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THURSDAY 27 JUNE 2019 | ISSUE 3,401 CITYAM.COM FREE

MARK CARNEY SLAMS FUNDS 'BUILT ON A LIE'

JAMES BOOTH AND JESS CLARK

@Jamesdbooth1 @jclarkjourno

BANK of England governor Mark Carney blasted funds such as Neil Woodford's yesterday which he said were "built on a lie".

Woodford's flagship £3.7bn Equity Income Fund was frozen earlier this month after it was hit by a wave of withdrawals it could not meet.

Carney told MPs on the Treasury Select Committee that the way these funds like Woodford's are regulated should be changed.

"These funds are built on a lie which is that you can have daily liquidity for assets that fundamentally aren't liquid," he said.

Carney said offering clients instant access to their money from funds that were illiquid could make investors complacent about risk.

The current approach "leads to an expectation for individuals that it's not that different from having money in a bank," he said.

"We do have to be very deliberate about the types of measures that need to be taken — something that better aligns the redemption terms with the actual liquidity of the underlying investment is infinitely preferable to the situation we have today," he said.

The Canadian warned the risks that could build up across illiquid funds could bring about a serious economic shock.

"This is a big deal. You can see something that could be systemic," he said.

Carney also said markets were increasingly worried about the prospect of a no-deal Brexit.

"Market expectations of no deal have gone up in recent months," he said.

"The degree of uncertainty [for businesses] is as high as it was just prior to the 29 March deadline. If you squint marginally it's gone up a bit.

"As best as I can tell, this uncertainty effect that has been weighing on business, and particularly business investment, is continuing to operate.

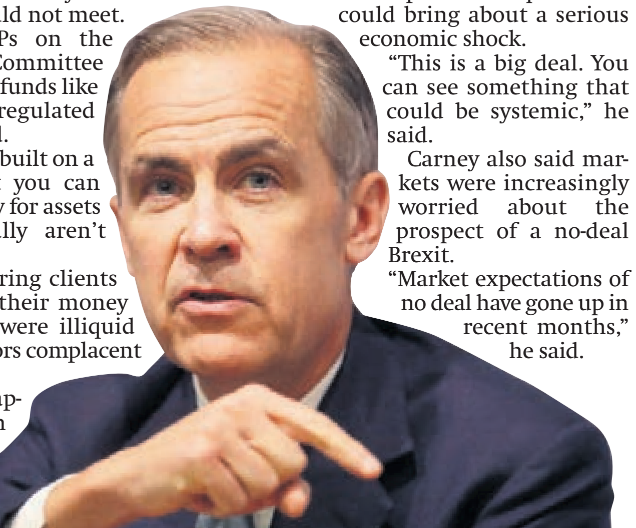
"Expectations of no-deal have gone up in markets, that uncertainty is still there for business and that is affecting the short-term economic performance."

He hinted that the Bank would cut interest rates if the UK left the EU without a deal.

"It's more likely that we would provide some stimulus in that event [no-deal Brexit]," he said

Carney said the Bank had not included no-deal Brexit risks in its economic forecasts, noting that both Conservative Party leadership candidates – Boris Johnson and Jeremy Hunt – had said it was preferable to reach a deal with the EU if possible.

"In the event that the policy of the government were to switch, the forecast of the Bank of England would switch accordingly," he said.



BoE governor Mark Carney appeared before a committee of MPs yesterday

SEVEN-FIGURE SLOWDOWN

Number of £1m homes sold falls

SEBASTIAN MCCARTHY

@SebMcCarthy

A DECADE of growth in the market for £1m houses finally came to an end last year amid waning sales of prime properties across London.

Buyer and seller activity slowed down in the wake of Brexit uncertainty and stamp duty taxes in 2018, with some 8,267 homes worth £1m selling over the course of the year, tailing off from an all-time high of 8,308 in the previous 12 months.

Flat growth in London and the south east outweighed rises in other parts of the country, according to data released today from Lloyds Bank's annual million-pound homes index.

Despite the slowdown in the capital, nine of the top 10 local authority districts with £1m property sales during 2018 were located in London, with Westminster (888 houses), Kensington & Chelsea (808) and Wandsworth (740) rounding out the top three.

In the east Midlands, 100 houses worth £1m were snapped up during 2018, marking a sharp increase from 49 homes sold 10 years earlier.

FTSE 100 ▼ 7,416.39 -6.09 FTSE 250 ▼ 19,260.39 -26.12 DOW ▼ 26,536.82 -11.40 NASDAQ ▲ 7,909.97 +25.25 £/$ 1.269 unc. £/€ ▲ 1.116 +0.001 €/$ 1.137 unc.

CITY A.M.

THE CITY VIEW

Hunt should be wary of spending splurges

EARLIER this week, the Institute for Fiscal Studies (IFS) performed a useful public service, placing Boris Johnson's spending proposals under the microscope. The less-than-glowing conclusion was that the plans would be immensely expensive, and have the side-effect of helping wealthy retirees more than current workers. Today, the IFS has done the same favour for rival leadership contender Jeremy Hunt, with a similarly stern attitude. Hunt's headline pledges are: cut corporation tax from 19 per cent to 12.5 per cent; increase the threshold on National Insurance contributions; reduce the interest rate on student loans; and spend an additional £15bn on defence over the next five years. All these policies come with price tags, but some are worthier than others. The IFS estimates that increasing the National Insurance threshold to £12,500, for example, would cost £11bn per year. It would, however, benefit millions of employees and encourage people into work.
Tinkering with student loan rates, in contrast, would cost over £1bn in the long run and benefit only the highest-paid graduates.
Hunt's corporation tax cut, potentially to the level of Ireland, would initially cost £13bn a year. The IFS warns that it would not entirely pay for itself, as has been argued, but does acknowledge that it would be partly mitigated by more companies basing themselves and paying tax in the UK. Encouraging business is a noble goal, even if the numbers need some ironing out.
Finally, on defence, the IFS notes that Hunt's hawkish attitude would "represent a major reversal in a 70 year trend – a trend which has allowed for more spending on the welfare state, and especially on health, without significant tax rises". With a funding crisis in adult social care and looming questions about the cost of an ageing population, it is not clear whether a glitzy military spending splurge should be the top priority.
This is the crux of the issue. While it is standard for leadership hopefuls to loudly declare giveaways while playing down tax rises and spending cuts, the question remains how either Hunt or Johnson intends to pay for their plans. The Conservatives have for decades relied on its reputation for fiscal responsibility, in contrast to a Labour party that cannot be trusted with the economy. This will be a crucial message in any future election.
Both candidates should remember that spending promises made on the campaign trail can morph into commitments that will be an albatross around the neck of any new Prime Minister.

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PYRAMID SCHEME Festival-goers in Glastonbury prepare for heatwave with temperatures that could hit 30 degrees celsius

THOUSANDS descended on Worthy Farm yesterday for the four-day Glastonbury Festival, which starts in earnest today. Forecasters predict a weekend heatwave with temperatures that could rocket above 30 degrees celsius. South London rapper Stormzy will headline the Pyramid Stage tonight after appearances from singer George Ezra and former Fugees member Lauryn Hill.

Growth forecast to slow as Brexit hits confidence

JAMES BOOTH
@Jamesdbooth1

THE UK's economic growth is expected to slow next year as prolonged uncertainty over Brexit and global headwinds take their toll.

Audit firm KPMG said today it expects UK GDP growth to reach 1.4 per cent in 2019, falling to 1.3 per cent in 2020 – down 0.2 per cent since its last forecast in March.

Brexit-related stockpiling in the first quarter helped boost trade in goods with EU countries and manufacturing.

KPMG said it does not expect these levels to persist for the rest of the year.

The report said it expects services to remain the main pillar of growth, but said it does "not foresee any exceptional strength there either".

Yael Selfin, chief economist at KPMG UK, said: "Recent weeks saw the gathering of clouds over the global horizon, with growing talk of a possible recession and a change in tune by major central banks as they gather their depleted arsenal to the rescue. The UK now has to consider the global backdrop a headwind.

"Back home, Brexit has not left the top of the domestic agenda, and the veil of uncertainty will continue to exact real damage on the UK economy. Our forecasts see weakening domestic momentum in the short term with a big downside if the UK leaves the EU with no deal."

The report said a strong labour market and rising pay would continue to support consumer spending.

"This will be the main driver of economic growth over the next two years, with households' spending forecast to grow at 1.5 per cent this year before moderating to 1.2 per cent in 2020," it said.

However, business investment is likely to lag as companies delay spending in anticipation of a final Brexit settlement.

Investment is expected to grow 1.6 per cent this year on the back of a strong first quarter, but it has been downgraded from 1.6 per cent to 1.1 per cent in 2020.

"In addition to Brexit, the UK economy faces two urgent challenges it needs to address: low productivity and inequality of opportunity," Selfin said alongside the report.

"They represent a ticking time bomb which, if not defused early, will relegate the UK to the bottom of the league."

On Monday, a survey showed that German business morale had fallen to its lowest level since November 2014.

The Ifo institute said its business climate index deteriorated for the third month in a row in June.

WHAT THE OTHER PAPERS SAY THIS MORNING

FINANCIAL TIMES

INVESTMENT IN LONDON OFFICE SPACE FALLS A THIRD
Investment in central London office buildings is on track to fall 37 per cent in the first half of 2019 compared to the same period the year previously. According to figures from property consultancy Cushman & Wakefield, investors are on track to trade £5.5bn of central London office space in the first six months of the year.

NIKE PULLS RANGE IN CHINA AFTER HONG KONG POST
Nike has cancelled the sale of a line of limited-edition trainers in China after the range's Japanese designer supported the recent protests in Hong Kong. Chinese retailers halted sales of the shoes designed by Undercover, the studio of Japanese designer Jun Takahashi, after it posted a picture of protesters with the caption "no extradition to China" on Instagram.

THE TIMES

BOOTS BOSS PLANNING TO 'RATIONALISE' UK STORES
The boss of struggling pharmacy chain Boots said it plans to cut some of its stores. Seb James, who runs the chain for its American owner Walgreens Boots Alliance, said he plans to "rationalise" its estate to reduce the number of stores that are in close proximity to each other.

TRUMP AND KIM COULD MEET FOR THIRD SUMMIT
North Korea and the United States are in behind-the-scenes talks to arrange a third summit between Kim Jong-Un and US President Donald Trump, South Korean President Moon Jae-in told reporters yesterday.

THE DAILY TELEGRAPH

EX- VIRGIN MONEY BOSS GADHIA LEAVES STAGECOACH
Former Virgin Money boss Dame Jayne-Anne Gadhia has stepped down from her board role at Stagecoach to lead a startup. The transport company told investors yesterday that Gadhia would step down next month to head fintech firm Snoop.

NHS WILL FORCE VIRTUAL GPS TO OPEN PRACTICES
The NHS will force "virtual GPs" to open physical practices in an attempt to address growing shortages of doctors in many parts of the country. The head of the NHS will announce that companies offering NHS patients appointments by Skype must also open a local surgery.

THE WALL STREET JOURNAL

COMPANIES DODGE TARIFFS BY REROUTING GOODS
Billions of dollars worth of China-made goods subject to tariffs by the Trump administration in its trade fight with Beijing are dodging the China levies by entering the US via other countries in Asia, especially Vietnam, according to trade data and overseas officials.

FACEBOOK IN TALKS FOR OFFICES AT HUDSON YARDS
Social media giant Facebook is in talks to lease 1m square feet of office space in a skyscraper under construction in Manhattan, according to a source. The deal would create one of Facebook's largest office operations in the world outside of its headquarters.

Lynch takes the stand in $5bn HP fraud claim trial

JESS CLARK

@jclarkjourno

BUSINESS tycoon Mike Lynch was accused of masterminding a fraud at Autonomy in order to be "seen as a success story" as he began his month-long testimony in the UK's biggest-ever civil fraud trial.

Lynch, founder and former chief executive of software firm Autonomy, is being sued by computing giant Hewlett Packard (HP) for $5.1bn for allegedly falsely inflating the software firm's revenue ahead of its £8.4bn sale to the technology giant in 2011.

The entrepreneur and his co-defendant Sushovan Hussain, the firm's ex-finance chief, both deny the allegations.

"So accustomed were you with being seen as a success story and so concerned were you that Autonomy should not fall short that you encouraged Mr Hussain and indeed others to do what needed to be done to ensure that did that happen, that revenue targets were not missed," said Laurence Rabinowitz QC during the cross-examination of the businessman at London's High Court yesterday afternoon.

"Even if that meant resorting to fraudulent devices that enabled Autonomy to over-represent its quarterly performance to the market," he added.

"Such was your determination that Autonomy should not appear to have fallen by the wayside that you were willing... to mislead auditors, to mislead the audit committee, to mislead analysts, to mislead investors and indeed to mislead the market in general."

Lynch said that Rabinowitz was incorrect, saying Autonomy was "one of the most successful companies that England has ever produced".

"To consider that as falling by the wayside I think has lost all perspective," he said.

The President accused Powell of "trying to prove how tough he is"

Trump turns up the heat on Fed with fresh attack on Jay Powell

SEBASTIAN MCCARTHY

@SebMcCarthy

US PRESIDENT Donald Trump escalated tensions with the Federal Reserve yesterday after launching a bombastic attack on its current chairman.

In a phone interview with Fox Business, the President lashed out at chairman Jerome Powell, saying the Fed leader "should've never raised the rates", and that Powell was "trying to prove how tough he is".

"I have the right to demote him, I have the right to fire him. He has to lower interest rates to help us compete with China," the President added.

The comments mark Trump's latest in a string of public attacks aimed at Powell over his decision to hike interest rates.

Confidence of London firms bounces back

JAMES BOOTH

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LONDON business confidence bounced back in the three months to the end of June, as domestic and export sales recovered, according to data published today.

A survey by the London Chamber of Commerce and Industry (LCCI) showed 20 per cent of businesses reported increased domestic sales in the second quarter, up from 14 per cent in the previous quarter.

The number of businesses reporting declining domestic sales fell in the quarter.

Similarly, 21 per cent of exporting London businesses reported sales increases, with the number of declining sales falling.

All business confidence indicators increased during the quarter, and expectations for the wider economy also improved, although still remained gloomy.

LCCI chief executive David Frost said: "The economy of this city is hugely resilient, and its innovative and dynamic firms continue to create wealth.

"Of course the wider picture remains uncertain and businesses' broader view of the economy is not positive."

Under-fire fund H2O says redemptions have slowed from their peak last week

JAMES BOOTH

@Jamesdbooth1

EMBATTLED asset management firm H2O said yesterday there had been significant inflows of funds in recent days, and redemptions had fallen to five times less than they were at their peak last Friday.

The firm has been hit by a wave of clients withdrawing their money after the Financial Times (FT) last week questioned its relationship with controversial financier Lars Windhorst and the level of illiquidity in its portfolio.

In a statement yesterday, H2O said there have been "substantial inflows" since Monday. It said its current assets under management (AUM) stand at €27bn (£24.2bn).

"Redemptions have markedly subsided to a level roughly five times less than at their peak (on 21 June), down to €450m today," H2O said.

Last week, Morningstar put one of H2O's funds under review. The ratings agency cited concerns over investments in illiquid bonds issued by firms related to Windhorst, who owns investment company Tennor.

Windhorst has been embroiled in several lawsuits surrounding the sale and repurchasing agreements of illiquid bonds, according to the FT.

The issue of illiquidity in funds has gained traction in recent weeks following the suspension of Neil Woodford's flagship fund.

Boris opts for Australian-style immigration pledge

OWEN BENNETT

@owenjbennett

MIGRANTS will not be able to come to the UK unless they have a job, Boris Johnson has pledged, under tough new immigration rules he would implement as Prime Minister.

The frontrunner to succeed Theresa May in Downing Street wants to see an Australian-style points based immigration system implemented after Brexit – a policy he backed during the 2016 EU referendum campaign.

Johnson will task the Migration Advisory Committee to come up with the the details of the new system, but the quango will have to ensure immigrants can speak English, have a firm job offer and are unable to claim benefits immediately.

The CBI cautiously welcomed the move, and called for Johnson to scrap May's target of getting net migration below 100,000-a-year.

Johnson also pledged to protect EU nationals currently living in the UK, vowing to "sort it out immediately".

ENRC goes to US court in effort to beat SFO probe

AUGUST GRAHAM

@AugustGraham

LONDON-BASED miner ENRC has filed a case in the US to force a public relations consultant to give evidence as part of its efforts to sue the Serious Fraud Office (SFO).

The US application, filed last Friday, relates to the leaking of "highly confidential" information from the SFO and the role allegedly played by consultant Phillip van Niekerk.

It claims that an SFO employee told Van Niekerk the fraud squad had interviewed the chairman of ENRC's parent company Alexander Machkevich.

Van Niekerk allegedly passed this information to the Evening Standard in 2017.

"ENRC infers that an SFO officer was in contact with Van Niekerk, and that said officer was the ultimate source of the leak that lead to the... article," the filings state.

Van Niekerk once consulted for ENRC, the filings revealed, without providing further details.

The SFO said it could "neither confirm nor deny any connection to Philip van Niekerk". It declined to comment on the case.

ENRC hopes to get Van Niekerk to testify at a separate trial in London, in which the miner claims that the SFO enticed one of its former lawyers to break attorney-client privilege.

The lawyer, who is a partner at a global law firm, made disclosures to the SFO "which were plainly contrary to ENRC's interests", the company claims.

The lawyer denies the allegations.

ENRC, which was once part of the FTSE 100, delisted from the London Stock Exchange in 2013.

Formed from post-Soviet privatisation of state assets in Kazakhstan, the company became the subject of an SFO probe "focused on allegations of fraud, bribery and corruption around the acquisition of substantial mineral assets" in 2013.

The probe came after it was revealed that ENRC had launched an investigation into allegations of corruption in an ENRC subsidiary in Kazakhstan.

US chip giant in Vestager's sights as Trump bemoans EU antitrust efforts

JOE CURTIS

@joe_r_curtis

THE EUROPEAN Commission has opened an investigation into whether US chip maker Broadcom abused its market position to hurt rivals in its television and modem market.

Margrethe Vestager, the EU's antitrust commissioner, is also set to order interim measures against the tech giant to stop its "suspected contractual restrictions".

Broadcom, one of the world's biggest suppliers of chips for TV set-top boxes, smartphones and wi-fi modems, has claimed the concerns are "without merit".

