering the trust which competitors alone lack. In this industry it's hard to get airlines to collaborate up to the point where they share information. Large intermediaries have positioned themselves in the middle to be the brokers of that information, and whilst they have done a good job, they end up taking the lion's share of the profit, which means the airline doesn't get much at the end, just over $6 profit per passenger in 2019 to be more specific, according to IATA.

"In Aeroband we know there's a big gap in aviation, and we both had the same idea how to fill it." explains David. "Airlines could settle ticket debts directly between each other and reduce disagreements, cutting out the middleman greatly reduces costs. Cargo operators could track parcels through a trusted network, where the consumer can see the information is verified and guaranteed and cannot be changed because it's immutable and time stamped. Add IoT to this value chain and a whole new generation of sellable and sophisticated products emerge." Brendan adds, "Through collaboration and aggregation the industry can offer a more desirable premium product to the passenger or cargo customer, and the blockchain through a distributed ledger and smart contracts removes the need for an expensive intermediary to achieve this. It's a complete game changer and restores the airlines ownership of the customer."

Contact Aeroband at info@aeroband.com and to read more about Aeroband and AEROBLOC see Katy Micallef's article in BLOCK Magazine (Issue 3) https://maltablockchainsummit.com/magazine/ or go to their website at https://www.aeroband.ltd

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such as net neutrality, lack of coverage and large consumer demand. Places where these networks are being implemented include metro networks, in-building coverage and rural or developing world populations.

However, to really advance the use of these networks, key factors need to be resolved in parallel. There needs to be better range and density (improved in Wi-Fi 6), common standards (either Open Source or Industry Standards such as EasyMesh) and also a way for communities to manage the economic model of their network (blockchain).

WMNs can provide excellent flexibility for IoT networks as the addition of new nodes to the network for a larger coverage area is as simple as introducing the device within range of the existing nodes on the network. This can reduce costs of cabling, equipment and centralised infrastructure. It can also reduce power consumption required as there is less requirement for long range radios due to the range requirement only needing to be to the nearest node instead of a distant hub or base station.

Smart cities of the future revolve around a secure and highly resilient communications network which must enable real-time monitoring of infrastructure, transport, utilities and buildings. Only with a distributed mesh network can the dependency on centralised control be enabled to provide fast response to environmental issues, natural disasters and terror attacks.

Other use cases for WMNs include agriculture, healthcare and transport networks which would all benefit from the enhanced coverage and reliability of such solutions.

BLOCKCHAIN AND WIRELESS MESH NETWORKS

One of the reasons that previous attempts at community networks have not succeeded is due to the lack of commercial management and incentive structure. These organisational structures were neither automated nor secure from fraudulent or disruptive attacks.

With the advent of blockchain technology, a solution is now both feasible and scalable to meet the needs of community networks. It enables a reward mechanism that can incentivise their use and growth. Utilising a distributed ledger technology, the blockchain will provide an immutable record of what activity takes place over the WMN at each node. Smart contracts can be written to provide the agreements between all owners and users of the network to ensure node operators are rewarded fairly for their contribution to the network.

The blockchain layer would also enable the security and privacy required to operate a trustless network allowing users to have assurance that they are not reliant on a third party which may be open to hacking attacks or access to their personal data.

A Blockchain based global WMN could enable a global solution to the current disparate networks that are appearing across the world providing a cheaper censorship resistant network opening access to the Internet to more people than ever before.

Alan Omnet, Chief Operating Officer of World Mobile Chain, in conversation with James Bowater. For further information visit https://www.worldmobile.io

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CRYPTOCOMPARE MARKET VIEW

Bitcoin Hits Fresh High As Institutional Interest Grows

Bitcoin hit its 2020 high above $9,000 this week before enduring a correction that saw the cryptocurrency's price drop to $8,600. Some of its forks – cryptocurrencies created through copies of its blockchain – have performed tremendously so far this year, with Bitcoin SV hitting a new all-time high after an impressive 300% rise.

The triggers behind Bitcoin SV's rally are complex, but those behind the crypto market's overall rise seem clearer: institutional investors are entering the market. Cryptocurrency asset manager Grayscale revealed it had a record-breaking 2019, with $600 million inflows. Around 71% of its investors were institutions such as hedge funds.

In addition to Grayscale's product, institutional investors have other options. The CME Group launched its options on Bitcoin futures last week and traded 55 contracts – equivalent to $2.3 million in bitcoin – on its first day. Tim McCourt, global head of equity index products at the CME, revealed the firm was "pleased with the response from customers and market participants so far," adding it "takes time to grow any new market."

A survey conducted by Zogby Analytics and commissioned by inspection and insurance company Hartford Steam Boiler (HSB) has found that 36% of small and medium-sized businesses in the U.S. are accepting cryptocurrency payments for their products and services, with 59% of those surveyed even adding that they have purchased cryptocurrencies for their own personal use.

Security remains a serious issue when it comes to cryptocurrencies, with hackers more often than not rewarded for compromising the wallets of both individuals and organizations. Those who help make the space safer are seeing their rewards grow as well, however, as it was revealed last week that cryptocurrency-related bug bounties netted hackers nearly $1 million in 2019.

CRYPTO A.M. INDUSTRY VOICES

The breaking dawn of multi-jurisdictional regulatory regimes

Participation in digital assets continues to grow, prompting policy makers to take regulatory actions to address the borderless nature of this new asset class.

The European Fifth Anti-Money Laundering Directive (AMLD5) came into effect last week, requiring digital asset companies to register with their national regulator and comply with new KYC and AML requirements. The directive includes increased reporting obligations, deepening the pool of information available to financial intelligence units and law enforcement. In the UK, the FCA will supervise AMLD5 registration, and recently published requirements for digital asset exchanges, ATM's, peer-to-peer services providers, token issuers, and custodial wallet providers.

