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BUSINESS WITH PERSONALITY

PLUG AND PLAY OFFICE READY HEADPHONES AND SONY'S SUPER SCREEN P19

TAMING LIONS IS ADLAND'S BEACH JOLLY LOSING ITS EDGE? P8

THURSDAY 20 JUNE 2019 | ISSUE 3,396 CITYAM.COM FREE

TORIES FINISH RORY'S STORY

OWEN BENNETT

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CONSERVATIVE leadership outsider Rory Stewart was booted out of the race to become the next Prime Minister last night as his support crumbled in the latest round of voting.

The international development secretary became a surprise contender in the battle to succeed Theresa May as Conservative leader, after vowing to continue with the Brexit deal already rejected three times by MPs.

Stewart adopted an unconventional approach to campaigning, focusing on speaking to members of the public as part of his #RoryWalks Twitter strategy – instead of putting all his energy into winning over the Conservative MPs whose support he needed to secure a spot in final round.

Ahead of the ballot, Stewart said his campaign was "on a knife edge", but when the result was announced at just after 6pm it showed he was way off the pace, losing 10 votes compared to a vote just 24 hours earlier.

His 27 votes put him in last place, behind home secretary Sajid Javid, who secured 38 backers – up just five on Tuesday's ballot. Despite finishing last, Javid's campaign insisted he would fight today's ballot.

Boris Johnson, the former foreign secretary, once again topped the poll, securing 143 votes yesterday – up 17 on the previous round.

The gap to finish in second position narrowed, with Johnson's foreign office successor Jeremy Hunt coming second with 48, up eight, while environment secretary Michael Gove put on 10 votes to finish with 51.

Conservative MPs will have two further ballots today to whittle the field down to just two candidates, who will then spend a month campaigning for votes from party members.

Speaking after he was eliminated, Stewart said he was "surprised" to see a drop in his vote, but admitted he was beginning to be seen as a divisive figure in the party due to his attacks on Johnson's Brexit strategy.

"Certainly that seems to be the feeling people have," he said, adding: "I would say though you can't unify a family or a party by sweeping things under the table – you have to bring things out into the open."

In a dig at his former rivals' plans for Brexit – with all the remaining candidates claiming they could renegotiate a withdrawal deal with Brussels – Stewart said: "We will now see between now and the end of October whether people can deliver what they've promised.

"My instinct is they can't, and my instinct is it's a risky thing to promise to do things to a party or a country that you can't deliver."

Stewart refused to say who he would be backing in the next round of votes.

BECAUSE HE'S WORTH IT

Lloyds backs pay of 'winner' boss

CALLUM KEOWN

@CallumKeown1

LLOYDS Bank boss Antonio Horta-Osorio yesterday defended his pay packet and pension perks to MPs.

Horta-Osorio, who as Britain's best-paid bank boss took home £6.3m last year, told the Work and Pensions Committee his pay packet was in line with other major bank chief execs.

Remuneration committee chairman Stuart Sinclair told MPs the bank's boss deserved his salary and staff discontent was minimal.

He said: "They see Antonio as a winner because he [brought] the bank back from the brink, people see that as a big achievement."

His bumper pay included a pension contribution of 46 per cent of his base salary – compared to a maximum 13 per cent for other employees.

Earlier this year, he voluntarily cut his pension perk to 33 per cent.

Committee chair Frank Field asked: "How do you justify your greed?"

Horta-Osorio responded: "It is very difficult to accept the word 'greed' when my total fixed compensation is lower than the group chief executive of HSBC."

FTSE 100▼ 7,403.54 -39.50 FTSE 250▼ 19,245.46 -66.33 DOW▲ 26,504.00 +38.46 NASDAQ▲ 7,987.32 +33.44 £/$▲1.265 +0.009 £/€▲1.126 +0.005 €/$▲1.123 +0.003

CITY A.M.

THE CITY VIEW

Can Tesco truly be the finest supermarket?

IT MIGHT be celebrating its 100th birthday, but Tesco is showing little sign of fatigue under chief executive Dave Lewis. The former Unilever man, while keen as always to stress his caution over future commitments, sounded bullish during a capital markets day earlier this week. After five years of ruthless cost-cutting, which earned Lewis his reputation as "Drastic Dave", the grocery chain has hailed the success of its turnaround plan and now seems to be eyeing up growth in almost every corner of the market. In an intense retail arena, Tesco has not shied away from competition. In fact, it seems to have relished it. Last autumn, Lewis travelled to the small Cambridgeshire town of Chatteris, where he opened the firm's first Jack's store to take on the German discounters Aldi and Lidl. Nine months later, he is now mulling an entrance at the other end of the market by launching a series of upmarket Tesco Finest convenience stores. In a presentation slide for investors on Tuesday, Lewis showed there was an opportunity for a seven per cent operating margin for its Tesco finest store concept – significantly higher than its current 3.5 per cent to four per cent target. While Lewis ruled out a timetable or store numbers for his Tesco Finest idea, such a profit margin forecast nevertheless caught the attention of the City. Shares in high-end rivals Marks & Spencer and Ocado slumped nearly five per cent last night. Not much of a surprise, given that a move upmarket from Tesco could threaten Marks & Spencer's network of 700 Simply Food stores.

The move upmarket from Tesco may threaten M&S's 700 Simply Food stores

If an entirely new category of stores wasn't enough to keep Lewis and his team busy, new robot delivery systems, an expansion of its plant-based ready meals and more investment in its Clubcard loyalty scheme are all also being mulled.

A backdrop of political uncertainty and an unclear future for Jack's – a group of only nine stores with no known plans for any more – means any strategy for a fresh range of stores should be met with a degree of scepticism. But while rivals Sainsbury's and Asda are still reeling from the failure of their vital merger plans, at least Tesco is currently looking about as energetic and adventurous as it is possible to be, for a centenarian.

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MH17 ARRESTS Three Russians and a Ukrainian charged with murder by Dutch authorities over Malaysia Airlines flight attack

THREE Russians and a Ukrainian will face murder charges for the deaths of 298 people aboard Malaysia Airlines Flight MH17, which was shot down over eastern Ukraine in 2014. With proceedings set to start in the Netherlands next March, Dutch authorities said yesterday that Russia has not cooperated with the inquiry and is not expected to surrender its defendants for trial.

Hargreaves kept Woodford on top list despite concerns

JESS CLARK

@jclarkjourno

FUND supermarket Hargreaves Lansdown was holding monthly check-ins with veteran stock picker Neil Woodford last year over his fund's liquidity crisis, yet still recommended his flagship fund on its top "best buy" list for clients.

Responding to questions from the Treasury Committee yesterday Chris Hill, chief executive of Hargreaves Lansdown, said in 2017 the firm had "urged" Woodford to "address the issue" of unquoted and illiquid stocks in the portfolio.

Those illiquid assets are at the heart of the probe by the Financial Conduct Authority (FCA), because they are harder to sell quickly to meet an increase in client redemption demands.

Woodford agreed to make no further investments in unquoted businesses, to reduce the early warning thresholds for existing investments and not to breach the 10 per cent level in unquoted stocks.

However, Hill said yesterday that his company only found out that the Woodford fund did twice breach the agreed limit because of FCA chair Andrew Bailey's response to the Treasury Committee this week.

Bailey's letter to the committee exposed that Woodford had breached the limit during February and March last year.

"They [Woodford] did not inform us of this on either occasion," he said.

Hargreaves – which bills itself as the UK's number one investment supermarket – said a total of 291,520 clients with £1.6bn at stake were affected once those indirectly exposed through various fund-of-fund products were included.

The investment platform received £41.1m in fees from the fund since its launch in 2014, Hill told the committee in his letter.

The fund was only removed from the investment adviser's "best buy" list following its suspension earlier this month, prompting questions over the close relationship between the two businesses.

A spokesperson for Woodford said yesterday: "The agreement with Hargreaves Lansdown was to inform them of any month-end breaches only.

"Consistent with all clients, Woodford provided month-end data for investors and at no time was there a month-end passive breach.

The spokesperson added: "The FCA reference to breaches in February and March 2018 relates to two inadvertent intra-month passive breaches, both resolved before month-end."

WHAT THE OTHER PAPERS SAY THIS MORNING

FINANCIAL TIMES

ORACLE CLAIMS HEADWAY IN SHIFT TO CLOUD FOCUS

Business software maker Oracle claimed headway in shifting its applications to the cloud on Wednesday, as it reported stronger than expected revenues and earnings in its latest quarter. The news prompted a seven per cent jump in the company's shares in after-market trading. The firm has faced periodic scepticism on Wall Street over the pace of its move to the cloud.

US 'READY TO ENGAGE' WITH CHINA ON TRADE

Robert Lighthizer, the US trade representative, said Washington was "ready to engage" with Beijing ahead of a high-stakes meeting between Donald Trump, the US president, and Xi Jinping, the Chinese president, at the G20 summit in Osaka, adding there was a shared goal to "resolve" the dispute.

THE TIMES

BRITISH AIRWAYS PILOTS THREATEN SUMMER STRIKE

British Airways passengers could be hit by travel chaos at the height of the summer holidays after pilots announced plans to strike over pay. The flag carrier is facing industrial action as early as August after talks over a new deal collapsed.

ALEXA TO THE RESCUE FOR CARDIAC ARREST VICTIMS

Voice assistants such as Amazon's Alexa could soon be rescuing people suffering cardiac arrest. Researchers have created a prototype system, underpinned by AI, that detects the characteristic gasping breaths of a person whose heart has just stopped.

THE DAILY TELEGRAPH

ADIDAS STRIPES NOT A VALID TRADEMARK, SAYS EU COURT

Its three stripes may adorn the kit of players in some of Europe's biggest and most successful football clubs, but the General Court of the EU has ruled that the Adidas logo is not distinctive enough to be considered a trademark.

ISLAMOPHOBIA DEFINITION COULD BE 'BULLY'S CHARTER'

A proposed new definition of Islamophobia could be used as a "bully's charter" by Muslims to silence critics and promote intolerant views, a former equalities chief has warned. Trevor Phillips also claimed the row over Boris Johnson's comments on Muslims was "pure dirty politics".

THE WALL STREET JOURNAL

FACEBOOK'S SANDBERG: 'WE UNDERSTAND' CONCERNS

Facebook chief operating officer Sheryl Sandberg said the social-media firm failed to anticipate foreign interference aimed at disrupting the 2016 US presidential election. Sandberg said it was then prepared to thwart hackers, but wasn't prepared to fight fake news.

EPA OVERTURNS OBAMA-ERA CLEAN AIR RULES

The US Environmental Protection Agency overturned Obama-era climate rules for power plants yesterday, vastly limiting the agency's ability to mandate tougher greenhouse-gas emission regulations that could force older coal- and gas-fired plants to close.

Corbyn confirms Labour push for second EU vote

OWEN BENNETT
@owenjbennett

LABOUR would push for second Brexit referendum on "any deal" agreed with the EU, Jeremy Corbyn announced yesterday, but the party refused to confirm if the position only applied to an agreement negotiated by the Conservatives.

In a statement yesterday, the Labour leader called for a public vote on a Brexit deal passed by parliament – saying the ballot paper should have options for "both Leave and Remain voters".

But a Labour source was unable to confirm if that policy only applied to a Brexit deal struck by the Tories, or any agreement a Labour government might negotiate.

The source said such a decision would be subject to the party's manifesto drafting process in the run-up to a general election.

In a statement, Corybn said: "We have committed to respecting the result of the referendum, and have strongly made the case for an alternative plan for Brexit as the only serious deal that could potentially command the support of the House."

He added: "I have already made the case, on the media and in Dublin, that it is now right to demand that any deal is put to a public vote. That is in line with our conference policy which agreed a public vote would be an option."

In September, the opposition party conference passed a motion calling for a second referendum on the UK's EU membership if Labour were unable to force a general election.

Corbyn failed to oust the government during a confidence vote in January, and has been under increasing pressure to back another vote after the pro-Remain Liberal Democrats surged in last month's elections.

Deputy leader Tom Watson used a speech on Monday to call for Labour to fully embrace keeping the UK in the EU, saying: "Our members are Remain, our values are Remain, our hearts are Remain."

The shadow cabinet is divided on support for a second referendum.

US Federal Reserve chooses to hold interest rates but signals future cuts

HARRY ROBERTSON
@henrygrobertson

THE US Federal Reserve has kept interest rates on hold but suggested it could cut them in the future, in its first decision since the Trump administration ratcheted up tariffs on China.

Fed policymakers dropped language about being "patient" over future rate hikes from their statement announcing the decision, saying the central bank would "act as appropriate to sustain the expansion".

The outlook for the Fed's main interest rate – the targeted overnight lending rate – was predicted to stay between 2.25 and 2.50 per cent until the end of the year.

Out of the 17 Fed policymakers, seven signalled they thought cutting rates by 0.5 percentage points by the end of 2019 would be appropriate.

The US central bank's forecast showed it was likely to cut rates by 0.25 percentage points next year.

It had previously suggested it would raise them by the same amount in 2020.

Fed chairman Jerome Powell said the decision had been taken in light of "ongoing cross-currents including trade developments and concerns about global growth".

SARKO ON TRIAL Former French leader loses bid to avoid corruption charge trials

NICOLAS Sarkozy, the former President of France, has lost a final bid to stop himself from being prosecuted on charges of corruption. Sarkozy is accused of attempting to bribe a magistrate in exchange for information about a probe into his party.

IN BRIEF

BRITISH GAS OWNER TO AXE 700 UK MANAGEMENT JOBS

British Gas owner Centrica has confirmed it will slash up to 700 management and back office roles in the UK as part of a previously announced wave of job cuts. The latest losses will count towards the 4,000 job cuts figure announced in February 2018, which Centrica intends to complete by 2020. "The roles potentially affected are in management layers and back office functions," a spokesperson said. Centrica will now embark on a 45-day staff consultation process over the job losses. Centrica warned in May that it could cut its dividend after a challenging start to its latest financial year. The energy giant has shedded 234,000 customers in the UK in its opening quarter, while energy regulator Ofgem's energy price cap led to a £70m one-off hit to its bottom line.

US REGULATOR TO PROBE YOUTUBE ON CHILD PRIVACY

The US Federal Trade Commission is said to be in the advanced stages of an investigation into Youtube's handling of videos aimed at children. The probe, which could result in fines against Google-owned Youtube, followed complaints by parents and consumer groups that the firm had collected data of young users, according to media reports last night. The groups also complained Youtube had allowed harmful and adult content to appear in searches for children's content. The move follows increased scrutiny on big tech firms from US regulators such as Google, as voices such as presidential hopeful Elizabeth Warren calling for the breakup of the largest firms. Separately, Google survived a proposal to break up its hold on the market at its shareholder meeting last night.


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OBITUARY

JUAN PICON
Former DLA Piper senior partner and co-chair dies

FORMER DLA Piper senior partner Juan Picon has died aged 54. Picon joined US firm Latham & Watkins in 2017, where he was chair of the Madrid office. His move to Latham shocked the legal market, coming just 18 months after he was appointed senior partner and co-chair of Anglo-US legal giant DLA Piper.

Blow for Coast as First Group board contender turns down nomination

ALEXANDRA ROGERS
@city_amrogers

AN ACTIVIST investor in transport giant First Group has stumbled in its attempt to force out six of the firm's directors, after one of its nominees did not agree to stand for a board position.

US investor Coast Capital, which holds a near 10 per cent stake in First, has called a radical shakeup of the company, including that it splits its UK assets from its US assets, withdraw from Britain's rail industry and overhaul its board.

Coast has requested an extraordinary general meeting to vote on the removal of six current directors and the appointment of seven of its own nominees, which has been set for next Tuesday.

However, Coast's attempt to force out the First board members was shaken after former Arriva chief executive David Martin failed to submit a consent letter agreeing to stand for the position.

A spokesperson for First said Martin "is not eligible to be appointed as a director of the company at the general meeting".

It is understood that Coast will still proceed with its attempt to replace the six members of First's board with six of its own nominees.

Monsoon in last-ditch deal talks with landlords

SEBASTIAN MCCARTHY
@SebMcCarthy

EMBATTLED high street retailer Monsoon Accessorize has been battling it out to agree a deal with landlords as it prepares to launch a rescue plan.

The troubled fashion firm is set to unveil a controversial plan for rent cuts and store closures, known as a company voluntary arrangement (CVA), either today or tomorrow.

As part of its CVA, Monsoon is understood to be offering property owners up to £10m of the firm's profits if the high street firm can beat internal forecasts over the coming years.

The offer, first reported by Sky News, would mean landlords take a share of future profit in exchange for backing its turnaround strategy, despite having originally demanded for an equity stake in the firm.

Property giants such as British Land and Hammerson are reported to be among the owners arguing over the terms of the deal with founder and owner Peter Simon, who founded the fashion firm in the 1970s.

Monsoon's CVA, which is being led by advisory firm Deloitte, comes just a week after Sir Philip Green's Arcadia fashion empire narrowly passed a CVA vote of its own, triggering rent reductions across hundreds of stores.

The vote to pass Arcadia's CVA, which required 75 per cent approval from creditors, was nearly rejected after one of the largest votes, shopping centre landlord Intu, said it would vote against the proposals.

The retail sector has suffered a string of CVAs in recent months, as rising costs and increased competition put pressure on bricks-and-mortar retailers.

Insiders told Sky News yesterday the group of landlords which had been seeking to negotiate with Simon now included NFU Mutual and LaSalle.

The syndicate of property owners, which are being advised by PJT Partners, have also told Simon that a £30m package of rescue funding needs to be injected as equity rather than in the form of secured loans, according to the report.

Bathstore to go down plug hole as latest high street chain to flop

HARRY ROBERTSON
@henrygrobertson

BATHROOM retailer Bathstore is reportedly on the brink of collapse, and is set to bring in accountancy firm BDO to take it through the insolvency process.

A notice of intention to appoint the accountants as administrators could come next week, Sky News reported last night.

Bathstore would be the latest victim of Britain's retail crisis. Household names Debenhams, Maplin and House of Fraser all recently went under.

An administration process could put hundreds of jobs at risk at the bathrooms chain, Sky said.

Bathstore trades from more than 160 stores across the UK.

Thousands of jobs have been lost in the retail sector in recent months. Toy store Toys R Us and fashion chain New Look have recently closed stores.

Bathstore has experienced several changes of ownership over the past decade amid operating struggles.

London decline drags down UK property cost as buyer caution lingers

SEBASTIAN MCCARTHY

@SecMcCarthy

UK HOUSE prices were dragged down by subdued demand in London last month, as buyer caution continued to linger in the capital.