The alleged anti-competitive practices include contracts obliging customers to buy Broadcom chips exclusively and granting rebates based on such exclusivity or minimum purchase orders.

Broadcom also exercised "abusive IP-related strategies", the Commission said, and deliberately harmed interoperability between Broadcom products and those designed by its rivals.

US President Donald Trump lashed out against the EU's antitrust efforts yesterday, saying of Vestager: "She hates the United States perhaps worse than any person I've ever met... She's suing all our companies."

ALL CLEAR Eurostar in reverse over its booze ban after social media backlash

EUROSTAR was forced to clarify its policy on onboard alcohol yesterday. The train operator quietly banned customers from taking spirits onboard in autumn and limited them to bringing one bottle of wine and a four-pack of beer onboard for consumption. Yesterday, it said passengers may bring unopened alcohol with them as freight.

May to tell Putin: Stop meddling abroad to allow new relationship

OWEN BENNETT

@owenjbennett

THERESA May will today tell Vladimir Putin that the UK and Russia can have a new relationship if the superpower stops undermining international security.

The Prime Minister is set to meet with her Russian counterpart at the G20 conference in Japan against a backdrop of historically poor relations between London and Moscow. Tensions between the two countries have yet to thaw since Putin's regime was blamed for the attempted murder of the former Russian agent Sergei Skripal and his daughter Yulia in Salisbury last year. Russia denies the accusations.

Ahead of the summit, May's spokesperson said: "The Prime Minister's position on Salisbury and Russia's wider pattern of malign behaviour is well-known. As she has said, we remain open to a different relationship but that can only happen if Russia desists from activity that undermines international treaties and our collective security."

Bonmarche backtracks on takeover bid as it warns over profit again

JAMES WARRINGTON

@j_a_warrington

26.45%

SHARES in Bonmarche plunged more than 26 per cent after the retailer reversed its view on a cut-price takeover offer from billionaire Philip Day due to poor trading in the first quarter.

In a dramatic U-turn, the womenswear chain said it now believes Day's offer is "fair and reasonable", and urged shareholders to accept it.

Bonmarche dismissed the bid last month , saying it "materially undervalues" the firm's future prospects.

The sudden change of tack comes after further poor trading, which the company blamed on weakness in the clothing market and poor weather.

Bonmarche warned there is a risk it may not meet its profit expectations for the full year. Previous profit warnings alerted investors that the firm expects a £6m loss for the full year.

Paul Mumford, fund manager at Cavendish Asset Management, which holds a 10 per cent stake in Bonmarche, said his firm was "disgusted" at the retailer's decision to backtrack.

"Bonmarche has simply capitulated without consulting majority shareholders, or even putting up a semblance of a fight," he said.

The retailer expects a £6m loss for the year to the end of March when it reveals results in July.

Day, who already owns a majority stake in the Bonmarche, hopes to take the firm private through his Dubai-registered Spectre Group in a £5.7m deal. The Edinburgh Woollen Mill owner has outlined a rescue plan that would see redundancies among Bonmarche's 1,900 staff, as well as a string of store closures.

Standard owner Evgeny Lebedev with editor George Osborne

Evening Standard stuck in red

JAMES WARRINGTON

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THE EVENING Standard has reported a loss of almost £12m as it battles rising costs and a squeeze on revenue from print advertising.

The daily London freesheet posted a pre-tax loss of £11.6m in the year to the end of September, marking its second consecutive year in the red.

However, the figure represents a slight narrowing on the £11.8m loss posted in 2017.

Revenue increased by two per cent to £65m, which the firm said came despite "tightening markets" for print display and classified ads, while operating losses fell by five per cent.

The Evening Standard previously announced a string of job cuts as it merges its print and online teams.

Webuyanycar owner receives £1.9bn offer

SHARIQ KHAN

PRIVATE equity firm TDR Capital has made a recommended offer for BCA Marketplace, owner of car selling website Webuyanycar, for about £1.91bn.

The deal could provide a boost for fund manager Neil Woodford, who suspended his flagship fund earlier this month. The manager owns 7.15 per cent of BCA, according to Refinitiv Eikon data.

TDR Capital's offer of 243p per share, a premium of about 25 per cent to BCA's closing price on June 19, comes after BCA said last Thursday the two companies were in advanced talks over a potential deal.

TDR said it had secured support for the offer from 44 per cent of BCA's shareholders, including letters of intent to vote in favour from Woodford Investment Management, Invesco Asset Management and Axa.

Shares in BCA closed up 2.38 per cent at 242p.

Reuters

Pizza Express serves up heavy loss as costs rise

JAMES WARRINGTON

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PIZZA Express has reported hefty losses for the full year as it battles with increased competition in the casual dining sector.

The restaurant chain posted a loss of £55.8m in 2018, an increase of more than 40 per cent from £31.6m the previous year.

Net debt stood at £607.7m at the end of the year, or over £1.1bn including a loan from Pizza Express's parent company.

Chairman and chief executive officer Jinlong Wang blamed the figures on increased labour and property cost pressures in the UK, as well as increased competition in China. He also cited last year's "extreme weather" as a factor in the disappointing results.

In April, Pizza Express unveiled a 15.3 per cent fall in group earnings before interest, tax, depreciation and amortisation to £80.2m and a 1.6 per cent rise in revenue to £543m.

But the company held back its full accounts, including figures on losses and debt, which have now been quietly posted to Companies House.

Russ Mould, investment director at AJ Bell, told *City A.M.* that while the drop in earnings was to be expected in current market conditions, the near doubling of pre-tax losses was more concerning.

Mould also criticised the "regrettable trend" of companies using non-statutory measures of profit.

"If a company does not provide a product to customers at a price they want to pay, it doesn't matter how prettily-presented the numbers are," he said.

Pizza Express has been hit by rising costs and increased competition

Bathstore jobs at risk as latest UK retailer circles the drain

SEBASTIAN MCCARTHY

@SebMcCarthy

BATHSTORE, the UK's largest specialist bathroom retailer, collapsed into administration yesterday.

Hundreds of jobs and roughly 135 stores hang in the balance as administrators look to sell the business.

Ryan Grant and Tony Nygate of BDO's restructuring unit have been appointed joint administrations.

In a statement yesterday Grant said: "Despite significant investment into the business over the past five years, Bathstore has struggled to overcome the well-documented challenges facing the UK retail sector."

He added: "The appointment was made after several months of difficult trading, and the failure of ongoing talks to find a buyer for the business. Bathstore is continuing to trade in administration, whilst the administrators seek a buyer."

The business, based in Welwyn Garden City, said it was expecting to satisfy the majority of outstanding customer orders, with the support of key stakeholders. All installation services have stopped with immediate effect, the company said.

Bathstore made a pre-tax loss of £22m in the year to July 2017 with sales of £141m, according to the most recent filing on Companies House.

US regulator finds a new flaw on Boeing grounded 737 Max

DAVID SHEPARDSON

THE US Federal Aviation Administration (FAA) has identified a new potential risk that Boeing must address on its 737 Max before the grounded jet can return to service, the agency told Reuters yesterday.

The risk was discovered during a simulator test last week, sources with knowledge of the matter told Reuters. As a result, Boeing is not expected to run a certification test flight until at least 8 July, they said.

"The FAA recently found a potential risk that Boeing must mitigate," the FAA said in the statement emailed to Reuters.

Reuters

Ban on Huawei ‘not the answer’ to cyber threats

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THE UK must find a “compelling” risk management approach to Chinese tech firm Huawei rather than rolling out a blanket ban, according to a report published today.

Defence think tank the Royal United Services Institute (Rusi) questioned whether it was realistic to ban all Chinese tech from UK national infrastructure, and argued the government should instead focus on managing risk.

“The growing dominance of China in tech means that in many cases there will be a Chinese element present somewhere,” the report stated.

While bans on technology made by firms such as Huawei may be necessary, any restrictions should be done in a “thoughtful” way following a risk-benefit calculation, Rusi said.

US President Donald Trump has added Huawei to a trade blacklist amid concerns the firm’s technology could be used by Beijing for spying.

Uncertainty still remains around the UK’s approach to Huawei, though information leaked from a national security meeting earlier this year revealed the government is mulling a partial ban on the Chinese firm.

But the report warned the issue of 5G security had become highly politicised and argued that, in the age of global supply chains, the issue is “much broader than one company or one technology”.

In addition, Rusi argued that the debate around Huawei risked obscuring the wider issue of government policy on cybersecurity.

The think tank called for greater collaboration between the public and private sectors to raise cyber standards, and urged the government to capitalise on the country’s strong reputation for cybersecurity after Brexit.

The UK’s current £1.9bn cybersecurity strategy is set to end in 2021.

US special counsel Robert Mueller will speak before politicians next month

Mueller will testify to House on Trump campaign ties to Russia

JESS CLARK

@jclarkjourno

US SPECIAL counsel Robert Mueller has agreed to testify before two House of Representatives committees next month over Russian interference in the 2016 presidential election campaign.

Chairman of the judiciary panel representative Jerrold Nadler and representative Adam Schiff, head of the intelligence panel, said that Mueller had agreed to testify following the issuing of two subpoenas last week.

Mueller’s 448-page report, published in April, found that Russia had meddled in the 2016 election bid and that US President Donald Trump’s campaign had been in contact with Russian officials.

IN BRIEF

EX-BARCLAYS BOSS’ FIRM TO GAIN NEW INVESTOR

JP Morgan is close to buying a stake in the banking venture founded by ex-Barclays chief Antony Jenkins. Sky News reported that JP Morgan is finalising a deal that would see it becoming a sizeable minority shareholder in 10x Future Technologies, which develops the tech platforms underpinning digital banking operations.

OIL PRICE RISES ON LOWER US STOCKPILES

Oil prices jumped yesterday after US crude inventories fell by more than expected. International benchmark Brent crude was up 1.2 per cent to $65.87 per barrel, after reaching highs of $66.24 earlier in the day. The US reduced the number of barrels it has stockpiled by 7.5m last week to 474.5m.

JP MORGAN FACED WITH €1.6M FINE IN IRELAND

An Irish subsidiary of JP Morgan has been hit with a €1.6m (£1.4m) fine by the Central Bank of Ireland (CBI) for breaking rules relating to the outsourcing of fund administration activities. JP Morgan admitted four breaches and was fined €2.2m, which was reduced 30 per cent. A JP Morgan spokesperson said: “JP Morgan has cooperated fully with the CBI and has already made remedial adjustments to controls procedures in the associated legal entity in Ireland. At no point were our clients or the quality of the service we provide to them affected.”

Barrick sticks by $787m offer for Acacia Mining as the war of words continues

AUGUST GRAHAM

@AugustGraham

BARRICK Gold yesterday stood by its offer for Acacia Mining, saying that the London-listed firm had overstated the value of its assets.

Barrick, which is the biggest shareholder in the company, said last month that it was mulling a bid which valued Acacia at $787m (£620m).

The bid was questioned after Barrick valued the firm at $1.3bn in its last annual report.

But last week, Barrick said that some of the gold miner’s assumptions about its assets were not supported by fact.

The Tanzanian government claims that Acacia owes it $190bn for under-reporting the level of gold in its exports.

Earlier this week, Acacia, which is in a tax dispute with the Tanzanian government, hit out at Barrick. It said the shareholder had “undermined” its efforts to negotiate with the Tanzanian government by opening talks directly with the regime.

It also said that Barrick’s valuation did not take into account the worth of its exploration and development assets.

Barrick has since said that Tanzania will refuse to speak to Acacia. It says the proposed takeover is a way out for shareholders.

Bitcoin surges up towards $14,000 on Facebook boost

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BITCOIN surged yesterday to its highest level since January 2018 as its recent boom continues to gather pace.

The cryptocurrency rose to just shy of $14,000 yesterday before dipping slightly to just over $13,800 last night, according to data from Bitstamp.

Bitcoin is up more than 200 per cent in the year to date, as the bullish market has reversed losses in 2018.

Analysts have also cited libra, a new cryptocurrency proposed by Facebook, as a potential cause of the boost.

“We’re still some way from the peak above $19,000 reached in trading at the end of 2017, but the scale of the recent appreciation is striking,” analysts at Deutsche Bank wrote.

“Obviously recent dovishness from central banks has seen investors look towards alternative currencies, but perhaps Facebook’s unveiling of its libra currency has seen investors look again at cryptocurrencies with fresh eyes,” they added.

Warning on weakness Down Under slices RPS share price almost in half

JOE CURTIS

@joe_r_curtis

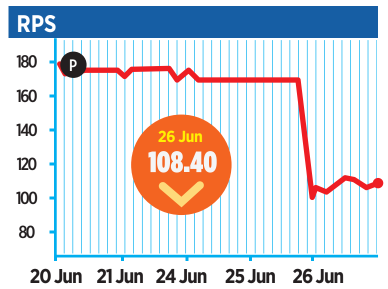
PROFESSIONAL services firm RPS's share price plummeted 40 per cent yesterday after it issued a major profit warning for its current financial year.

Poor trading in RPS's Australia Asia Pacific division will leave full-year results "materially below" profit before tax expectations of £50m, the firm said in an update.

Australian elections led to a "hiatus in infrastructure spend" that will impact RPS's full-year results, added chief executive John Douglas.

It follows a catastrophic 30 per cent hit sufferedby RPS last October when the firm warned profit before tax would suffer a 10 per cent drop in its third quarter.

Shares have lost more than half their value since June last year, when they were worth 260p.



The South West Trains owner is embroiled in a row with the Department for Transport

Stagecoach says it will stop bids for rail contracts

JOE CURTIS

@joe_r_curtis

STAGECOACHhas ruled out future bids for UK rail franchises once its existing operations finish in November.

The transport giant yesterday revealed higher profits for the year to the end of April despite its train business facing an uncertain future.

Stagecoach's profit before tax rose 23 per cent year-on-year to £101.2m, up from £77.6m the year before for continuing operations.

Adjusted profit before tax climbed 3.5 per cent year on year to £132.9m.

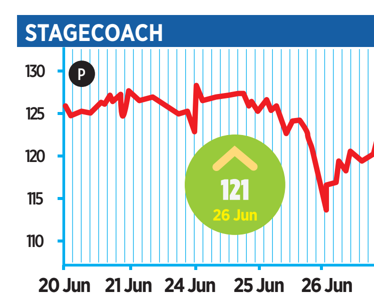
That came despite a revenue tumble in which sales fell by a third to £1.9bn on the loss of two rail franchises.

Stagecoach is embroiled in a legal row with the Department for Transport (DfT) after transport secretary Chris Grayling disqualified the firm's attempts to renew its existing East Midlands and West Coast rail franchises. The DfT said Stagecoach's bids were not compliant with government terms surrounding rail staff pensions.

The company ruled out future UK rail franchise bids, having also been stripped of its East Coast franchise with Virgin due to increased losses.

"We have no intention to bid for new UK rail franchises on the current risk profile offered by the DfT," Stagecoach boss Martin Griffiths said.

Shares roses slightly, closing up just under three per cent.



Mortgage approvals for houses ease off from 26-month high in April

SEBASTIAN MCCARTHY

@SebMcCarthy

THE NUMBER of residential mortgages approved by banks dipped last month, dropping off from a 26-month high in April but remaining above the monthly average.

Seasonally-adjusted figures showed banks in Britain approved roughly 42,400 house purchase mortgages in May, falling from 42,900 in April but beating the consensus of 41,000.

The actual number of mortgages for home purchase approved by the main high street banks in May 2019 was also 9.1 per cent higher than in the same month in 2018, marking the highest annual level since June 2016.

According to UK Finance, which released the figures yesterday, gross mortgage lending across the market in May 2019 was £21.9bn, falling 0.4 per cent compared with May 2018.

"May's mortgage approvals data support the view that housing market activity may well have got at least some temporary support from the avoidance of a disruptive Brexit at the end of March," said EY Item Club's chief economic adviser Howard Archer.

"It may very well also be that the housing market has benefitted from recent improved consumer purchasing power and robust employment growth."

Jeremy Leaf, a north London estate agent and former Royal Institution of Chartered Surveyors residential chairman, added: "While not too much store should be set by one month's figures, they do reflect what we are seeing on the ground – more buyer activity even though some sellers are still reluctant to recognise the new realities of a softening market."

The testbed will allow driverless cars to operate on 26km of public road

Robot cars get London routes

JAMES WARRINGTON

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SELF-DRIVING cars have been granted their first-ever London test routes in a major step forward for real-world driverless vehicle trials.

The testbed, which is a UK industry first, will consist of 26km of public road in Greenwich and the Queen Elizabeth Olympic Park in Stratford.

The routes will be monitored by live CCTV, with roadside sensors for collecting and sharing data.

Companies will be able to create their own bespoke routes across the two sites to test their driverless cars in a range of different conditions.

The testing site was unveiled by Smart Mobility Living Lab, and trials will be carried out by a consortium of firms led by transport group TRL.

Tech investor raises a record $100m in capital

EMILY NICOLLE

@emilyjnicolle

LONDON venture capital firm Talis Capital has secured a record $100m (£78.8m) to invest in tech startups across the UK, Europe and US in 2019.

The firm has previously backed the likes of Darktrace, Iwoca, Onfido and Luminance.

Unlike other venture capital firms, Talis Capital is backed by a network of private investors and does not raise time-limited funds. Instead it seeks a select amount of capital each year, with the aim of investing the whole amount before the year is out.

Since it was founded a decade ago, Talis has put more than $600m into early-stage tech businesses.

Talis co-founder Vasile Foca said: "The investors we work closely with want to back the next generation of innovators and disruptors. We can show them how to do that, and at an early enough stage when they can really make a difference."

Morgan backs scrutiny after Woodford scandal

AUGUST GRAHAM

@AugustGraham

CHAIR of the Treasury Committee Nicky Morgan has said she expects the asset management sector to face more oversight after Neil Woodford's flagship fund was suspended earlier this month.

Morgan yesterday said her committee would get behind increased scrutiny from the Financial Conduct Authority (FCA) in the wake of the scandal.

Woodford froze his £3.7bn flagship fund earlier this month, leaving investors unable to take their money out.

"Given what has happened in the last weeks, I would expect the scrutiny to increase, and the committee would certainly support the FCA if it was to do so," Morgan told a group of investors yesterday morning.

The MP also reiterated her calls for Woodford to drop his management fees while the fund is suspended.

"Is it fair to market an open fund to retail customers, but then no longer allow them to withdraw their money?" she asked.

"And yet they keep on charging the fee at the same rate, regardless."

Morgan said that the sector must put customers first.