The response from the digital asset industry has been mixed. Companies welcoming regulation anticipate it will catalyse trust and stimulate growth. Traditional finance has been reticent to enter the market without regulatory clarity. Implementation of AMLD5 may be the genesis of the regulatory surety sought by traditional entities, potentially increasing liquidity inflow and access to banking facilities.

However, a delicate balance exists between protecting against illicit activities whilst inviting innovation and stimulating economic growth. Increased compliance costs may adversely impact smaller digital asset firms, possibly prompting some to relocate outside the EU or exit the market altogether. This month three companies, including UK based BottlePay, ceased trading, citing AMLD5 compliance concerns. Deribit, a crypto futures and options exchange, based in the Netherlands, announced its relocation to Panama.

But the regulatory stakes are rising globally. Multi-jurisdiction regulatory regimes don't end at Europe's borders. Soon, companies who seek to operate without regulatory confines will have even fewer countries to relocate to as additional global standards setters take action.

Comprised of 39 member jurisdictions representing most major global financial centres, The Financial Action Task Force (FATF) sets standards to combat money laundering and terrorist financing. In June 2019, FATF amended its 40 Recommendations, a set of AML countermeasures, to include "Virtual Asset Service Providers (VASP's)" - defined as any person or business who conducts the exchange or transfer of virtual assets for fiat or other virtual assets, or facilitates safekeeping of virtual assets on behalf of another person or company.

Recommendation 10 requires enhanced virtual asset Customer Due Diligence, KYC and AML policies. Recommendation 16 applies what is known as the "Travel Rule", requiring VASP's obtain and hold originator and beneficiary information (e.g. customer name, physical address, date of birth and wallet address) when conducting transfers on a customer's behalf in excess of £1,000/$1,000. VASP's are also required to have in place mechanisms to freeze suspicious transactions and report them to relevant authorities.

FATF's influence also extends to its Associate Members, which include countries popular with digital asset companies seeking offshore operations. For example, Panama are members of the Financial Action Task Force of Latin America (GAFILAT) and the British Virgin Islands are members of the Caribbean Financial Action Task Force (CFATF).

FATF Non-compliance may result in serious consequences, such as being added to their Grey list, which can lead to sanctions, difficulty obtaining loans from other countries or the IMF and World Bank, and reduction or boycott of international trade.

What does this ever-growing global focus on digital asset regulation mean for the industry? Systemic governance will require an operational and culture shift for many players whose genetic roots stem from libertarianism and core beliefs valuing truly decentralised finance. For others, regulatory oversight is a welcome, necessary and unavoidable requirement for the market to mature, mainstream and increase in relevance within the global monetary system.

Teana Baker-Taylor is Managing Director of Looking Glass Labs, a consultancy specialising in commercial strategy, regulatory affairs & public policy for blockchain, digital assets & fintech.

BLOCKCHAIN FOR IDENTITY

Troy Norcross, Co-Founder Blockchain Rookies

The UK Government has been working hard to provide a central identity platform. They started in 2016, and as of October 2019, they decided to enlist the support of private companies to assist them. These companies include Barclays, Digidentity, Experian, Post Office, SecureIdentity. And let me say that it's nothing short of a trainwreck.

It isn't necessarily because the private sector companies are incapable. It is far more the case that the government has so many different versions of identity that even with a single source, there is no alignment. HMRC can't align their data with DVLA who can't align their data with the passport office, the benefits system or the Electoral Roll. Every system has its own database for identity. The data is dirty, not rationalised and unusable outside the point of data collection.

As an example, I am a customer of Experian. Even with all of my details on file, they were unable to link my address from the identity service to 15 years of my credit file - to a satisfactory level to meet the standard requirement of the government. (I'm still trying to get this sorted out after 4 weeks!)

Self Sovereign Identity (SSI) is the next major frontier for Blockchain. SSI provides an identity which is independent of any single company or government and can be recognised for a multitude of purposes ranging from government identity, to KYC (Know Your Customer) for banking, to uses for conveyancing, education, benefits - even access to bars and clubs. The identity is owned, managed and controlled by the individual. Data is stored safely and securely, and blockchain provides proof without storing any personal information.

Having a public blockchain for identity (like Bitcoin is a public blockchain for money) is one of the most exciting prospects for this emerging technology.

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

TRADING & INVESTMENT

THE WHEELS COME OFF...

Are falling car sales a negative sign for the UK economy? **Luke Graham** finds out

ROUTE planning is always tricky. For investors, charting a path through the busy roadworks of the UK economy in 2020 can be especially hard, so markets are quick to pounce on any data that might provide a turning signal for the future.

That's why figures released earlier this month by the Society of Motor Manufacturers and Traders (SMMT), which showed that new car registrations in the UK fell 2.4 per cent to 2.3m units last year, attracted so much attention.

Mike Hawes, chief executive of the SMMT, warns that the decline is a significant concern for the auto industry — and the wider economy.

"Political and economic uncertainty, and confusing messages on clean air zones have taken their toll on buyer confidence, with demand for new cars at a six-year low," he adds.

Clearly, the data is a negative sign for the car industry. The sector generated £82bn of turnover in 2018, and supports over 800,000 jobs, so falling sales are bad for business. But what about its implication for the wider UK economy?

Car registration figures have traditionally been seen as a bellwether for the country's economic health. Other than a property, a vehicle is likely to be the biggest purchase a family will make in a given year. Being able to afford to buy a car outright or commit to a financing plan is seen as a sign of consumers' confidence in their earnings or financial security. Declining car registrations have therefore historically signalled a lack of confidence.

But does this analysis hold up today? Not necessarily.

If falling car sales are supposed to indicate a lack of consumers' financial clout, that doesn't marry up with the fact that UK wages have been growing steadily in recent years.

"Since the end of 2014, wage growth has been mainly positive, with a good run in 2018 and 2019 — just as new car registrations have been falling away," notes Alastair Winter, economic adviser at Global Alliance Partners. "This points to other forces at work."