London witnessed the lowest annual growth out of any region, with prices falling 1.2 per cent over the year to April 2019, up from a fall of 2.5 per cent in March 2019.

Prices across the UK rose an unadjusted 0.7 per cent month-on-month in April, which was the first rise in eight months, with the average property standing at £229,000, according to data released yesterday by the Office for National Statistics (ONS).

"The ONS data does little to change the overall impression that the housing market is still finding life challenging as buyer caution amid still relatively challenging conditions is being reinforced by Brexit, political and economic uncertainties – although there are significant variations across regions," said Howard Archer, chief economic adviser at the EY Item Club.

While London house prices fell over the year, the area remains the most expensive place to purchase a property at an average of £472,000, followed by the south east and the east of England, at £319,000 and £289,000 respectively. South east England also witnessed a 0.8 per cent drop during April, marking the first time house prices in the region have been dropping annually since October 2011.

Jeremy Leaf, north London estate agent and a former Rics residential chairman, said: "Once again, we are seeing house prices in London acting as a drag on a market."

Profit fell by a fifth, but still managed to top analysts' expectations

Berkeley reports profit slump

JESS CLARK

@jclarkjourno

HOUSEBUILDER Berkeley Homes outlined plans to ramp up new developments despite reporting a slump in pre-tax profit

Pre-tax profit fell 20.7 per cent to £775.2m in the year ended 30 April, but was higher than analysts' expectations of £730m.

Revenue was £2.95bn, up 4.1 per cent from £2.84bn the previous year.

The property developer is planning new sites in Southall, Brent and Fulham over the next year despite an uncertain outlook.

Chief executive Rob Perrins said it had reported "a strong set of results, reflecting robust trading in the year and the appeal of Berkeley's developments."

IN BRIEF

EARL'S COURT IN FOCUS AS CAPCO HEAD QUITS

The investment chief at Capital & Counties (Capco) revealed plans to step down yesterday, sparking fresh speculation over the future of the property giant's struggling Earl's Court development. Managing director and chief investment officer Gary Yardley is leaving the company, as the firm prepares for a potential split off its Earl's Court scheme from its larger Covent Garden estate.

STANDARD LIFE EXEC IS NEW ROYAL LONDON BOSS

Royal London has appointed a former Prudential and Standard Life executive as its new chief executive. Barry O'Dwyer will take on the role of chief executive of Britain's biggest mutual insurer in September after current boss Phil Loney steps down at the end of June. O'Dwyer was deputy chief of Prudential's UK and European business until 2013 when he left to join rival Standard Life.

FTSE'S BLUE PRISM BUYS SOFTWARE FIRM FOR £80M

Automation firm Blue Prism bought software-as-a-service business Thoughtonomy for up to £80m yesterday. It follows Blue Prism's announcement that it would be seeking £100m in additional funding to fuel growth.

Saga shares plunge on warning of fresh issues

CALLUM KEOWN

@CallumKeown1

SHARES in Saga fell more than 12 per cent yesterday after the insurance and travel group warned its tour operations were set to take a hit.

Ahead of its annual general meeting (AGM) yesterday, Saga warned of fresh travel struggles due to a competitive market and political uncertainties.

It said booked revenues were down four per cent for the year to 15 June, compared to the previous year.

Margins for this year will also be hit, the company said, after it was forced to discount holiday packages as a result of competition.

In April, its shares dived 40 per cent after it warned that Brexit uncertainty was hitting its travel business and price comparison sites were eating into its insurance margins.

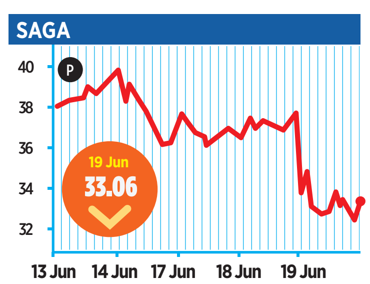
The over-50s insurance and tourism group responded by unveiling a new strategy to return the business to its roots following a series of profit warnings.

The strategy included changing its approach to insurance and renewal pricing and launching a new home and motor cover product.

Saga said it was making progress with the strategy and that trading from 1 February to 18 June had been in line with expectations.

Cruise bookings also remained in line to reach targets after a "resilient" performance over the period and bookings on two new ships for 2020-21 were also progressing well, the company said.

Chief executive Lance Batchelor, who has announced plans to retire next year, said: "We are resolutely focused on the execution of our new strategy and have a clear set of priorities."



City of London update

£1m funding to tackle air pollution across London

THE City of London Corporation has been awarded £1,000,000 from the Mayor of London's Air Quality Fund to deliver joint projects with the London Borough of Camden and the Cross River Partnership to improve air quality across London.

This funding will help to deliver a pan-London idling engine action project, including a London-wide advertising campaign, encouraging drivers to switch off their engines whilst parked, in partnership with Camden Council.

It will build upon the success of the previous volunteer led action scheme – a model pioneered by the City Corporation - which was adopted by a total of 18 local authorities.

Animation celebration

The multi-award-winning animation work of Geoff Dunbar, whose films include 'Rupert Bear and the Frog Song' for Sir Paul McCartney and the BBC's 'The World of Peter Rabbit and Friends', will be exhibited at Barbican Music Library next month.

Dunbar, who collaborated with Sir Paul on the 'Frog Chorus' and 'Daumier's Law', has won several major awards, including two BAFTAs, a Palme d'Or, and a Golden Bear.

Geoff Dunbar: Art into Animation opens on Thursday 11 July and will showcase some of the meticulously hand-crafted drawings created for the films by Geoff and his team of animators.

News, info and offers at www.cityoflondon.gov.uk/eshot

Acacia Mining takes aim at largest investor Barrick Gold

AUGUST GRAHAM

@AugustGraham

ACACIA Mining hit out at its main shareholder Barrick Gold yesterday, as a takeover offer from Barrick loomed.

The London- and Tanzania-based miner said it "strongly disagrees" with statements Barrick made on Tuesday, despite agreeing to give Barrick more time to make a firm takeover offer.

In May, Barrick approached Acacia's board with an indicative offer which values the miner at $887.8m (£705m).

Barrick, which already owns around 64 per cent of Acacia, proposed to buy out its minority shareholders.

The Canadian gold giant was also yesterday forced to row back after its chief executive Mark Bristow told Bloomberg in an interview he would not offer shareholders a higher deal.

"Nothing in the article should be considered to be a no increase statement," Barrick said.

The takeover attempt arrives against the backdrop of a tax dispute with Tanzania, which claims Acacia owes $190bn (£150bn) in back taxes.

Large businesses face fines for being slow to pay small suppliers

HARRY ROBERTSON

@henrygrobertson

LARGE businesses could be fined for not paying smaller suppliers on time, the government said yesterday, as part of proposals to tackle a problem that sees thousands of small firms go bust every year.

Small business minister Kelly Tolhurst said companies would now be held accountable to their own boards for their payment practices, as they would have to detail them in their annual reports.

The Institute of Directors said the proposals were "a significant step forward".

CANNES LIONS

The annual soiree, attracting the likes of Naomi Campbell, has a reputation for excess

Cannes Lions: Has the notorious media event been tamed?


James Warrington
IN CANNES

AS THE plane touches down on the hot tarmac at Nice airport, the butterflies start to set in. My neighbour, a senior media executive, has given me a disconcerting pep talk. "Trust me, it's worse than Glastonbury," he says with a smile. As we disembark, it's clear everyone is headed for the same glimmering town on the Cote D'Azur for Cannes Lions, the advertising industry's notorious annual knees-up.

There's something about Cannes that attracts both wonder and disgust. Its glamorous beach cabanas, imposing yachts and free-flowing rosé entice some, but embody the very worst excesses of the Mad Men lifestyle for others. Last year, one ad firm spent £10,000 just on a taxi to ferry a top boss around Cannes town centre for the week. In one infamous nocturnal incident, a couple were spotted rolling around on the festival's famous red carpet in full view of the public, their shoes placed neatly to one side.

As you walk along Le Croisette, it's hard not to be taken in by the sheer extravagance of it all. But Cannes Lions, much like its more famous film industry cousin, is feeling the impact of cultural change.

CULTURE SHOCK

The culture of the ad industry has been in the spotlight in recent years and, for many, the annual Cannes conference has been tainted by a spate of problems such as sexism, lack of diversity and burnout.

Two years ago, holding group Publicis rocked the boat by scrapping plans to send its usual contingent to Cannes, though the decision may well have been driven by money worries, not moral ones.

The controversy was compounded in 2018 following Sir Martin Sorrell's acrimonious departure from WPP. The ad veteran has denied all allegations of misconduct, but the scandal only served to intensify concerns over the industry's less savoury habits.

Most people I speak to seem convinced the conference has been toned down in recent years. Fewer people stay for the whole week; everyone fills their diary to the brim with meetings.

The more modern corporate cultures of tech giants, which have now emerged as the kings of Cannes, may also have diluted the boozy traditions of adland. It's a trimmed down affair, yet still an extravagant one. And it's easy to forget that behind the glitz and the glamour is a display of some of the finest work in the industry. "It's creativity porn," says one design boss.

THE RISE OF ASIA

Cannes has always provided an insight into where the power lies. Agencies that once boasted the largest yachts in the harbour now have a more understated presence. Google, Facebook and Twitter dominate the beach cabanas. This year, Accenture Interactive took the prime billboard above the conference hall.

But another change is also in the air. India and China, traditionally on the fringes of the festival, boosted their award entry numbers by eight and five per cent respectively this year.

While China's trade relations may have been thrown into turmoil by tensions with the US, its creative sector seems unperturbed. Cannes Lions chief executive Philip Thomas told CNBC that Chinese companies were increasingly partnering with western companies and boost their creativity.

For India, the increased engagement is partly the result of a cultural shift. Piyush Pandey, Ogilvy's worldwide chief creative officer and executive chairman for India, tells me creative industries such as marketing are now better-respected, and are gaining clout as employment options for young people.

These are subtle shifts, not seismic ones, but there's no doubt the festival is changing. From a slimming down of the boozy blowouts to the emergence of new creative talent in Asia, Cannes Lions evolves with the times.

But as long as adland continues to descend on the sun-drenched beaches of the French riviera, it seems unlikely the party atmosphere will ever fade.

Inflation falls to target rate prior to BoE decision

JOE CURTIS
AND HARRY ROBERTSON

@joe_r_curtis @henrygrobertson

THE UK's headline inflation rate fell to two per cent in May, in line with the Bank of England's target, official figures showed yesterday.

Consumer Price Index (CPI) inflation fell to the target rate from 2.1 per cent in April, the Office for National Statistics (ONS) said.

Falling air fares, a drop in car prices and the late arrival of Easter all pushed the CPI down, the ONS said.

Rising prices for games, toys and furniture partly offset the fall, however.

The National Institute of Economic and Social Research (NIESR) warned that the CPI's drop was down to extreme price movements.

Jason Lennard, NIESR senior economist, said: "Our analysis... suggests that the fall is due to a small number of large price changes, such as air fares."

He said NIESR's own underlying rate of inflation, which excludes the most extreme price movements, climbed 0.3 percentage points to 0.8 per cent.

"Underlying inflation also increased in every region of the United Kingdom, rising most in the west Midlands, the north and London," he said.

The BoE's monetary policy committee (MPC) meet today, and will have paid close attention to the figures.

Yet analysts said it was unlikely a dip in inflation will lead to an interest rate rise.

Ongoing Brexit uncertainty made it improbable that governor Mark Carney would make "a dovish turn," said David Cheetham, chief market analyst at trader XTB.

City A.M.'s shadow MPC said interest rates should be left on hold due to uncertainty over Brexit and the next Prime Minister, global trade tensions, and recent weak UK data.

Bank of England should hold course until Brexit uncertainty blows over, says shadow committee

CITY A.M.'S SHADOW MONETARY POLICY COMMITTEE

OUR MPC VOTES OVERWHELMINGLY TO KEEP INTEREST RATES ON HOLD

GUEST CHAIR: **MIKE BELL** JP MORGAN ASSET MANAGEMENT

HOLD With wages rising by 3.4 per cent year-on-year and unemployment at 3.8 per cent, it's possible to make the case for a rate rise. However, several surveys suggest the outlook for manufacturing is deteriorating, while job growth has slowed. Against this backdrop and with political uncertainty still elevated, it's best to stay on hold.

RUTH GREGORY
CAPITAL ECONOMICS

HOLD Hold for now given the slew of weak activity data, political uncertainty about the next PM and subdued inflation.

JAMES SMITH
ING

HOLD While stockpiling has exaggerated the recent dip, growth will remain fragile as no-deal Brexit concerns begin to resurface.

VICKY PRYCE
CEBR

HOLD Stockpiling has now gone into reverse. Price pressures remain subdued, and world economic prospects have worsened.

JEAVON LOLAY
LLOYDS BANK

HOLD Continuing uncertainty argues for caution, but a case can be made for tightening if uncertainty were to abate.

SIMON WARD
JANUS HENDERSON

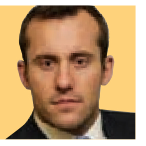
CUT Money growth remains too weak. GDP is on course to contract this quarter and labour market strength has peaked.

TEJ PARIKH
INSTITUTE OF DIRECTORS

HOLD Despite decent wage figures of late, with poor global growth forecasts and Brexit still up in the air, it's best to hold.

KALLUM PICKERING
BERENBERG

HOLD Better to signal that more rate hikes are likely eventually, but wait for the risks, such as the trade wars, to pass for now.



SIMON FRENCH
PANMURE GORDON

HOLD Acute uncertainty over Brexit and possible fiscal changes from a new prime minister mean there is a low cost to waiting.

Mulberry swings to loss amid tough market and House of Fraser collapse

CALLUM KEOWN

@CallumKeown1

2.62%

LUXURY handbag maker Mulberry swung to a loss of £5m last year as the "challenging" UK retail market and the collapse of House of Fraser hit sales.

The company yesterday reported a pre-tax loss of £5m for the year ending 30 March, down from £6.9m profit the previous year.

Revenue from sales fell two per cent to £166.3m, with international revenue climbing seven per cent but UK revenue dropping six per cent to £114.6m. Shares fell 2.8 per cent.

Adjusted pre-tax profit was £1m – down from £8m in 2018 – but the retailer's South Korea launch, House of Fraser write-off costs and profit write back from John Lewis forced it to report a loss overall.

The collapse of House of Fraser "materially impacted" the company's UK performance it said, and also saw it pay a £2.1m write off.

The firm's move from a wholesale to concession business model with John Lewis cost a further £1.3m.

But it said the newly-created John Lewis concessions had performed better than expected and had allowed the company to recover a significant proportion of the lost revenue from problems at House of Fraser.

The luxury handbag maker expanded in Japan, South Korea, New York and Dubai

Whitbread sales growth falls due to Brexit delays

JESS CLARK

@jclarkjourno

PREMIER Inn owner Whitbread reported dwindling accommodation sales in the first quarter due to ongoing Brexit uncertainty.

The company, which has focused on its hotel business since selling Costa Coffee to Coca-Cola last year, said UK like-for-like accommodation sales growth fell 4.6 per cent.

Total like-for-like revenue per available room in the UK fell six per cent in the quarter due to "weaker business and leisure confidence".

However, in a trading update yesterday the hospitality firm said its German expansion plans were on track.

Its first German hotel in Frankfurt has seen occupancy levels of around 70 per cent, and the group plans to add 2,000 extra rooms in the country.

Meanwhile, it said its new hotel in Hamburg was "performing well ahead of expectations".

Whitbread boss Alison Brittain said yesterday: "We have delivered a resilient performance in the first quarter despite more challenging market conditions and we continue to make good progress with our efficiency programme, which is helping to partially offset another year of high industry cost inflation."

Alistair Douglas, investment manager at Brewin Dolphin, said: "It's been a tough start to the year for Whitbread, with a decline in sales across its UK operations.

"A large part of this can be put down to the uncertain wider economic landscape, with Brexit appearing to take its toll on business and leisure confidence – particularly in regional business markets."

He added: "Following the sale of Costa, Whitbread is quite a different business; so the board will have to continue to drive efficiencies and use its strong balance sheet to reinforce its growth strategy."

Brittain sold Costa Coffee to Coca-Cola in August last year

Modernising Lloyd's of London will be a challenge, says chair

CAROLYN COHN

MODERNISING Lloyd's of London will be a challenge, its chairman Bruce Carnegie-Brown said in New York late on Tuesday, as the 330-year old insurance market prepares to switch business to two automated exchanges.

The specialist Lloyd's market has been buffeted by two years of steep losses due to high levels of insured losses from natural catastrophes.

Lloyd's outlined plans last month to set up electronic platforms from as soon as next year.

"I do not underestimate the difficulty of this challenge because frankly, history is against us," Carnegie-Brown told an industry dinner, adding that scepticism was "to be expected".

"Lloyd's has embarked on modernisation before and largely failed to deliver it. We've spent money, deployed new technology and hired talent for projects over many years but we have not done so well in bringing the market... behind our promise."

Reuters

FCA regulation report released after LCF failure

JESS CLARK AND JAMES BOOTH

@jclarkjourno @Jamesdbooth1

THE CITY watchdog has launched a report into how firms are regulated following the collapse of mini-bond lender London Capital & Finance.

In its first annual Perimeter Report, published yesterday, the Financial Conduct Authority (FCA) said firms "on the edges" of its regulatory coverage have "recently caused serious harm to consumers".

London Capital & Finance was an FCA-authorised firm, but issuing mini-bonds was not considered to be a regulated activity.

Customers were therefore not eligible for Financial Services Compensation Scheme after the company failed.

"The mini-bonds market has changed over recent years, with more complex mini-bonds being issued and marketed to retail investors," the regulator said yesterday.

"Issuers of these more complex products have often been able to rely on the same exclusion as ordinary commercial companies to issue their securities without the need for authorisation," it added.

The FCA also warned yesterday that it is to crack down on poor advice from firms around defined benefit pension transfers.

The City watchdog said too much advice it has seen to date is "not of an acceptable standard".

The FCA said it was concerned that too many financial advisers are recommending large numbers of consumer transfers out of defined benefit (DB) schemes, despite its stance that transfers are likely to be unsuitable for most clients.

Megan Butler, executive director of supervision, wholesale and specialists at the FCA, said: "We have said repeatedly that, when advising on DB transfers, advisers should start from the position that a transfer is not suitable.

"It is deeply concerning and disappointing to see that transfers are still being recommended at the levels we have seen."