Morgan has openly criticised Woodford

"The reputation of the financial services industry... was dragged through the gutter after the financial crisis," she said.

To regain trust the industry "needs not only to be on the side of the consumer, it must be seen to be".

The Woodford scandal "further erodes trust" in the sector, she added.

Her comments came as Bank of England governor Mark Carney said that illiquid funds which allow savers to take out money at will are "built on a lie."

British fintech giant Transferwise expands to the US with its Borderless digital banking arm

EMILY NICOLLE

@emilyjnicolle

FINTECH stalwart Transferwise has lifted the lid on its expansion to the US, opening up access to its banking arm across the Atlantic.

One year on from its launch in Europe, Transferwise's Borderless banking account and debit card are now available to US users after a short beta-testing period last month.

The firm said more than $10bn (£7.9bn) in deposits has been held by customers in Borderless accounts to date across the UK and Europe, and over 15m transactions carried out.

It follows the US launch of digital bank Monzo last week, the first of the UK's major fintech champions to make it across the pond. European rival N26 said it plans to launch stateside "within weeks", while Revolut recently launched in Australia.

Transferwise's borderless service provides users with real bank details such as an IBAN, routing number and sort code for the UK, US, Europe, Australia and New Zealand. It supports spending, sending and receiving in more than 40 currencies.

"The international bank details are a key feature that truly set us apart," said co-founder and chair Taavet Hinrikus. "Our goal is to offer bank details for every country in the world through one borderless account — the world's first global account."

"We're now solving the problem for our US customers, that's a huge moment in Transferwise's story and very exciting."

Valued at $3.5bn after a secondary share sale earlier this year, Transferwise is one of Europe's most valuable fintech firms.

Profit boost for Wood Group as debt pile lingers

JAMES WARRINGTON

@j_a_warrington

ENERGY services firm Wood Group has reported profit growth in the first half of the year, thanks to an improvement in its margins.

The FTSE 250 firm said revenue for the six months to the end of June was in line with the previous year.

"We have delivered significant growth in operating profit together with earnings margin improvement," said chief executive Robin Watson.

"This has been led by our activities in energy markets in the eastern hemisphere and our environment and infrastructure operations in North America, together with the delivery of further cost synergies."

Shares in Wood Group rose more than six per cent yesterday following the announcement.

Wood Group said its outlook for the full year was unchanged, despite the impact of disposals in the first half, which contributed $20m (£15.8m) in earnings before interest, tax, depreciation and amortisation.

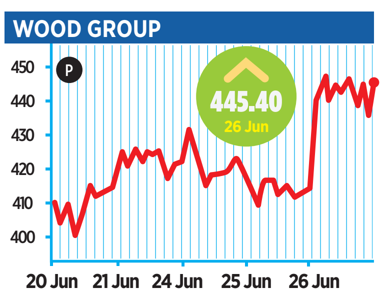
The firm said earnings growth will be fuelled by a rise in revenue of roughly five per cent, coupled with cost savings of around $60m.

"Today's update underlines the fact that the company remains in an encouraging position: performance is ahead of the same period last year, cash generation is strong, and debt – the main source of concern about Wood – is being cut in line with expectations," said David Barclay, senior investment manager at Brewin Dolphin.

Wood Group has embarked on a plan to sell off non-core assets as part of a deleveraging programme, but has warned the process will be slower than expected.

"While some analysts may want to accelerate the pace of debt reduction, this is a steady update against a volatile backdrop for the company," Barclay added.

Wood Group said it expects a modest reduction in net debt at the end of the year, excluding the impact of disposals.



The workplace supplies firm said it has £100m put aside for acquisitions

Bunzl shares dip on slowed growth in the second quarter

JOSH MARTIN

@JoshMartinAU

SHARES in workplace supplies firm Bunzl dipped 1.3 per cent yesterday after it said revenue growth in the second quarter had eased from 1.5 per cent to one per cent, due to a slight slowdown in its biggest market, the US.

However, Bunzl also said it expects group revenue for the half year to rise four per cent and kept its full year guidance unchanged.

The company, which supplies everything from rubber gloves and cleaning products to hard hats and packaging, had indicated earlier this year that revenue growth was slowing.

Shares fell 1.5 per cent.

In the trading update, Bunzl said it was still actively seeking acquisitions in the current year and had £100m stashed away for a spending spree.

"The pipeline for acquisitions remains active and, with ongoing discussions taking place, the company expects to complete further transactions during the remainder of the year," it said.

IN BRIEF

DELIVEROO RIVAL NABS $8M FROM TOP INVESTORS

Taster, a London startup founded by one of the first Deliveroo employees, has raised $8m (£6.3m) from Battery Ventures and Localglobe. Heartcore Capital, Marc Menase and other existing investors also participated. Taster operates online-only restaurant brands using on-demand delivery kitchens, akin to Deliveroo's Editions service. The startup will use the investment to launch three new restaurant brands by the end of 2019, as well as increase its tech and engineering staff.

FORMER ROYAL MAIL BOSS LEAVE RIO ROLE

The former chief executive of Royal Mail yesterday stepped down from her position on the Rio Tinto board. Dame Moya Greene, who led Royal Mail until last year, leaves the role with immediate effect. "I have enjoyed my time on the Rio Tinto board but the time commitment has proven more considerable than I had expected and I have taken the difficult decision to step down from Rio in order to re-focus on my other roles," she said. Appointed in 2010, the Canadian led Royal Mail through its 2013 privatisation.

NISSAN CREATES LOW-CARBON ICE CREAM VAN

Nissan has worked with Mackie's of Scotland to create an all-electric ice cream van. The van is based on Nissan's e-NV200 light commercial vehicle. Its ice-cream equipment is powered by a portable power pack that uses lithium-ion cells recovered from first-generation Nissan electric vehicles. The van combines a zero-emission drivetrain, second-life battery storage and renewable solar energy generation. Karin Hayhow of ice cream-maker Mackie's said the project is "the perfect complement to our own vision of becoming self-sustainable in renewable energy".

LORD MAYOR'S CITY GIVING DAY 24 SEPT 2019 | IN PARTNERSHIP WITH CITY A.M. | @LMAPPEAL #CGD #GoRed #peoplematter

Supporting City Giving Day

NOMURA

Why are you supporting CGD?

Nomura uses City Giving Day to highlight the work Nomura does in the Community. Nomura aims to inspire more employees across the firm to get involved in its Community Affairs activities, whilst raising the profile of the charitable organisations they support through their charitable foundation; The Nomura Charitable Trust.

Which charities do you support?

This year Nomura will be highlighting its three flagship charity partners, supported through Nomura's Charitable Foundation; The Nomura Charitable Trust. Nomura supports the employability potential of disadvantaged young people aged 16-24. A particular focus internally will be on highlighting how Nomura employees can use their skills and expertise to upskill local communities.

How will you celebrate CGD?

This year Nomura will continue to focus on the difference employees can make with one hour. Activities will include employability focus workshops and Nomura's annual speed networking session with their partner

CHARITY IN ACTION

Nomura focuses its charitable efforts through The Nomura Charitable Trust, supporting future generations to learn, thrive and get their foot on the career ladder. City Giving Day will be a fantastic way to celebrate Nomura's three charity partners who will be announced later in the summer.

"City Giving Day is always a great celebration at Nomura. This year we will be welcoming our three new charity partners, and encouraging employees to get involved over the next year to make huge impact in the lives of young people in our communities.

David Godfrey – Non-Executive Chairman

JOIN US AND REGISTER NOW AT
WWW.THELORDMAYORSAPPEAL.ORG/CGD

Tullow Oil faces delays at Kenyan drilling projects

AUGUST GRAHAM

@AugustGraham

TULLOW Oil yesterday said it expects a project in Kenya to be delayed after it was forced to go back to residents for feedback.

The company said the delay was down to Kenyan authorities demanding more consultation with the local community.

Tullow expects the consultations will be submitted in the second half of the year.

It had previously hoped to get final approval in 2019, but will now wait until 2020.

The company also said that it had not yet got a tax deal in Uganda which it needs ahead of a $900m (£540.3m) oil field stake sale to Total.

Tullow said it expects revenues to reach $900m, and gross profit of $500m in the first half of the financial year.

Operational problems in two Ghana fields caused output to fall, it said.

"Some production niggles in Tullow's huge Ghanaian oil fields have dented first half numbers, but having been ironed out in pretty short order, output for the year as a whole remains on track," said Nicholas Hyett, equity analyst at Hargreaves Lansdown.

"With cash flows expected to improve in the second half, these fields are supporting a gradual reduction in debts which we see as crucial to improving Tullow's ability to manage a volatile oil price."

Chief executive Paul McDade said: "Tullow has made steady progress overall across the business in the first half of the year."

ANNOUNCEMENTS

LEGAL AND PUBLIC NOTICES

CITY OF LONDON

Crutched Friars – Amendments to the waiting and loading restrictions

George Yard and Pancras Lane – Introduction of disabled persons parking places

The City of London (Free Parking Places) (Disabled Persons) (No. *) Order 201*

The City of London (Waiting and Loading Restriction) (Amendment No. *) Order 201*

1. NOTICE IS HEREBY GIVEN that the Common Council of the City of London propose to make the above Orders under sections 6 and 124 of the Road Traffic Regulation Act 1984.

2. The effect of the Orders would be in:-

(a) Crutched Friars to:-

(1) extend 'at any time' waiting and loading restrictions on the north-west side outside No. 35; and

(2) replace a 10 metre length of 'at any time' waiting and loading restrictions on the south-east side adjacent to 'Walsingham House' No. 35 Seething Lane with waiting restrictions operating 'between 7 am and 7 pm on Mondays to Fridays and between 7 am and 11 am on Saturdays';

(b) George Yard to introduce a disabled persons parking place with two parking bays on the north-west side adjacent to the Church of St. Edmund the King, Lombard Street; and

(c) Pancras Lane to introduce a disabled persons parking place with one parking bay on the north side outside the St. Pancras Church Garden.

3. The Orders also correct an anomaly in Hart Street with respect to the waiting and loading restrictions while making no change on street.

4. Copies of the proposed Orders, of the statement of reasons for proposing to make the Orders and of plans showing the proposals can be inspected during normal office hours on Monday to Fridays inclusive at the Planning Enquiry Desk, North Wing, Guildhall, London, EC2P 2EJ.

5. Further information may be obtained from City Transportation, City of London, PO Box 270, Guildhall, London EC2P 2EJ or by telephone 020 7332 1108.

6. Persons desiring to object to the proposed measures should send a statement of their objection and the grounds thereof in writing to the Traffic Orders Officer at the above address by 19 July 2019 quoting the reference TraffOrder/DBE/CT-GL.

Dated 27 June 2019
Zahur Khan
Transportation and Public Realm Director

CITY LONDON

GUEST OPINION

BERLIN MOVES WITH THE TIMES

Germany's new rent freeze isn't as modern as one might think, writes **Rainer Zitelmann**

IN GERMANY, the free market principles that underpin the housing sector are increasingly being abolished. And the German capital, Berlin, which is governed by a coalition of the Social Democrats, the left-wing environmentalist party the Greens and the Left party, is leading the way.

The Left is the same party that held power in communist East Germany (the GDR). The party has simply rebranded itself several times since it was known as the SED. For several years now, responsibility for housing construction in Berlin has rested with Katrin Lompscher of the Left party, who is senator for urban development and environment.

Lompscher joined the communist SED in 1981. As one of her first official acts after joining the Berlin government as a senator, she appointed Andrej Holm as her secretary of state. In numerous speeches and publications, Holm praised Hugo Chavez's housing policy in Venezuela.

However, he failed to disclose that he had previously worked for the Stasi, the GDR's infamous state security service. Once this fact became public knowledge, he had to resign from his position as secretary of state, but was still involved in governing Berlin as an adviser to Lompscher.

RENT FREEZE APPROVED

Berlin has now become the first state in Germany to approve a complete rent freeze. The final legislation has not been drafted yet, but Berlin's Senate has already agreed on the following key points:

Effective immediately, the rents of more than 1.5m apartments in Berlin may not be increased over the next five years.

Upon a change of tenancy, the contractually agreed rent for the new tenant is not allowed to exceed the final rent paid by the previous tenancy.

In addition, the Senate will set a maximum rent, the amount of this which has not yet been determined.

Rents that are higher than the statutory maximum will have to be reduced – otherwise landlords will face fines of up to €500,000. Once the new law is finalised, it will take effect retroactively from 18 June 2019.

This law is due to be approved for an initial five years. But anyone who believes it will then be abolished again and the rent freeze lifted is politically naive. The "rent brake" (Mietpreisbremse), which has been in force across the whole of Germany since 2015, was also initially approved for just five years and is now set to be extended, as was to be expected. This history will repeat itself when the Berlin rent freeze expires after the first five years. Which politician will then be brave enough to demand the abolition of the rent freeze?

Other cities have already indicated that they want to follow Berlin's lead and adopt similar rent cap regulations. It is safe to assume that this will be the case in Bremen, while similar discussions are already underway in Frankfurt. A grassroots rent freeze has also been launched in Bavaria.

Whether such moves are actually legal – because tenancy law is a matter for the federal government, not the state – does not seem to matter at all to politicians. They are acting true to the motto: we will decide for now and anyone who is affected can take legal action. But bringing a complaint to the highest German court, the Federal Constitutional Court, is a long-winded process and takes five to six years before a final decision is made. In the meantime, the country is left with a political fait accompli.

Rent freezes were used by both the Third Reich and the GDR for a time

RENT FREEZES DATE BACK TO THE NATIONAL SOCIALIST ERA

Berlin's rent freeze strategy has already been implemented in a similar form by both National Socialists and Communists. In November 1936, the National Socialists imposed a complete rent freeze in Germany. With very few modifications, these regulations applied in the GDR until 1990. What is now being sold by Berlin's left-wing government as a "new" concept, namely state-owned apartments (acquired through expropriation) plus a rent freeze, has long since been tried in practice, with catastrophic consequences for tenants.

Rents in the GDR were very low, but citizens had to wait many years until they were allocated one of the country's highly-coveted prefabricated apartments. Period apartments in pre-war buildings in Leipzig, Dresden, East Berlin, Erfurt and other East German cities were so dilapidated that, following German reunification, a huge tax programme was launched – the Development Areas Act – to channel billions of euros into renovating the region's housing stock.

However, it was not only pre-war buildings, but also the GDR's prefabricated buildings that had to be renovated on a grand scale. In addition, a substantial programme of new construction was required to eliminate the housing shortage in East Germany.

A total of 838,638 apartments were completed in the new federal states and East Berlin in the 1990s with the help of tax incentives. At a cost of €84bn.

OPEN AND HIDDEN EXPROPRIATION

Preparations are currently underway in Berlin for a referendum on the expropriation of property owners, which is supported by the Left party and sections of the SPD and the Greens. If the referendum succeeds, any private housing company with more than 3,000 apartments in Berlin will be nationalised. The activists calling for the referendum have already collected more than three times as many signatures as they need.

Berlin's left-wing government is currently pursuing a two-phase strategy. In the first phase, the rent freeze is intended to massively devalue the housing companies' stock of apartments.

Left-wing politicians have already expressed their delight at the fact that the stock prices of listed real estate companies such as Deutsche Wohnen, Vonovia and ADO have collapsed.

> "Berlin's policy of "hidden expropriation" is already in full swing

Once the value of the companies' real estate has been driven down, the aim is to achieve a drastic discount on the net asset value during the planned expropriation phase – ultimately, perhaps only 30 per cent of the current market value will be paid as compensation.

This effectively amounts to expropriation without compensation, because the payments will be lower than the housing companies' bank liabilities. Whether Berlin will ever actually see formal expropriations is unclear. But the policy of "hidden expropriation" is already in full swing.

Dr Rainer Zitelmann is the author of The Wealth Elite and The Power of Capitalism.

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

LONDON REPORT

FTSE 100 backs down as trade future unclear

THE MAIN index dipped slightly yesterday as investor anxiety after the US Federal Reserve tampered expectations of interest rate cuts was compounded by Washington's ambiguous signals on trade negotiations with China.

The FTSE 100 edged down 0.1 per cent on uncertainty over global trade remained after US President Donald Trump called a potential agreement with China "absolutely possible", but also said he was happy with where things currently stood.

The mid-cap FTSE 250 tipped 0.2 per cent lower as the pound was pressured by persisting no-deal Brexit fears in the lead up to a new Tory leader.

Bets that the Fed would ease policy have put the FTSE 100 on course for its best month since January, counteracting effects of US sanctions on Iran and uncertainty ahead of Trump's showdown with Chinese President Xi Jinping at the G20 summit this month.

The Fed officials' comments lifted the dollar from a three-month low, which weighed on gold prices, pushing precious metals miner Fresnillo down two per cent.

Oil majors **Shell** and **BP** helped the main index outperform its European peers, however, as a decline in US crude stockpiles and US-Iran worries supported prices.

The index of miners rose for the fifth straight session as copper prices advanced after US treasury secretary Steve Mnuchin said a US-China trade deal was "90 per cent complete".

On the mid-cap index, oil-field services provider **Wood Group** climbed 6.6 per cent on its best day

Oil firms performed well as stockpile declines helped support prices

in seven months after it forecast higher half-year operating profit.

Peer **Petrofac** surged nearly 15 per cent, recovering all of its losses from the previous day when it flagged that it lost out on $10bn (£7.9bn) in contracts amid an ongoing probe into its dealings in Saudi Arabia and Iraq.

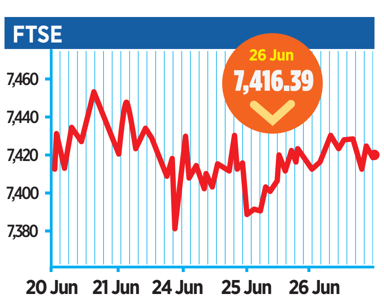
Small-cap professional services company **RPS** plummeted 35 per cent to a more than 10-and-a-half year low after warning of "materially" lower annual results.