These forces include changes in the last few years to the way that diesel vehicles and company cars are taxed, which has reduced demand for them. The sales of new diesel cars in particular fell by 21.8 per cent between 2018 and 2019, according to the SMMT data.

"The bellwether status of new car registrations has long been eroded by the tax treatment of company cars," adds Winter. "Meanwhile, measures that favoured diesel vehicles have been reversed, which will have deterred purchases, as will the spread of traffic restrictions in cities."

> "Generation Z and millennials are turning away from learning to drive, let alone car ownership

Then there's the looming issue of climate change. Many consumers will likely have been swayed by public campaigns to convince them to switch to cycling or public transport to commute to work, and this may also have impacted new car sales.

Climate concerns can have a major impact on consumers' purchasing decisions, especially among younger generations, who are driving less and less.

"The surge in publicity over climate change is undoubtedly influencing the attitudes of younger people," says Winter. "Generation Z and even millennials, especially those living in cities, are turning away from learning to drive, let alone car ownership — whether they can afford it or not."

Concerns over climate change might also help to explain one of the bright spots in the SMMT figures: demand for electric cars is accelerating, with the number of battery electric vehicles registered rising 144 per cent last year.

Of course, electric vehicles make up just 1.6 per cent of the market share at the moment. The car industry has a long way to go before sales of electric cars will offset falling demand in other categories.

But should we view falling car registration figures as a hazard light, warning that the UK economy is heading for a crash? Other signals are turning green.

Climate is the headline issue at Davos this year

CNBC COMMENT

Joumanna Bercetche

IT'S THAT time of the year again: policymakers, politicians, bankers, activists, journalists, and a swathe of cameras are descending upon the snowy peaks of Davos for the World Economic Forum (WEF).

Once branded the playground for the elite, epitomised by the stereotypical champagne swashing "Davos Man", this year the gathering ostensibly seems to be morphing into one epitomised by a "Davos Everyone".

This year's theme is much more inclusive: "Stakeholders for a Cohesive and Sustainable World." Headliners include President Donald Trump and Chancellor Angela Merkel, plus one new addition: Greta Thunberg, the teenage activist who travelled around the world in 2019, warning about the perils of climate change.

A global risks report published by WEF last week concurred with her warnings. For the first time in the survey's 10-year history, the top five global risks in terms of likelihood were environmental.

But are policymakers listening?

In August last year, the US Business Roundtable published a new statement on the purpose of a corporation. The letter was signed by 181 chief executives of some of the largest American companies, including JP Morgan, Johnson & Johnson, and Ford, which committed to delivering value for all stakeholders (such as communities, employers, and suppliers), not just to company shareholders.

More recently, Microsoft, the tech giant boasting a valuation north of a trillion dollars, last week announced plans to become carbon negative by 2030, and then go beyond that by aiming to remove all the carbon it has emitted since its inception in 1975.

This has distinguished it from other businesses which have so far set carbon reduction targets, but not carbon "negative" ones.

Larry Fink, the chief executive of BlackRock, the asset management firm which looks after nearly $7 trillion in assets, also made waves last week by announcing that his company would start redirecting its investments away from fossil fuel businesses — a move that one could describe as seismic for the financial world.

"I believe we are on the edge of a fundamental reshaping of finance," Fink wrote.

Beyond large influential corporations, central banks are also looking at incorporating climate change into their economic analysis.

As of 2021, the Bank of England will be introducing a climate change stress test into its financial stability report. Meanwhile, the European Central Bank, with Christine Lagarde at the helm, has also posited including climate change in its upcoming strategic review.

Then last week, the EU published further details on the European Green Deal, presenting a plan to attract €1 trillion of private and public investment over the next decade.

One thing is clear from all these developments: the spotlight is now firmly on companies' business practices, and many key players are beginning to understand the need for reform (even if the incentive is commercial, the sceptic in me murmurs).

It is now up to us to hold them accountable.