The FCA surveyed 3,015 firms and found between April 2015 and September 2019, 2,426 firms had provided advice to 234,951 scheme members on transferring their DB pension.

Of those, 162,047 members had been recommended to transfer out and 72,904 had been advised not to.

The total value of DB pensions where transfer advice had been provided was £82.8bn.

The rebrand follows last year's major merger deal

CYBG to be renamed Virgin Money after £1.7bn merger

CALLUM KEOWN

@CallumKeown1

CLYDESDALE and Yorkshire bank owner CYBG will be renamed Virgin Money in a major rebranding to "disrupt the status quo" of UK banking.

CYBG acquired Virgin Money last year in a £1.7bn deal and will now adopt its name across its business by the end of the year.

At its capital markets day yesterday, CYBG also said it aimed to make a further £50m in savings from the merger, taking the total savings to £200m by the end 2022.

It maintained its 2019 guidance of £950m costs and targeted costs below £780m by the end of 2022.

Chief executive David Duffy said: "We have a clear ambition to disrupt the status quo with the new Virgin Money.

"The new group combines the ethos of Virgin, with its distinctive and brilliant customer experience, with CYBG's technology, product expertise and know-how."

CYBG returned to profit last month in its first results since the merger was completed.

Ex-City minister calls for action on lack of skills

HARRY ROBERTSON

@henrygrobertson

FORMER City minister Mark Hoban has today called for urgent action to address the skills crisis facing the financial services sector.

The sector does not spend enough on training, lacks diversity, and its values and culture are not well-perceived, according to a report chaired by Hoban.

The report, from the chancellor's financial services skills taskforce, said the technical skills needed by financial services firms are evolving faster than roles can currently be filled. It said greater investment in training and system-wide change is needed to address the problem of Britons lacking the skills to work in the sector.

Hoban said: "Financial services is facing an existential skills crisis because of the pace of change in the sector."

He said: "People are at the heart of the industry's success and provide its competitive advantage. The digital revolution is transforming the sector and affecting its people too.

"It is vital that we train people in the skills needed for the future so we can match the pace of change," he said.

The taskforce will publish its detailed recommendations in November 2019. The City UK, which convenes the group, said the taskforce will set out a roadmap for the financial companies to tackle skills challenges.

Freshfields partner faces tribunal

JAMES BOOTH

@Jamesdbooth1

THE SOLICITORS Disciplinary Tribunal (SDT) has rejected an attempt by Freshfields Bruckhaus Deringer partner Ryan Beckwith to have a sexual misconduct case against him thrown out.

A junior lawyer at the firm alleged Beckwith had sex with her after a work event when she was heavily intoxicated and her decision making was impaired.

Beckwith will now face a full hearing of the SDT in a case that is scheduled for 10 days starting on 30 September.

The Solicitors Regulatory Authority (SRA) alleged Beckwith had kissed the junior lawyer at a work drinks event, when he knew or ought to have known that there was no indication that such conduct was wanted.

It was also alleged that Beckwith knew or ought to have known his conduct was an abuse of his position and inappropriate.

The SRA alleged that he had sex with the junior lawyer, despite knowing she had not invited him to her home with a view to sexual activity taking place and despite knowing she was heavily intoxicated.

The allegations against Beckwith are unproven at this stage.

Freshfields senior partner Edward Braham said: "A partner of the firm is the subject of Solicitors Disciplinary Tribunal proceedings and is on indefinite leave. Given the ongoing proceedings, to which we are not a party, it would be inappropriate to comment further."

Beckwith could not be reached for comment.

Future of the UK's top law firms vulnerable to economic shocks

JAMES BOOTH

@Jamesdbooth1

THE UK's top 50 law firms hold on average cash for just three week's wages, leaving them vulnerable to economic shocks.

Analysis of the accounts of the top 50 law firms by accountancy firm Smith & Williamson and website Legal Week found that monthly payroll was on average £610m, but firms had average cash of just £410m.

This means that if clients do not pay their bills for just one month, the majority of firms could go bust.

Revenue for the top 50 grew to £17.3bn, but at year end £7.6bn of that was unpaid, almost a third of annual income.

Giles Murphy, head of professional practices at Smith & Williamson, said: "If there's a shock to the economic system for example, a no-deal Brexit, clients may decide to delay payments and that could be devastating to law firms."

Rio Tinto cuts iron ore shipments forecast from Australian hub

BERNARD ORR

RIO TINTO said yesterday it was experiencing iron ore mine operational problems, particularly in the Greater Brockman hub in the Pilbara region in Australia, leading the miner to cut its shipments forecast from the area for 2019.

Rio Tinto said the challenges were from a higher proportion of certain lower grade products, partly to protect the quality of its flagship Pilbara Blend.

Shares fell 4.7 per cent. *Reuters*

UN finds links between Saudi Crown Prince and Jamal Khashoggi murder

STEPHANIE NEBEHAY

SAUDI Crown Prince Mohammed bin Salman and other senior Saudi officials should be investigated over the murder of journalist Jamal Khashoggi since there is credible evidence they are liable for his death, a UN rights investigator said yesterday.

Khashoggi, a critic of the Prince and a Washington Post columnist, was last seen at the Saudi consulate in Istanbul on 2 October where he was to receive papers ahead of his wedding.

His body was dismembered and removed from the building, the Saudi prosecutor has said, and his remains have not been found.

The Saudi public prosecutor indicted 11 unnamed suspects in November, including five who could face the death penalty on charges of ordering and committing the crime.

Agnes Callamard, the UN special rapporteur on extrajudicial executions, called on countries to invoke universal jurisdiction for what she called the international crime and make arrests if individuals' responsibility is proven.

Saudi Arabia's minister of state for foreign affairs, Adel al-Jubeir, rejected the investigator's report as "nothing new".

Khashoggi's death stirred widespread disgust and hurt the image of Crown Prince, who had received some admiration in the West for pushing to end the Kingdom's oil dependence and easing social restrictions. *Reuters*

Jamal Khashoggi had been a strong critic of the Saudi Crown Prince

Blackstone chief gives £150m for Oxford AI centre

JESS CLARK AND JAMES BOOTH

@jclarkjourno @Jamesdbooth1

BLACKSTONE chief executive Stephen Schwarzman has donated £150m to the University of Oxford for the creation of a department to study the ethics of artificial intelligence (AI).

The gift is the largest single donation to the university "since the Renaissance", it said.

The Stephan A. Schwarzman Centre for the Humanities will house the Institute for Ethics in AI, which will investigate the implications of the tech and other new developments.

In a statement the university said it would help address "urgent" questions over the impact of AI, which it said will "challenge the very nature of what it means to be human".

Schwarzman, who co-founded the world's largest alternative investment firm, said: "I'm proud to partner with Oxford to establish the Schwarzman Centre for the Humanities which will unite Oxford's humanities faculties for the first time, include a new Institute for Ethics in AI to explore crucial questions affecting the workplace and society, and in addition offer modern performing arts facilities that will deepen Oxford's engagement with the public. For nearly 1,000 years, the study of the humanities at Oxford has been core to western civilisation and scholarship.

"We need to ensure that its insights and principles can be adapted to today's dynamic world. Oxford's long-standing global leadership in the humanities uniquely positions it to achieve this important objective."

English, history, languages, music and philosophy courses will be taught in the new centre, which will also include a library, and performing arts and exhibition spaces.

Separately, Hong Kong's richest man Li Ka-shing has promised to pay tuition fees for a class of Chinese university students.

His charitable foundation will fund Shantou University's 2019 incoming students for up to five years.

Li's pledge will cost 100m Chinese yuan (£11.5m) a year.

The foundation said in a statement: "The foundation hopes this scheme can alleviate financial burdens for families and encourage the pursuit of personal interests and further learning to better prepare graduates."

The airport released a video of what the site will look like from 2022

London City Airport video offers sneak peek of £500m upgrade

ALEXANDRA ROGERS

@city_amrogers

LONDON City Airport (LCA) has offered the public a glimpse into the future look of its £500m revamp.

The airport has shown passengers a sneak peak into what the site will look like from 2022.

It will boast a new check-in and security area, departures lounge, baggage claim and arrivals and gate lounges.

Eight new aircraft stands and a parallel taxiway, next to the runway, will also be created as part of the transformation.

The new terminal will be larger than the existing one, with more space for shops, cafes and bars, as well as improved facilities.

LCA enjoyed a record-breaking period this week when 20,300 passengers used the airport – the highest number in its 31-year history.

This summer, the airport expects to see passenger numbers reach 5m for the year, which will climb to 6.5m once the expansion has been completed.

The airport, which has been operation since the late 1980s, was bought by a consortium in 2016.

Ghosn arrest leaves car firm employees idle

AUGUST GRAHAM

@AugustGraham

EMPLOYEES at Nissan and Renault's joint ventures are without work as the alliance struggles after Carlos Ghosn's arrest.

The disgraced former chief executive and chairman left after Japanese prosecutors charged him with under-reporting his salary.

Departments overseeing some of the carmakers' joint work have not received instructions for months. "People have nothing to do," one insider told the Financial Times.

The alliance is disbanding the chief executive's office, which oversaw the its operations.

Meanwhile it is downscaling other functions, sources told the newspaper.

The Ghosn case ripped open a major divide between the two companies. After years of cooperation, with Ghosn in charge, the alliance has been left largely rudderless by his legal fight.

Ghosn denies the allegations against him.

In April he accused former colleagues of stabbing him in the back. They were afraid he would bring the car makers closer together, he claimed.

Nissan is planning to give Renault's chief executive and chair seats on its four new committees, the Nikkei reported yesterday.


The deals are a vote of confidence in Airbus after a strong performance by its rival

Airbus fights back with big name buyers after Boeing's Max triumph

ALISTAIR SMOUT

AIRBUS sealed deals with big name buyers for its latest passenger jet at the Paris Airshow yesterday, battling back from the potential loss of a major customer a day earlier when IAG placed a lifeline order for Boeing's grounded 737 Max jet.

Indigo Partners, the private equity firm of veteran low-cost airline investor Bill Franke, and American Airlines each signed up for 50 of Airbus's new long-range A321neo jet, although some orders were converted from deals on other models.

Airbus, which has not given a list price for the A321XLR, launched the new plane on Monday, aiming to carve out new routes for airlines with smaller planes and steal a march on Boeing's plans for a potential all new jet for the middle of the market.

The deals are a big vote of confidence in the European planemaker, a day after major customer IAG signed a letter of intent to buy 200 of Boeing's 737 Max jets that have been grounded since March after two deadly crashes.

Asked about the IAG deal, Franke, who struck the largest-ever plane deal by number of aircraft with Airbus in 2017, called the A321 Neo the most efficient single-aisle jet. *Reuters*

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

LONDON REPORT

Strong sterling drags down the FTSE 100 index

THE MAIN index slipped yesterday, weighed down by miners after **Rio Tinto** cut its forecast for shipments from an Australian region, while sterling's gains ahead of the Bank of England meeting dragged down exporters.

The FTSE 100 index dipped 0.5 per cent, its worst fall this month, while the FTSE 250 midcap index was down 0.3 per cent. The indexes handed back some gains from Tuesday after a dovish policy speech by the European Central Bank.

Anglo-Australian miner Rio Tinto fell 4.7 per cent after it lowered its outlook for shipments from a hub in the Pilbara region in Australia. That had a knock-on effect on rivals as well, dragging the sectoral index nearly three per cent lower to its worst day in more than six months.

Online grocer **Ocado** fell nearly six per cent to the bottom of the FTSE 100 index with a trader saying it was because of negative sentiment stemming from a media report on stiff competition.

Upmarket food retailer **Marks & Spencer** dropped 4.5 per cent after **Tesco** said it was considering a trial of an upmarket convenience store under the "Tesco finest" banner.

British American Tobacco, **Unilever** and **Reckitt Benckiser**, which get a chunk of their revenue in US dollars, weakened as the pound rallied before the BoE policy meeting.

British Airways owner **IAG** fell 3.2 per cent, after earlier touching a two-and-a-half-year low, and **Easyjet** dropped 2.6 per cent. HSBC downgraded the stocks after German airline Lufthansa's profit warning.

Ted Baker slumped to a record low after HSBC cut its price target

Just Eat lost 3.7 per cent after a rating cut by UBS.

Among midcaps, insurance and tourism firm **Saga** plunged 12.1 per cent to a record low after warning that its tour operations were still being undercut by political uncertainty in Britain.

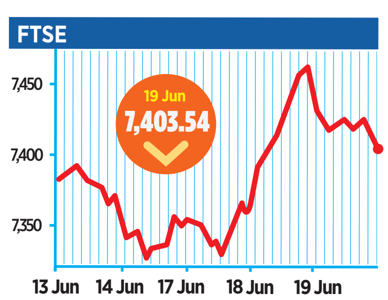
Fashion retailer **Ted Baker** slumped nine per cent to a record low after HSBC slashed its price target by more than half, to reach the lowest compared to other brokerages.

TOP RISERS

1. **RBS** Up 3.49 per cent
2. **DS Smith** Up 2.58 per cent
3. **Melrose** Up 2.31 per cent

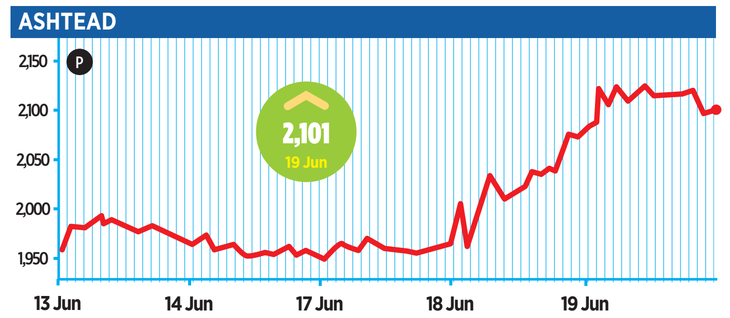
TOP FALLERS

1. **Ocado** Down 5.64 per cent
2. **Rio Tinto** Down 4.68 per cent
3. **M&S** Down 4.55 per cent

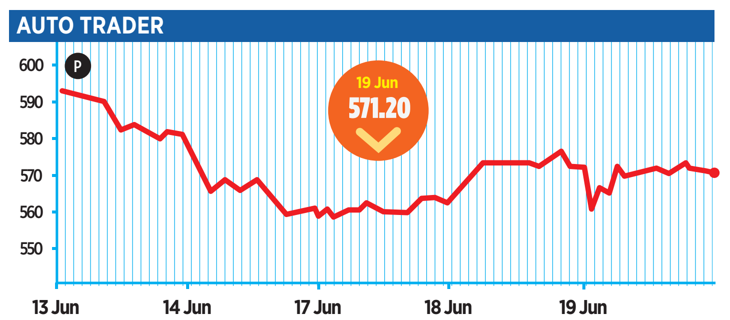


BEST OF THE BROKERS

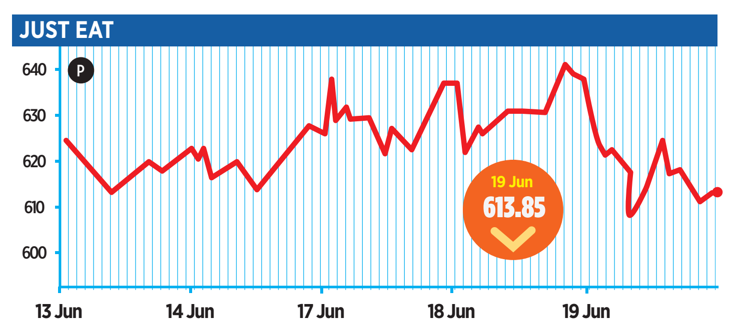
To appear in Best of the Brokers, email your research to notes@cityam.com



Ashtead Group raised its total dividend for the year to 40p per share, 21 per cent higher than 2018's 33p, when it posted its full-year results on Tuesday. The industrial equipment rental company saw revenue rise 19 per cent and profit before tax was 20 per cent up at £1.06bn driven by growth in its US Sunbelt division. The UK's A-Plant business grew 2.7 per cent to £416m and the Sunbelt Canada division saw a 54 per cent rise. Barclays brokers gave Ashtead an "overweight" rating and a price target of 2,230p.



Online car sales platform Auto Trader has "proved its resilience" in tough markets and against threats such as dealership consolidation and competition, brokers at Barclays said. In its most recent results, the website posted a rise in profit and revenue, defying the general gloom of the car industry. However, Barclays said the threat of electrification, shared ownership and autonomy means it is now "struggling to justify the valuation. Barclays gave the company an "equal weight" rating and a price target of 500p.



Brokers at UBS do not agree with Just Eat's expectations for UK orders in 2019. The takeaway firm is predicting growth in the low to mid-teens, but analysts at the bank forecast an increase in orders of just nine per cent. The delivery platform could also lose its top position across continental Europe, UBS said, as pressure from competitors steps up. Analysts said the main concern is that Just East is not investing enough. UBS lowered its rating from "buy" to "neutral" and gave a price target of 650p.

NEW YORK REPORT

S&P 500 nears record as Fed soothes stocks

THE S&P 500 approached a record high yesterday after the Federal Reserve signalled potential interest cuts later this year, reassuring investors worried that the US-China trade war could stall economic growth.

Saying it "will act as appropriate to sustain" economic expansion, the central bank signalled rate cuts of as much as half a percentage point over the remainder of 2019.

In its statement following a two-day policy meeting, the Fed held rates steady, as expected, but dropped a previous promise to be "patient" in adjusting rates.

That elevated the S&P 500 and Dow Jones Industrial Average to less than one per cent from their record high closes set in late April.

Buoyed by growing confidence the Fed will cut rates, and by hopes of an end to the US-China trade war, US stocks have climbed in recent weeks. The S&P 500 has gained six per cent in June. The financial sector fell 0.2 per cent, with bank stocks dipping 0.2 per cent. Lower interest rates tend to hurt banks' profits.

The Dow Jones Industrial Average rose 0.15 per cent to end at 26,504.27 points, while the S&P 500 gained 0.30 per cent to 2,926.44.

The Nasdaq Composite added 0.42 per cent to 7,987.32.

Contributing more than any other stock to advances on the Nasdaq and S&P 500, **Adobe** surged 5.2 per cent after the Photoshop software provider beat analysts' estimates for quarterly profit and revenue.

Facebook fell 0.5 per cent as its ambitious plan to launch a digital currency faced a backlash from regulators and politicians in the United States and abroad.

The healthcare sector rose one per cent, helped by gains in **Unitedhealth**, **Pfizer** and **Allergan**.