TOP RISERS

1. **Evraz** Up 3.97 per cent
2. **IAG** Up 2.25 per cent
3. **Carnival** Up 1.85 per cent

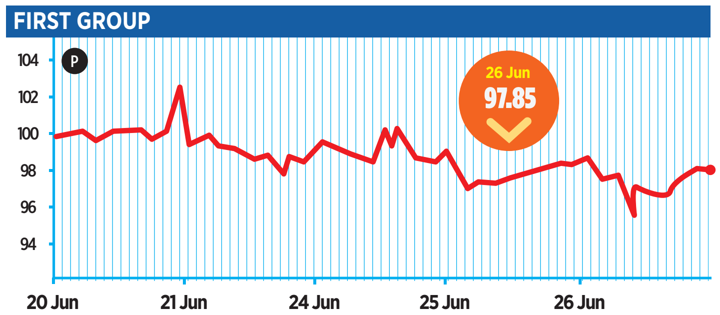
TOP FALLERS

1. **Rolls-Royce** Down 2.75 per cent
2. **Micro Focus** Down 2.05 per cent
3. **Fresnillo** Down 2.04 per cent

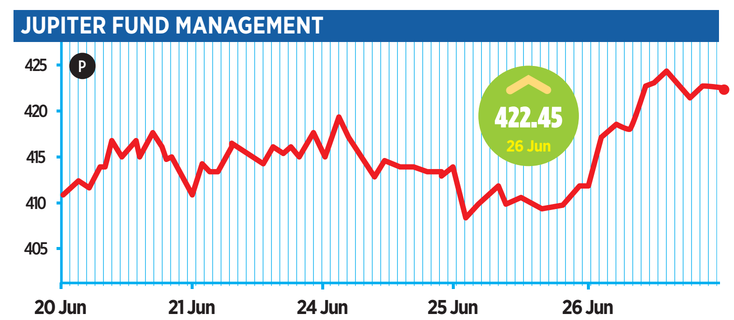


BEST OF THE BROKERS

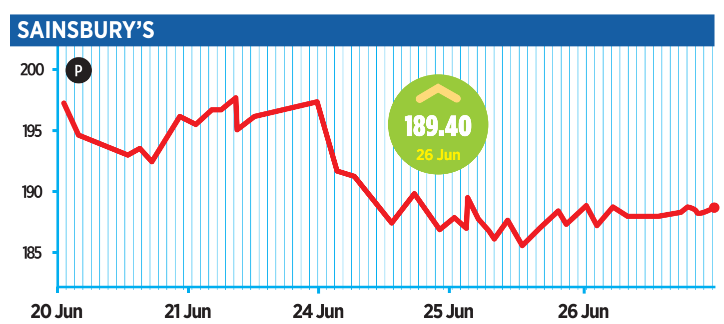
To appear in Best of the Brokers, email your research to notes@cityam.com



Activist investor Coast Capital was defeated in its bid to overthrow six First Group board members at an extraordinary general meeting earlier this week. However, the transport operator's chairman Wolfhart Hauser stepped down following the vote and analysts have warned that the New York-based hedge fund is unlikely to take its foot off the pedal. Despite the ongoing campaign, brokers at Liberum said they were "cautiously optimistic" about the firm and issued a "buy" recommendation with a target price of 130p.



London-based fund management firm Jupiter suffered from outflows throughout last year, particularly in its dynamic bond fund. But its fortunes could be changing, as Peel Hunt changed its recommendation from "hold" to "buy". Analysts said that although some larger funds are still declining and investment performance is mixed, on the whole funds seem to have stabilised over the last few months. Momentum in fixed income funds has improved, although some other key funds continue to suffer outflows. Peel Hunt issued a target price of 480p.



Sainsbury's is set to report its first quarter results next week, with Barclays analysts anticipating that sales will fall 1.4 per cent on a like-for-like basis. That would mark the third consecutive quarter of declining like-for-like sales for the supermarket giant. Analysts warned that they "struggled to see how the company would be able to paint a very rosy picture for its core grocery business", which they estimated would see a 0.8 per cent sales drop. Barclays brokers reiterated an "equal weight" stock rating and a price target of 250p.

NEW YORK REPORT

S&P 500 dips as healthcare counters gains

THE S&P 500 ended lower yesterday as gains in technology stocks were offset by a drop in healthcare shares, and investors parsed mixed messages over prospects for a deal to end a trade war between the United States and China.

Technology shares led the Nasdaq higher while the Dow Jones Industrial average posted a nominal loss.

US stocks struggled for direction throughout the session as market participants pondered whether a planned meeting between US President Donald Trump and Chinese President Xi Jinping at the G20 summit in Japan would yield any progress in the two country's protracted tariff dispute.

Trump said that while it was "absolutely possible" to avoid imposing additional tariffs on imported Chinese goods, he was "very happy where we are now".

The Dow Jones Industrial Average fell 11.4 points, or 0.04 per cent, to 26,536.82, the S&P 500 lost 3.6 points, or 0.12 per cent, to 2,913.78 and the Nasdaq Composite added 25.25 points, or 0.32 per cent, to 7,909.97.

Energy and tech companies were the biggest percentage gainers among the 11 major sectors of the S&P 500, while utilities, real estate and consumer staples saw the largest losses.

Chipmakers led the tech rally. The Philadelphia SE Semiconductor index rose 3.2 per cent after **Micron Technology** posted upbeat results and forecast a recovery in chip demand. Micron's shares jumped 13.3 per cent.

Apple shares advanced 2.2 per cent after the iPhone maker confirmed that it bought self-driving startup Drive.ai and after Trump suggested in an interview that the European Union was out of line with its lawsuits against US tech firms, saying that the United States was the one that should be taking action.

EU antitrust regulators hit **Broadcom** with demands that the chipmaker drop its exclusivity clauses with TV and modem makers as part of its ongoing investigation. Broadcom's shares gained 1.8 per cent.

CITY MOVES WHO'S SWITCHING JOBS

CYBG

CYBG has announced two new appointments to its senior leadership team. Lucy Dimes will join the Bank in July as group business transformation officer to lead on improving the efficiency and effectiveness of the bank and the successful delivery of its investment and transformation plan. Lucy previously worked with UBM, where she was chief executive officer (CEO) EMEA (Europe, Middle-East and Africa). She previously held a number of CEO and chief operations officer (COO) roles for telecoms and technology companies around the world, including Fujitsu, Equiniti Group and Nokia. In addition, Fraser Ingram has been announced as the Bank's Group COO. Fraser originally joined CYBG in 2016 as chief information officer. Over the last six months, he has played an integral role on the leadership team as interim chief operating officer, leading the work to bring together the operational and technology functions of CYBG and Virgin Money while also shaping future strategy. Fraser joined CYBG from Kleinwort Benson, where he held the role of COO. Prior to this he held a wide range of senior business and technology roles, mainly in RBS, including information chief of Citizens Bank in the US.

SQUIRE PATTON BOGGS

Squire Patton Boggs is pleased to announce that James Collis is joining the firm as a partner in its financial services practice in the London office. James was formerly managing partner of Ashurst, and most recently a partner in its banking practice, focusing on acquisition finance and general banking law. Specialising in banking and finance law since training at Ashurst in the 1990s, James' broad experience includes advising on corporate and cross-over credit, as well as cross-border acquisition finance and restructuring transactions. Prior to his appointment as managing partner in London, James was a finance partner in Paris for seven years. During that time he advised many major French and international businesses on leveraged finance, restructuring, and other financing matters.

JP MORGAN ASSET MANAGEMENT

JP Morgan Asset Management has appointed Hugh Gimber as a global market strategist on the firm's EMEA Market Insights team. Based in London, Hugh will deliver market and economic insights to financial advisers and institutional investors across the UK and Europe. Hugh joins from Blackrock Investment Institute, where he served as vice president and multi-asset investment strategist. In this role he presented multi-asset investment, asset allocation and economic commentary to a wide variety of clients, with a focus on explaining complex concepts in accessible terms.

To appear in CITYMOVES please email your career updates and pictures to citymoves@cityam.com

FTSE 100	FTSE 250	FTSE ALL SHARE	DOW JONES	NASDAQ	S&P 500
7416.39	19260.39	4046.05	26536.82	7909.97	2913.78
6.04	26.12	3.78	11.40	25.25	3.60

£/€	1.1160	0.0001	€/$	1.1366	0.0001
£/$	1.2686	0.0005	€/£	0.8961	0.0003
£/¥	136.72	0.6123	€/¥	122.51	0.6964

GILTS

	Price	Chg	High	Low
Tsy 3.750 19	100.60	-0.01	103.7	100.6
Tsy 2.000 20	101.40	0.00	102.7	101.4
Tsy 4.750 20	102.82	0.00	106.9	102.5
Tsy 3.750 20	103.66	-0.01	106.7	103.7
Tsy 2.500 20	356.12	-0.01	361.4	355.8
Tsy 8.000 21	114.40	-0.02	121.2	114.0
Tsy 4.000 22	109.23	0.02	111.7	109.0
Tsy 0.500 22	99.83	0.02	100.0	97.7
Tsy 1.875 22	116.74	-0.02	118.5	115.5
Tsy 2.250 23	106.88	0.03	107.2	104.7
Tsy 2.500 24	370.00	0.01	370.8	358.7
Tsy 0.125 24	113.86	-0.01	114.8	110.9
Tsy 5.000 25	124.39	0.04	125.5	122.1
Tsy 4.250 27	128.89	0.09	129.3	122.6
Tsy 1.250 27	135.93	0.04	137.4	128.4
Tsy 6.000 28	147.35	0.12	147.8	107.2
Tsy 0.125 29	128.12	0.07	129.7	118.8
Tsy 4.750 30	141.43	0.09	142.0	132.1
Tsy 4.125 30	382.85	0.08	386.2	355.2
Tsy 4.250 32	138.54	0.06	139.3	128.5
Tsy 1.250 32	156.95	0.00	159.1	144.1
Tsy 0.125 36	149.13	-0.02	151.5	133.4
Tsy 4.250 36	145.30	0.04	146.3	133.1
Tsy 4.750 38	158.90	0.04	160.3	144.9
Tsy 0.625 40	169.75	0.01	173.5	152.8
Tsy 4.500 42	161.60	0.04	163.4	145.9
Tsy 3.500 45	143.62	0.03	145.4	128.0
Tsy 4.250 46	163.07	0.05	165.1	145.7
Tsy 4.025 49	169.18	0.03	171.6	150.0
Tsy 0.500 50	198.35	-0.28	207.7	173.7
Tsy 0.250 52	194.75	-0.31	204.9	168.8

AEROSPACE & DEFENCE

	Price	Chg	High	Low
BAE Systems	491.9	-2.3	676.4	443.9
Cobham	106.0	-0.7	131.7	96.8
Meggitt	522.4	-5.4	572.0	458.0
QinetiQ Group	283.2	-6.0	312.4	256.7
Rolls-Royce Holdi	850.2	-24.0	1094.0	759.2
Senior	230.8	-0.6	334.4	185.4
Ultra Electronics	1614.0	-4.0	1743.0	1232.0

BANKS

	Price	Chg	High	Low
Bank of Georgia G	1510.0	-8.0	1915.0	1310.0
Barclays	149.3	2.4	194.0	146.1
Close Brothers Gr	1415.0	-2.0	1660.0	1374.0
CYBG	186.6	-3.2	364.2	173.9
HSBC Holdings	649.7	1.9	731.4	600.8
Lloyds Banking Gr	56.9	0.2	66.6	50.0
Metro Bank	496.4	-11.6	3422.0	475.0
Royal Bank of Sco	218.1	2.0	270.4	203.0
Standard Chartere	707.4	5.0	711.2	519.8
TBC Bank Group	1604.0	-16.0	1774.0	1290.0

BEVERAGES

	Price	Chg	High	Low
Barr (A.G.)	918.0	3.0	975.0	666.0
Britvic	886.0	4.5	956.0	745.0
Coca-Cola HBC AG	2978.0	-22.0	3012.0	2244.0
Diageo	3388.5	-34.5	3431.5	2523.5

CHEMICALS

	Price	Chg	High	Low
Croda Internation	5285.0	-50.0	5447.7	4576.0
Elementis	139.8	-0.5	263.8	136.3
Johnson Matthey	3244.0	48.0	3760.0	2620.0
Sirius Minerals	14.1	-0.1	38.5	13.5
Synthomer	375.6	0.8	575.5	347.4
Victrex plc	2174.0	-4.0	3408.0	1950.0

CONSTRUCTION & MATERIALS

	Price	Chg	High	Low
Balfour Beatty	243.0	0.8	296.5	223.4
CRH	2551.0	12.0	2741.0	1971.5
Galliford Try	615.5	-1.5	1104.0	512.0
Ibstock	240.4	-2.6	299.2	193.1

	Price	Chg	High	Low
Marshalls	686.5	2.0	690.0	401.0
Polypipe Group	439.8	-0.6	445.8	307.8

ELECTRICITY

	Price	Chg	High	Low
Contour Global	183.2	3.0	250.0	150.1
Drax Group	268.6	-0.4	427.2	262.4
SSE	1116.0	-6.0	1400.0	1008.0

ELECTRONIC & ELECTRICAL EQ.

	Price	Chg	High	Low
Halma	2053.0	-3.0	2071.0	1237.0
Morgan Advanced M	268.4	0.2	363.0	237.0
Renishaw	4206.0	52.0	5650.0	3670.0
Spectris	2814.0	-15.0	2831.0	1966.5

EQUITY INVESTMENT INSTRUM.

	Price	Chg	High	Low
Aberforth Smaller	1214.0	-12.0	1410.0	1120.0
Alliance Trust	793.0	-1.0	797.0	672.0
Apax Global Alpha	147.5	-0.5	153.0	127.0
AVI Global Trust	755.0	3.0	767.0	660.0
Baillie Gifford J	799.0	1.0	869.0	663.0
Bankers Inv Trust	934.0	1.0	937.0	766.0
BBGI SICAV S.A. (	152.0	-0.5	168.0	134.0
BlackRock Smaller	1440.0	-10.0	1600.0	1160.0
BMO Global Smalle	1342.0	-4.0	1495.0	1220.0
Caledonia Investm	3095.0	0.0	3100.0	2650.0
City of London In	423.0	-0.5	436.0	376.0
Edinburgh Inv Tru	574.0	3.0	699.0	568.0
F&C Investment Tr	699.0	2.0	741.0	616.0
Fidelity China Sp	222.5	2.5	250.0	182.4
Fidelity European	250.0	0.5	250.5	202.0
Fidelity Special	261.5	1.5	278.0	220.0
Finsbury Growth &	906.0	-5.0	912.0	740.0
GCP Infrastructur	127.4	0.0	130.8	119.0
Genesis Emerging	755.0	5.0	760.0	615.0
Greencoat UK Wind	141.2	0.4	143.2	122.8
HarbourVest Globa	1620.0	2.0	1628.0	1270.0
Herald Investment	1330.0	0.0	1364.0	1055.0
HGCapital Trust	215.0	-2.0	219.0	175.0
HICL Infrastructu	159.2	-0.4	170.1	143.2
International Pub	149.8	-0.6	163.4	141.8
JPMorgan American	456.5	0.5	472.0	386.5
JPMorgan Emerging	988.0	2.0	997.0	759.0
JPMorgan Indian I	767.0	7.0	776.0	566.0
JPMorgan Japanese	438.0	-2.5	472.0	367.0
Jupiter European	864.0	1.0	895.0	666.0
Law Debenture Cor	590.0	-2.0	636.0	534.0
Mercantile Invest	202.0	0.5	220.9	168.0
Monks Inv Trust	909.0	1.0	915.0	710.0
Murray Internatio	1154.0	2.0	1208.0	1056.0
NB Global Floatin	89.6	0.1	94.1	87.6
NextEnergy Solar	118.5	-0.5	124.5	107.5
Pantheon Internat	2120.0	5.0	2225.0	1955.0
Perpetual Income	302.0	-1.5	365.5	301.5
Pershing Square H	1372.0	-2.0	1398.0	990.0
Personal Assets T	42600.0	150.0	42602.4	38900.0
Polar Capital Tec	1324.0	8.0	1386.0	1066.0
RIT Capital Partn	2075.0	-5.0	2130.0	1892.0
Riverstone Energy	851.0	1.0	1282.0	840.0
Schroder Asia Pac	452.5	2.5	465.0	379.0
Scottish Inv Trus	825.0	2.0	902.0	748.0
Scottish Mortgage	522.0	-2.0	568.3	441.4
Sequoia Economic	114.4	0.8	114.4	106.0
Smithson Investme	1226.0	0.0	1242.0	1000.2
Syncona Limited N	223.0	-5.5	302.5	222.0
Temple Bar Inv Tr	1250.0	-4.0	1366.0	1116.0
Templeton Emergin	779.0	3.0	792.0	649.0
The Renewables In	128.0	0.0	129.2	106.9
TR Property Inv T	410.5	-2.5	433.5	353.5
Vietnam Enterpris	442.0	0.0	472.0	390.0
VinaCapital Vietn	339.0	-1.5	350.0	306.0
Witan Inv Trust	212.0	0.0	227.6	189.6
Woodford Patient	55.5	-0.7	91.0	53.8
Worldwide Healthc	2675.0	-25.0	2915.0	2325.0

FINANCIAL SERVICES

	Price	Chg	High	Low
3i Group	1106.5	8.0	1112.0	756.2
3i Infrastructure	297.5	2.0	297.5	221.0
AJ Bell	387.0	0.0	477.0	220.0
Allied Minds	73.5	-0.8	107.4	37.3
Amigo Holdings	208.0	-12.0	310.0	154.5
Arrow Global Grou	225.0	-7.0	267.0	167.2
ASA International	365.0	-5.0	510.0	336.0
Ashmore Group	494.4	-2.0	500.8	337.0
Brewin Dolphin Ho	302.2	1.2	366.0	295.4
Charter Court Fin	296.0	-7.5	375.0	228.8
City of London In	428.0	25.0	430.0	360.0
CMC Markets	90.4	-0.4	206.0	77.4
Coats Group	80.9	0.7	91.3	69.8
Georgia Capital	1070.0	2.0	1260.0	941.0
Hargreaves Lansdo	1881.0	-32.0	2433.0	1633.0
IG Group Holdings	582.2	1.4	954.5	474.8
IntegraFin Holdin	376.4	-1.1	406.1	269.0
Intermediate Capi	1360.0	1.0	1370.0	899.0
International Per	151.6	-5.0	248.8	147.4
Investec	505.8	3.4	568.0	423.4
IP Group	73.6	-0.9	138.0	72.1
John Laing Group	389.4	0.4	402.0	264.2
JTC	370.0	7.5	440.0	287.0
Jupiter Fund Mana	426.5	14.5	452.2	287.6
Liontrust Asset M	718.0	25.0	736.0	532.0
LMS Capital	52.0	1.5	53.5	44.0
London Finance &	37.5	0.0	45.5	37.5
London Stock Exch	5510.0	-74.0	5588.0	3867.0
Man Group	153.2	2.6	184.9	126.8
OneSavings Bank	362.6	-8.8	449.6	330.0
Paragon Banking G	429.8	1.2	524.0	379.2
Plus500 Ltd (DI)	572.8	-32.2	2040.0	495.0
Provident Financi	418.4	12.3	692.6	399.9
Quilter	140.2	-1.0	156.6	110.6
Rathbone Brothers	2185.0	20.0	2652.0	2085.0
Real Estate Credi	171.0	1.0	175.5	163.0
Record	34.1	0.1	47.0	27.3
River and Mercant	270.0	-5.5	330.0	212.0
S&U	2360.0	-20.0	2605.0	1767.5
Sanne Group	712.0	-1.0	724.0	450.0
Schroders	3016.0	-57.0	3268.0	2334.0
Standard Life Abe	290.3	0.7	381.4	224.9
TP ICAP	295.4	1.1	422.4	259.7
Walker Crips Grou	27.0	0.0	39.0	24.0
XPS Pensions Grou	160.0	7.0	192.0	132.0