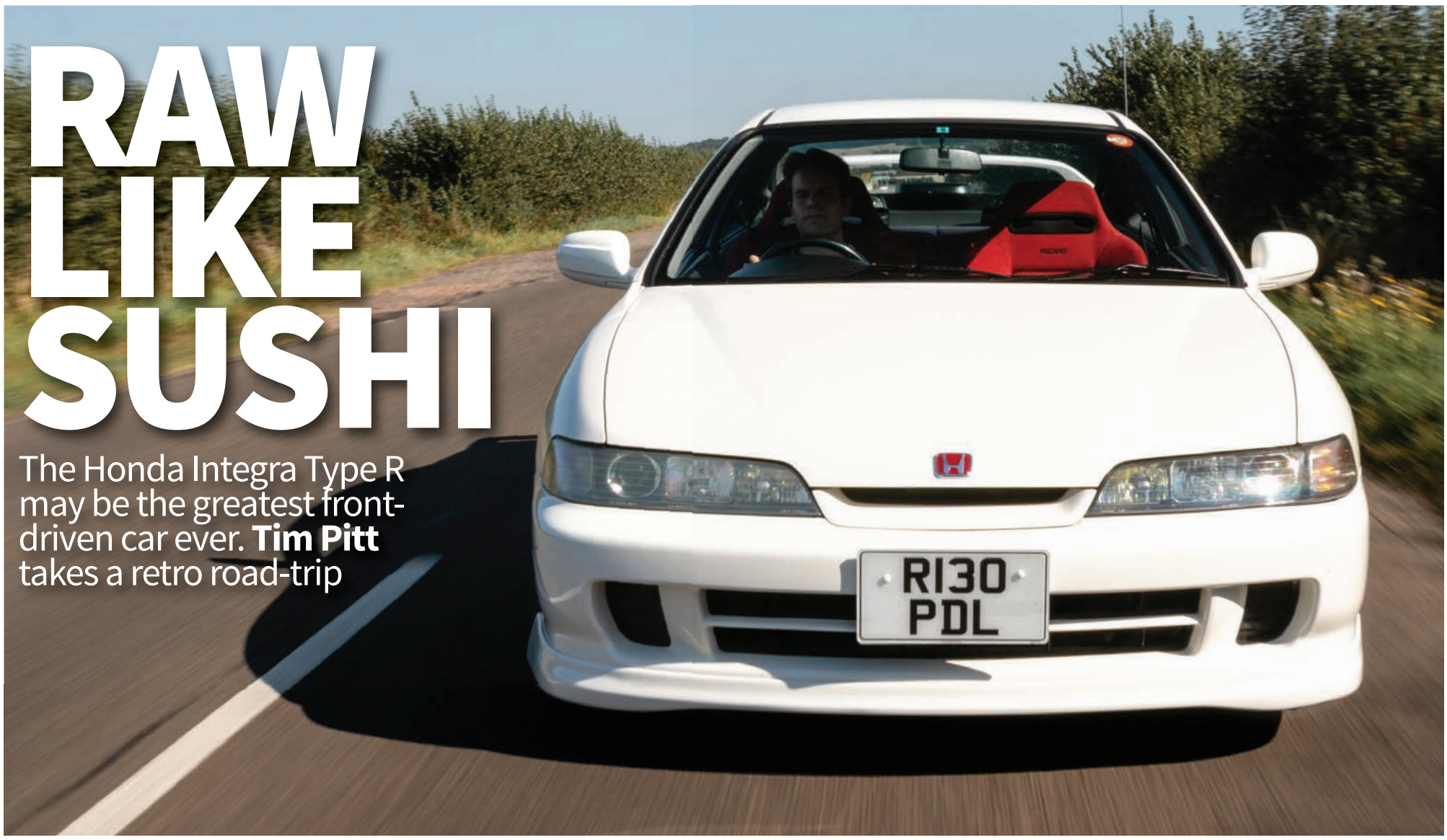
We may look back at the beginning of 2020 — which started out with devastating Australian wildfires — as an inflection point for conversations about the climate that are happening in Davos, in the boardroom, and at a national level.

Clearly, the champagne can wait.

Joumanna Bercetche is anchor of the European edition of CNBC's Street Signs.

MOTORING

BY MOTORINGRESEARCH.COM FOR CITY A.M.



RAW LIKE SUSHI

The Honda Integra Type R may be the greatest front-driven car ever. **Tim Pitt** takes a retro road-trip

The Japanese have a flair for combining flavours that shouldn't work together, but somehow do. Visiting the Tokyo Motor Show a few years ago, my culinary adventures included popcorn with soy sauce, coal-infused ice cream and cola with eel extract.

Honda assembled an equally unlikely mix of ingredients back in 1998. Front-wheel drive, a peaky naturally-aspirated engine, a manual gearbox, no luxuries, oddball looks and a non-premium badge. It was called the Integra Type R, and it was the antithesis of most modern coupes. Yet rarely has a recipe felt so *right*.

This was the second Honda to wear the fabled red 'H', following the NSX R of 1992. Despite rave reviews – CAR magazine called it 'possibly the best front-driver of all', while Evo dispensed with the 'possibly' – only 500 were allocated to UK dealers. This led to an influx of unofficial 'grey' imports from Japan, including the car seen here, owned by Nick Bailey. According to website How Many Left, it's one of 831 currently taxed.

The Integra still looks like the class nerd at sports day, its narrow body and humble 15-inch alloys contrast with Manga-style stickers and a racy rear wing. Inside, Honda binned most of the sound deadening to cut kilos, also fitting threadbare carpets and a thinner windscreen. Air conditioning and a CD player were relegated to the options list. It feels brutally basic, but the titanium gear knob and hip-hugging red Recaros – which fast became a Type R trademark – hint at something special.

As does a rev counter redlined at 8,400rpm. The 1.8-litre four was hand-built, modified with new pistons, lightened con rods, a wider throttle body and tubular manifolds. Peak power of 190hp comes at a frenetic 8,000rpm, propelling the dainty 1,125kg coupe to 60mph in 6.7 seconds and on to 145mph – on par with a contemporary hot hatch. However, the figures don't tell the whole story.

HONDA INTEGRA TYPE R	
PRICE:	FROM £8,000
0-62MPH:	6.7 SECS
TOP SPEED:	145MPH
WEIGHT:	1,125KG
MPG COMBINED:	32.1MPG

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

Up to 5,800rpm, the engine feels muted, even a bit gutless. Then Honda's VTEC variable valve timing switches to a spikier cam profile and, with a feral snarl, all pretence of civility is shredded. The Integra reacts like it's swallowed a spoonful of wasabi: intense and totally wired. Some people – my Honda Jazz-driving mum, for example – could spend months pottering about and never unearth this split personality. But once you've savoured its spicier side, there's no going back.

The Integra's handling was also a high watermark. Many front-wheel-drive cars scrabble for traction and lose composure at the limit. This one holds its line like a whipped politician on Newsnight. A stiffer, spot-welded chassis expunges any sense of inertia and the limited-slip diff wrenches it around corners with gleeful exuberance and tenacious grip. From the lucid steering to the slick gearshift, every control feels carefully calibrated and brimful of tactility. The result is a richly rewarding driver's car, even outside the VTEC zone.

A legend in its own lifetime, the Honda has since become a veritable modern classic. The best examples already cost well into five figures and are likely to appreciate further. You can tell UK and Japanese (JDM) cars apart by their headlights – twin round lamps for the former, oblong-shaped for the latter – but don't get hung up on detail differences. Focus simply on finding the most rust-free car you can.

The Type R leaves a lasting impression, rightly hailed as one of the greats: a car greater than the sum of its ingredients. I've been scouring the classifieds ever since.

Many thanks to Nick Bailey and Elan PR.
Tim Pitt works for motoringresearch.com

NOT CONVINCED? CHECK OUT THESE ALTERNATIVES...