Allergan jumped 6.2 per cent after the drug maker said its constipation drug, jointly developed with **Ironwood Pharmaceuticals**, improved symptoms in patients suffering from irritable bowel syndrome with constipation.

CITY MOVES WHO'S SWITCHING JOBS

KPMG UK

Kay Swinburne is due to join KPMG UK as vice chair of financial services from 1 July 2019. In her new role, Kay will chair KPMG's risk and regulatory insight centre, which provides insights on risk and regulation. Kay will work closely with Karim Haji, the head of financial services, advising his leadership team and supporting board and C-suite level client relationships. Kay has represented Wales in the European Parliament for the last 10 years, during which time she served as vice-chair of the parliament's influential economics and monetary affairs committee. She played a pivotal role in shaping EU and global financial services legislation, including setting up the EU supervisory bodies (ESAs, SSM, SRM), capital markets union (EMIR, MiFID II, Prospectus, CCP Recovery & Resolution), and the broader banking union files.

PWC

PwC, the professional services firm, has appointed Dame Fiona Kendrick to its Public Interest Body (PIB) with effect from 1 July 2019. Dame Fiona, a former chief executive and chairman of Nestle UK, joins Samantha Barrass, Sir Ian Gibson, Justin King, Lord O'Donnell and Paul Skinner as independent non-executives providing deep experience and oversight to the firm.

PUBLICIS SAPIENT

Publicis Sapient, the digital business transformation hub of Publicis Groupe, has announced the appointment of John Maeda as chief experience officer. In this role, John joins the Creative Executive Collective of Publicis Groupe. Maeda's role as chief experience officer forges an engineering and design partnership at the highest level, pairing it with the EVP of Engineering. Along with spearheading design globally John will spend time on people, bringing his commitment to inclusion and talent development to the table – vital components to unlocking real value for clients. John joins Publicis Sapient from Automattic, where he served as the global head of computational design and inclusion. John serves on the board of Sonos, the Smithsonian Design Museum and Weiden + Kennedy, and is the author of five books including the bestselling Laws of Simplicity. Prior to Automattic, Maeda held the roles of design partner at Kleiner Perkins and design advisory board chair of Ebay. Before that, he was a tenured research professor at the MIT Media Laboratory and 16th president of the Rhode Island School of Design. He was the recipient of the White House's National Design Award, the Tribeca Film Festival's Disruptive Innovation Award, and his work is represented at the Museum of Modern Art.

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
7403.54	19245.46	4040.93	26504.00	7987.32	2926.46
39.50	66.33	19.70	38.46	33.44	8.71

£/€	1.1259	0.0044	€/$	1.1229	0.0035
£/$	1.2644	0.0088	€/£	0.8880	0.0035
£/¥	136.60	0.4531	€/¥	121.34	0.0700

	Price	Chg	High	Low
GILTS				
Tsy 3.750 19	100.67	-0.01	103.8	100.7
Tsy 2.000 20	101.47	-0.01	102.7	101.4
Tsy 4.750 20	102.93	-0.01	107.1	102.9
Tsy 3.750 20	103.77	-0.01	106.8	103.7
Tsy 2.500 20	355.90	-0.01	361.4	355.8
Tsy 8.000 21	114.63	-0.02	121.4	114.3
Tsy 4.000 22	109.40	-0.02	111.7	109.0
Tsy 0.500 22	99.93	0.00	100.0	97.7
Tsy 1.875 22	117.18	-0.03	118.5	115.5
Tsy 2.250 23	107.07	-0.01	107.2	104.7
Tsy 2.500 24	370.68	0.01	370.8	358.7
Tsy 0.125 24	114.43	-0.04	114.8	110.9
Tsy 5.000 25	124.70	-0.02	125.5	122.1
Tsy 4.250 27	129.25	-0.02	129.3	122.6
Tsy 1.250 27	136.86	-0.05	137.4	128.4
Tsy 6.000 28	147.74	-0.03	147.9	140.5
Tsy 0.125 29	129.16	-0.08	129.7	118.8
Tsy 4.750 30	141.96	-0.04	142.1	132.1
Tsy 4.125 30	385.22	-0.05	386.2	355.2
Tsy 4.250 32	139.15	-0.09	139.3	128.5
Tsy 1.250 32	158.62	-0.13	159.1	144.1
Tsy 0.125 36	150.88	-0.23	151.5	133.4
Tsy 4.250 36	145.99	-0.12	146.3	133.1
Tsy 4.750 38	159.82	-0.18	160.3	144.9
Tsy 0.625 40	171.91	-0.30	173.5	152.8
Tsy 4.500 42	162.71	-0.22	163.4	145.9
Tsy 3.500 45	144.65	-0.26	145.4	128.0
Tsy 4.250 46	164.24	-0.27	165.1	145.7
Tsy 4.025 49	170.51	-0.31	171.6	150.0
Tsy 0.500 50	201.79	-0.44	207.7	173.7
Tsy 0.250 52	198.19	-0.53	204.9	168.8
AEROSPACE & DEFENCE				
BAE Systems	491.7	-0.3	676.4	443.9
Cobham	105.7	-0.6	131.7	96.8
Meggitt	522.2	6.2	572.0	458.0
QinetiQ Group	291.2	-3.2	312.4	256.6
Rolls-Royce Holdi	908.4	-15.4	1094.0	759.2
Senior	226.0	-5.4	334.4	185.4
Ultra Electronics	1622.0	-11.0	1743.0	1232.0
BANKS				
Bank of Georgia G	1660.0	35.0	1927.2	1310.0
Barclays	153.2	1.6	194.0	146.1
Close Brothers Gr	1425.0	-1.0	1660.0	1374.0
CYBG	197.0	11.5	364.2	173.9
HSBC Holdings	657.3	-0.3	731.4	600.8
Lloyds Banking Gr	59.2	1.1	66.6	50.0
Metro Bank	530.0	-20.0	3422.0	475.0
Royal Bank of Sco	222.5	7.5	270.4	203.0
Standard Charter	711.2	1.6	715.1	519.8
TBC Bank Group	1650.0	-18.0	1774.0	1290.0
BEVERAGES				
Barr (A.G.)	901.0	-9.0	975.0	666.0
Britvic	882.0	-8.0	956.0	745.0
Coca-Cola HBC AG	2913.0	-24.0	2959.0	2244.0
Diageo	3385.5	-5.5	3450.0	2523.5
CHEMICALS				
Croda International	5230.0	-105.0	5447.7	4576.0
Elementis	139.7	1.9	263.8	136.3
Johnson Matthey	3126.0	14.0	3760.0	2620.0
Sirius Minerals	13.5	-0.2	38.5	12.9
Synthomer	372.6	1.4	575.5	347.4
Victrex plc	2142.0	12.0	3408.0	1950.0
CONSTRUCTION & MATERIALS				
Balfour Beatty	243.0	2.0	296.5	223.4
CRH	2515.0	-36.0	2765.0	1971.5
Galliford Try	642.5	-6.5	1104.0	512.0
Ibstock	245.8	-1.4	299.2	193.1

	Price	Chg	High	Low
Kier Group	122.7	2.8	1022.0	108.0
Marshalls	657.0	2.5	669.0	399.8
Polypipe Group	432.8	-13.0	449.6	307.8
ELECTRICITY				
Contour Global	188.0	0.0	250.0	150.1
Drax Group	287.6	-4.6	427.2	283.4
SSE	1116.5	-9.5	1400.0	1008.0
ELECTRONIC & ELECTRICAL EQ.				
Halma	1983.0	-34.0	2024.0	1237.0
Morgan Advanced M	267.0	-0.6	363.0	237.0
Renishaw	3904.0	88.0	5650.0	3670.0
Spectris	2677.0	10.0	2793.0	1966.5
EQUITY INVESTMENT INSTRUM.				
Aberforth Smaller	1226.0	-10.0	1420.0	1120.0
Alliance Trust	790.0	-2.0	792.0	672.0
Apax Global Alpha	145.0	-1.5	153.0	127.0
AVI Global Trust	740.0	-6.0	767.0	660.0
Baillie Gifford J	788.0	-4.0	869.0	663.0
Bankers Inv Trust	928.0	-2.0	937.0	766.0
BBGI SICAV S.A. (	157.0	-2.0	168.0	134.0
BlackRock Smaller	1444.0	-8.0	1600.0	1160.0
BMO Global Smalle	133.8	-8.0	1495.0	1220.0
Caledonia Investm	3055.0	0.0	3075.0	2650.0
City of London In	421.5	-4.0	436.0	376.0
Edinburgh Inv Tru	592.0	-4.0	699.0	588.0
F&C Investment Tr	696.0	-5.0	741.0	616.0
Fidelity China Sp	216.5	-2.0	256.5	182.4
Fidelity European	246.0	-1.0	249.0	202.0
Fidelity Special	255.5	-4.0	278.0	220.0
Finsbury Growth &	895.0	-9.0	907.0	740.0
GCP Infrastructur	127.8	-0.2	130.8	119.0
Genesis Emerging	745.0	1.0	750.0	615.0
Greencoat UK Wind	139.6	-0.4	143.2	122.6
HarbourVest Globa	1584.0	-10.0	1628.0	1240.0
Herald Investment	1342.0	-10.0	1364.0	1055.0
HGCapital Trust	215.0	-1.5	219.0	175.0
HICL Infrastructu	163.8	-1.6	170.1	146.0
International Pub	154.6	-1.0	163.4	141.4
JPMorgan American	457.5	-7.5	472.0	386.5
JPMorgan Emerging	975.0	-8.0	989.5	759.0
JPMorgan Indian I	749.0	-9.0	776.0	566.0
JPMorgan Japanese	435.0	-1.0	472.0	367.0
Jupiter European	864.0	-10.0	895.0	666.0
Law Debenture Cor	592.0	-8.0	636.0	534.0
Mercantile Invest	203.0	-2.0	222.5	168.0
Monks Inv Trust	900.0	-2.0	907.0	710.0
Murray Internatio	1144.0	-12.0	1208.0	1056.0
NB Global Floatin	90.1	0.3	94.2	87.6
NextEnergy Solar	121.0	-2.0	124.5	107.5
Pantheon Internat	2130.0	-15.0	2225.0	1955.0
Perpetual Income	305.0	-2.0	365.5	301.5
Pershing Square H	1346.0	4.0	1398.0	990.0
Personal Assets T	41800.0	-200.0	42050.0	38900.0
Polar Capital Tec	1312.0	-22.0	1386.0	1066.0
RIT Capital Partn	2070.0	-5.0	2130.0	1892.0
Riverstone Energy	850.0	-1.0	1282.0	840.0
Schroder Asia Pac	442.0	-2.0	465.0	379.0
Scottish Inv Trus	813.0	-1.0	902.0	748.0
Scottish Mortgage	526.5	-6.5	568.3	441.4
Sequoia Economic	110.2	-1.0	114.2	106.0
Smithson Investme	1220.0	-10.0	1232.0	1000.2
Syncona Limited N	227.0	-8.0	302.5	223.0
Temple Bar Inv Tr	1232.0	-12.0	1366.0	1116.0
Templeton Emergin	774.0	-3.0	792.0	649.0
The Renewables In	127.4	-0.6	128.4	106.9
TR Property Inv T	417.5	-4.5	433.5	353.5
Vietnam Enterpris	441.0	-0.5	472.0	390.0
VinaCapital Vietn	339.0	0.0	350.0	306.0
Witan Inv Trust	212.0	-0.5	227.6	189.6
Woodford Patient	53.8	0.0	91.0	53.1
Worldwide Healthc	2700.0	5.0	2915.0	2325.0

	Price	Chg	High	Low
FINANCIAL SERVICES				
3i Group	1047.0	2.0	1088.5	756.2
3i Infrastructure	288.5	-0.5	292.0	221.0
AJ Bell	383.0	0.0	477.0	220.0
Allied Minds	76.0	1.8	110.8	37.3
Amigo Holdings	238.0	-8.0	310.0	154.5
Arrow Global Grou	251.8	20.2	267.0	167.2
ASA International	360.5	-0.5	510.0	336.0
Ashmore Group	491.6	1.8	493.0	337.0
Brewin Dolphin Ho	301.2	-0.8	366.0	295.4
Charter Court Fin	313.5	-2.5	375.0	228.8
City of London In	402.0	-2.5	430.0	360.0
CMC Markets	88.4	0.8	126.0	77.4
Coats Group	80.0	0.3	91.3	69.8
Georgia Capital	1078.0	22.0	1260.0	941.0
Hargreaves Lansdo	1859.0	-52.0	2433.0	1633.0
IG Group Holdings	575.0	-2.0	954.5	474.8
IntegraFin Holdin	373.9	-1.3	406.1	269.0
Intermediate Capi	1350.0	-2.0	1361.0	899.0
International Per	164.0	2.4	248.8	157.6
Investec	493.6	2.2	568.0	423.4
IP Group	74.0	0.8	138.0	72.5
John Laing Group	385.6	13.2	402.0	264.2
JTC	353.0	-11.5	440.0	287.0
Jupiter Fund Mana	408.2	0.8	458.8	287.6
Liontrust Asset M	732.0	2.0	750.0	532.0
LMS Capital	52.8	0.0	53.5	44.0
London Finance &	39.5	0.0	45.5	39.5
London Stock Exch	5480.0	18.0	5509.0	3867.0
Man Group	148.3	3.1	187.2	126.8
OneSavings Bank	382.0	-2.0	449.6	330.0
Paragon Banking G	448.8	4.6	524.0	379.2
Plus500 Ltd (DI)	579.8	-0.2	2040.0	495.0
Provident Financi	431.9	-3.3	692.6	427.7
Quilter	140.7	-0.2	156.6	110.6
Rathbone Brothers	2170.0	10.0	2652.0	2085.0
Real Estate Credi	170.0	-1.5	175.5	163.0
Record	34.0	0.3	47.0	27.3
River and Mercant	268.5	-1.5	330.0	212.0
S&U	2390.0	20.0	2660.0	1767.5
Sanne Group	690.0	-4.0	724.0	450.0
Schroders	3052.0	16.0	3268.0	2334.0
Standard Life Abe	280.8	3.8	395.4	224.9
TP ICAP	292.1	4.5	422.4	259.7
VPC Specialty Len	70.0	0.0	84.4	67.0
Walker Crips Grou	33.0	0.0	39.0	24.0
XPS Pensions Grou	156.0	-4.0	192.0	132.0
FIXED LINE TELECOMS				
BT Group	206.7	-2.3	264.7	193.8
TalkTalk Telecom	112.0	1.5	137.0	96.6
Telecom Plus	1502.0	20.0	1528.0	1010.0
FOOD & DRUG RETAILERS				
Greggs	2274.0	-8.0	2286.0	942.0
Morrison (Wm) Sup	199.1	-0.2	269.4	195.3
Ocado Group	1087.0	-65.0	1435.0	749.8
Sainsbury (J)	196.1	-2.5	341.5	193.8
SSP Group	642.0	-8.0	744.4	615.1
Tesco	235.0	-0.5	266.2	189.6
UDG Healthcare Pu	769.5	7.5	851.0	551.0
FOOD PRODUCERS				
Associated Britis	2409.0	-36.0	2836.0	2041.0
Bakkavor Group	120.6	-7.4	193.0	113.0
Cranswick	2554.0	-42.0	3454.0	2472.0
Greencore Group	210.3	-0.2	230.0	162.9
Hilton Food Group	950.0	-12.0	1088.0	884.0
Tate & Lyle	750.0	-5.4	800.4	622.6
Unilever	4927.0	-56.5	4993.5	3931.0
FORESTRY & PAPER				
Mondi	1757.0	18.0	2236.0	1584.0

	Price	Chg	High	Low
GAS, WATER & MULTIUTILITIES				
Centrica	90.8	-0.7	163.7	89.3
National Grid	834.2	-6.7	889.2	748.7
Pennon Group	763.8	-6.2	812.4	684.2
Severn Trent	2083.0	-19.0	2114.0	1770.0
United Utilities	820.0	-8.8	873.6	682.4
GENERAL INDUSTRIALS				
RPC Group	791.8	0.0	834.8	632.2
Smith (DS)	354.1	8.9	513.4	292.2
Smiths Group	1515.0	7.5	1749.5	1279.5
Smurfit Kappa Gro	2433.0	13.0	3292.0	1934.0
Vesuvius	533.0	1.5	662.0	473.2
GENERAL RETAILERS				
Auto Trader Group	571.2	-0.8	606.0	388.5
B&M European Valu	334.8	0.9	426.3	278.6
Card Factory	175.0	-1.6	212.4	162.6
Dixons Carphone	124.6	1.1	199.9	113.9
Dunelm Group	904.0	-4.5	928.5	482.8
Inchcape	614.0	-9.5	799.0	486.6
JD Sports Fashion	588.8	-1.4	635.6	318.5
Just Eat	614.6	-23.6	883.4	533.8
Kingfisher	210.0	-2.0	318.1	205.4

	Price	Chg	High	Low
Reckitt Benckiser	6502.0	-81.0	7155.0	5593.0
Redrow	546.0	0.0	674.6	460.8
Taylor Wimpey	156.8	-0.3	192.3	129.3
INDUSTRIAL ENGINEERING				
Bodycote	813.0	3.5	1055.0	676.0
Hill & Smith Hold	1186.0	-23.0	1523.0	902.5
IMI	995.6	1.4	1242.0	870.0
Melrose Industrie	174.7	4.0	233.9	146.3
RHI Magnesita N.V	4500.0	0.0	5085.0	3318.0
Rotork	304.7	-3.2	361.4	235.7
Spirax-Sarco Engi	8825.0	-70.0	8940.0	5900.0
Weir Group	1492.0	13.0	2020.0	1240.0
INDUSTRIAL METALS & MINING				
Evraz	675.8	-24.0	709.4	442.1
Ferrexpo	258.3	-7.4	301.3	143.5
INDUSTRIAL TRANSPORTATION				
BBA Aviation	271.2	3.0	350.0	207.0
Clarkson	2460.0	10.0	2900.0	1878.0
Fisher (James) &	1842.0	-28.0	2260.0	1600.0
Royal Mail	205.5	0.7	512.4	194.5
Stobart Group Ltd	108.0	2.8	258.0	102.2