FIXED LINE TELECOMS

	Price	Chg	High	Low
BT Group	197.2	0.7	264.7	193.8
TalkTalk Telecom	109.4	0.6	137.0	96.6
Telecom Plus	1408.0	-24.0	1528.0	1010.0

FOOD & DRUG RETAILERS

	Price	Chg	High	Low
Greggs	2286.0	0.0	2298.0	942.0
Morrison (Wm) Sup	197.3	1.0	269.4	195.0
Ocado Group	1136.0	-12.5	1435.0	749.8
Sainsbury (J)	189.4	1.5	341.5	187.2
SSP Group	678.0	-5.0	744.4	615.1
Tesco	224.2	-4.0	266.2	189.6
UDG Healthcare Pu	763.0	2.5	851.0	551.0

FOOD PRODUCERS

	Price	Chg	High	Low
Associated Britis	2427.0	11.0	2835.0	2041.0
Bakkavor Group	115.0	-1.6	193.0	113.0
Cranswick	2560.0	-10.0	3454.0	2472.0
Greencore Group	216.7	-1.3	230.0	162.9
Hilton Food Group	955.0	15.0	1088.0	884.0
Tate & Lyle	744.6	-9.2	800.4	622.6
Unilever	4891.5	-44.5	4983.5	3931.0

FORESTRY & PAPER

	Price	Chg	High	Low
Mondi	1774.0	9.5	2236.0	1584.0

GAS, WATER & MULTIUTILITIES

	Price	Chg	High	Low
Centrica	87.4	-0.4	163.7	86.5
National Grid	830.2	-8.9	889.2	748.7
Pennon Group	749.6	-19.0	812.4	684.2
Severn Trent	2063.0	-33.0	2116.0	1770.0
United Utilities	794.8	-11.4	873.6	682.4

GENERAL INDUSTRIALS

	Price	Chg	High	Low
RPC Group	792.2	-0.2	834.8	632.2
Smith (DS)	358.2	2.0	513.4	292.2
Smiths Group	1546.0	2.5	1749.5	1279.5
Smurfit Kappa Gro	2419.0	19.0	3292.0	1934.0
Vesuvius	546.5	6.5	662.0	473.2

GENERAL RETAILERS

	Price	Chg	High	Low
Auto Trader Group	566.0	3.0	606.0	388.5
B&M European Valu	318.3	2.3	426.3	278.6
Card Factory	172.5	-1.2	212.4	162.6
Dixons Carphone	110.8	-3.1	193.8	107.6
Dunelm Group	958.0	7.5	981.0	482.8
Inchcape	608.5	-5.5	799.0	486.6
JD Sports Fashion	587.6	-5.2	635.6	318.5
Just Eat	624.8	0.0	883.4	533.8
Kingfisher	205.8	3.0	318.1	201.3

MAIN CHANGES UK 350

Risers		%	Fallers		%
Petrofac Ltd.	465.2	14.9	Funding Circle Hol	194.8	-9.2
Wood Group (John)	445.4	6.6	Amigo Holdings	208.0	-5.5
Premier Oil	78.2	4.9	Plus500 Ltd (DI)	572.8	-5.3
Evraz	664.4	4.0	Acacia Mining	179.4	-3.7
Jupiter Fund Manag	426.5	3.5	Hays	156.6	-3.7
Provident Financia	418.4	3.0	PayPoint	1020.0	-3.6
Stagecoach Group	121.0	2.9	Intu Properties	75.0	-3.4
RHI Magnesita N.V.	4840.0	2.9	Safestore Holdings	615.0	-3.2
Equiniti Group	220.8	2.7	Euromoney Institut	1270.0	-2.9
Tullow Oil	213.0	2.6	Rolls-Royce Holdin	850.2	-2.8

	Price	Chg	High	Low
Marks & Spencer G	206.1	0.4	300.8	204.2
Next	5486.0	-36.0	6136.0	3991.0
Pets at Home Grou	186.7	0.7	187.3	110.0
Sports Direct Int	274.0	-0.2	436.1	233.2
Ted Baker	807.0	-0.5	2378.0	750.0
Vivo Energy	128.0	2.0	156.3	96.0
WH Smith	1905.0	1.0	2186.0	1697.0

HEALTH CARE EQUIPMETN & S.

	Price	Chg	High	Low
Assura	62.9	-0.8	64.5	52.4
Convatec Group	141.5	-1.6	239.0	118.6
Mediclinic Intern	293.4	-4.0	544.4	292.3
NMC Health	2366.0	2.0	4120.0	2192.0
Smith & Nephew	1684.0	-24.0	1725.0	1258.0

HHOLD GDS & HOME CONSTR.

	Price	Chg	High	Low
Barratt Developme	557.8	-3.4	625.8	434.0
Bellway	2698.0	-7.0	3226.0	2419.0
Berkeley Group Ho	3562.0	-41.0	3981.0	3226.0
Bovis Homes Group	1016.0	-2.0	1177.0	828.0
Countryside Prope	294.4	1.2	353.2	270.0
Crest Nicholson H	345.4	-0.4	404.8	296.4
McCarthy & Stone	131.2	0.5	142.4	97.5
Persimmon	1930.0	-14.5	2549.0	1859.5

	Price	Chg	High	Low
Reckitt Benckiser	6201.0	-81.0	7155.0	5593.0
Redrow	533.0	-4.0	674.6	460.8
Taylor Wimpey	154.8	-1.2	192.3	129.3

INDUSTRIAL ENGINEERING

	Price	Chg	High	Low
Bodycote	815.5	-1.5	1055.0	676.0
Hill & Smith Hold	1190.0	6.0	1523.0	902.5
IMI	1020.5	0.5	1242.0	870.0
Melrose Industrie	176.8	0.7	233.9	146.3
RHI Magnesita N.V	4840.0	134.0	5085.0	3318.0
Rotork	314.3	-1.5	361.4	235.7
Spirax-Sarco Engi	9265.0	-50.0	9315.0	5900.0
Weir Group	1498.5	0.0	2020.0	1240.0

INDUSTRIAL METALS & MINING

	Price	Chg	High	Low
Evraz	664.4	25.4	709.4	442.1
Ferrexpo	270.0	0.4	301.3	143.5

INDUSTRIAL TRANSPORTATION

	Price	Chg	High	Low
BBA Aviation	272.0	0.6	350.0	207.0
Clarkson	2445.0	0.0	2900.0	1878.0
Fisher (James) &	1876.0	14.0	2260.0	1600.0
Royal Mail	200.3	3.6	506.0	194.5

NON LIFE INSURANCE

	Price	Chg	High	Low
Admiral Group	2192.0	-2.0	2281.0	1870.0
Beazley	549.5	-1.5	599.0	492.6
Direct Line Insur	330.5	2.2	366.5	304.9
Hastings Group Ho	186.7	0.1	274.2	174.0
Hiscox Limited (D	1696.0	-4.0	1716.0	1418.0
Lancashire Holdin	693.0	-0.5	724.5	530.0
RSA Insurance Gro	572.6	-3.6	679.4	496.6
Sabre Insurance G	267.5	3.5	294.0	249.0

LIFE INSURANCE

	Price	Chg	High	Low
Aviva	414.2	1.6	505.0	364.6
Legal & General G	268.4	1.6	291.2	223.7
Phoenix Group Hol	700.0	10.5	724.8	544.0
Prudential	1679.0	-3.0	1824.0	1340.0
St James's Place	1079.5	-8.0	1216.5	914.0

MEDIA

	Price	Chg	High	Low
4imprint Group	2700.0	0.0	2700.0	1715.0
Ascential	355.2	-0.4	465.0	337.2
Bloomsbury Publis	236.0	3.0	243.0	190.5
Centaur Media	44.0	-0.5	56.5	34.7
Entertainment One	390.0	-3.4	483.4	336.4
Euromoney Institu	1270.0	-38.0	1434.0	1132.0

	Price	Chg	High	Low
Future	967.0	-13.0	1248.0	375.0
Goco Group	93.1	3.2	135.4	64.6
Haynes Publishing	226.0	0.0	238.0	160.0
Huntsworth	99.0	0.0	139.0	81.0
Informa	816.4	-1.6	859.0	605.8
ITE Group	70.5	-0.7	90.0	56.3
ITV	104.7	-1.1	180.4	102.7
Moneysupermarket.	406.0	4.6	407.3	264.0
Pearson	814.6	-2.6	1027.5	769.2
Reach	76.0	1.0	83.2	54.6
Relx plc	1931.5	-11.0	1947.5	1491.5
Rightmove	554.0	-6.2	585.1	420.9
STV Group	350.5	-1.5	458.0	318.0
Tarsus Group	427.0	-2.0	438.0	243.0
WPP	977.2	5.2	1301.0	800.4

MINING

	Price	Chg	High	Low
Acacia Mining	179.4	-6.9	256.6	96.1
Anglo American	2195.5	12.0	2226.0	1464.6
Antofagasta	906.4	-5.8	1022.5	727.2
BHP Group	2006.5	16.3	2006.5	1490.6
Centamin (DI)	114.4	-0.4	136.2	79.8
Fresnillo	874.8	-18.2	1149.5	724.8
Glencore	277.4	-0.3	369.2	254.7
Hochschild Mining	190.1	3.4	208.4	149.1
Kaz Minerals	587.6	1.2	850.6	436.7
Polymetal Interna	989.0	3.2	989.0	597.2
Rio Tinto	4828.0	55.0	4877.5	3486.0

MOBILE TELECOMS

	Price	Chg	High	Low
Inmarsat	546.4	1.0	581.4	362.8
Vodafone Group	125.8	1.5	191.0	123.3

OIL & GAS PRODUCERS

	Price	Chg	High	Low
BP	554.5	3.5	598.3	485.9
Cairn Energy	169.2	2.3	258.8	140.0
Energean Oil & Ga	849.0	5.0	864.0	507.0
Premier Oil	78.2	3.6	143.6	55.6
Royal Dutch Shell	2612.0	16.0	2694.5	2213.0
Royal Dutch Shell	2622.0	15.5	2780.5	2227.0
Tullow Oil	213.0	5.3	266.3	165.2

OIL EQUIPMENT & SERVICES

	Price	Chg	High	Low
Hunting	515.5	5.5	849.0	453.6
Petrofac Ltd.	465.2	60.2	663.4	381.5
Wood Group (John)	445.4	27.5	796.4	389.9

PERSONAL GOODS

	Price	Chg	High	Low
Burberry Group	1780.0	-17.5	2325.0	1623.5
PZ Cussons	215.5	1.5	244.0	178.6

PHARMACEUTICALS & BIOTECH

	Price	Chg	High	Low
AstraZeneca	6365.0	-77.0	6525.0	5182.0
BTG	833.5	0.0	853.0	475.0
Dechra Pharmaceut	2760.0	-72.0	3168.0	2014.0
Genus	2608.0	-6.0	2992.0	2098.0
GlaxoSmithKline	1587.2	-18.4	1621.6	1418.0
Hikma Pharmaceuti	1715.0	-3.0	2025.0	1430.5
BMO Commercial Pr	112.4	-0.4	155.0	110.8

REAL ESTATE INVEST. & SERV.

	Price	Chg	High	Low
Capital & Countie	221.2	4.2	289.7	209.5
CLS Holdings	213.0	-2.0	255.0	195.4
Daejan Holdings	5510.0	40.0	6400.0	5420.0
Grainger	243.4	-2.0	279.8	205.8
NewRiver REIT	176.2	-2.2	281.5	175.7
Safestore Holding	615.0	-20.0	658.5	499.4
Savills	891.0	0.0	949.5	678.5
St. Modwen Proper	438.5	0.0	441.5	365.0
UK Commercial Pro	87.0	-0.4	92.7	81.0
Big Yellow Group	999.0	-6.0	1062.0	852.5

REAL ESTATE INVEST. TRUSTS

	Price	Chg	High	Low
British Land Comp	537.4	-1.8	679.0	523.0

	Price	Chg	High	Low
Derwent London	3126.0	10.0	3328.0	2761.0
Great Portland Es	690.2	-7.6	773.6	652.3
Hammerson	272.1	-4.6	547.6	266.9
Intu Properties	75.0	-2.6	201.5	74.9
Land Securities G	824.4	-10.8	960.0	791.8
LondonMetric Prop	202.8	0.6	209.2	172.7
Primary Health Pr	133.8	-1.0	139.0	106.4
SEGRO	733.0	-11.4	744.4	585.2
Shaftesbury	807.5	-12.5	935.5	804.5
Tritax Big Box Re	153.5	-0.7	155.7	129.0
Unite Group	972.0	-9.5	982.0	797.5
Workspace Group	875.0	-16.5	1127.0	789.5

SOFTWARE & COMPUTER SERV.

	Price	Chg	High	Low
Avast	293.4	-4.8	319.4	208.2
Aveva Group	3936.0	10.0	3958.0	2284.0
Computacenter	1306.0	-10.0	1620.0	952.0
FDM Group (Holdin	933.0	6.0	1000.0	734.0
Funding Circle Ho	194.8	-19.7	440.0	181.0
Kainos Group	644.0	-6.0	676.0	340.0
Micro Focus Inter	2055.5	-43.0	2491.6	1427.2
Playtech	409.9	7.9	765.0	361.8
Sage Group	799.6	4.4	804.4	525.6
Softcat	957.5	2.0	967.0	565.0
Sophos Group	381.5	-4.9	639.0	298.2

SUPPORT SERVICES

	Price	Chg	High	Low
Aggreko	792.0	-4.8	882.0	641.8
Ashtead Group	2234.0	5.0	2438.0	1586.5
BCA Marketplace	241.0	5.6	243.0	178.5
Bunzl	2114.0	-32.0	2551.0	2059.0
Capita	100.6	-2.8	169.1	99.9
DCC	7062.0	-10.0	7390.0	5555.0
Diploma	1569.0	-27.0	1634.0	1150.0
Electrocomponents	612.0	-2.2	761.6	480.0
Equiniti Group	220.8	5.8	266.0	186.2
Essentra	420.4	-2.0	507.0	325.4
Experian	2395.0	-35.0	2463.0	1728.5
Ferguson	5638.0	-62.0	6556.0	4749.0
G4S	207.2	-2.8	282.0	175.9
Grafton Group Uni	825.5	-8.5	937.0	630.0
Hays	156.6	-6.0	212.0	135.7
Homeserve	1180.0	-5.0	1263.0	849.0
Howden Joinery Gr	502.8	-1.2	539.0	416.4
Intertek Group	5590.0	-26.0	6014.0	4387.0
Network Internati	553.0	6.0	602.0	500.0
Pagegroup	511.0	-12.0	623.5	432.2
PayPoint	1020.0	-38.0	1118.0	748.0
Rentokil Initial	397.3	-1.3	401.4	284.8
Robert Walters	658.0	-2.0	475.0	814.0
Serco Group	135.8	-2.9	139.3	84.1
SIG	131.2	-0.8	153.0	102.2
Travis Perkins	1298.0	-10.0	1465.0	970.0

TOBACCO

	Price	Chg	High	Low
British American	2809.0	-2.0	4222.5	2375.0
Imperial Brands	1882.8	17.6	2987.5	1846.0

TRAVEL & LEISURE

	Price	Chg	High	Low
Carnival	3475.0	63.0	5000.0	3402.0
Cineworld Group	251.7	2.2	323.6	247.4
Compass Group	1883.5	0.5	1912.0	1483.0
Domino's Pizza Gr	270.5	2.5	357.7	224.4
EI Group	194.0	-3.1	224.8	145.0
FirstGroup	97.9	-0.4	116.6	79.3
Flutter Entertain	5696.0	76.0	8510.0	5525.0
Go-Ahead Group	1959.0	5.0	2080.0	1388.0
Greene King	580.0	-1.0	704.4	472.8
GVC Holdings	627.6	5.0	1170.0	507.5
InterContinental	5213.0	4.0	5281.0	3958.4
International Con	449.4	9.9	711.4	438.7
Marston's	114.8	-0.2	116.0	89.9

	Price	Chg	High	Low
Merlin Entertainm	393.1	-1.9	410.5	307.1
Millennium & Copt	680.0	0.0	685.0	436.0
Mitchells & Butle	278.0	-3.0	291.4	238.0
National Express	391.8	-1.2	433.2	361.4
PPHE Hotel Group	1830.0	30.0	1990.0	1415.0
Rank Group	160.0	-1.0	194.0	135.0
Restaurant Group	123.1	-0.2	221.9	111.9
Stagecoach Group	121.0	3.4	177.0	113.6
TUI AG Reg Shs (D	738.2	7.2	1695.5	698.0
Wetherspoon (J.D.	1410.0	2.0	1445.0	1066.0
Whitbread	4530.0	30.0	5114.0	3883.0
William Hill	150.5	2.5	304.0	132.3
Wizz Air Holdings	3286.0	-36.0	3797.0	2329.0