AUDI TT QUATTRO SPORT

		THE VERDICT:	
PRICE:	FROM £8,000	DESIGN	★★★★★
0-62MPH:	5.9 SECS	PERFORMANCE	★★★★★
TOP SPEED:	155MPH	PRACTICALITY	★★★☆☆
WEIGHT:	1,460G/KM	VALUE	★★★★☆
MPG COMBINED:	30.4MPG		

FORD RACING PUMA

		THE VERDICT:	
PRICE:	FROM £13,000	DESIGN	★★★★★
0-62MPH:	7.9 SECS	PERFORMANCE	★★★☆☆
TOP SPEED:	126MPH	PRACTICALITY	★★☆☆☆
WEIGHT:	1,039KG	VALUE	★★★☆☆
MPG COMBINED:	34.0MPG		

SUBARU IMPREZA TURBO 2000

		THE VERDICT:	
PRICE:	FROM £6,000	DESIGN	★★★★☆
0-62MPH:	5.8 SECS	PERFORMANCE	★★★★★
TOP SPEED:	144MPH	PRACTICALITY	★★★★☆
WEIGHT:	1,235KG	VALUE	★★★★☆
MPG COMBINED:	27.7MPG		

OFFICE POLITICS

So long, farewell, auf wiedersehen, bye

An important lesson from the Harry and Meghan saga: make a succession plan

THE DRAMA taking place in the Royal House of Windsor is not only gripping material for a future episode of The Crown, but also a wake-up call to all businesses to have a plan for when important personnel step down or leadership responsibilities change.

From the mom-and-pop store to publicly-listed giants, succession planning needs to be built in almost at a company's birth.

History is littered with the wreckage of organisations that suffered from over-reliance on a single person and had no effective plan for succession.

For instance, Reliance used to be one of India's largest family-owned businesses, operating across sectors ranging from energy to telecoms. Its founder, Dhirubhai Ambani, died suddenly of a stroke in 2002, leaving no will or succession plan.

Management fell to his two sons, Mukesh and Anil. But tensions between them led to the whole business being split in two and a feud evolving that was not finally resolved until 2010.

Dropping dead is perhaps not what is usually meant by stepping down from a role. But however a key organisational player leaves, having someone who can smoothly step into their shoes is essential for good management.

Firms have a choice of either recruiting internally or externally. There are pros and cons to both approaches.

If internal, through a programme of training, mentoring and delegating, talented people can be developed to fulfil the role. A major advantage of this more organic approach is that they immediately understand how the business operates, and will already have developed the key relationships that underpin their role.

Through their career development and a planned programme of introductions, they will have already formed sound relationships with clients, customers, investors, and other stakeholders.

In this light — and going back to the Royals — the increasing role of Prince Charles in official functions of state makes perfect sense.

History is littered with the wreckage of organisations that had no effective plan for succession

Conversely, external candidates might be sought if a business feels that there is a benefit to bringing in fresh blood who can implement a significant and much-needed change in company culture.

However, getting an external chief executive requires time, and it also takes a while for them to get their feet under the desk and become effective.

Countrywide's recent change at the top has seen a newcomer in the form of Tesco's ex-finance director Bruce Marsh joining as chief operating officer. But while the move was announced in October 2019, his start date wasn't confirmed for another month afterwards — and with the General Election and Christmas to contend with, any evidence of his output will likely only be surfacing now.

Flexibility is key, and businesses will need to be agile to match people to roles that are likely to undergo dramatic change.

Clearly, it is prudent to have an effective contingency plan should a succession be needed, whether pre-planned through retirement or suddenly due to ill health. Technology can help soften the blow. Properly implemented systems intrinsic to a firms's culture can ensure a smooth transition and consistent communications — whether in the boardroom or at the grass roots.

Succession plans also mean having a communication strategy in place. This is illustrated in an early episode of the HBO series Succession, where media magnate Logan Roy becomes incapacitated, and his dysfunctional family has to rush to inform the media about leadership contingencies before the stock market opens.

To avoid a family firm farce or corporate coronary, get those succession plans up and running. After all, no one should be irreplaceable.

Guy Windsor-Lewis is founder and chief executive of Locale.

BRING A BOOK

Waterstones
Free

The book chain Waterstones is something of a high street institution at this point, and it has finally entered the twenty-first century with its own mobile app. Browse reviews for the next bestseller, or check to see if your local store has a specific book in stock. And if you need a last-minute present for a friend's party, a book is always a good bet.

COFFEE BREAK

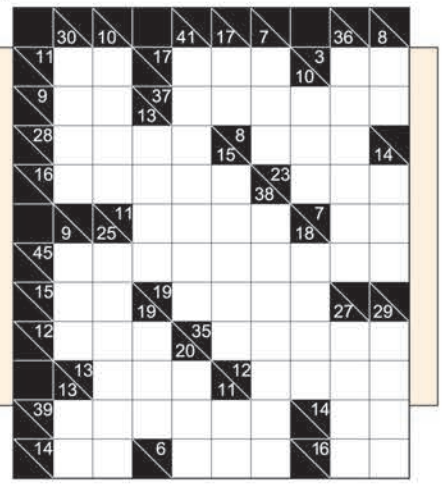
SUDOKU

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.

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

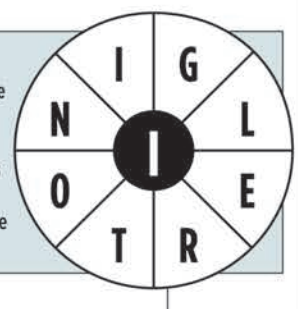
KAKURO

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.

