CITY A.M.
BUSINESS WITH PERSONALITY

WORTH THE WAIT BMW'S 8 SERIES RETURNS AFTER TWO DECADES AWAY **P23**

SUPER MARIO'S EXIT WHAT NEXT FOR THE SINGLE CURRENCY? **P22**

TUESDAY 21 MAY 2019 | ISSUE 3,375 CITYAM.COM FREE

HUAWEI ROW SENDS STOCKS INTO THE RED

JAMES WARRINGTON
@j_a_warrington

GLOBAL stocks slumped yesterday after Google blocked parts of its business with Huawei, sparking fears of an escalation in the trade war between the US and China.

Google confirmed it had suspended Huawei's access to its Android operating system after US President Donald Trump blacklisted the Chinese smartphone maker over fears it could be a vehicle for state-sponsored spying.

The move, which could cripple Huawei's global business, sparked a tech stock sell-off, dragging the Nasdaq down 1.5 per cent. The New York Stock Exchange Fang+ index, which tracks the tech sector's biggest hitters, closed down 2.7 per cent.

The Google block jangled nerves at a string of other Huawei suppliers, which also halted trading with the Chinese firm this week.

Chip makers Intel, Qualcomm, Xilinx and Broadcom all told employees they will not supply Huawei until further notice, Bloomberg reported, while phone parts producer Lumentum confirmed it was halting shipments to the firm, which also manufactures telecoms equipment.

German semiconductor firm Infineon also suspended trading with Huawei, according to Nikkei Asian Review, suggesting Washington's crackdown on the tech firm could have implications beyond the US.

The order was scaled back late last night after American markets closed as the US commerce department created a temporary general licence, giving firms until 19 August to adapt to the measures.

Google has suspended parts of its business with Chinese firm Huawei

The Philadelphia semiconductor index, made up of firms that design, distribute and manufacture semiconductors, slumped four per cent, compounding other losses caused by a slowdown in smartphone sales. It is on track for its largest monthly drop since the financial crash in 2008.

The turbulence was not restricted to tech alone, as investors feared an escalation in the trade war between the world's two largest economies.

The FTSE 100 closed down 0.5 per cent, while Germany's Dax and France's benchmark Cac 40 index fell 1.6 and 1.5 per cent respectively.

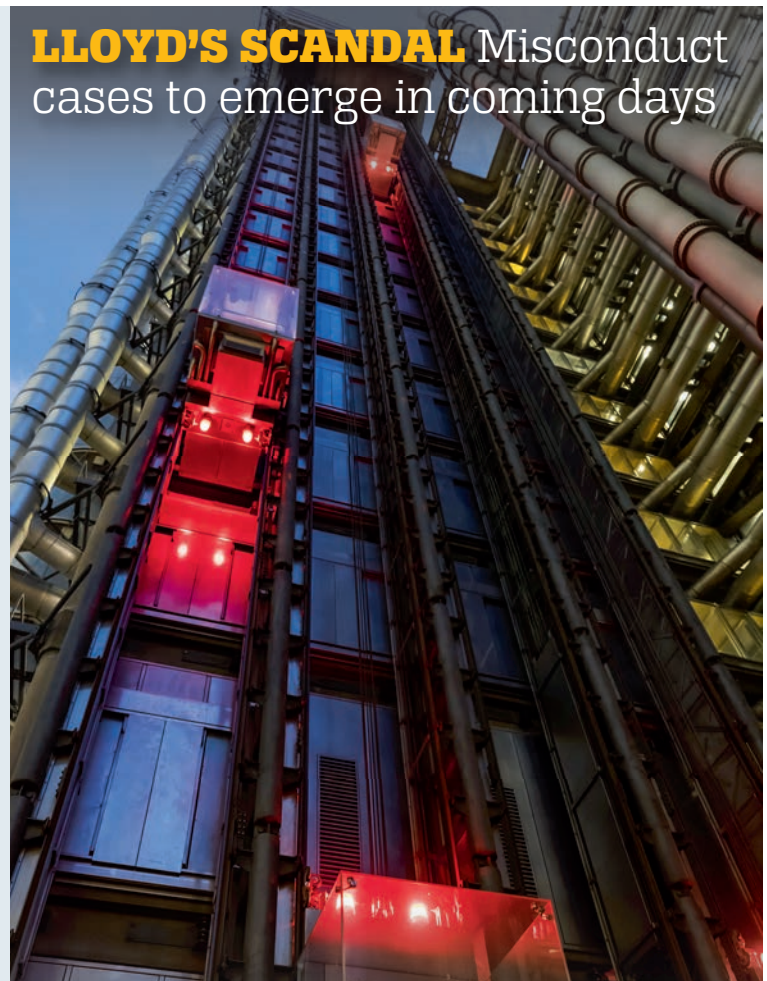
Alastair George, chief investment strategist at Edison Group, said the restrictions on Huawei "indicates the probability of a trade deal in the short-term is remote. We suspect the actions of the US will have caused significant antagonism within China's administration and have created an environment hostile to any formal agreement."