AIM 50

	Price	Chg	High	Low
Abcam	1445.0	5.0	1539.0	1017.0
Advanced Medical	297.5	-1.5	370.0	260.0
Alliance Pharma	72.9	1.1	99.8	60.0
ASOS	2610.0	-56.0	6558.0	2128.0
Blue Prism Group	1367.0	59.0	2575.0	1040.0
Camellia	10450.0	-200.0	11975.0	9100.0
CareTech Holding	366.0	1.0	406.0	325.0
Central Asia Meta	216.0	-2.0	266.5	203.0
Clinigen Group	1010.0	1.0	1069.0	721.0
CVS Group	625.0	-32.5	1163.0	395.0
Dart Group	825.5	-0.5	1017.0	740.0
Diversified Gas &	111.5	-0.5	134.0	96.0
Draper Esprit	510.0	-4.0	645.0	458.0
Eland Oil & Gas	119.0	-0.4	137.5	97.0
EMIS Group	1206.0	-8.0	1226.0	860.0
Fevertree Drinks	2325.0	-4.0	3956.0	2131.0
First Derivatives	3450.0	60.0	4680.0	2050.0
Frontier Developm	1032.0	-14.0	1435.0	740.0
Gamma Communicati	1130.0	0.0	1195.0	688.0
GB Group	516.0	1.0	631.0	410.5
Gooch & Housego	1095.0	40.0	1880.0	954.0
Hurricane Energy	54.0	0.3	60.8	39.0
Impax Asset Manag	270.0	-20.0	295.0	184.0
Iomart Group	318.0	-3.5	475.0	308.0
IQE	59.1	3.2	112.5	53.9
James Halstead	518.0	-2.0	532.0	367.0
Johnson Service G	149.4	-2.6	168.4	113.6
Keywords Studios	1718.0	34.0	2065.0	900.0
Learning Technolo	94.4	0.9	166.5	62.2
M&C Saatchi	375.0	6.0	394.0	270.0
M. P. Evans Group	689.0	2.0	800.0	637.0
Majestic Wine	257.0	-1.0	485.0	219.0
Midwich Group	588.0	0.0	685.0	491.5
Mortgage Advice B	606.0	2.0	720.0	490.0
Next Fifteen Comm	622.0	17.0	644.0	455.0
Nichols	1690.0	-15.0	1840.0	1240.0
Numis Corporation	259.5	1.5	438.5	221.5
Polar Capital Hol	600.0	0.0	732.0	448.0
Purplebricks Grou	97.8	-2.0	337.0	90.0
Redde	104.6	6.9	196.0	90.0
Renew Holdings	418.0	2.0	436.5	333.0
RWS Holdings	634.0	4.0	652.0	415.5
Scapa Group	194.6	-7.9	473.4	157.0
Secure Income Rei	402.0	-2.0	414.0	371.0
Serica Energy	129.0	-2.0	142.0	57.4
Smart Metering Sy	519.0	15.5	778.0	480.0
Telford Homes	310.5	2.5	430.0	267.0
Thorpe (F.W.)	317.0	-3.0	340.0	248.0
Watkin Jones	204.0	-1.0	232.5	192.2
Young & Co's Brew	1752.5	27.5	1885.0	1322.5
Young & Co's Brew	1065.0	0.0	1325.0	1030.0

EU SHARES

	Price	Chg	High	Low
AB INBEV	77.34	-0.89	91.14	56.32
ADIDAS N	272.00	9.20	273.85	178.30
AIR LIQUIDE	120.70	-1.20	123.90	101.85
AIRBUS BR	125.54	0.36	126.50	77.50
ALLIANZ	212.90	1.10	216.20	170.38
AMADEUS IT GRP BR-A	68.26	0.28	82.20	58.06
ASML HLDG	179.00	1.66	189.50	130.12
AXA	23.16	0.04	23.90	18.40
BANCO SANTANDER	4.05	0.05	4.82	3.80
BASF N	62.12	0.32	84.80	57.26
BAYER N.	56.60	1.20	97.10	52.00
BBVA	4.89	0.02	6.44	4.48
BMW	64.60	1.36	86.71	61.31
BNP PARIBAS BR-A	41.17	0.71	56.94	38.14
CRH PLC	28.53	0.13	34.87	26.53
DAIMLER N	48.00	0.48	59.99	44.54
DANONE	74.70	-0.58	75.34	59.72
DEUTSCHE POST N	28.27	0.19	32.20	23.43
DEUTSCHE TELEKOM N	15.25	-0.07	15.88	13.09
ENEL N	6.08	-0.13	6.34	4.22
ENGIE	13.25	-0.12	14.28	11.31
ENI N	14.51	0.07	16.71	13.39
ESSILORLUXOTT	109.15	-0.65	129.55	95.50
FRESENIUS	47.06	-0.59	71.00	38.50
IBERDROLA	8.82	-0.07	9.13	5.81
INDITEX	25.50	0.26	30.30	21.85
ING GROUP	10.00	0.27	13.28	9.09
INTESA SANPAOLO N	1.88	0.01	2.66	1.80
KERING	510.20	-0.40	539.80	351.70
KON AH DEL BR	19.50	-0.19	24.01	18.60
L'OREAL	250.00	-4.10	257.30	182.00
LINDE	177.30	-1.20	0.00	0.00
LVMH	367.60	-4.10	375.25	242.30
MUENCHENER RUECKV N	223.20	-0.50	226.40	175.00
NOKIA	4.39	0.03	5.76	4.17
ORANGE	13.88	-0.01	15.25	13.15
ROY.PHILIPS	37.73	-0.15	40.01	29.05
SAFRAN	130.80	-0.75	133.95	97.36
SANOFI	75.92	-1.13	80.44	68.05
SAP I	118.16	0.10	119.60	84.02
SCHNEIDER EL	78.64	0.58	79.50	57.54
SIEMENS N	103.88	-0.92	121.40	90.90
SOCIETE GENERALE	21.77	0.34	35.06	20.81
TELEFONICA	7.30	0.02	8.06	6.59
TOTAL	49.52	0.58	55.39	44.23
UNILEVER CERT	53.50	-0.64	55.33	45.12
VINCI	90.38	-1.68	93.26	69.98
VIVENDI	24.46	-0.32	26.69	20.40
VOLKSWAGEN VZ I	147.40	1.40	163.70	131.02

COMMODITIES

Gold	1431.40	25.70	Copper Cash Official	5917.00	68.00
Silver	15.40	0.03	Aluminium Cash Official	1747.00	29.00
Brent Crude	64.86	0.19	Nickel Cash Official	12060.00	145.00
Krugerrand	1446.75	3.75	Aluminium Alloy Cash Official	1150.00	20.00
Palladium	1527.00	11.00	Cocoa Futures	2489.00	3.00
Platinum	812.00	2.00	Coffee 'C' Futures	106.53	-0.92
Tin Cash Official	19025.00	0.00	Feed Wheat Futures	153.00	3.10
Lead Cash Official	1887.00	14.00	Soybeans Futures Continuation Contract	893.60	-9.60
Zinc Cash Official	2578.00	-6.00			

CREDIT & RATES

BoE IR Overnight	0.750	0.00	Euro Base Rate	0.000	0.00
BoE IR 7 days	0.750	0.00	Finance house base rate	1.000	0.00
BoE IR 1 month	0.750	0.00	US Fed funds	2.36	0.00
BoE IR 3 months	0.750	0.00	US long bond yield	2.57	0.04
BoE IR 6 months	0.750	0.00	Euro Euribor	-0.400	0.00
LIBOR Euro - overnight	-0.471	0.00	The vix index	16.21	-0.07
LIBOR Euro - 12 months	-0.285	0.00	The baltic dry index	1280.00	22.00
LIBOR USD - overnight	2.345	0.00	Markit iBoxx EUR	242.51	-0.17
LIBOR USD - 12 months	2.147	-0.03	Markit iBoxx GBP	343.69	-1.03
Halifax mortgage rate	3.990	0.00	Markit iBoxx USD	255.39	0.25

WORLD INDICES

	Price	Chg	%chg
FTSE 100	7416.39	-6.04	-0.08
FTSE 250	19260.39	-26.12	-0.14
FTSE All-Share	4046.05	-3.78	-0.09
FTSE AIM All-Share	924.00	-0.97	-0.10
S&P 500	2913.78	-3.60	-0.12
Dow Jones I.A.	26536.82	-11.40	-0.04
Nasdaq Composite	7909.97	25.25	0.32
Xetra DAX	12245.32	16.88	0.14
CAC 40	5500.72	-13.85	-0.25
Swiss Market Index	9838.13	-60.77	-0.61
ISEQ Overall Index	6128.16	20.18	0.33
FTSEurofirst 300	1505.44	-4.51	-0.30
Hang Seng	28221.98	36.00	0.13
Shanghai Composite	2976.28	-5.79	-0.19
STI Index	3301.12	-4.21	-0.13
ASX All Ordinaries	6716.10	-18.40	-0.27

US SHARES

	Price	Chg	High	Low
3M	171.88	-0.15	219.75	159.32
ABBOTT LABORATOR	82.96	-1.28	85.45	60.32
ADOBE	288.72	0.75	304.00	204.95
ALPHAB NON VTG-C	1079.80	-6.55	1289.27	970.11
ALPHABET-A	1080.32	-7.26	1296.98	977.66
AMAZON.COM	1897.83	19.56	2050.50	1307.00
AMERICAN EXPRESS	123.59	0.43	126.40	89.05
APPLE	199.80	4.23	233.47	142.00
AT&T	32.53	-0.02	34.30	26.80
BANK OF AMERICA	27.91	0.15	31.91	22.66
BERKSHIRE HATH RG-B	208.51	0.44	224.07	184.75
BOEING CO	374.94	5.62	446.01	292.47
CATERPILLAR	135.15	1.44	159.37	112.06
CHEVRON	123.93	0.29	128.55	100.22
CISCO SYSTEMS	56.60	0.52	58.15	40.25
CITIGROUP	67.22	0.68	75.24	48.42
COCA-COLA CO	51.12	-0.64	52.20	42.99
COMCAST-A	42.11	-0.64	43.96	32.08
DOW	50.45	0.76	0.00	0.00
EXXON MOBIL	76.60	0.33	87.36	64.65
FACEBOOK-A	187.66	-1.18	218.62	123.02
GOLDMAN SACHS GR	197.01	0.95	245.08	151.70
HOME DEPOT	206.42	1.68	215.43	158.09
HONEYWELL INTL	173.59	-0.35	177.36	123.48
IBM	138.52	0.16	154.36	105.94
INTEL	48.19	1.34	59.59	42.36
JOHNSON & JOHNSO	141.85	-2.39	148.99	120.11
JPMORGAN CHASE	108.48	0.72	119.24	91.11
MASTERCARD RG-A	261.30	1.57	269.85	171.89
MCDONALD'S	204.55	-1.16	206.39	153.13
MEDTRONIC	97.22	-1.68	100.15	81.66
MERCK	83.54	-1.70	86.50	59.80
MICROSOFT	133.93	0.50	138.40	93.96
NETFLIX	362.20	1.90	419.77	231.23
NIKE -B-	82.55	-0.07	90.00	66.53
ORACLE	56.66	0.59	57.47	42.40
PAYPAL HOLDINGS	114.15	-0.29	119.95	74.66
PEPSICO	132.32	-1.49	135.24	104.53
PEPSICO	118.61	0.56	119.74	101.06
PFIZER	42.99	-0.77	46.47	36.00
PROCTER&GAMBLE	109.73	-1.99	112.63	77.29
TRAVELERS COS	148.70	-4.43	153.63	111.08
TWITTER	35.22	0.50	46.90	26.19
UNITEDHEALTH GRO	243.47	-4.19	287.94	208.07
UTD TECHS	127.76	-1.26	144.40	100.48
VERIZON COMM	56.99	-1.01	61.58	49.01
VISA RG-A	171.06	-0.22	174.94	121.60
WALGREENS BOOTS	52.38	-0.57	86.31	49.31
WALMART	110.16	-0.56	112.22	83.40
WALT DISNEY	140.40	0.46	143.51	100.35
WELLS FARGO	45.80	-0.34	59.53	43.02

FORUM

EDITED BY RACHEL CUNLIFFE

A bold pro-business PM should let Liz Truss shake things up

THERE'S another month to go until we have a new Prime Minister, but pro-market Conservatives can already start breathing a sigh of relief.

For a start, both contenders for the top job have pledged to cut tax. Jeremy Hunt has promised to cut the rate of Corporation Tax from 19 per cent to 12.5 per cent, while Boris Johnson proposes slashing income tax for three million people by increasing the 40p tax rate threshold from £50,000 to £80,000, and also raise the National Insurance contribution threshold.

The two have also stressed that they would cut tax for the low paid. This is backed up by their broader rhetoric. Both men talk favourably of wealth creation, free enterprise, and celebrating success.

These used to be familiar Conservative themes, but we didn't hear much about them from Theresa May or Philip Hammond.

But beyond the two leadership finalists, there's another important outrider for the free market agenda in the Conservative ranks – someone who ended up not throwing her hat in the race, but should not be forgotten.

Liz Truss, the chief secretary to the Treasury, is a familiar face at libertarian think tanks and has been increasingly outspoken on both social and conventional media.

She contemplated standing, but was tarnished in the eyes of some Brexiteers for being a cabinet minister under May – regarded as a liability rather than qualification given the recent difficulties. So she threw in her lot with Team Boris.

Might Truss be rewarded with a promotion? Could she be the first female chancellor of the Exchequer? And if not – with others like Sajid Javid and Jacob Rees-Mogg in the running – there is speculation that she could at least become the next business secretary.

At any rate, her ideas will be in the ascendancy. Truss has been rather isolated in putting forward the capitalist case around the cabinet table. Soon, she can expect to have rather more allies.

For Truss, the case for capitalism is not about pleading for special interests. She is unapologetically pro-business, but in a straightforward way.

Yes, she is in favour of reducing regulation and cutting taxes, but far from the corporatist approach of the state managing the economy by defending vested interests, Truss is a champion for "disruptors".

She recently tweeted: "If people are looking for ways to reduce business rates, what about the £18bn of business subsidies?"

As an approach for spurring economic growth, this is the right idea. Eliminating subsidies would boost small businesses that tend to be less adept at Whitehall lobbying, making the playing field fairer and more competitive, while reducing business rates at the same time comes with the social advantage of helping to revive our struggling high streets.

But the call to scrap business subsidies is brave. With this sort of change, those who lose out – big businesses – make a lot of noise.

Harry Phibbs

Far from the corporatist approach of the state managing the economy by defending vested interests, she is a champion for 'disruptors'

The gratitude of those who benefit tends to be less deafening.

Keith Joseph argued that for every job artificially maintained, several are sacrificed as the viable private sector is squeezed harder, but it is the jobs saved by subsidies – or lost by their removal – that are the ones that can be identified.

Still, Truss' policy would dramatise an important chance to reboot our economy by making the system much fairer and more open. Capitalism could no longer be caricatured as a rigged arrangement where cronies are favoured by cosy politicians.

The arrogant attempts of officials in Whitehall to "pick winners" by producing "industrial strategies" have never worked and never will.

Older readers will remember the funding for DeLorean car production in Belfast. Much older readers will recall the Atlee government's futile spending of taxpayers money on the groundnut scheme in Tanzania.

The second-guessing of business by politicians and officials – with "innovation funds", "growth funds", "professional support", "promotional support" and the like – are both patronising and expensive. It would be much better to get out of the way, cut regulation, and allow the entrepreneurs to get on with their own ideas.

This is a battle worth fighting. It would be worth putting up with some sniping from establishment business lobby voices such as the CBI if it reignites the spirit of free-market capitalism among disillusioned younger voters.

Of course, if Truss were to be made business secretary, it's hard to see what would be left of the department after she had been there a year or two.

Maybe it would be closed down, and Boris would find her another department to abolish. Digital, Culture, Media and Sport, perhaps?

Harry Phibbs is a journalist at Conservative Home.

Dog Fight: Why competition must be at the heart of the Heathrow expansion project

IN 1968, the Roskill Commission recommended the expansion of Heathrow. Last week, the airport's owner, Heathrow Airport Limited (HAL), said that it would finish increasing its size and capacity by 2050 – 31 years from now and 88 since the original findings.

We need a bigger Heathrow sooner than that, one that can cater for the market today and the decades ahead, and can do so as cost-efficiently and as quickly as possible.

That's why I am bidding to build the new passenger terminal. I don't want to construct the runway, but as someone who has created and operated hotels all over the UK, including at Heathrow, I know what people are looking for when they travel, what levels of service and hospitality they expect, and how this can be delivered within an affordable budget efficiently.

I've offered to partner with HAL, lending it my expertise and experience. That approach has been rejected, so I am pushing ahead with my own plan.

From the moment I first arrived here from India as a boy, the UK has been good to me and my family. I want to repay the opportunity that Britain and Heathrow – where I first worked as a junior clerk – gave me.

I've assembled a world-class team of expert advisers to assist me and their brief is simple: devise the best passenger terminal possible at the best price, in the fastest time. We have launched our plans, and further details will be unveiled in the coming weeks and months.

Looking at HAL's scheme I was struck that, while adding greatly to the number of passengers using the airport, it is not supplying a dedicated new terminal.

Instead, it is suggesting a series of satellites in different locations, including a new location in the north of the airport, meaning longer transfer times for passengers and higher operating costs for airlines.

What I am not seeing is much attention being paid to those who ultimately matter the most and who will foot the bill in charges: the airlines and their passengers.

Surinder Arora

Our proposal, called Heathrow West, puts them at its heart. However, before my scheme can progress, the government must take competition seriously and hold a full, open and fair contest to determine who should build the new terminal.

Currently, the Department for Transport will say that anyone can bid, but HAL has been afforded the equivalent of preferred status. We're effectively fighting for the right to build, with one arm tied behind our back.

I am seeking a level fight where all proposals receive the same degree of assessment and evaluation. If this means that others are tempted to come forward with their own ideas for a terminal, so be it – the more the merrier.

It's being claimed that you can't have a terminal and runway managed by different operators. But that occurs, without problem, in numerous airports around the world. Indeed, the cargo terminal at Heathrow is owned and operated independently of HAL.

Obviously, I would like Heathrow West to be selected as the new passenger terminal for an expanded Heathrow. But before that can happen, we must participate in an equal contest.

The public, surely, deserve better – and they cannot wait another 31 years to get the airport and the service that they so urgently require.

Surinder Arora is founder and chairman of Arora Group.

LETTERS TO THE EDITOR

In harmony

The future of work is at the heart of every major socio-economic-political debate. Although many are excited by the increasing impact of automation in the manufacturing industry, yesterday's Oxford Economics report will cause others employed in industrial roles to be scared that what little grip they have on the economic ladder is about to slip away.

The labour market will undoubtedly experience a massive job transition, creating significant skills mismatches. Skills required for more manual roles are declining in value, and traditional business models based on them are folding under the weight of economics that no longer make sense.