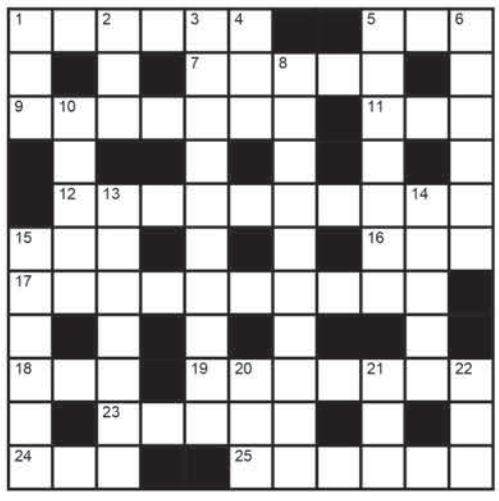


WORDWHEEL

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 Design marked onto the skin (6)
5 Small hotel (3)
7 Organ enclosed within the skull (5)
9 Exerts a pushing force upon (7)
11 Partially opened flower (3)
12 Over-inclined to being done again and again (10)
15 Bread roll (3)
16 Cover (3)
17 Downplay (10)
18 Round vegetable (3)
19 Seek people's votes (7)
23 Melodious sounds (5)
24 Repent (3)
25 Only, just (6)

DOWN

1 Bathroom fixture (3)
2 Golfing device (3)
3 Branch of medicine that deals with childbirth (10)
4 Source of metal (3)
5 Existing as an essential characteristic (7)
6 Prodded (6)
8 Help (10)
10 Repeat performance (5)
13 Final stages of an extended process of negotiation (7)
14 Personal beliefs (5)
15 One of two shock absorbers at either end of a vehicle (6)
20 Objective (3)
21 Affirmative word (3)
22 Timid (3)

LAST ISSUE'S SOLUTIONS

QUICK CROSSWORD

KAKURO

SUDOKU

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

WORDWHEEL

The nine-letter word was **ARTICHOKE**

Fitness is the key to evergreen Westwood's longevity

GOLF COMMENT

Sam Torrance

LEE Westwood's 25th career European Tour title at the Abu Dhabi Championship on Sunday shows that, like the wine he drinks, the Englishman just gets better with age.

They threw a lot of good scores at him – Tommy Fleetwood and Victor Perez shot 63s and Matthew Fitzpatrick 67 – but Westwood, 46, seems to handle the pressure so well. Just one ahead playing the last, he made a birdie to close out a two-shot victory over that trio.

He has been one of the best drivers around for his whole career and it was no different last week. His 70 per cent of fairways hit was the best in the field and helped him to drop just four shots in 72 holes.

Key to Westwood's longevity is his fitness. Being in shape in your 20s and 30s is one thing, but to be in such good condition in your mid-40s speaks volumes about his regime. It's not about diets so much as having a well-structured programme.

Fleetwood put up a fight with a nine-under-par final round that continued his very good recent results. This tie for second follows his runner-up spot at the DP World Tour Championship and win at the Nedbank Golf Challenge at the end of last year.

Fitzpatrick, meanwhile, was the bridesmaid once again – this was his sixth second place since he last won 16 months ago. He just has to take the positives: it was another good finish and boosts his Ryder Cup hopes.

Westwood has played down his own prospects of representing Europe for an 11th time. In my book he's certainly capable and, although he will be 47 by September, older people than him have taken part. You have to be on your game heading into a Ryder Cup so I'm sure he will only want to be involved if he's playing well. He's made a good start, at any rate.

After his previous win at Sun City in late 2018 he seemed delighted. That could have proved to be his last on the European Tour but it turns out that it wasn't and it shouldn't be a shock.

At this stage of his career he will be taking things week by week. The door to more success is open if he wants to walk through it. And of course at 50 he will have the chance to play the seniors circuit if he wants it. But for now he should just enjoy this.

LANDRY STEPS UP IN STYLE

Over in California, Andrew Landry was also celebrating after he won the American Express – his second PGA Tour title – in a bit of style.

Landry had missed seven of his previous eight cuts and lost a play-off at this event two years ago so might have feared the worst when a six-shot lead evaporated on the back nine.

But a tee shot to seven feet at 17 set up the first of two closing birdies and clinched a big step up for the 32-year-old Texan.

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

ENGLAND TRUST IN YOUTH

Bess and Pope crush South Africa and offer hope for the future. By **Felix Keith**

THE back-slapping may have been delayed, and the winning moment may have come in an oddly subdued fashion against a worn-out side on their last legs, but England's crushing victory over South Africa in the third Test yesterday was no less momentous.

When Sam Curran threw down the stumps at the non-strikers' end to run out Keshav Maharaj the first thought was perhaps relief, as victory – and an unassailable series lead – was secured by an innings and 53 runs.

Maharaj and Dane Paterson's 99-run stand for the final wicket had frustratingly delayed the inevitable, provided the home fans with some light entertainment and sparked the Port Elizabeth house band back into life.

As inconvenient as their 18.4-over fling was, it also served to show just how flat the St George's Park pitch was – and therefore how well England had done to take 20 wickets for the third consecutive time in the series.

While Joe Root's four wickets were the surprise highlight of day four, it was Dom Bess's figures of 5-51 which acted as the tin-opener and allowed England to merrily scoop out the remaining contents of the hosts' batting order at will.

Bess wasn't originally on the tour. But with Adil Rashid struggling with a shoulder injury, Moeen Ali taking a break from the longest format, Jack Leach struck down by illness and Matt Parkinson yet to make his debut, the Somerset off-spinner got the call and has seized his chance.

Working with England's spin bowling consultant, and fellow off-spinner, Jeetan Patel seems to have helped and with Sri Lanka on the horizon as the next Test tour destination the 22-year-old has a bright future.

GREAT TEMPLATE

Despite failing to snare his first Test five-wicket haul with an extended final morning bowl, Root was understandably elated to take a 2-1 series lead. The captain spoke of "the journey" the team are planning to take to reach No1 in the Test world rankings. And although such talk is premature, the positivity is well-founded and makes a refreshing change after four years which have brought a solitary overseas Test series win.