MAIN CHANGES UK 350

Risers		%	Fallers		%
CYBG	197.0	6.2	Saga	33.1	-12.1
TI Fluid Systems	192.0	4.4	Ted Baker	815.0	-8.9
John Laing Group	385.6	3.5	Bakkavor Group	120.6	-5.8
Royal Bank of Scot	222.5	3.5	Ocado Group	1087.0	-5.6
Euromoney Institut	1264.0	2.8	PZ Cussons	206.0	-5.5
Cairn Energy	156.8	2.7	Rio Tinto	4649.0	-4.7
Stobart Group Ltd.	108.0	2.7	Marks & Spencer Gr	212.1	-4.6
Smith (DS)	354.1	2.6	Intu Properties	82.4	-4.2
Capita	104.5	2.5	Safestore Holdings	611.0	-3.9
Kier Group	122.7	2.3	Just Eat	614.6	-3.7

	Price	Chg	High	Low
Marks & Spencer G	212.1	-10.1	300.8	211.3
Next	5530.0	-82.0	6136.0	3991.0
Pets at Home Grou	184.6	2.6	187.3	110.0
Saga	33.1	-4.5	138.7	31.8
Sports Direct Int	280.2	-5.6	436.1	233.2
Ted Baker	815.0	-80.0	2378.0	774.9
Vivo Energy	137.4	0.6	156.3	96.0
WH Smith	1930.0	-40.0	2186.0	1697.0
HEALTH CARE EQUIPMENT & S.				
Assura	63.4	-0.2	64.5	52.4
Convatec Group	142.3	0.3	239.0	118.6
Mediclinic Intern	306.5	3.6	544.4	293.9
NMC Health	2431.0	50.0	4120.0	2192.0
Smith & Nephew	1709.5	-10.5	1738.5	1258.0
HOLD GDS & HOME CONSTR.				
Barratt Developme	562.6	-1.4	625.8	434.0
Bellway	2724.0	-18.0	3226.0	2419.0
Berkeley Group Ho	3552.0	-7.0	4137.0	3226.0
Bovis Homes Group	1011.0	-9.0	1120.5	828.0
Countryside Prope	291.4	-1.6	357.8	270.0
Crest Nicholson H	355.0	-4.8	404.8	296.4
McCarthy & Stone	138.0	0.7	142.4	97.5
Persimmon	1936.5	-8.0	2626.0	1859.5

	Price	Chg	High	Low
NON LIFE INSURANCE				
Admiral Group	2085.0	-3.0	2281.0	1870.0
Beazley	552.5	-9.0	599.0	492.6
Direct Line Insur	322.5	-2.0	366.5	304.9
Hastings Group Ho	179.5	2.0	274.2	174.0
Hiscox Limited (D	1711.0	-5.0	1720.0	1418.0
Lancashire Holdin	705.0	-10.0	724.5	530.0
RSA Insurance Gro	572.2	-1.2	681.8	496.6
Sabre Insurance G	261.0	1.0	294.0	249.0
LIFE INSURANCE				
Aviva	416.3	3.3	514.8	364.6
Just Group	55.0	-1.5	140.1	44.6
Legal & General G	268.6	1.5	291.2	223.7
Phoenix Group Hol	682.3	-1.7	724.8	544.0
Prudential	1668.5	7.5	1824.0	1340.0
St James's Place	1062.5	3.5	1216.5	914.0
MEDIA				
4Imprint Group	2650.0	60.0	2700.0	1715.0
Ascential	356.8	-10.0	465.0	337.2
Bloomsbury Publis	229.0	0.0	243.0	190.5
Centaur Media	48.0	0.0	56.5	34.7
Entertainment One	380.6	-9.6	483.4	336.4

	Price	Chg	High	Low
Euromoney Institu	1264.0	34.0	1434.0	1132.0
Goco Group	97.5	10.5	139.0	64.6
Haynes Publishing	226.0	0.0	242.0	160.0
Huntsworth	103.0	1.0	139.0	81.0
Informa	803.6	-8.4	859.0	605.8
ITE Group	72.0	-1.0	90.0	56.3
ITV	109.1	1.5	180.4	105.2
Moneysupermarket.	401.0	3.5	401.6	264.0
Pearson	821.4	-8.6	1027.5	769.2
Reach	75.5	-1.3	83.2	54.6
Relx plc	1915.0	-20.0	1938.5	1491.5
Rightmove	571.5	-12.1	585.1	420.9
STV Group	360.5	-5.0	458.0	318.0
Tarsus Group	428.0	0.0	433.0	243.0
WPP	989.4	2.4	1301.0	800.4
MINING				
Acacia Mining	169.1	-3.9	256.6	96.1
Anglo American	2121.5	-43.5	2226.0	1464.6
Antofagasta	890.0	-10.8	1028.5	727.2
BHP Group	1924.2	-41.0	1972.6	1490.6
Centamin (DI)	105.1	-1.2	136.2	79.8
Fresnillo	823.2	-8.4	1173.0	724.8
Glencore	275.5	-2.6	387.2	254.7
Hochschild Mining	175.6	-4.9	208.4	149.1
Kaz Minerals	571.0	-9.2	861.4	436.7
Polymetal Interna	899.6	-0.8	915.0	597.2
Rio Tinto	4649.0	-228.5	4903.5	3486.0
MOBILE TELECOMS				
Inmarsat	547.6	-6.0	632.2	362.8
Vodafone Group	127.2	-2.0	191.0	123.3
OIL & GAS PRODUCERS				
BP	541.6	-4.3	598.3	485.9
Cairn Energy	156.8	4.1	258.8	140.0
Energean Oil & Ga	853.0	-2.0	866.0	493.5
Premier Oil	73.1	-0.4	143.6	55.6
Royal Dutch Shell	2546.0	1.0	2694.5	2213.0
Royal Dutch Shell	2556.0	3.0	2780.5	2227.0
Tullow Oil	203.4	-1.4	266.3	165.2
OIL EQUIPMENT & SERVICES				
Hunting	521.0	6.5	849.0	453.6
Petrofac Ltd.	424.3	-5.8	663.4	381.5
Wood Group (John)	400.4	-6.0	796.4	389.9
PERSONAL GOODS				
Burberry Group	1770.0	-25.0	2325.0	1623.5
PZ Cussons	206.0	-12.0	244.0	178.6
PHARMACEUTICALS & BIOTECH				
AstraZeneca	6450.0	40.0	6525.0	5182.0
BTG	833.5	-1.5	853.0	475.0
Dechra Pharmaceut	2768.0	24.0	3168.0	2014.0
Genus	2620.0	-48.0	2992.0	2098.0
GlaxoSmithKline	1605.0	9.8	1621.6	1418.0
Hikma Pharmaceuti	1740.5	-0.5	2025.0	1376.0
Indivior	45.0	0.5	385.1	30.1
REAL ESTATE INVEST. & SERV.				
BMO Commercial Pr	110.8	-0.6	155.0	110.8
Capital & Countie	221.6	2.6	294.2	209.5
CLS Holdings	216.0	0.0	255.0	195.4
Daejan Holdings	5530.0	-50.0	6400.0	5450.0
Grainger	242.2	1.6	286.5	205.8
NewRiver REIT	191.2	-2.6	283.5	188.6
Safestore Holding	611.0	-25.0	658.5	499.4
Savills	853.0	-6.5	949.5	678.5
St. Modwen Proper	423.5	-1.5	441.5	365.0
UK Commercial Pro	89.1	-0.9	92.7	81.0
REAL ESTATE INVEST. TRUSTS				
Big Yellow Group	1023.0	-15.0	1062.0	852.5

	Price	Chg	High	Low
British Land Comp	538.2	-1.4	687.6	523.0
Civitas Social Ho	78.4	-0.6	114.0	76.7
Derwent London	3148.0	-38.0	3328.0	2761.0
Great Portland Es	700.6	-12.6	773.6	652.3
Hammerson	285.4	-0.2	547.6	266.9
Intu Properties	82.4	-3.6	201.5	82.4
Land Securities G	836.6	-8.4	965.1	791.8
LondonMetric Prop	202.0	-4.4	209.2	172.7
Primary Health Pr	133.0	-0.8	139.0	106.4
SEGRO	728.4	-9.0	739.2	585.2
Shaftesbury	827.5	-4.5	946.0	812.5
Tritax Big Box Re	149.6	-0.7	155.7	129.0
Unite Group	957.0	-9.5	973.5	797.5
Workspace Group	870.0	12.0	1127.0	789.5
SOFTWARE & COMPUTER SERV.				
Avast	308.2	-3.8	319.4	208.2
Aveva Group	3942.0	-10.0	4024.0	2284.0
Computacenter	1272.0	0.0	1620.0	952.0
FDM Group (Holdin	919.0	-1.0	1096.0	734.0
Funding Circle Ho	251.0	1.0	440.0	221.5
Micro Focus Inter	1988.6	-51.4	2491.6	1427.2
Playtech	406.0	-3.1	775.2	361.8
Sage Group	778.8	-3.0	787.4	525.6
Softcat	916.0	-9.0	967.0	565.0
Sophos Group	384.5	-5.5	639.0	298.2
SUPPORT SERVICES				
Aggreko	797.2	2.6	882.0	641.8
Ashtead Group	2101.0	20.0	2438.0	1586.5
BCA Marketplace	194.6	4.2	242.0	178.5
Bunzl	2135.0	-42.0	2551.0	2059.0
Capita	104.5	2.5	169.1	99.9
DCC	6986.0	-52.0	7390.0	5555.0
Diploma	1579.0	-48.0	1634.0	1150.0
Electrocomponents	619.2	-3.8	761.6	480.0
Equiniti Group	215.2	-3.6	266.0	186.2
Essentra	416.4	-5.6	507.0	325.4
Experian	2381.0	-62.0	2444.0	1728.5
Ferguson	5644.0	32.0	6556.0	4749.0
G4S	214.7	-1.0	282.0	175.9
Grafton Group Uni	879.0	-6.0	937.0	630.0
Hays	160.4	0.4	212.0	135.7
Homeserve	1228.0	-18.0	1263.0	849.0
Howden Joinery Gr	503.2	-6.2	539.0	416.4
Intertek Group	5608.0	-26.0	6014.0	4387.0
Pagegroup	520.0	-5.5	623.5	432.2
Rentokil Initial	391.6	-4.6	397.7	284.8
Robert Walters	660.0	-4.0	475.0	814.0
Serco Group	136.9	-1.6	139.6	84.1
SIG	134.7	-0.9	153.0	102.2
Travis Perkins	1348.0	12.0	1465.0	970.0
Spirent Communica	150.4	-3.6	166.2	112.8
TOBACCO				
British American	2800.0	-59.5	4222.5	2375.0
Imperial Brands	1893.0	-10.0	2987.5	1854.4
TRAVEL & LEISURE				
888 Holdings	156.8	0.8	276.8	129.3
Carnival	4033.0	2.0	5000.0	3659.0
Cineworld Group	281.0	-0.9	323.6	249.0
Compass Group	1898.0	-14.0	1923.0	1483.0
Domino's Pizza Gr	253.0	0.0	357.7	224.4
easyJet	867.8	-32.8	1796.0	854.8
EI Group	202.0	-0.2	224.8	145.0
FirstGroup	99.1	0.6	116.6	79.3
Flutter Entertain	5914.0	80.0	8510.0	5525.0
Go-Ahead Group	1916.0	-32.0	2080.0	1388.0
Greene King	608.6	4.4	704.4	472.8
GVC Holdings	630.8	11.8	1170.0	507.5
InterContinental	5225.0	-24.0	5281.0	3958.4

	Price	Chg	High	Low
International Con	443.0	-14.5	726.6	431.7
Merlin Entertainm	389.9	5.4	410.5	307.1
Millennium & Copt	680.0	-5.0	685.0	436.0
Mitchells & Butle	282.5	-1.0	291.4	238.0
National Express	388.8	-3.0	433.2	361.4
Rank Group	154.4	-1.6	194.0	135.0
Restaurant Group	123.5	-1.5	221.9	111.9
Stagecoach Group	124.6	-1.3	177.0	115.5
TUI AG Reg Shs (D	734.8	3.8	1742.5	698.0
Wetherspoon (J.D.	1430.0	2.0	1440.0	1066.0
Whitbread	4625.0	26.0	5114.0	3883.0
William Hill	141.1	2.4	310.4	132.3
Wizz Air Holdings	3505.0	-34.0	3797.0	2329.0
AIM 50				
Abcam	1444.0	-16.0	1539.0	1017.0
Advanced Medical	320.0	-8.5	370.0	260.0
Alliance Pharma	72.6	0.8	99.8	60.0
ASOS	3000.0	-173.0	6640.0	2128.0
Blue Prism Group	1505.0	-248.0	2575.0	1040.0
Camellia	10900.0	500.0	12000.0	9100.0
CareTech Holding	373.0	-2.0	406.0	325.0
Central Asia Meta	224.0	-2.5	266.5	203.0
Clinigen Group	1045.0	4.0	1069.0	721.0
CVS Group	637.0	13.5	1163.0	395.0
Dart Group	850.0	-10.0	1017.0	740.0
Diversified Gas &	108.0	-0.5	134.0	96.0
Draper Esprit	532.0	6.0	645.0	458.0
Eland Oil & Gas	123.4	-0.6	137.5	97.0
EMIS Group	1172.0	-14.0	1206.0	860.0
Fevertree Drinks	2328.0	-87.0	3956.0	2131.0
First Derivatives	3425.0	-35.0	4680.0	2050.0
Frontier Developm	1110.0	-50.0	1635.0	740.0
Gamma Communicati	1170.0	0.0	1196.3	688.0
GB Group	529.0	-4.0	631.0	410.5
Gooch & Housego	1075.0	30.0	1880.0	954.0
Hurricane Energy	55.3	-0.5	60.8	39.0
Iomart Group	324.0	5.5	475.0	308.0
IQE	71.9	-1.6	112.5	56.3
James Halstead	514.0	0.0	532.0	367.0
Johnson Service G	159.2	1.2	168.4	113.6
Keywords Studios	1628.0	2.0	2065.0	900.0
Learning Technolo	89.2	-0.9	166.5	62.2
M&C Saatchi	351.0	-15.0	394.0	270.0
M. P. Evans Group	682.0	0.0	800.0	637.0
Majestic Wine	269.5	1.5	485.0	219.0
Midwich Group	596.0	0.0	685.0	491.5
Mortgage Advice B	570.0	-10.0	720.0	490.0
Next Fifteen Comm	644.0	4.0	648.0	455.0
Nichols	1790.0	5.0	1840.0	1240.0
Numis Corporation	265.0	3.0	438.5	221.5
Polar Capital Hol	570.0	-6.0	732.0	448.0
Purplebricks Grou	101.2	-0.8	356.4	90.0
Redde	100.8	-0.2	196.0	90.0
Renew Holdings	425.0	0.0	436.5	333.0
RWS Holdings	638.0	3.0	640.7	389.5
Scapa Group	203.5	-1.5	473.4	157.0
Secure Income Rei	402.0	-2.0	414.0	371.0
Serica Energy	130.0	-4.0	142.0	57.4
Smart Metering Sy	504.0	-17.5	778.0	480.0
Staffline Group	100.0	-2.2	1340.0	92.2
Telford Homes	311.5	1.5	430.0	267.0
Thorpe (F.W.)	319.0	-1.0	340.0	248.0
Watkin Jones	206.5	3.5	232.5	192.2
Young & Co's Brew	1750.0	-30.0	1885.0	1322.5
Young & Co's Brew	1075.0	15.0	1325.0	1030.0

WebfinancialGroup

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EU SHARES

	Price	Chg	High	Low
AB INBEV	77.86	0.47	91.14	56.32
ADIDAS N	267.10	-6.10	273.50	178.30
AIR LIQUIDE	120.80	-0.30	121.60	101.85
AIRBUS BR	123.00	-2.46	126.50	77.50
ALLIANZ	211.65	0.90	216.20	170.38
AMADEUS IT GRP BR-A	68.48	-0.46	82.20	58.06
ASML HLDG	174.98	1.34	189.50	130.12
AXA	23.18	0.06	23.90	18.40
BANCO SANTANDER	4.06	0.05	4.82	3.80
BASF N	62.18	0.57	85.91	57.26
BAYER N	54.67	0.93	99.61	52.00
BBVA	5.01	0.11	6.44	4.48
BMW	64.01	0.50	86.71	61.31
BNP PARIBAS BR-A	42.23	0.73	56.94	38.14
CRH PLC	28.41	-0.24	34.87	26.53
DAIMLER N	49.12	0.74	61.36	44.54
DANONE	74.30	0.20	74.46	59.72
DEUTSCHE POST N	27.93	0.13	32.20	23.43
DEUTSCHE TELEKOM N	15.56	0.06	15.88	13.09
ENEL N	6.17	-0.07	6.34	4.22
ENGIE	13.50	0.07	14.28	11.31
ENI N	14.22	0.07	16.71	13.39
ESSILORLUXOTT	111.60	1.60	129.55	95.50
FRESENIUS	47.97	-0.06	71.00	38.50
IBERDROLA	8.91	-0.16	9.13	5.81
INDITEX	25.00	0.04	30.30	21.85
ING GROUP	10.24	0.17	13.28	9.09
INTESA SANPAOLO N	1.91	0.03	2.66	1.80
KERING	508.20	-6.00	539.80	351.70
KON AH DEL BR	20.72	-0.25	24.01	18.60
L'OREAL	254.20	1.30	255.60	182.00
LINDE	178.25	-4.15	0.00	0.00
LVMH	366.00	-2.80	370.95	242.30
MUENCHENER RUECKV N	222.80	-0.70	225.30	175.00
NOKIA	4.46	0.02	5.76	4.17
ORANGE	14.00	-0.11	15.25	13.15
ROY.PHILIPS	37.85	0.18	40.01	29.05
SAFRAN	131.70	2.70	133.95	97.08
SANOFI	77.88	0.41	80.44	67.39
SAP I	116.76	-0.88	118.10	84.02
SCHNEIDER EL	77.26	-0.18	78.66	57.54
SIEMENS N	106.18	0.88	121.40	90.90
SOCIETE GENERALE	22.05	0.48	35.06	20.81
TELEFONICA	7.36	-0.00	8.06	6.59
TOTAL	48.32	0.13	55.39	44.23
UNILEVER CERT	54.60	-0.25	55.33	45.12
VINCI	92.68	1.08	92.68	69.98
VIVENDI	24.55	-0.22	26.69	20.40
VOLKSWAGEN VZ I	145.20	1.84	163.70	131.02