Looking beyond the headlines, we can see that automation is predicted to lead to productivity growth that will ensure incremental job growth. This will, however, mask huge changes in what work we do and how we do it. For example, our 21 More Jobs of the Future report predicts that roles such as flying car developer or head of machine personality design will emerge in response to new production methods. Alternatively, positions such as smart home design manager will help individuals curate their future home.

The rapid evolution of working practices has resulted in skills resembling mobile apps, requiring frequent upgrades to stay relevant. As the world of work continues to evolve based on new technologies, humans must increasingly evolve their skillsets to stay relevant and work in harmony with technologies, to ensure that their jobs are not automated away.

Euan Davis, European lead, Cognizant's Center for the Future of Work

BEST OF TWITTER

The people who think parents should get no state help with childcare costs are often the same people who think the state should pay for their old-age care without touching their savings or homes. Discuss.
@FelicityHannah

"The purpose of studying economics is not to acquire a set of ready-made answers to economic questions, but to learn how to avoid being deceived by economists." –Joan Robinson, Cambridge University
@ritholtz

The circle of life: today the makers of Candy Crush are giving evidence to a select cttee on "immersive and addictive technologies" – five years after an MP was caught playing Candy Crush during a select cttee hearing
@estwebber

Boris Johnson in the Metro 2011: "I like to relax by painting on cheese boxes. You get Brie and Camembert in these lovely wooden boxes.... I paint the whole thing white with a tube of children's paint and I look for something to paint..."
@christopherhope

The year is 2057: "A collection of paintings of buses (described by art critics as "charming but naive") created by former Prime Minister and controversial war leader Boris Johnson has failed to reach its reserve price at auction today."
@iainmartin1

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

Time for the FCA to stop making excuses about GRG and do its job

Sharon Bowles

IT IS six years since the damning accusations came to light that the Royal Bank of Scotland (RBS) had been decimating small businesses for its own benefit. It was in fact a businessman, an adviser at the time to Vince Cable as business secretary in the coalition government, who uncovered and pulled together the dossier accusing the bank.

Following a five-year investigation, the Financial Conduct Authority (FCA) has now produced its report on the scandal. It is disappointing: its conclusion finds no one guilty, and its only answer to what happened there is a gap in our regulations. Not exactly ground-breaking. So, today my Liberal Democrat colleagues and I have secured a debate in the House of Lords to urge the Conservative government to join us in demanding action.

The scandal started with Global Restructuring Group (GRG), a unit which sat within RBS. GRG was in theory set up to help turn around the fortunes of struggling businesses which had taken out loans with RBS.

But the reality was far more sinister; RBS bullied business customers to move to GRG by demanding instant repayments. Customers were then stripped of their assets in order to benefit GRG's own bottom line.

GRG dealt with large companies as well as small ones, but, as has been widely reported in the media, it was for the most part the SMEs which were "mistreated" at the hands of RBS – 92 per cent, in fact.

"Mistreated" is an understatement. Lives were ruined as RBS customers lost their livelihoods, their homes, and in some incredibly tragic cases, their lives. A leaked training document for RBS staff stated: "sometimes you need to let customers hang themselves".

The FCA's report, although damning about RBS' conduct, is shamefully weak on plans for enforcement. It presents a catalogue of excuses of why action cannot be taken both against RBS now, and to prevent this from happening again.

Neither of these is an impossible ambition. Under the FCA's existing Principles for Good Regulation: "a firm must take reasonable care to organise and control its affairs responsibly and effectively, with adequate risk management systems". RBS' behaviour clearly falls short. This has been used before to pursue banks for the unregulated activity of foreign exchange, so why can it not be used for commercial lending for SMEs?

It is equally outrageous for the FCA to imply that commercial lending to SMEs is not systemically important. There are 5.6m SMEs in the UK employing over 16.2m people – they are a crucial part of our economy. And RBS was the largest lender for them.

> **Lives were ruined as RBS customers lost their livelihoods and their homes**

The FCA also claims that because RBS' activities are unregulated, with no standards set, there is nothing to measure "fit and proper" against. But, undeniably, the actions of those working at GRG fell well below what can be seen as fit or proper.

Finally, the FCA has said that it was previously powerless to investigate GRG because the unit was outside the regulator's remit. Now, new powers mean that if a similar situation were to occur again, the FCA might launch a probe, but apparently it would be "inappropriate" to look at the GRG scandal using those new powers, and it is far from clear that the powers would lead to significant enforcement.

This is simply not good enough. Not only does the FCA owe it to victims to launch a thorough investigation, but it should be implementing regulations to ensure that this cannot happen again, not merely focusing on giving itself powers to investigate if it does.

GRG unfairly destroyed lives, repossessed homes, acted aggressively and without transparency or proper control. What happened at RBS cannot be repeated, and the FCA must be at the forefront of ensuring this.

The Liberal Democrats demand better and the victims of the scandal deserve it. Commercial lending for SMEs must be regulated. The FCA must stop making excuses and act. To fail to do so is to leave all those vulnerable to the same treatment that caused this scandal in the first place.

Baroness Bowles is a Liberal Democrat peer in the House of Lords.

DEBATE

Is there any merit to Labour's 'financial totalitarianism' plans to tackle climate change?

YES

ANGUS SATOW

The free market is failing us. Despite enjoying free rein following Margaret Thatcher's deregulation programme, the UK's financial system has been completely unable to tackle the climate crisis. Instead, banks are actively driving us over the climate cliff with their enormous investment in coal, oil and gas. Barclays alone has poured over $85bn into fossil fuel projects in the last three years.

Hope for a liveable future hangs in the balance. Shadow chancellor John McDonnell is totally right to argue for the need to "harness the full might of the Treasury in government to tackle climate change". To reach net-zero carbon emissions as quickly as possible, we must mobilise every sector of the economy, including finance. In doing so, we can make sure that bank lending is environmentally and socially productive.

If critics still aren't convinced, it's worth remembering that Threadneedle Street has warned of $20 trillion of assets being at risk from climate change. The status quo is not an option.

Angus Satow is co-founder of Labour for a Green New Deal.

NO

SAVVAS SAVOURI

Of course the UK should lead the way in environmental best practice, but through policies that are economically practical, not fanciful. What is the point of leading others if, in pursuing an anti-business agenda, we set back the UK economy, indeed handicap it so much compared to its competitors that we tip into a sharp downturn?

Labour's plans to force companies to green up their act are not just radical, they are counter-productive.

Recessions are environmentally unfriendly. Reduced profitability encourages a return to bad ways and favours those who do not employ climate best practice. Companies which had hitherto pushed ahead with good environmental behaviour would begin to drag their feet in a bid to survive, or go out of business entirely.

The laudable strategy of reducing the harm we are doing to our environment should involve tactics which help rather than harm our economy – and harm the UK is exactly what John McDonnell would do if ever chancellor.

Dr Savvas P. Savouri is chief economist and partner at Toscafund Asset Management.

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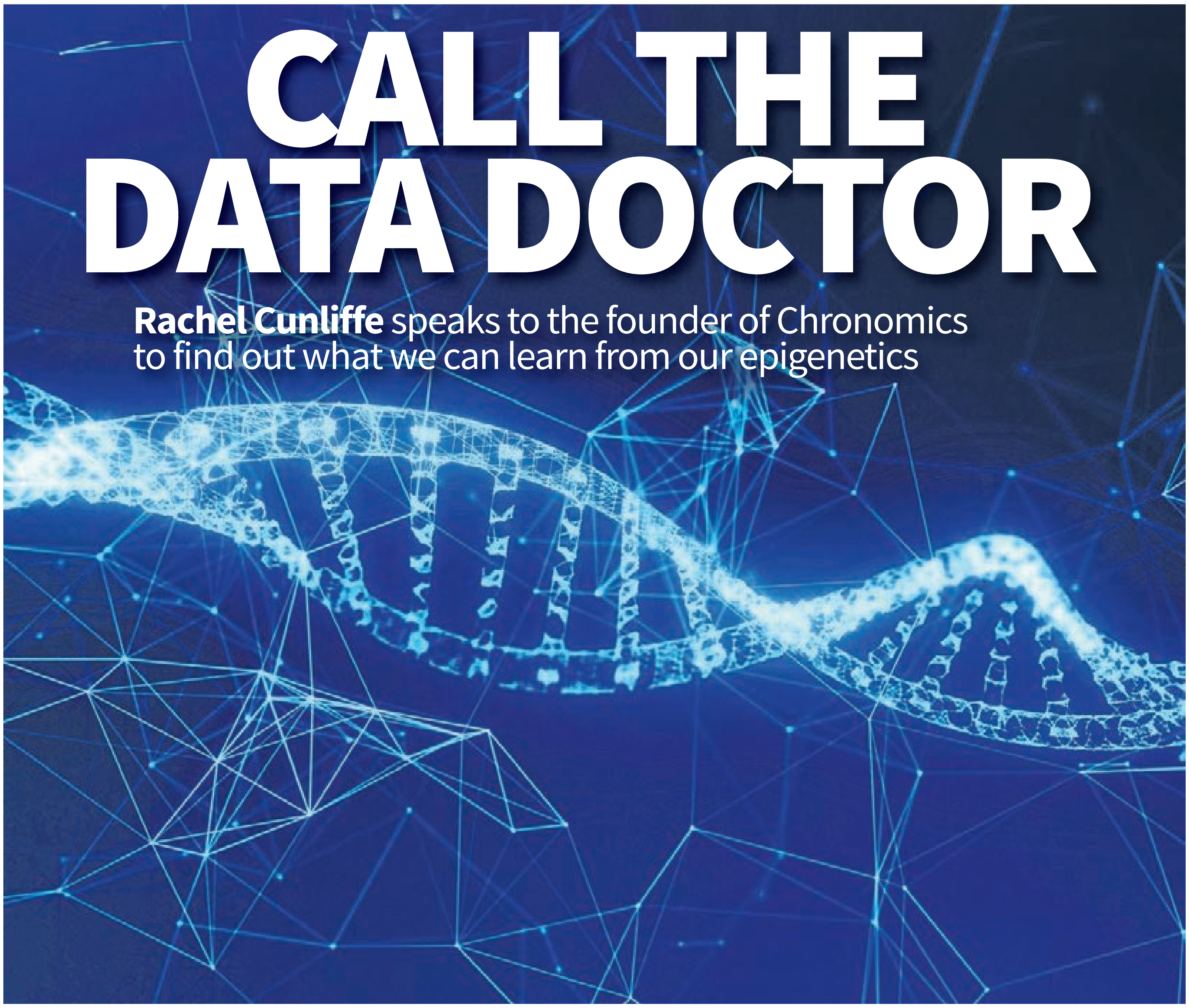
DATA & BUSINESS

CALL THE DATA DOCTOR

Rachel Cunliffe speaks to the founder of Chronomics to find out what we can learn from our epigenetics



HOW OLD are you? A simple enough question, you may think, but not for Dr Tom Stubbs, co-founder and chief executive of epigenetic testing company Chronomics.

Epigenetics is (to quote the Chronomics website) the study of heritable phenotype changes that do not involve alteration in the DNA sequence. It's essentially how environmental factors – from what we eat to the air we breathe – affect our gene activity and expression. You can't change your DNA, but you can change your epigenetics.

Epigenetic testing is one of the most accurate methods for determining biological age – that is, how much your body is ageing, which may or may not match your literal chronological age.

This isn't a hard concept to grasp – we all know that if you chain-smoke, drink heavily, eat junk food and never exercise, you will age faster than someone with a healthier lifestyle. But how much faster?

Answering that question is just one service offered by Chronomics. With a saliva test that you can do from home and send off, the company can analyse your epigenetic data and determine how old your body thinks it is.

Having been persuaded to try this out for myself, my biological age thankfully matches how long I've lived. But for £179 plus £19.99 a month, Chronomics is offering far more than that.

Stubbs, who has a PhD in epigenetics from Cambridge University and has worked at the frontier of this new field of research, wants to give people the tools to take charge of their own health, fusing epigenetic data with lifestyle analysis to work out what we all need to do as individuals to lead not just longer lives, but healthier ones.

SMOKING OUT

Chronomics users, whether they pay for the product themselves or get it as part of their health insurance or workplace wellness programme, sign up for an account via the app. Once the saliva sample has been analysed, the results are available to view online. As well as the raw data, other features, including biological age, help users make sense of what it all means.

Stubbs is particularly excited when it comes to the smoke exposure feature. As someone who has never smoked, I am relieved but unsurprised to find that my exposure is just three per cent. But for those who do smoke cigarettes or have in the past, the insights can be much more valuable.

Stubbs points out that, despite the barrage of information about the harms, smokers often convince themselves that the science doesn't apply to them, citing stories of chain-smoking relatives who lived to their nineties.

The epigenetic test strips away that excuse, as people can see directly the impact that cigarettes are having on their DNA. Stubbs says that he's seen this work as a reality check to convince people to cut down or quit, suggesting that the personal aspect makes it much harder to ignore than generic health warnings or grotesque images on packaging.

The flip-side is that the test also shows the value of quitting.

Average smoke exposure for current smokers ranges from 63 to 78 per cent, whereas for former smokers it's zero to 56 per cent. If the test is repeated over time (which Stubbs hopes will be the norm), people can see first-hand how their efforts to stop are having a direct, positive impact on their health.

The next big project for Chronomics is to develop a similar tool for alcohol consumption (from which I would likely fare far less well).

And that's just the start.

You can see the eventual endgame: a holistic picture of how everything – diet, exercise, screen-time, sleep, sex, stress – is affecting our bodies in real-time, and what we need to change to stay healthy. Combined with the genome mapping already on offer elsewhere to test for genetic predispositions to certain diseases, this kind of data-driven personalisation is the future of healthcare.

GETTING PERSONAL

Alongside the saliva analysis, Chronomics asks users to fill in a detailed lifestyle questionnaire.

I'll admit to being somewhat taken aback by the personal nature of some of the questions, which range from the expected (diet, exercise, medical history) to sections on income, mental health, past trauma, and even sexual activity. What advertisers would do to get their hands on that kind of information.

This reluctance is probably why Chronomics makes such a big deal of its data policy. Front and centre of its website is a promise that "you own your data, and we will never sell, redistribute, or do anything without your knowledge and consent".

So what does it do with it?

As part of the service, users are invited to share their data with its team of healthcare professionals – which currently includes two medical doctors and an epigeneticist. The idea is that they will help you make sense of your epigenetic results combined with the lifestyle data, and be able to offer personalised recommendations for becoming healthier – all managed via the app.

It's clear that Stubbs' vision goes far beyond warning people that they have a predisposition to developing heart disease or advising them to stop smoking and exercise more.

Tellingly, he talks not about "healthcare" but "health management". That means not waiting until something is wrong before going to a doctor, but understanding the health of your body, taking proactive steps to maintain and improve it throughout your life.

DATA DYSTOPIA?

Whether we like it or not, big data is coming to healthcare. From fitness trackers to genome mapping to data drives led by patient groups with specific conditions, the race is on to harness this technology revolution to understand how our bodies work and develop truly personalised medicine.

> "If specific lifestyle changes would make you live healthier for longer, would you want to know?

With this progress comes controversy. Whether it's the NHS working with Google's DeepMind, or concerns about corporate wellness schemes exercising draconian control over their employees, the risks are as clear as the advantages.

I might benefit hugely from a bespoke treatment plan developed using the data of other people like me, but I don't want my boss, businesses, or the government to have access to intimate details about me.

As such, I'm wary about sharing that information with anyone. People who have access to Chronomics via their employer or insurer may be even more concerned about who, exactly, gets to see their results.

Stubbs acknowledges the risks, which is one reason why he is at pains to reiterate that it is the individual who remains in control, regardless of how the service is paid for. But he passionately believes that, with better understanding of what's going on in epigenetics and in medicine more broadly, these fears can be alleviated.

"The more people share data, the faster we can move away from generalist solutions to health problems and more towards personalisation," he tells me. "And also the quicker we can get to better proactive health management solutions for individuals rather than worrying about, when people get sick, what are the generalist ways we can fix it."

And this is a revolution that, he feels, we should all want to be part of.

"The biggest killers on the planet today are not ebola or diseases that come from infectious agents. They are non-infectious things that we don't even see – we're just doing them, living them – that lead to things like cancer, heart-disease, type 2 diabetes.

"Being able to shine a light on these things and have public health initiatives to combat them early enough is going to be the biggest leap forward."

What about the kind of dystopian future that we've seen depicted in fiction, from George Orwell to the TV series Black Mirror, where governments and companies track our every move, with chilling consequences?

"The biggest way we can go wrong is if companies and other people in the area of precision medicine aren't educating people with the movement of what's happening," Stubbs argues. "I think if people understand what's happening, I don't have a worry about a dystopian future."

I'm still not sure I'm 100 per cent convinced. But if it all comes down to this question: if specific lifestyle changes would make you or a loved one live healthier for longer, would you want to know?

And if so, what would you be prepared to trade for that information?

TECHNOLOGY

EDITED BY STEVE HOGARTY

HEXR
£349, HEXR.COM

The Hexr helmet uses a 3D printed honeycomb structure that's 68 per cent better at dispersing impact than foam. Each helmet is unique and built to fit the exact contours of your skull, requiring that you first have your head 3D scanned before waiting a couple of weeks for your personalised helmet to be crafted by Hexo's selective laser sintering technique. All that science results in a cool looking helmet that's incredibly lightweight, but strong, and better fitting than anything you'd pick up off the shelf.

HORNIT DB140 CYCLE HORN
£20, EVANS.CO.UK

Marketed as the loudest cycle horn on the market, the Hornit attaches to your handlebar and emits a 140 decibel shriek to alert other road users to your presence, be they a confused pedestrian wandering into a cycle path or a driver taking a left turn on his way to buy some new indicators. The button rests under your fingertip, so there's no need to reach your thumb for a bell. The high-pitched thrill cuts through low frequency traffic sounds, but it has a gentler, lower decibel honking mode that's more suited to rural roads, cycling at night, and anyone who doesn't want to be mistaken for some terrible bird of prey.

LASERLIGHT CORE
£70, BERYL.CC

There's not much to be envious of on a Santander cycle, except perhaps for that cool laser projection of a green bike that sits five or six feet in front of it, alerting other road users that there's a cyclist about. You can get the same technology on your own bike with the Laserlight Core. Made by the same company that provides the gear for the TfL bikes, it doubles as a steady or flashing white front light.