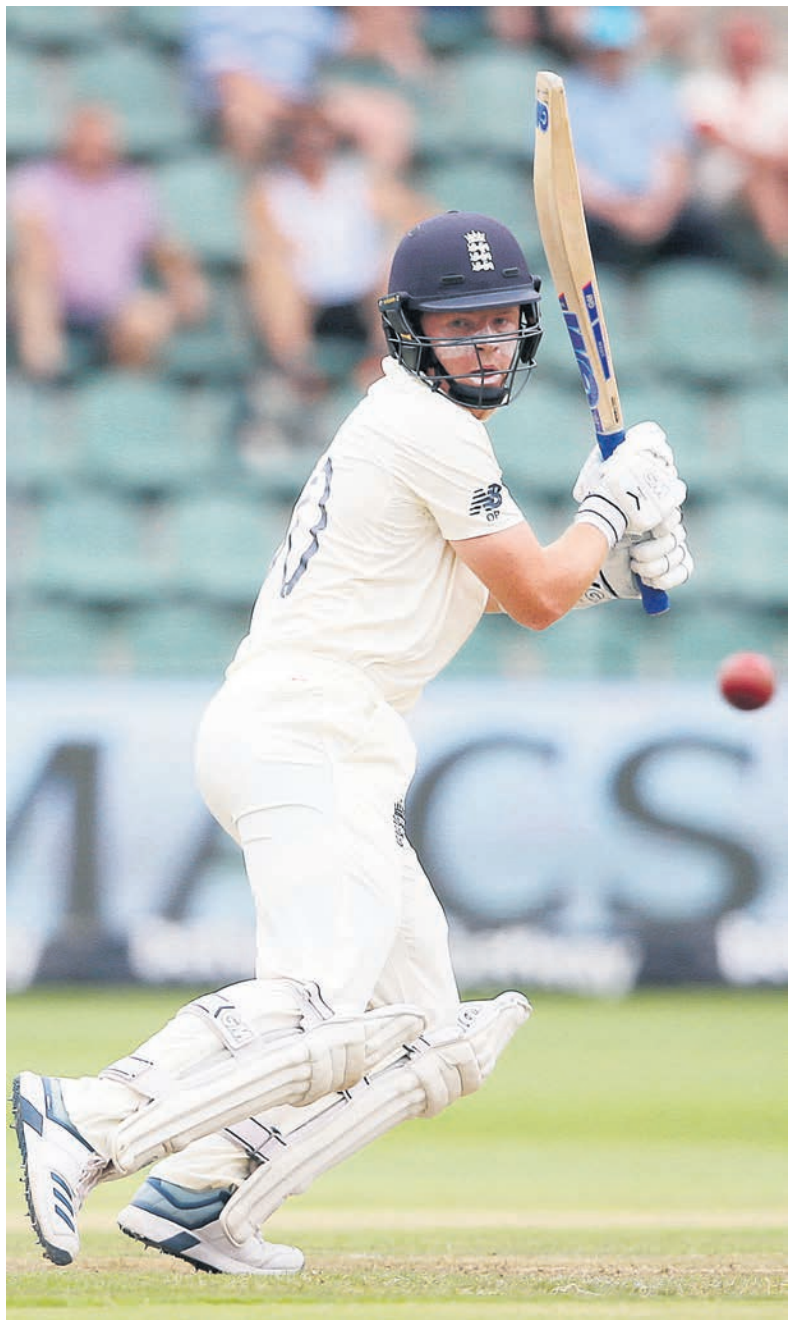
"It's a great template for how we want to play our cricket moving forward – big first-innings score and drive the game forward from there," he said post-match. "We knew we had to take the Newlands effort forward into this week. We've had four guys under 25 making hundreds or taking five-fors and that's a great place to be."

After Dominic Sibley made a maiden Test century in the Cape Town win, it was Ollie Pope's turn. His unbeaten 135 combined perfectly with Ben Stokes's 120 and lower-order hitting from Curran and Mark Wood to see England declare on 499-9.

"He is a wonderful talent and has such a brilliant game on him," Root said of man-of-the-match Pope. "When you see someone with that ability, once they believe it themselves then the sky's the limit."

That view is not just one held by his captain. Pope's sound technique, array of shots – from Ian Bell-esque cover drives to outrageous ramp shots – impeccable timing and visible ease at the crease make him the complete package. If the newly-solidified top order can continue to dig in, batting at No6 appears the ideal place for Pope to continue to develop.

The bouncier Johannesburg pitch, the scene for Friday's final Test, could provide the stage for another display of the 22-year-old's supreme talents.



Pope finished unbeaten on 135 from 226 balls as England declared on 499-9

YOUNG GUNS

Four England players under 25 have scored a century, or taken a five-wicket haul in South Africa.

Jofra Archer: The 24-year-old took 5-102 – his third Test five-for in just seven games – in loss at Centurion.
Dominic Sibley: Opener, 24, made his first Test century at Newlands.
Ollie Pope: The 22-year-old passed 100 for the first time in his third Test after previously making two fifties.
Dom Bess: Off-spinner, 22, claimed 5-51 in his fourth Test on Saturday.

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Tebas sees international interest in LaLiga as crucial to his goal of bridging the revenue gap to the Premier League, although ambitious plans to stage a match in the United States have thus far been thwarted by the Spain's football association, the RFEF, and the matter remains the subject of a legal battle.

The RFEF's decision to stage the Spanish Super Cup mini-tournament in Saudi Arabia earlier this month, therefore, did not impress Tebas – both for its apparent double standards and its endorsement of a country whose human rights record has been criticised and which is widely held to be responsible for major piracy operation beoutQ.

"The Saudi Arabia government has a policy whereby they improve their image through sport, whitewashing their image, and we all have a responsibility," Tebas said. "Money is not the only thing that matters."