COMMODITIES

Gold	1341.35	0.05	Copper Cash Official	5755.50	92.50
Silver	14.90	0.12	Aluminium Cash Official	1719.50	6.00
Brent Crude	62.14	1.20	Nickel Cash Official	11745.00	-45.00
Krugerrand	1358.20	3.15	Aluminium Alloy Cash Official	1260.00	-40.00
Palladium	1483.00	16.00	Cocoa Futures	2520.00	12.00
Platinum	798.00	-4.00	Coffee 'C' Futures	98.43	1.83
Tin Cash Official	19300.00	-12.00	Feed Wheat Futures	139.90	2.00
Lead Cash Official	1873.50	12.50	Soybeans Futures Continuation Contract	902.40	-11.00
Zinc Cash Official	2549.00	40.00			

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	1.91	0.00
BoE IR 3 months	0.750	0.00	US long bond yield	2.54	-0.01
BoE IR 6 months	0.750	0.00	Euro Euribor	-0.398	0.00
LIBOR Euro - overnight	-0.471	0.00	The vix index	14.33	-0.82
LIBOR Euro - 12 months	-0.280	0.02	The baltic dry index	1135.00	42.00
LIBOR USD - overnight	2.350	0.01	Markit iBoxx EUR	241.86	-0.38
LIBOR USD - 12 months	2.264	-0.02	Markit iBoxx GBP	342.68	-1.42
Halifax mortgage rate	3.990	0.00	Markit iBoxx USD	253.79	0.67

WORLD INDICES

	Price	Chg	%chg
FTSE 100	7403.54	-39.50	-0.53
FTSE 250	19245.46	-66.33	-0.34
FTSE All-Share	4040.93	-19.70	-0.49
FTSE AIM All-Share	932.06	-6.03	-0.64
S&P 500	2926.46	8.71	0.30
Dow Jones I.A.	26504.00	38.46	0.15
Nasdaq Composite	7987.32	33.44	0.42
Xetra DAX	12308.53	-23.22	-0.19
CAC 40	5518.45	8.72	0.16
Swiss Market Index	9961.65	-26.90	-0.27
ISEQ Overall Index	6164.59	2.18	0.04
FTSEurofirst 300	1515.33	0.33	0.02
Hang Seng	28202.14	703.37	2.56
Shanghai Composite	2917.80	27.65	0.96
STI Index	3285.55	49.93	1.54
ASX All Ordinaries	6728.50	80.60	1.21

US SHARES

	Price	Chg	High	Low
3M	170.75	-1.11	219.75	159.32
ABBOTT LABORATOR	84.33	0.91	84.50	60.32
ADOBE	291.21	14.43	292.00	204.95
ALPHAB NON VTG-C	1102.33	-1.27	1289.27	970.11
ALPHABET-A	1104.51	-0.73	1296.98	977.66
AMAZON.COM	1908.79	7.42	2050.50	1307.00
AMERICAN EXPRESS	124.68	1.25	125.05	89.05
APPLE	197.87	-0.58	233.47	142.00
AT&T	32.41	-0.03	34.30	26.80
BANK OF AMERICA	28.32	-0.30	31.91	22.66
BERKSHIRE HATH RG-B	206.75	0.74	224.07	184.75
BOEING CO	368.56	-5.40	446.01	292.47
CATERPILLAR	130.61	0.28	159.37	112.06
CHEVRON	122.89	-0.04	128.55	100.22
CISCO SYSTEMS	56.13	0.08	57.56	40.25
CITIGROUP	67.59	-0.39	75.24	48.42
COCA-COLA CO	51.12	0.48	52.19	42.96
COMCAST-A	43.14	-0.11	43.96	32.08
DOW	48.50	-1.11	0.00	0.00
EXXON MOBIL	75.32	-0.42	87.36	64.65
FACEBOOK-A	187.48	-0.99	218.62	123.02
GOLDMAN SACHS GR	195.64	0.66	245.08	151.70
HOME DEPOT	207.94	0.46	215.43	158.09
HONEYWELL INTL	175.41	-0.34	176.43	123.48
IBM	137.08	0.70	154.36	105.94
INTEL	47.07	-0.30	59.59	42.36
JOHNSON & JOHNSO	140.45	0.22	148.99	120.11
JPMORGAN CHASE	109.91	-0.80	119.24	91.11
MASTERCARD RG-A	259.87	1.06	269.85	171.89
MCDONALD'S	204.55	0.04	206.39	153.13
MEDTRONIC	98.75	0.79	100.15	81.66
MERCK	85.36	0.87	85.56	59.80
MICROSOFT	135.69	0.53	135.93	93.96
NETFLIX	363.52	6.40	423.21	231.23
NIKE -B-	83.55	-0.75	90.00	66.53
ORACLE	52.68	-0.22	55.53	42.40
PAYPAL HOLDINGS	117.14	1.16	118.65	74.66
PEPSICO	118.61	0.56	119.74	101.06
PEPSICO	132.85	0.79	134.71	104.53
PFIZER	43.50	0.43	46.47	35.87
PROCTER&GAMBLE	110.42	0.82	111.75	75.53
TRAVELERS COS	151.60	1.27	152.01	111.08
TWITTER	36.29	-0.36	46.92	26.19
UNITEDHEALTH GRO	250.19	4.49	287.94	208.07
UTD TECHS	126.76	0.14	144.40	100.48
VERIZON COMM	57.63	0.30	61.58	47.52
VISA RG-A	170.69	1.41	172.20	121.60
WALGREENS BOOTS	52.90	0.10	86.31	49.31
WALMART	109.62	-0.03	109.96	82.37
WALT DISNEY	140.92	1.68	143.51	100.35
WELLS FARGO	45.65	-0.45	59.53	43.02

OFFICE POLITICS

Stop waiting around for your big idea

Being a successful entrepreneur revolves around these four stand-out characteristics

Simon Rogerson

THERE is a one in three chance that you've considered starting a business, according to Octopus research. So why are you on your way to someone else's offices instead of seizing the moment to launch your own company?

The world is changing more quickly now than ever. Every sector is going to be disrupted – and for the right people with the right mindset, the opportunity is enormous.

Understandably, leaving the comfort blanket of employee life is scary. But, ultimately, lots of wannabe entrepreneurs believe that their business idea just isn't good enough.

Having built Octopus from scratch, and as a mentor and angel investor to a number of entrepreneurs, I can confidently say that few businesses end up as the founder first imagined them. Ideas evolve – either through necessity or because the market around them is changing.

The joke goes "if at first you don't succeed, destroy all evidence that you tried". But the reality is that lots of the great entrepreneurs we see today didn't succeed on their first or sometimes second or third attempt.

Their success is because they got on with selling their ideas at the earliest opportunity, using their mistakes to figure out something bigger and better. What sets successful entrepreneurs apart is not a eureka moment or a golden idea, it's their mindset.

For me, four characteristics stand out.

First, there's the willingness to take risks. Calculated, considered, thoughtful risks, but risks, nonetheless. Failure, sometimes epic, comes with the territory in new business ventures, and there's no room for discomfort or embarrassment.

The good news is that vulnerability is far more acceptable today, and should be actively encouraged. Asking for help isn't the same as admitting defeat. And I find that humility and recognising your own weaknesses often open doors to the smart and talented people a founder needs to learn from.

Second, exceptional entrepreneurs are relentless fighters. They are constantly looking for solutions and stay focused on all the reasons something will be a success.

The joke goes 'if at first you don't succeed, destroy all evidence that you tried'

People who bleed energy and passion take customers, investors and partners along with them. You see this kind of infectious leadership, and you know, "that's the person I want to follow".

When I, along with my co-founder Chris, left behind my career in a large financial services company to create Octopus, lots of people said that it would never work. Thankfully we proved them wrong, but it was incredibly tough in those first 18 months.

We needed a huge amount of belief to keep going. The glass always had to be a half full – and having co-founders certainly helped.

Another vital skill is evaluation – great entrepreneurs constantly challenge themselves on whether an action has achieved what they intended. It can simply be a relief to solve a problem in a new business, but to thrive, a founder must continually look for more effective ways of doing things.

Finally, ruthless prioritisation is essential, as you will never have enough time to do everything you want to. The ability to stay on top of new information and changes in the marketplace has to be balanced with laser focus on those activities that make the biggest difference.

Startups contribute billions to the UK economy, and we need as many as we can get. Networking events for London's innovators are aplenty – look out for initiatives like the British Library's "Startups in London Libraries" which offer advice and resources to those with the entrepreneurial itch.

In my experience, if you have an idea for a business, there's little value in agonising over whether it's the right one. The most important thing is you take the first step.

Simon Rogerson is chief executive and co-founder of Octopus Group, and City A.M. Entrepreneur of the Year.

lucky

MAKE YOUR OWN LUCK

LuckyTrip
Free

You're feeling a bit glum as you gaze out onto drizzly London. "I need a holiday," you think to yourself, "something a bit different". But with your brain running at 12 per cent capacity, you haven't had an original idea in weeks. Try out travel inspiration app LuckyTrip to do the thinking for you. You could end up in a Soviet dive bar or secret lagoon.

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

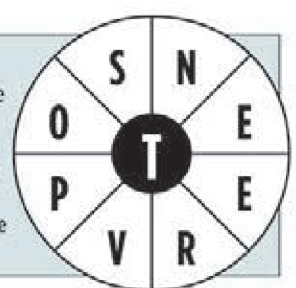
KAKURO

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

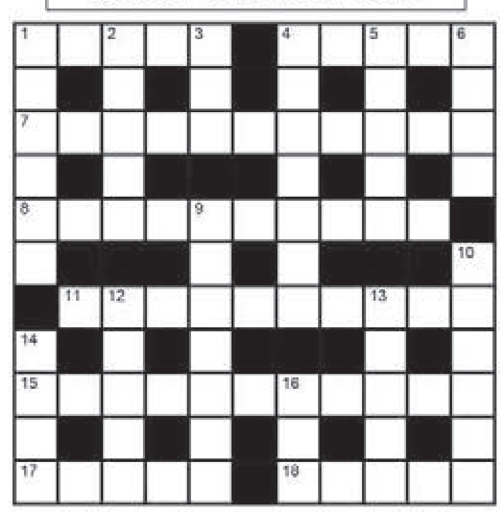
You can only use the digits 1-9 and you must not use the same digit twice in a block. The same digit may occur more than once in a row or column, but it must be in a separate block.

WORDWHEEL

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



QUICK CROSSWORD



ACROSS
1 Enough to satisfy all demands (5)
4 Preserved by drying, salting, etc (5)
7 Planning something carefully and intentionally (11)
8 United into a whole (10)
11 Christmas flower (10)
15 Allowing light to pass through diffusely (11)
17 Rear-facing points on arrows (5)
18 American ___, poisonous shrub (5)

DOWN
1 Region centred on the North Pole (6)
2 Aviator (5)
3 Large Australian flightless bird (3)
4 Pretense (7)
5 Put up (5)
6 Canine creatures (4)
9 First book of the Old Testament (7)
10 Semi-liquid mixture of flour, eggs and milk, used in cooking (6)
12 Transmitting live (2,3)
13 Stride (5)
14 Part of a cheque retained as a record (4)
16 Expend (3)

LAST ISSUE'S SOLUTIONS

QUICK CROSSWORD

E	X	P	E	L		B	E	G	A	N
N		O		I			A		W	
A	S	L	E	E	P		S	L	A	M
C		K			A	L	T	A	R	
T	R	A	D	E	R		E	P	E	E
E			E		A		R			A
D	A	M	N		P	I	N	C	E	R
	L	A	T	T	E			H		L
C	O	D	A		T	O	M	A	T	O
	H		T			I		N		B
W	A	G	E	R		L	I	T	H	E

KAKURO

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

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

WORDWHEEL

The nine-letter word was ADJECTIVE

FORUM

EDITED BY RACHEL CUNLIFFE

The breakup of the UK is not an acceptable price for Brexit

Rachel Cunliffe
Comment and features editor at City AM

WHOEVER wins the keys to Number 10 this summer will walk in on their first day to the inbox from hell.

There's the social care crisis that various governments have been kicking down the road for a decade.

There's the massive housing shortage that has led to vast swathes of the population abandoning their dreams of ever owning a home.

There's the environment, a ticking time bomb in more than one sense, now that Theresa May has committed the UK to net-zero carbon emissions by 2050, with little roadmap for how this can be achieved without damaging the economy.

And of course there's Brexit, which the new leader must confront armed with a range of options already rejected by either parliament or the EU, by the end of October. The winner of this contest is not likely to ride into Downing Street to a chorus of popular cheers.

Still, while all of the candidates served at some point in a government that caused, ignored, or exacerbated these issues, whoever wins will inevitably argue that he inherited this mess, and cast the blame back onto May as much as possible.

And that excuse might wash in terms of Brexit, climate change, housing, or social care. But it will be of little comfort if the United Kingdom breaks up on his watch.

We got a stark reminder this week that, despite being played out on primetime national TV, the leadership contest will be decided by a tiny fraction of the population – 160,000 Conservative party members – whose priorities do not match up with the rest of the country.

According to YouGov's latest poll of Tory members, they want no-deal firmly on the table. A staggering majority want a leader willing to leave without a deal, and almost half (46 per cent) would be happy to see the hardest of hard-Brexiteers – Nigel Farage – lead their party.

We now know what the ideal version of Brexit looks like for Tory members, and achieving it is worth virtually any cost. That not only includes significant damage to the British economy (deemed acceptable by 61 per cent), but Scotland and Northern Ireland leaving the UK (63 per cent and 59 per cent).

Shockingly, only 29 per cent said that they would rather halt Brexit to prevent Scotland from leaving.

Scottish nationalists were, unsurprisingly, quick to jump on this devastating poll. First minister Nicola Sturgeon is always on the look-out for signs that Scotland is being ignored, but in this particular instance, it's hard to argue with her. She literally has proof that the people choosing the next Prime Minister care more about Brexit than keeping the Union intact.

This has put one of the Tories' star players in an almost impossible position, made worse by the fact that, beyond her single vote as a member, she has no say in the matter.

For it was not the candidates themselves but Scottish Tory leader Ruth Davidson who was put under the spotlight, urging her party to "take a long, hard look at themselves" and warning that Brexit should be delivered "but not at the expense of breaking up the UK".

> **Remember the job that the candidates are going for: leader of the Conservative and Unionist party**

Davidson is a widely popular politician, who has led an stunning resurgence for the Conservatives north of the border from virtual annihilation to robust opposition as Scotland's second biggest party, taking their MPs from one in 2010 to 13 now.

She has been a rare voice of common sense and civility amid years of petty infighting and personal attacks, and a stalwart opponent to separatist voices. Many have hoped for her eventual move from Holyrood to Westminster, and tipped her as a possible future leader.

But even she cannot work miracles when faced with a party that considers her cause – the integrity of the UK – a secondary priority.

Of course, the Scottish nationalists will seize on any excuse, and there is little indication that Scottish voters will follow them. While Sturgeon routinely cites the fact that Scotland voted Remain as a reason for independence, all but one of the 50-odd polls since May became Prime Minister three years ago have shown a majority for staying in the UK.

And given the unfathomable difficulties that have emerged in unpicking the UK's 46-year relationship with the EU, disentangling the 312-year Union between England and Scotland hardly looks appealing.

Nonetheless, the callousness on the part of Tory members, who are the only voters the leadership contenders are currently concerned with, is worrying.

Remember the job that these candidates are going for: leader of the Conservative and Unionist party, and by extension, Prime Minister of the United Kingdom of Great Britain and Northern Ireland.

Right now, the mechanics of how the Prime Minister is chosen are pushing the hopefuls towards the most extreme form of Brexit backed by a majority of their party members, potentially at the expense of one or even two of the UK's four nations becoming independent.

No Tory leader wants to be accused of failing to deliver the Brexit that the people wanted. But are they comfortable with their legacy being the breakup not only of Britain and the EU, but of the UK?

An indiscreet David Cameron revealed that the Queen "purred down the phone" when he told her that Scotland had voted to remain in the UK. Imagine her reaction if another Tory leader loses them.

Conservative members might feel differently, but it's a price that no potential Prime Minister should be willing to pay.

LETTERS
TO THE EDITOR

It's a fine life

Imagine the heart-wrenching guilt and frustration you'd experience finding a yellow parking fine packet stuck to your windshield. But what if you could just toss the paper work in the bin, and ignore the monetary sting?

For foreign diplomats operating in the UK, this is the case. Under the Vienna Convention of 1961, diplomats are exempt from prosecution in their host country. So they don't pay these fines as there's no consequence for ignoring them.

Hippo Leasing's new FOI data haul from the Foreign and Commonwealth Office not only confirms that diplomats are getting away with daylight robbery – they're racking up a serious bill. The latest official government data pencils the combined cost at over £111m in unpaid parking and congestion charge fines just for diplomatic cars.

It's no surprise that the US tops the charts, with a total debt of £11m in congestion charges alone. Japan, Nigeria, Russia, and India also make the top five. Central African Republic, New Zealand, and Paraguay are the only nations which have paid all outstanding bills.

But then again, how much do our diplomats owe everyone else?

Tom Preston, managing director, Hippo Motor Group

BEST OF TWITTER

To understand libra, it's important to realize that it's merely the culmination of a series of economic and monetary events that starts with French Assignats and runs straight through Nixon taking us off the gold standard, the Plaza Accord, and China's entrance into the WTO.
@TheStalwart

There is no indication that any of this is legal. Facebook says it's committed to creating a "regulatory environment" that will support libra. Note: This is different than saying it will follow the law
@JuddLegum

For those who use Alipay, it has achieved exactly what libra is trying to do years ago without any token – its backend is world's biggest money market fund and front end is world's biggest payment processors, natively integrated millions of merchants
@DoveyWan

This is why I believe the regulators will allow libra. They don't want the Chinese to dominate global payments. And at least the blockchain piece of this gives some privacy vs all of Alipay's payments going to the Chinese government clearing house.
@novogratz

Asked Rory Stewart if he was going to survive the day: He says: "I feel a bit like Carlisle United going to Wembley at the moment – but fingers crossed we should be fine"
@nickeardleybbc

Tory leadership debates "a great use of time and money", insists 99.8% of the population that doesn't get a say in the outcome."
@haveigotnews

It's high time Britain's fledgling cannabis industry got serious about protecting its IP

Jane Wainwright

ALREADY a $10bn-plus industry, the legal cannabis business is rapidly going mainstream – and not just in Canada and the US.

You might not know it, but the UK has been steadily growing its own cannabis infrastructure for some years, with London increasingly becoming a hub for advisers and entrepreneurs looking to get on board the green rush.

What's more, despite strict laws on medical access that have only recently begun to be relaxed, the UK actually produced some 95 tonnes of legal cannabis in 2016, making it the world's largest exporter.

While many more established industries grapple with the continued uncertainties of Brexit, a real opportunity now exists for "UK Cannabis plc." to flourish.