BOSE FRAMES
£199.95, BOSE.CO.UK

These borderline-fashionable shades are the creation of American sound specialist Bose. They sync with your iPhone (no Android support yet) and function as headphones, using tiny speakers to direct sound into your ear canals. The quality is surprisingly good, almost like the noise is appearing inside your mind rather than being broadcast outside your ears, although sound leakage is prohibitively bad. There's also rudimentary AR functionality using the inbuilt GPS.

TWO WHEELS GOOD

Can't face the tube any more? Get back on your bike with our pick of 2019's best (and weirdest) cycling gadgets

OPTISHOKZ REVVEZ
£199, OPTISHOKZ.COM

These sunglasses are equipped with bone conduction technology, directly vibrating the small bones of the ear rather than firing sounds down your earholes. It leaves your ears open and free to listen out for traffic and interesting bird calls, and creates the eerie sensation that your music, podcasts or turning directions are coming from inside your own skull.

ELLIPSE BIKE LOCK
$199, LATTIS.IO

A contender for the "why is there a smart version of this thing" award, the Ellipse smart bike lock uses your phone instead of a key, and alerts you if it detects it's being tampered with. It can also sense crashes (only after they happen, sadly) and will text your emergency contact in the case of an accident, so that your partner can have a panic attack each time you ride over a speedbump or come to a sudden stop. Probably best to stick to the Kryptonite.

HUMMINGBIRD FOLDING BIKE
£3,745, HUMMINGBIRDBIKE.COM

The world's lightest folding bike (and also available as the world's lightest folding *electric* bike), the Hummingbird is formed around a highly engineered piece of carbon fibre, making it incredibly light as well as super strong. Clever design strips out all of the unnecessary components, reducing weight even further, and the entire thing can be folded up in less than 15 seconds. It's available in single speed or with gears, and the lightest bike weighs just 6.9kg. I've had heavier sneezes.

EXPLORER BACKPACK
£99, ONEPLUS.COM/UK

A hard wearing and stylish commuter backpack from a very unlikely company – OnePlus makes phones *and* bags – the Explorer Backpack is loaded with lots of very good pockets. There's a laptop pocket, a secret back pocket, and a waterproof front pocket that can be turned inside out for cleaning. The main compartment snaps shut magnetically and opens with a neat little pull tab. The phones are pretty good too.

OFFICE POLITICS

Time to get our libraries booked for business

Entrepreneurs' problems could be solved with this overlooked, on-the-shelf idea...

Alison Cork

THERE has been much debate around the demise of the high street. Big brands are going under, and there is an increasing number of empty shops littering the retail landscape.

As a passionate retailer and entrepreneur, I find this a depressing sight.

But in all the debate around business rates, the threat of online, and the need to offer a more layered high street experience to the public, it seems that we have overlooked one very obvious solution.

In England alone we have 3,000 local libraries, many of which are neglected but sitting on or near a high street.

Libraries provide a vital resource for children and adults for whom buying books is not an option. They are somewhere for students to study, and a social place for those who are lonely.

When children's author and comedian David Walliams tweeted last month that when libraries go, they go forever, he spoke for the many for whom libraries have been an educational and community lifeline.

So what's the solution?

The reason that only one in five businesses is owned or run by a woman is partly because women often feel isolated and unable to access the practical and moral support they need to get started.

There are five million people in the UK who are running businesses from home

There are also five million people in the UK who are running businesses from home, and who lack a free local resource to tap into.

So why don't we draw these threads together and transform a part of our local libraries into business hubs, which in turn could secure their future in the community?

The British Library in Euston Road already has a fantastic business centre, which is free to the public. It also offers mentoring services and information worth thousands of pounds, but free to anyone starting or scaling up their business. There are 13 regional hubs around the country in major cities, doing much the same thing.

We could repurpose a corner of all our local libraries into business "spokes", radiating out from these main library hubs. The basic building infrastructure and good location already exists.

These hubs could deliver networking and event spaces, digital services, access to business information and regulated advice, as opposed to people using independent business coaches, which is an unregulated industry.

Libraries would then become more of a hub for the local community, a meeting place, solving the other very real issue of loneliness, both for members of the public and for those trying to start a business.

The cost? From the information I have accessed, the cost of repurposing all 3,000 libraries and sustaining those business hubs for five years would be £34.5m. It seems a drop in the ocean compared to the £350m we do or don't give the EU each week. An absolute no-brainer to be honest.

Just think how this small act could revitalise a local community and breathe new life into a high street, especially in the more rural parts of the UK that don't have access to resources.

With Brexit, we have spent an awful lot of time and energy talking about the EU, when instead we should be focusing on what we can do here at home to create a thriving, entrepreneurial economy, populated by confident members of the public. At that point, Brexit can look after itself.

Alison Cork is founder of Alison at Home.

SHHH... IT'S A LIBRARY

Deseret Bookshelf
Free

Muggy summer – hot sweaty Tube weather. And to make matters worse, you're weighed down by no less than three books which are crammed into your bag. Why not download an app like Deseret Bookshelf, which is essentially a library that you can lug around with you? You can listen to audiobooks on the go, and imagine yourself somewhere – anywhere – else than on the hot sweaty Tube.

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.

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

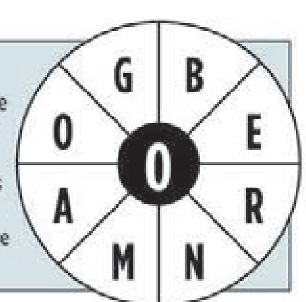
KAKURO

Fill the grid so that each block adds up to the total in the box above or to the left of it.

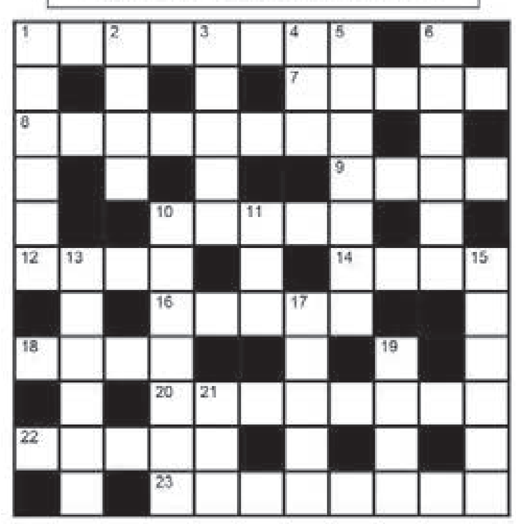
You can only use the digits 1-9 and you must not use the same digit twice in a block. The same digit may occur more than once in a row or column, but it must be in a separate block.

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 be used once in every word. There is at least one nine-letter word in the wheel.



QUICK CROSSWORD



ACROSS

1 Dole out (medication) (8)
7 Thespian (5)
8 Signs carried during a demonstration (8)
9 Shade of green-blue (4)
10 Punctuation mark (5)
12 Wealthy (4)
14 Neither good nor bad (2-2)
16 Line up (5)
18 Vegetable matter used as a fuel (4)
20 Brass musical instrument (8)
22 Cautious, wary (5)
23 Constantly in motion (8)

DOWN

1 Sartorially smart (6)
2 Cleansing agent (4)
3 Greek muse of love poetry (5)
4 Unhappy (3)
5 Overwhelming happiness or joyful excitement (7)
6 Wandering tribesmen (6)
10 Noisy talk (7)
11 Impair (3)
13 Mass of snow that permanently covers the land (6)
15 Presents for acceptance or rejection (6)
17 Allow in (5)
19 Humorous anecdote or remark (4)
21 Hardy annual cereal grass (3)

LAST ISSUE'S SOLUTIONS

QUICK CROSSWORD

KAKURO

SUDOKU

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

WORDWHEEL

The nine-letter word was AMPERSAND

England should take Roy gamble for must-win India match

CRICKET COMMENT

Chris Tremlett

LAST week I defended the World Cup format in anticipation of the dead rubbers many believed would soon be on the horizon.

A week on and there's no such debate, with England's defeats by Sri Lanka and Australia and Pakistan's win over New Zealand yesterday ensuring there's plenty left to play for.

England are feeling the pressure, and with Pakistan now just a point behind ahead of their final two games against winless Afghanistan and Bangladesh it's only going to ramp up more.

Eoin Morgan's side are used to winning one-day international series, but a World Cup is completely different kind of pressure and they don't seem to be dealing with it.

Credit must go to Australia, who came into Tuesday's game at Lord's with momentum and continued it through a solid start by Aaron Finch and David Warner and deserved the victory.

The pitch offered enough and England were unlucky, but they seemed to bowl a touch too short early on. I don't think you can fault Jofra Archer, who just bowled his natural areas. I was also more of a hit-the-deck bowler, so I know what it's like to have your skills not suited to the conditions.

Mark Wood is a quick, skiddy sort of bowler, so England didn't really have someone to partner Chris Woakes, like Australia had with Jason Behrendorff to back up Mitchell Starc.

Chasing 285-7 England were once again too inconsistent. They are clearly missing the dominant, aggressive figure of Jason Roy, who so often sets the tone at the top of the order.

England have been without Roy for three games due to a hamstring tear and his understudy, James Vince, just hasn't got going, making scores of 26, 14 and 0. He was never going to be the same player as Roy and the lack of opening partnerships has been a clear problem.

BOUNCING BACK

After two concerning defeats England play India at Edgbaston on Sunday in a huge game. They may have lost their prized No1 ODI ranking yesterday to Virat Kohli's side, but I still think they're the best team in the world.

England's trademark dominant style has disappeared of late, perhaps due to the different nature of the pitches they've played on, but they've shown previously that they have what it takes to win in any conditions.

They need to learn from their mistakes and move forward. I believe they can beat India by going back to the blueprint they made when thrashing South Africa in the first game of the tournament.

Roy made 54 in that game and I think he has to return on Sunday. His hamstring might not be 100 per cent, but it's a gamble worth taking, such is his importance to the team.

Although he might be a bit reluctant to run quick singles and to chase balls in the field, he has the ability to deal with the pressure and turn a game in England's favour.

If Morgan can win the toss once more and bat first England can build their confidence throughout the day. It's a must-win match and I think with Roy back they can do it.

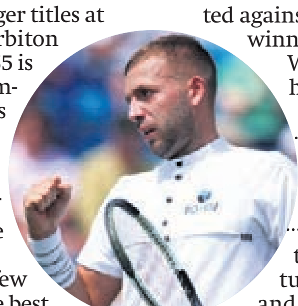
Chris Tremlett is a former England and Surrey fast bowler. Follow him @ChrisTremlett33

In-form Evans is Britain's best chance at SW19

British No3 has turned his career around after year-long drugs ban. By **Michael Searles**

IT took Dan Evans having everything taken away from him to realise what he had put at jeopardy. In the 13 months since returning from a year ban for taking cocaine, he has climbed over 1,000 places to return to the world's top 100.

In the last month he has excelled on grass, winning Challenger titles at Nottingham and Surbiton and now the World No65 is set to embark on Wimbledon next week as Britain's in-form player.



Dan Evans plays Kyle Edmund in the last eight at Eastbourne today

As his ban ended in May 2018, he had fallen to a world ranking of 1,195 – his lowest since starting out in 2008.

He is now just a few places shy of his all-time best position of No41.

There has certainly been a change in attitude from Evans in the past year, whose washbag was found to be contaminated with cocaine at the Barcelona Open in April 2017.

He admitted he is now more focused on the sport he loves than ever before, while leaving the partying lifestyle behind. Perhaps the ban was the kick he needed to fulfil his potential.

"I know what I want out of life now," Evans told the *Daily Mail* this week. "It's difficult when you're younger, I thought I was missing out if I wasn't going out. Now I know I'm not really missing out and I'd prefer to spend the evening with my girlfriend."

This new and improved version of Evans is the fittest ever, even if he still enjoys the occasional beer, but he also has a new coach that has helped raise his game.

David Felgate, the former coach of Tim Henman, has been on hand to help reform the 29-year-old over the past year and not only return his game to its best, but improve key aspects such as his serve and volley.

This year he has even trained with Roger Federer, who invited him out to Switzerland in April following the pair's close encounter in January's Australian Open second round.

His performances earned him a wildcard for Queen's, although he lost in the first round after being pitted against three-time Grand Slam winner Stan Wawrinka.

With Wimbledon on the horizon, this week he has continued his preparation at Eastbourne's Nature Valley International, and yesterday progressed through to the quarter-finals after beating Pierre-Hugues Herbert – set to be Andy Murray's doubles partner at Wimbledon – 6-3, 7-5.

He will face fellow Brit Kyle Edmund, after he beat Cameron Norrie 6-2, 6-2 yesterday evening.

Evans may only be Britain's No3, but on current form he is the country's best male. The ATP rankings have him placed at 38th this year in the Race to London, while Norrie is 50th and British No1 Edmund is 79th.

With Murray set to continue his rehabilitation following major hip surgery by competing in the doubles at SW19, Evans could well be Britain's best bet in the men's singles.

SPORT

CHRIS TREMLETT England must gamble on Jason Roy to turn around their form PAGE 19

PRESSURE ON Pakistan beat New Zealand to move within a point of struggling England

Babar Azam struck a brilliant unbeaten century as Pakistan beat New Zealand by six wickets at Edgbaston yesterday to move to within a point of England in the World Cup table. Babar (pictured) hit 11 fours in a 127-ball 101, sharing a stand of 126 with Haris Sohail (68) as Pakistan chased 237-6 with five balls remaining. The win leaves Pakistan in sixth place, level with Bangladesh on seven points with two matches remaining. Babar's knock came after Shaheen Afridi took 3-28 to reduce New Zealand to 46-4. Jimmy Neesham's excellent unbeaten innings of 97 and 64 from Colin de Grandhomme got them a score to defend, but it wasn't enough to avoid a first defeat of the tournament.

SPORT DIGEST

EDMUND TO FACE EVANS AFTER BEATING NORRIE

British No1 Kyle Edmund will play compatriot Dan Evans in the quarter-finals at Eastbourne today after beating Cameron Norrie in straight sets. Edmund overcame Norrie 6-2, 6-2 after play was suspended for 50 minutes when a spectator fell ill. Evans, who recently won titles at Surbiton and Nottingham, battled to a 6-3, 7-5 victory over Pierre-Hugues Herbert. Britain's Liam Broady is one win away from the Wimbledon main draw after beating Tallon Griekspoor.

KONTA SUFFERS SHOCK DEFEAT AT EASTBOURNE

Johanna Konta's preparations for Wimbledon took a blow yesterday after she suffered a shock defeat at Eastbourne. The British No1 was knocked out in the third round, losing 6-3, 6-2 against world No62 Ons Jabeur in further signs of her struggles to cross over from clay to grass courts. Konta has been made the 19th seed for Wimbledon, which starts on Monday.

BATTY BOWLS SURREY TO FIRST WIN OF THE SEASON

Surrey produced an impressive showing to bowl out Warwickshire and claim their first County Championship win of the season at The Oval yesterday. The visitors resumed on 148-3, needing 142 more runs to win, but Sam Curran (2-27) and Gareth Batty (4-34) triggered a collapse to dismiss them for 215 and wrap up a 74-run victory.

KHAN TO FIGHT DIB AFTER OPPONENT PULLS OUT

Amir Khan will fight Australia's Billy Dib in Saudi Arabia next month after his original opponent, India's Neeraj Goyat, was injured in a car crash. Former world featherweight champion Dib, 33, will make his comeback on 12 July in Jeddah after initially announcing his retirement last year. "This is my real-life Rocky moment," he said.

LIONESSES ARE WOUNDED

Injuries and illnesses a real problem for England ahead of tough Norway clash, writes **Felix Keith**

PHIL Neville might not acknowledge it but England go into their World Cup quarter-final against Norway tonight with a problem.

Centre-backs Steph Houghton and Millie Bright are both "major doubts" to play in Le Havre, while right-back Lucy Bronze is also a worry.

Houghton is battling against an ankle injury picked up in the dying moments of England's chaotic 3-0 win over Cameroon, while both Bright and Bronze are struggling with a virus amid France's heatwave.

Neville is completely relaxed about the situation. He's rotated his side readily over the past year, so if Leah Williamson and Abbie McManus have to come into central defence they'll be ready for the challenge.

"If Steph and Millie are out we bring someone else in, no problem – it will be a seamless transition," he said. "Everyone knows the system, the way we play and I've utter belief in all my players. I said six months ago I didn't want to get to the quarter finals of the World Cup and throw someone in we haven't tried or tested. As a coach you plan for these moments. I'm totally relaxed. Injuries and illnesses mean opportunities for others. I would put my life on Leah and Abbie being the best two players on the pitch."

Injuries and illnesses happen and can't be helped, although Norway goalkeeper Ingrid Hjelmseth isn't convinced by the Houghton prognosis. "It's nice for them to let me think she's injured but I think she's going to play," she said.

Neville is of course right to point to his preparation and instil confidence in his players. But the potential loss of three of his back four before facing a talented and dangerous Norway side could be a real handicap.

Houghton is not only the captain: she is a natural leader and third-most capped player, behind Karen Carney and Jill Scott. She has established a partnership with Bright, playing alongside each other in three of their four World Cup games so far.

By contrast, McManus started the 1-0 win over Argentina and came off the bench against Scotland, while Williamson's only World Cup involvement so far came as a late substitute in the Cameroon clash. They have just 23 England caps between them.

The pairing's relative inexperience is a concern, but how they will adapt to Neville's demanding system may prove more significant.

Despite winning all four of their games so far the Lionesses have at times laboured over their possession-based ethos, with both Houghton and Bright guilty of giving the ball away in dangerous areas while carrying out orders to play out from the back.

The Japanese high press in the second half of their final Group D match in particular had England rattled and it was only several strong saves from Karen Bardsley which spared them.

Houghton suffered an ankle injury in the last minutes of the win over Cameroon

If England's experienced first-choice duo have shown weakness in applying Neville's philosophy then their deputies face a baptism of fire under the heightened pressure of a quarter-final against a quality opposition.

Norway prefer to stay compact in their shape, rather than press from the front, but, although they're without Ballon d'Or winner Ada Hegerberg due to a pay dispute, they are more than capable of causing problems. Winger Caroline Graham Hansen is a star, with fullbacks Ingrid Wold and Kristine Minde always offering options on the overlap.

There is one thing in England's favour: fond memories. The Lionesses came from behind to beat Norway 2-1 at the same stage of the 2015 World Cup. However, the goalscorers that day? The same players who might be forced to watch on from the sidelines: Steph Houghton and Lucy Bronze.