SPORT

SAM TORRANCE Ryder Cup talk can wait – Westwood should just enjoy his latest win PAGE 27

ENGLAND MARCH ON Visitors thrash sorry South Africa to close in on Test series win

ENGLAND completed a crushing win over South Africa in the third Test at Port Elizabeth yesterday to take a 2-1 lead in the series. The visitors claimed the last four wickets in the morning session of day five, bowling the Proteas out for 237 to win by an innings and 53 runs – their biggest margin of victory in an overseas Test since beating Australia at Sydney in 2011. The hosts began the day on 102-6, needing rain or a miracle to achieve a draw. Keshav Maharaj smashed 71 in a 99-run 10th-wicket stand with Dane Paterson (39 not out) to delay the inevitable but Sam Curran ran out Maharaj to send England to Johannesburg in a position where they cannot lose the series. Jofra Archer is expected to be fit for the final Test following an elbow injury, but South Africa will be without fast bowler Kagiso Rabada, who will serve a one-match ban for picking up four demerit points.

SPORT DIGEST

EIGHT UNCAPPED PLAYERS CALLED UP BY JONES

Eddie Jones sprung a surprise with his Six Nations announcement yesterday, naming eight uncapped players in his 34-man squad. Northampton trio Alex Moon, Fraser Dingwall and George Furbank received their first call-ups alongside Bath's Will Stuart and Jacob Umaga of Wasps. Tom Dunn, Ben Earl and Ollie Thorley are the other new faces, but Saracens No8 Billy Vunipola and Exeter winger Jack Nowell are both injured. "We wanted to bring some young players in because we need to keep building our depth," Jones said. England begin their campaign away to France on Sunday 2 February.

ARTETA: CHELSEA GAME IS A MUST-WIN FOR ARSENAL

Mikel Arteta says Arsenal must beat Chelsea at Stamford Bridge this evening if they want to keep their hopes of finishing in the top four alive. The Gunners are 10th in the Premier League, 10 points behind the fourth-placed Blues, and have won just one of their last seven league games. "It's very important if we want to fight for the top four," said Arteta. "The game at home [against Chelsea] was the same, it could have made a big difference and we were very close to it. On Tuesday, we need a win."

DJOKOVIC AND OSAKA PROGRESS IN MELBOURNE

Defending champions Novak Djokovic and Naomi Osaka both avoided first-round upsets at the Australian Open yesterday. Djokovic recovered from a third-set wobble to beat Germany's Jan-Lennard Struff 7-6 (7-5), 6-2, 2-6, 6-1, while Osaka overcame Czech Marie Bouzkova 6-2, 6-4 in Melbourne. Roger Federer breezed past Steve Johnson in straight sets, Serena Williams did the same against Anastasia Potapova in just 58 minutes and Australian world No1 Ashleigh Barty also progressed after coming from a set down.

BEWARE 'INTRUDER' FIFA

European football is at risk of being torn apart, says Spanish league chief Tebas. By **Frank Dalleres**

JAVIER Tebas, the man who accused Paris Saint-Germain of "peeing in the pool" and flouting football's financial rules, is know for shooting from the hip and now it is Fifa in the outspoken Spanish league chief's crosshairs.

Specifically, LaLiga president Tebas is disturbed by his Fifa counterpart Gianni Infantino's apparent determination to transform the Club World Cup from mid-season sideshow to a major money-spinning, 24-team summer spectacular.

Amid mooted overhauls to the Champions League and talk of other breakaway competitions being led by the game's biggest teams, it is one of several threats to the stability and future prosperity of European football that Tebas is determined to fight.

"I think this whole process has gone mad," he said of Fifa's plans, adding that the world governing body was trying to go from regulator to direct competitor of national leagues.

"This is something that worries me because I think we had a balanced ecosystem between the different leagues and competitions in Europe and the different continents. Now we have a sort of intruder who might disrupt that balance."

Real Madrid's president Florentino Perez is said to have pitched to Fifa a potential season-long breakaway competition for the world's richest teams, effectively replacing domestic leagues and European tournaments such as the Champions League. "I think it would be a mistake for Real Madrid – a very serious mistake in fact," Tebas told a media briefing in London last week. "I think Florentino Perez isn't aware of the consequences. I don't think he's aware of the impact this will have on Real Madrid's legacy."

Tebas: New competition talk "has gone mad"

> "If we generate wealth and it goes back to big clubs, players end up having 15 Ferraris instead of 12

European governing body Uefa's own radical proposals for the Champions League, which also threatened to benefit only a handful of mega-clubs, look to have been seen off. Instead, Tebas argues, the game should be levelling the playing field.

"I don't think we're helping football if we generate wealth and it goes straight back to the big clubs," he said. "[They] share out the large part of their income on behalf of their players and instead of having 12 Ferraris they have 15; instead of having 10 Lamborghinis they have 12. So our aim is to redistribute that wealth."

Tebas remains dissatisfied with Uefa's enforcement of Financial Fair Play rules with respect to PSG and, to a lesser degree, Manchester City, two clubs whose Gulf state-backed spending he continues to refer to as financial "doping".

Wage inflation caused by such spending has, he says, put pressure on other major clubs, who in turn seek new revenue streams and find temptation in talk of breakaway leagues. "That's not the solution, but part of the problem is the inflation," he said.

Tebas's other key concern is football's adoption of over-the-top broadcasting, which he believes is a matter of time. "If we're not ready, it could lead to a drop in value," he said. "It is going to happen in football. We need to be prepared for that transition."

While the Premier League has sold rights for some games to Amazon, Tebas insists he will only follow suit if streaming platforms agree to share consumer behaviour data on LaLiga's audience. "This is the key for our future, to add value to our broadcasting rights," he said.

A deal with OTT provider Eleven Sports, axed last year after less than a season, "didn't work well", concedes Tebas, so Spanish football is back on UK screens this campaign via a dedicated channel, LaLigaTV, which launched last week and is available on Sky and Virgin as well as online via Premier Sports.

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