But if British businesses are serious about tapping into a market which could be worth as much as €115bn across Europe by 2028, they must heed the lessons learned from their pioneering Canadian counterparts. That means being acutely mindful of protecting their innovations from the outset.

Just as with any new market opening, when medical cannabis was legalised in Canada during the 1990s, we saw many small entrepreneurial businesses rushing to develop and sell new products. While some indeed delivered market-shaping inventions that endure to this day, many more found themselves falling way short on the fundamentals of IP, allowing larger corporates to rush in and take advantage.

Their UK and international counterparts are now very much positioned to do similarly as the market starts to open up here.

One of the strongest ways any business can protect its innovations is through patent protection, and the cannabis industry is no different. Indeed, there are already many patentable products and processes surrounding the substance – from novel or modified ingredients extracted from the cannabis plant and new ways of using cannabis products, to improved cultivation techniques and end-user consumption technology.

Novel cannabis plant varieties, of which there are many, can also be protected in certain circumstances.

Regardless of their propositions, UK businesses need to recognise the international nature of the industry.

Taking Canada again as an example, there are now 90 publicly listed cannabis-related companies with a market value of about CA$31bn, but the top three filers of patents there are Swiss, US and British businesses.

Time is also of the essence. The cannabis industry is a hugely dynamic space with international players already making moves in the UK. Only last December, the world's largest cannabis company, Canadian producer Canopy Growth, announced that it was establishing a UK subsidiary, Spectrum Biomedical, to supply British pharmacies.

Such players know only too well the value of IP and the potential of the UK market.

Whether the UK ends up following Canada's lead on legalising the recreational usage of cannabis of course remains to be seen – and likely depends on whoever becomes the next Prime Minister.

Even if this does not happen, however, as the fledgling British medical cannabis industry establishes stronger roots, protecting its innovations is only going to become more important.

Jane Wainwright is a life sciences patent attorney at IP law firm Potter Clarkson.

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

Better building holds the key to boosting growth and productivity

Mark Reynolds

THE TORY leadership campaign is narrowing, and whoever becomes our next Prime Minister will inherit a political landscape that is more challenging and complex than any I've experienced in my time in business.

Our relationship with the EU is receiving the most attention, and understandably so. But the to-do list after that is extensive.

The new Prime Minister has an opportunity to hit the ground running and tackle some of these issues head-on. And there is no better area to apply their newfound political capital than the construction industry, and how it can transform the UK.

While the sector makes up six per cent of our economy, its impact is felt across the whole of society. Our buildings and the wider built environment affect all of us – they change how we live, work, and spend our leisure time.

And with greater investment and support in innovation and new technologies, the construction industry can not only improve what we build, but can also make a hugely positive contribution towards the social and economic needs of the country.

Take education, for example. There is a huge pipeline of construction work that could help to replace the outdated schools that are limiting the productivity of teachers.

However, as it stands we are continuing to build schools that are much like those that have come before.

From facilities that are falling apart to dated designs that prevent the introduction of new teaching technologies, there are many problems that don't necessarily require additional resources, but could be fixed by a new, user-focused approach to construction.

By bringing school staff into the design process and by allowing the construction of more flexible, cost-effective school accommodation that can be built faster and repurposed in different ways, we can help teachers to claim back hours they spend working unproductively to help them achieve better outcomes for our children.

Then there's healthcare. We know already from work done by the NHS that if you design hospitals and treatment facilities with an understanding of how nurses actually work, you can shave minutes off treatments. Over time, that adds up to hours of additional capacity, and helps to save lives.

By adopting new construction and design techniques, we can make it easier to do just that – but currently the sector can't invest enough to trigger a wholesale shift in how we build.

Other examples include better designs for our prisons, which would help to encourage rehabilitation and limit the time our hard-working public servants spend managing outdated estates, or better designed offices which enable public sector workers to work more productively, collaborate more effectively, and achieve better outcomes for us all.

> **If you design hospitals with an understanding of how nurses work, you can save lives**
>
> “

This applies beyond our public services. Better buildings could transform productivity in workplaces across the whole of the UK and unlock huge growth, alongside revolutionising the construction industry and creating thousands of new jobs in the process.

The sector is ready to change, and we're on the verge of a genuinely transformative revolution.

We're already making progress. In July 2018, the construction sector received a £170m research and development grant from the government's industrial strategy and construction sector deal, and in response the industry is committing a further £250m to develop solutions to improve innovation, safety, quality, and productivity.

However, we won't be able to capture the benefits to everyone without more support from the government.

A firm commitment to a pipeline of work for radical new construction methods, alongside further funding for innovation and regional investment in offsite construction, would go some way to help us on that journey.

Whoever ends up as our new Prime Minister – and whatever the outcome of our protracted negotiation to leave the EU – a boost to public sector productivity and private sector growth is a big win that will help to ensure our long-term economic success.

Mark Reynolds is chief executive of Mace.

DEBATE

Is Facebook's launch of libra proof that cryptocurrency is going mainstream?

YES

ELEESA DADIANI

For any new financial system, mainstream adoption is contingent on ease of access – and libra is specifically designed with that in mind.There are many reasons why crypto hasn't reached mass adoption yet, but the advent of easy-to-use payment gateways has seen an increase in people wanting to join this brave new world.

In the early days, it was widely believed that bitcoin's sole purposes were money transport, evading sanctions, and as an alternative value exchange in crisis – so it really had no immediate appeal to citizens not under any economic duress.

Today, people are beginning to sense an industrial shift into a different kind of money: money that is cashless, cross-border, and global. Yet what has been absent for this galvanisation of mass adoption is a key catalyst.

As an existing, global and "trusted" (I say that with caution) social platform in use by 2.38bn people worldwide, Facebook has the power to act as a portal to both social and now monetary change.

Eleesa Dadiani is a cryptocurrency broker and founder of Dadiani Fine Art.

NO

LEON EMIRALI

Despite the hubbub over the past few years, the adoption of cryptocurrency has been woeful. It is estimated that just eight per cent of the population own cryptocurrency, and although Facebook's foray into this space will increase that, it won't be by much.

The reality is that banking has been one of the few sectors to spot tech disruption and react to it. With a couple of taps of a button, banking apps – both from mainstream names and new challengers – already allow users to transfer money seamlessly. The ability to do that via Facebook or Whatsapp is not a good enough USP to bring crypto into the mainstream.

With the "get rich quick" novelty of crypto consigned to history, it has failed to penetrate beyond the murky underbelly of the digital community who wish to keep their financial transactions anonymous. Developing economies, which lack widespread access to banking services, are likely to be the main target for libra, but there's still a long way to go until crypto becomes the world's go-to payment choice.

Leon Emirali is an entrepreneur and investor.

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DATA & BUSINESS

HANGING IN THE BALANCE

Semyon Germanovich asks if Facebook will legitimise cryptocurrency

THE "BANKING for the unbanked" narrative has long been the preserve of the bitcoin community. There are some 1.7bn people in the world today with no access to a bank account, and since bitcoin came into common usage, "financial inclusion" has been its mantra.

So what should we make of Facebook's apparent incursion into cryptocurrency?

The launch of libra, a digital currency that will allow Facebook users to make financial transactions around the world, is described by some as a game-changer; others, as a money-maker, and a welcome distraction from Facebook's recent woes.

The three central problems for any cryptocurrency are scalability, volatility, and regulatory uncertainty.

In the case of bitcoin, scalability has precluded the currency from being used as an everyday method of payment, while thanks to volatility, it cannot be used as a store of value.

Ongoing regulatory uncertainty has everyone from startup investors to large companies spooked.

Bitcoin has taken steps to resolve these problems. In 2016, when the currency reached its zenith, there were so many transactions made on the bitcoin blockchain that at one point it cost more than $70 simply to send a bitcoin payment.

The community was frustrated that, at a time of great exposure, bitcoin was in effect unusable. Bitcoin Cash came into being to address this problem of scalability, and it has gained traction, albeit slowly.

Facebook has a solution to scalability. By controlling the user's ability to make payments, libra becomes a kind of conditional blockchain.

In other words, Facebook has the ultimate say as to whether or not you can use it.

Introducing an approach like this alleviates the problem of scaling experienced by "unconditional" blockchain currencies, such as bitcoin, but it obviously comes at the cost of full financial freedom.

As for the volatility problem, the libra project involves backing the currency with a basket of fiat currencies (government-backed).

We can predict that libra will be a more stable currency than bitcoin is or has been, to the extent that it may even approach the stability of the underlying fiat currencies themselves.

And we can be confident that libra will meet regulatory standards, too, backed as it is by some of the largest payment processors on the planet.

The impressive body of technology companies and venture capitalists assembled for the libra project unquestionably makes the cryptocurrency space a lot more interesting.

But despite all of these positives, there are some doubts – and the question remains: is libra a true cryptocurrency?

> Libra's proposed wallet will not be in the pockets of those who own the money

Facebook, after all, is using a basket of fiat currencies and securities to support libra, which some might argue answers the question in the negative.

What's more, libra, though borrowing heavily from bitcoin and ethereum, it has neglected features which those in the space would suggest are the best qualities of both.

Proof of work, or "mining", is absent. And it isn't an anarchistic, free-for-all payment system in which computing power runs the show.

Libra transactions, meanwhile, aren't final. The consortium of tech companies brought together for the project can blacklist entities.

Although this is a good thing for regulation, it strips users of the control that they have over their own finances, handing it over to those companies instead.

Facebook will have all of your financial data, if it haven't got its hands on it already. And it seems highly unlikely that users will have the degree of control over their money that they anticipate they will have.

In other words, libra's proposed wallet, Calibra, will not be in the pockets of those who own the money.

Without decentralised decision-making and a payment system governed by computers according to strict rules, libra seems quite clearly to exist outside the domain of the cryptocurrencies with which we are already familiar. The question – and only time will tell – relates to whether or not this is such a bad thing.

Libra has, at the very least, given authority and credibility to digital currencies. It has the potential to be the catalyst for a rapid closing of the "adoption gap", something which we have all been waiting for.

Given its vast array of properties unrelated to cryptocurrency, libra is likely to position itself not as a competitor to bitcoin or any other digital currency, but as a disruptor in the space in which banks and ageing remittance providers such as Swift and Western Union operate.

This, we can be sure, is a hinge moment in the history of cryptocurrency. Digital currency has arrived.

More important, perhaps, and indeed worthy of attention, is what's taking place behind the curtain: a seismic shift of power from the state to the tech company.

Semyon Germanovich is the founder of Voltaire, a cryptocurrency exchange, and a guest lecturer at Exeter University.

TECHNOLOGY

EDITED BY STEVE HOGARTY

SONY'S NEW FLAGSHIP IS A TOWER OF POWER

With a cinema-style widescreen display, the **Xperia 1** stands out from the crowd

PHONE

SONY XPERIA 1
£849, SONYMOBILE.COM
★★★★☆ | BY STEVE HOGARTY

Look at this incredibly tall lad. Sony's new flagship, the Xperia 1 is a monolith, a towering glass slab that looks just as likely to trigger the next stage of human evolution as it is to book you an Uber. Take this thing outside and you'd need to let air traffic control know ahead of time.

The phone's elongated, letterbox aspect ratio of 21:9 was chosen as the ideal shape for watching cinematic, widescreen movies. Coupled with the OLED screen's deep and rich colours, inky blacks and high contrast HDR, it makes for the most immersive entertainment experience you can get on a device of this size. The 4K resolution alone (giving the screen a pixel density of 643ppi compared to the 458ppi of the iPhone Xs) offers unparalleled clarity, and the kind of microscopic detail that your retinas will struggle to appreciate.

Find a movie that runs at the optimal resolution (anything in the more standard 16:9 format gains black bars down each side) and this is the nearest you'll get to holding an IMAX cinema screen in the palm of your hand. It's just a shame Sony doesn't package the Xperia 1 with a bucket of popcorn and a special harness to hold the phone in front of your head.

When you're not watching Netflix, all of that vertical height can still be put to good use. Split-screening apps to run two things at once is typically a cramped affair on other Android phones, but on the vast expanse of the Xperia 1, two apps have plenty of room to breathe. Typing is also enhanced, with the keyboard taking up hardly any real estate and leaving the entire top two-thirds of the display available for whatever you're writing, be that a screed, a polemic, or just a particularly long grocery list.

As well as watching movies and looking at entire Twitter threads at once, the big screen serves a third purpose in playing games. This is the least useful utilisation of the pixels, as while a few games have been optimised to fill the space (both Fortnite and Asphalt Racing come preloaded on the device and look stunning in super widescreen) most games will end up bordered on the top and bottom by black bars.

Sony has always struggled to stand out among other high-end Android phones, so its decision to focus on designing a unique device – one better suited to movie watching than any competing iPhone or Galaxy – makes sense. And it is, after using it for some time, a beautiful phone. Other phones begin to look squat by comparison, like Gimli to Sony's Legolas.

It's not especially easy to use however. A set of clever gesture and touch-based controls help you navigate its peculiar girth when holding it with just one hand, with double-taps of the edge of the screen shrinking the operating system to within

thumbing distance. But these functions always feel like a crude solution to the self-imposed problem of having – and it bears repetition – a screen that's as tall as a house.

But this flagship is more than just it screen. The camera is the best Sony has ever made, and uses a trio of 12

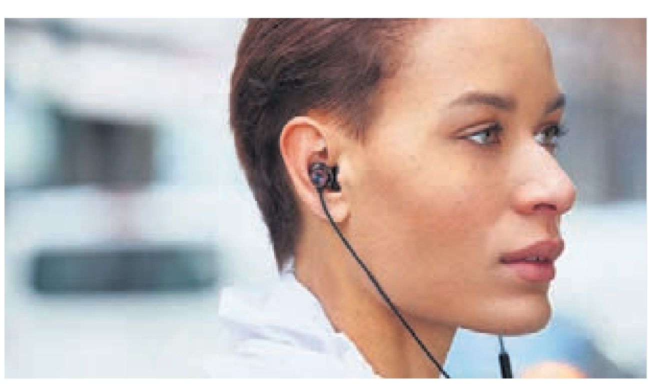
> “Other phones begin to look squat by comparison, like Gimli to Sony's Legolas

megapixel lenses – one wide angle, one super wide and one telephoto – to produce impressive shots in a range of conditions. The film production division of Sony has loaned its expertise here too, with a powerful CineAlta app that offers videographer grade control over the frame.

Performance is fast, backed up by a beefy 6GB of RAM and a Snapdragon 855 processor, which offers more than enough power to run high-end games and apps at this demanding resolution. It's zippy.

Whether or not enough of us want to watch high-quality movies on the go – or care passionately enough about multitasking – to choose an Xperia 1 over an alternative remains to be seen, but Sony's latest flagship is the ideal device for film enthusiasts and productivity buffs alike.

LOOKING FOR SOME PEACE? HERE ARE THE BEST HEADPHONES FOR AN OPEN OFFICE



ONEPLUS BULLETS WIRELESS 2
£99, ONEPLUS.COM/UK

The sequel to the Bullets Wireless, these neckband earphones from phone manufacturer OnePlus are one of the finest examples of the form. The snug and comfortable earbuds magnetically snap together when left dangling around your neck, which automatically pauses your media and turns them off, conserving battery life. A quick double tap of the power button will switch between your two most recent Bluetooth devices too, a helpful feature that lets you easily transition from listening to Spotify on your phone, to listening to Spotify on your desktop computer, all without having to unplug and risk hearing the dreadful howls of your colleagues as they shriek with unrestrained simian delight at your arrival.

LOGITECH ZONE WIRELESS
£199, LOGITECH.COM

Logitech is far from the sexiest headphone brand around – no company that designs ergonomic keyboards could ever hope to be – but what its new range of headsets lack in style they make up for in good old fashioned practicality. The Logitech Zone Wireless is optimised for the open office, with a softly padded on-ear design that's comfortable to wear for hours on end. There's active noise cancellation to eradicate the sounds of your unbearable, braying colleagues – who will surely hoot and holler in unbridled jealousy of your new headset – while the boom mic has been tuned for high-quality voice calls. Sidetone lets you hear yourself speak too, so you never find yourself "doing a Dom Joly" at your desk.

MICROSOFT SURFACE HEADPHONES
£330, MICROSOFT.COM

Microsoft's Surface laptops, tablets and computers are the company's most beautifully designed hardware yet, and the Surface Headphones fit neatly into this new minimalist, metallic aesthetic. Adjustable active noise cancellation helps to drown out the noise made by your insufferable, clanking colleagues, whose deafening honks and taunting whistles will be reduced to a whisper at the simple twist of the intuitive earcup controls. If you do need to communicate with a co-worker, taking the headphones off your noggin will pause any music or podcasts you were listening to, and popping them back on will start it up again. The sound quality knocks Logitech into a cocked hat, but those leather pads are less comfortable.

THE PUNTER

RACING TRADER

BILL ESDAILE'S GOLD CUP 1-2-3

1 DEE EX BEE
2 STRADIVARIUS
3 CROSS COUNTER


Dee Ex Bee has won both of his starts at two miles this season

DEE EX BEE CAN GRIND HIS WAY TO GOLD CUP GLORY

IT WAS Johnny Nash who sang about being able to see clearly now the rain has gone and hopefully racegoers will be met by glorious sunshine at Ascot today on Ladies' Day.

The course has taken a drenching in recent days and even though it will now start to dry out, there will still be plenty of cut in the ground for the Gold Cup (4.20pm).

Last year's winner **STRADIVARIUS** is just 6/5 with Coral to join a small but elite list of horses who have won the third day feature in consecutive seasons.

John Gosden's five-year-old won the Queen's Vase at this meeting back in 2017 and has only tasted defeat once in four visits to Ascot.

He has a tremendous attitude and it was his sheer tenacity that allowed him to repel the challenge of Vazirabad 12 months ago in a scintillating finish.

More often than not he looks beaten in his races, but he battles away and finds enough in reserve to hold all challengers at bay.

The most likely scenario is that he will add to his tremendous record at the track, but at the prices, and with plenty of give in the ground, I am prepared to take him on.

This looks a far better race than last season, with the dangers headed by Melbourne Cup winner **CROSS COUNTER** who is another rapidly improving with age.

It is remarkable to think that he could only finish fourth to Baghdad in the King George V Stakes here 12 months ago off a mark of 98, yet is now a Group One winner rated 20lbs higher.

There was plenty of give underfoot at Flemington when he rewrote the record books last November to become the first British trained winner of Australia's biggest race, so the ground shouldn't trouble him too much.

I guess the biggest worry is whether he will truly see out the extra half mile, but if he does, he may just be the one they all have to beat.

Charlie Appleby's four-year-old is 9/2 with Ladbrokes to spoil Stradivarius' party, but would definitely need any further rain to stay away.

Mark Johnston's **DEE EX BEE**, who has been a revelation since upped to staying trips this campaign, is one horse who won't mind further showers.

He showed plenty of guts to repel Mekong in the Henry II Stakes at Sandown when last seen in action last month, but that seems his way.

He is ridden by champion jockey Silvestre de Sousa this afternoon and they are the ideal pairing for a race of this nature.

Dee Ex Bee is a relentless galloper who needs a jockey prepared to work equally as hard in the saddle.

Plenty will get to Dee Ex Bee, but it is the getting past him that will be the hard part, and at a best-priced 6/1 with Ladbrokes he looks the value call to me.

Aidan O'Brien is bidding to land the prize for an eighth time and saddles three, headed by Flag Of Honour.

He steps up massively in distance and looks the most likely of the trio to get involved if staying the trip.

Called To The Bar flies the flag for France and won nicely at Longchamp last time.

This requires a huge step up, though, and he is another not guaranteed to relish the extra half mile.

Ian Williams has his team in great order, so if one was to hit the frame at a massive price it could easily be his former Chester Cup winner Magic Circle.

That's certainly not out of the question, but he would need one of the leading protagonists to massively under-perform to reward each-way support.

@BillEsdaile

TODAY'S BIG RACE AT ROYAL ASCOT — RACING POST

Going: SOFT

4.20 GOLD CUP (GRP 1) (BRITISH CHAMP SERIES) ITV
(1) 2m4f 4yo plus £283,550 11 dec.

1 (1)	12-131	**CALLED TO THE BAR** (25) (T)	Mme Pia Brandt (FR)	5 9-2	**M Guyon**
	Runs: 14 Wins: 6 GS,GD Places: 6 Prize Money: £494,046				
2 (7)	540-53	**CAPRI** (34) (BF)	A P O'Brien (IRE)	5 9-2	**D O'Brien**
	R: 18 W: 6 YLD,Y/SFT,HY,GD,GS,SFT/HY P: 2 PM: £1,504,848				
3 (6)	/110-3	**MAGIC CIRCLE** (42)	I Williams	7 9-2	**J Crowley**
	Runs: 23 Wins: 8 SFT,GS,GD Places: 2 Prize Money: £241,665				
4 (2)	1111-1	● **STRADIVARIUS** (34) (CD)	J Gosden	5 9-2	**L Dettori**
	Runs: 15 Wins: 10 STD,GF,GD,SFT Places: 3 Pr M: £1,707,480				
5 (3)	6512-2	**THOMAS HOBSON** (39)(CD,BF)	W Mullins (IRE)	9 9-2	**A Atzeni**
	Runs: 18 Wins: 6 SFT,GD,GF,GS Places: 6 Pr Money: £387,795				
6 (4)	1121-1	**CROSS COUNTER** (82) (C)	C Appleby	4 9-1	**James Doyle**
	Runs: 9 Wins: 6 STD,GF,GS,GD Places: 2 Pr Money: £3,331,223				
7 (11)	616-59	**CYPRESS CREEK** (20) (P)	A P O'Brien (IRE)	4 9-1	**J A Heffernan**
	Runs: 12 Wins: 2 GD Places: 2 Prize Money: £67,891				
8 (8)	243-11	**DEE EX BEE** (28) (C)	M Johnston	4 9-1	**S De Sousa**
	Runs: 15 Wins: 4 SFT,HY,GF Places: 4 Prize Money: £613,558				
9 (5)	45-222	**FLAG OF HONOUR** (25)	A P O'Brien (IRE)	4 9-1	**R L Moore**
	Runs: 15 Wins: 5 YLD,GF,GD Places: 3 Prize Money: £542,254				
10 (9)	250-14	**MASTER OF REALITY** (34)	J P O'Brien (IRE)	4 9-1	**W M Lordan**
	Runs: 9 Wins: 3 SFT,GD,YLD Places: 1 Prize Money: £75,580				
11 (10)	61-623	**RAYMOND TUSK** (33)	R Hannon	4 9-1	**J P Spencer**
	Runs: 10 Wins: 3 GS,GF,GD Places: 3 Prize Money: £192,452				

2018: Stradivarius (IRE) 4 9 1, L Dettori 7/4J (J Gosden), 9 ran.

BETTING: 11-10 Stradivarius, 4 Cross Counter, 13-2 Dee Ex Bee, 9 Flag Of Honour, 16 Called To The Bar, Capri, 20 Others

Bill Esdaile previews the Norfolk Stakes and Hampton Court Stakes

King Power can get off to a flyer with Sovereign and Chairman


Fox Chairman can land a poignant Royal Ascot success for King Power Racing

KING Power Racing were so close to landing an emotional first Group One on Tuesday with Beat The Bank's excellent second in the Queen Anne, but today could be a massive day for the growing operation.

They have some serious chances and **SUNDAY SOVEREIGN** is going to be very hard to beat in the opening Norfolk Stakes (2.30pm).

King Power bought the son of Equiano earlier this month after Paddy Twomey's colt had beaten Arizona comfortably in a six furlong Curragh maiden in early May, form that was franked when Arizona took Tuesday's Coventry Stakes.

Sunday Sovereign then ran away with a Tipperary event over the minimum trip, proving he has the speed for this test.

The ground is likely to dry up a little at some point today, but there will still be plenty of cut and all conditions seem to come alike to him anyway.

Billy Lee rides Ascot well and everything looks set for a big run, so he should be backed at 5/2 with Coral.

Wesley Ward has won this race twice, including last year with Shang Shang Shang, and he relies on Maven who wasn't hugely impressive on debut at Aqueduct but is well regarded by his handler.

As with most of his horses, I'm sure Ward would have preferred the rain to have stayed away this week but Maven will be sharp out of the blocks and it's just whether he can hold on.

A bigger threat to my selection could be Charlie Appleby's Expressionist who won comfortably over course and distance on his debut last month.

It was good-to-soft that day and he has to rate a danger at around the 10/1 mark.

The following Group Three Hampton Court Stakes (3.05pm) over 1m2f is for those horses who are generally a notch below Guineas or Derby class.

Aidan O'Brien won it 12 months ago with Hunting Horn and his main contender this year is Cape Of Good Hope who won the Investec Derby Trial at Epsom in April before finishing fourth in the French Derby.

He is clearly one of the leading contenders but I'm going to take him on with another King Power horse, Andrew Balding's **FOX CHAIRMAN** at 9/2.

The son of Kingman won well on debut at Newbury in April and then wasn't beaten far behind Circus Maximus in the Dee Stakes at Chester when he suffered an interrupted passage.

That form was backed up when the winner landed the Group One St James's Palace Stakes on Tuesday.

I have no doubt that Fox Chairman is a very talented horse and well capable of winning at Group Three level, if not higher by the end of the season.

Silvestre de Sousa takes the ride and I'm hoping he can cap off an incredible half an hour or so for the owners.

It is by no means just a two-horse race, though, with plenty of others holding strong chances.

King Ottokar will appreciate the drop back in trip, while Sangarius, another Frankel colt, is going the other way in distance and should relish the extra couple of furlongs.

Roseman finished in front of Sangarius at Sandown last time and the winner King Of Comedy ran a cracker in the St James's Palace.

Then there's Headman who won the London Gold Cup at Newbury which is always a strong race.

It's wide open, but I'll stick with Fox Chairman who can gain his first success at Group level.

POINTERS

Sunday Sovereign		
2.30pm		Royal Ascot
Fox Chairman		
3.05pm		Royal Ascot

Sinjaari to make Fleeting visit to the winners' enclosure

NEWBURY'S London Gold Cup is always one of the hottest handicaps of the season.

It nearly always goes to a highly progressive horse who is likely to ply his or her trade in Group company later in life.

Roger Charlton's Headman, who won under top-weight at Newbury last month, is doing that already by taking his chance in the Hampton Court this afternoon.

However, the horse he beat by just a short-head in that contest is my idea of the winner in today's closing King George V Handicap (5.35pm).

SINJAARI thrusted late but couldn't quite get to Headman and he was probably a little unlucky as he didn't get the clearest of runs when making his challenge.

Prior to that, he had won well at Windsor, also over 10 furlongs, but the son of Camelot now looks ready to step up to this 1m4f trip.

Many might think that his wide draw in 22 is a big negative, but funnily enough the last eight winners have all come out of double figure stalls, with two of the last four exiting from 20 and 22.

A low draw is seemingly a disadvantage in races over this trip at Ascot and with William Haggas' team in such good form, Sinjaari looks a great each-way bet at around the 7/1 mark.

Aidan O'Brien has already had a good week and I think **FLEETING** can give him a fourth win in the Ribblesdale Stakes (3.40pm) in the last six years.

The daughter of Zoffany ran on really strongly to take third in the Investec Oaks last time and that form is better than anything else in the field.

Queen Power is the danger but Fleeting is the call at 7/4 with Coral.

POINTERS

Fleeting	**3.40pm**	Royal Ascot
Sinjaari e/w	**5.35pm**	Royal Ascot

SPORT

ENGLAND NOT QUITE WHITE-HOT

Striker leads the way, but still work to be done for Phil Neville's side at the World Cup, writes **Felix Keith**

PHIL Neville has made clear his desire to shape England into a possession-based side. By this evidence it remains a work in progress.

After unspectacular wins over Scotland and Argentina, the Lionesses were faced with their biggest test of the Women's World Cup against Japan in Nice last night. They passed the test – but, despite the 2-0 scoreline, it was not with flying colours.

The first half contained flashes of composure and class, reminders of the technical ability of Neville's side, and a well crafted and well taken goal by Ellen White.

But with Japan goalkeeper Ayaka Yamashita on form, England couldn't push home their advantage and, after weathering severe pressure and relying on some lacklustre Japanese finishing, it was White who raced through to bury her second and send the Lionesses through as Group D winners with maximum points.

SHAKY POSSESSION

From the kick-off it was clear England wanted to go toe to toe with their familiar foes; Japan were beaten 3-0 in the final of the SheBelieves Cup, but crucially beat the Lionesses 2-1 in the 2015 World Cup semi-final.

Centre-backs Steph Houghton and Millie Bright were happy to hold the ball and probe for openings, but in truth it was the more direct style into outstanding forward White which worked best at bypassing the hard-working Japanese midfield.

With the 22-year-old Keira Walsh playing the pivot role on her 17th cap at the base of midfield it was a bold style – and one which brought its fair share of mistakes. Had the recalled Karen Bardsley not produced some sharp stops, England's efforts could easily have been undone. The win came. They top a World Cup group for a second time. But it was not vintage.

FIFA WOMEN'S WORLD CUP

JAPAN 0-2 ENGLAND

White (14', 84')

CLASSY STANWAY

Tuesday evening showcased the shining talent of Manchester City's Phil Foden in action for England's Under-21s. Last night was a chance to enjoy another outstanding young playmaker on the club's books.

Georgia Stanway won the PFA Young Player of the Year award this year and her presence in the Lionesses' midfield provided a point of difference.

It was her spin, drive and poked through-ball which sent White in for the first goal after 14 minutes and her vision which provided the best moments in the final third throughout.

Her inexperience showed at times when taking on inadvisable pot-shots from distance and losing the ball in dangerous areas, but it was a bright showing from the young gun.

RAZOR-SHARP WHITE

Ultimately though it was the assured finishing of White which won it. The striker lead the line tirelessly, holding the ball up superbly and bringing in runners, but it was her instincts on the shoulder of the last defender which brought the goals.

Having scored in the opening 2-1 win over Scotland, White was confident and it showed. A deft finish past the onrushing Yamashita got England under way before she repeated the trick at the near post from Karen Carney's pass to made sure of the points late on. Given her finishing prowess it's no surprise Manchester City have already swooped to sign her.

DISAPPOINTING TURN-OUT

Overall it was a high-quality contest in Nice, with two of the world's most technical teams trying to out-manoeuvre each other. But it was a shame to see so many empty seats in the Allianz Riviera. Just 14,319 people were inside the 35,000-seater stadium, leaving an empty feel which has been a theme of the World Cup so far.

The consensus seems to be that there has been little visibility around France to suggest a tournament is taking place, while Fifa and their social media channels apparently have not been compelled to push ticket sales. It may be a footnote to a positive night for English women's football, but it is an important one nonetheless.

ONE STEP BEYOND? THE LIONESSES' RECORD

2015 WORLD CUP
England reached the semi-finals by negotiating the group stages, Norway and hosts Canada. But a 2-1 defeat by Japan left them in the third-place play-off where they beat Germany 1-0.

2011 WORLD CUP
England finished top of Group B with two wins and a draw. They then lost on penalties to France after a 1-1 draw.

2007 WORLD CUP
Hope Powell's team finished second in Group A to draw a strong USA side, who thrashed them 3-0 in China.

QUALIFICATION STRUGGLES
The Lionesses failed to qualify for the 2003, 1999 or 1991 editions, while they lost in the quarter-finals in 1995.

Morgan showed leadership and power in batting blitz

CRICKET COMMENT

Chris Tremlett

EOIN Morgan has always been someone who cashes in when he gets on a roll, but even for him the World Cup performance against Afghanistan on Tuesday was special.

As captain of the one-day side Morgan has tried to make England as dominant as possible and his innings of 148 from 77 balls, with an ODI record 17 sixes, was him leading from the front.

The fact he had suffered a back spasm four days beforehand just shows his character. When I toured with him for the 2011 Ashes in Australia and the World Cup in the subcontinent he was more of a Jack the Lad type, but now he's married, settled down and has really blossomed as a captain.

He's very professional. England were always expected to beat Afghanistan, but they have lost to Holland and Ireland at tournaments before and Morgan didn't want to take the easy option and sit the game out. Instead he embraced the adrenaline and produced a remarkable knock to remind us all just what he's capable of.

Morgan is a brilliant player of spin. He was one of the first to adopt the reverse-sweep years ago, but we didn't see much of it at Old Trafford – just conventional power down the ground.

Once he was in the mood he took full advantage of it and that will give him a lot of confidence for the rest of the tournament.

JOY TO WATCH

Next up it's Sri Lanka at Headingley tomorrow and I can only see one result. England are full of confidence and simply a much better side than their opponents, who so far have only picked up one win, against bottom team Afghanistan.

I haven't been impressed by Sri Lanka's bowling which looks average at best. Lasith Malinga is 35 now and doesn't bowl with the same pace and won't be feared by this England top order.

Whether they have to bat first or second I'm confident England will score enough runs to seal the deal, while their pace attack has been a joy to watch of late.

Jofra Archer has taken 12 wickets and Mark Wood nine with some hostile and accurate bowling. They both seem to be really enjoying it – especially the aspect of scaring the opposition. Sri Lanka's batsmen are yet to fire and are likely to be on the receiving end of a barrage in Leeds.

England can cement a place in the semi-finals with a fifth win from six matches, which will allow them to, if not completely take their foot off the gas, then go at 80 per cent for the remaining three games.

Although we're over the halfway point in the group stages and the top four of England, Australia, New Zealand and India are pulling away from the rest, I don't have a problem with the format.

With all 10 teams in one group it's fair. It rewards consistency, allows the best teams to rise to the top and ensures the unfortunate rained off games aren't as telling.

It's true that we haven't had a real shock result yet, but I'm sure the semi-finals will provide plenty of memorable moments.

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

SPORT DIGEST

SCOTS KNOCKED OUT OF WORLD CUP IN VAR DRAMA

Scotland were knocked out of the Women's World Cup last night after a dramatic injury-time penalty saw Argentina come from 3-0 down to draw 3-3 in Paris. Goals from Kim Little, Jennifer Beattie and Erin Cuthbert had the Scots on course to progress. But Milagros Menendez's goal and a Lee Alexander own goal made things nervy before the video assistant referee gave Argentina a 94th-minute penalty. Alexander saved from Florencia Bonsegundo but VAR deemed the Scot to have come off her line prematurely and Bonsegundo scored the re-take to deny them.

STOUTE TOASTS ASCOT WINNER CRYSTAL OCEAN

Crystal Ocean held off favourite Magical to win the Prince of Wales' Stakes at Royal Ascot yesterday. The five-year-old, ridden by Frankie Dettori, claimed an 80th Ascot win for trainer Sir Michael Stoute as Waldgeist came third. "He's a high-class horse," said Stoute. "I'm delighted to have won a Group One with him now."

EVANS' STREAK ENDED BY WAWRINKA AT QUEEN'S

Dan Evans' 10-match winning streak came to an end with a first-round defeat by Stan Wawrinka at Queen's yesterday. Evans, who had won successive titles at Surbiton and Nottingham, lost 6-3, 6-4 to the seventh seed. British No1 Kyle Edmund will resume his tie against top seed Stefanos Tstsipas today at 3-3 in the second set today after losing the first before rain last night. Meanwhile, Johanna Konta will head to Eastbourne looking for form ahead of Wimbledon after losing 6-3 6-4 to Jelena Ostapenko in Birmingham.

SARACENS GIVEN TOUGH CHAMPIONS CUP GROUP

European champions Saracens will face a tough start to their Champions Cup defence next season after being drawn alongside Munster, Racing 92 and Ospreys in the group stages. Premiership finalists Exeter Chiefs play Glasgow, La Rochelle and Sale Sharks, while Harlequins and Bath are in Pool Three with Clermont and Ulster.

SORRY SCHOLES HIT WITH £8,000 BETTING FINE

Paul Scholes has been fined £8,000 after being found to have breached the Football Association's betting rules. The former England and Manchester United midfielder, now part-owner at non-league side Salford City, apologised and said he was unaware of the rules when placing 140 bets between 2015 and 2019.

CAPTAIN KANE Williamson delivers killer blow in World Cup thriller

New Zealand captain Kane Williamson struck an unbeaten century to guide his side past South Africa in a nervy World Cup chase yesterday. Set 242 to win from 49 overs after a delayed start, South Africa struck to reduce the Kiwis to 80-4 but Williamson (106 not out) and Colin de Grandhomme (60) rebuilt in a partnership worth 91 runs to set up a close finish at Edgbaston. Needing eight from the final over Williamson swept a brilliant six off Andile Phehlukwayo (pictured) to bring up his hundred and seal New Zealand's fourth win to send them top of the table. The defeat, South Africa's fourth in six games, effectively ended their hopes of reaching the semi-finals. "It's just about trying to do the job as well as you can," said Williamson. "I was fortunate I was able to do it today."

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