Huawei has insisted a ban will have minimal impact on its future growth, as the firm had been developing its own operating system as a contingency plan. The company has also been exploring options for alternative chip- and phone-parts suppliers.

"We will continue to build a safe and sustainable software ecosystem, in order to provide the best experience for all users globally," a spokesperson said.

Analysts warned the move could leave millions of future Huawei smartphones without access to Google apps such as Maps and Gmail, while existing models would not receive Android updates.

LLOYD'S SCANDAL Misconduct cases to emerge in coming days



HARRY ROBERTSON
@henrygrobertson

LLOYD's of London chairman Bruce Carnegie-Brown expects two or three cases of serious misconduct at the insurance marketplace to emerge as soon as this week, as his organisation tackles reports of widespread sexual harassment.

"There are two or three quite big live issues out there at the moment," Carnegie-Brown told *City A.M.* at the City Week conference in London yesterday.

He said: "They fall into the sort of categories of harassment and sexual activity and bullying."

Carnegie-Brown said Lloyd's had to "give the companies who are the direct employers of the individuals a chance to investigate them," after which Lloyd's itself would "have a chance to review them".

The historic insurance marketplace has been battling reports of a misogynistic workplace culture at the institution since March, when a Bloomberg article described "a deep-seated culture of sexual harassment".

CONTINUES ON P6

FTSE 100 ▼ 7,310.88 -37.74 FTSE 250 ▼ 19,335.59 -163.02 DOW ▼ 25,679.90 -84.10 NASDAQ ▼ 7,702.38 -113.91 £/$ ▲ 1.273 +0.001 £/€ 1.140 unc. €/$ ▲ 1.117 +0.001

CITY A.M.

THE CITY VIEW

Politicians must listen to the City, not lecture

TRADE secretary Liam Fox and City minister John Glen addressed the City Week conference at Guildhall yesterday, full of optimism and advice for Britain's financial services centre. As we reported ahead of time in yesterday's newspaper, Glen told attendees that London was "a global financial hub", while Fox promised that it will emerge "fitter, stronger and more dynamic" after Brexit. But what does any of this mean? Is Fox proposing a leaner, softer regulatory regime? Because if so, he should talk to Andrew Bailey at the FCA or Messrs Cunliffe and Woods at the Bank of England, all of whom have played down the prospects of a bonfire of red tape.

Tory politicians know that the City powers the rest of the economy, they know the tax revenue it generates, and they know how many people it employs. They should also know that confidence remains in the City despite – not because of – this government. Throughout the interminable Brexit debate, a disproportionate amount of attention and political energy has been paid to small traditional industries, rather than the UK's most successful exporters of services. In the words of Lloyd's of London chairman Bruce Carnegie-Brown: "The government doesn't appear to be advocating as strongly for UK financial services as is does for other sectors of the economy."

Square Mile leaders learned quickly that they were going to face Brexit on their own. The government may not have been ready to leave on 29 March, but the City was. Regulators have worked tirelessly to ensure stability and continuity while banks have moved hundreds of billions out of London. They have also worked to retain talent in London, seeking to hire additional people in the EU rather than shift staff out of the UK.

As a reward for their hard work, they are now being patronised by politicians who turn up at the Guildhall with an "it'll all be alright" message. It probably will be, but no thanks to ministers.

The Conservatives have traditionally branded themselves the party of business, but, as Tory MP and former business minister Richard Harrington warned at the weekend, that reputation is fraying. And while Labour has always had an axe to grind against the corporate world, it has become commonplace in recent years for Conservative MPs to lecture the City about the need to restore public trust. Perhaps these politicians need to turn this around, and reflect on what they can do to restore the business world's trust in them.

Follow us on Twitter @cityam

Bottom row from left: McLaren boss Zak Brown; developer Nick Candy and his wife Holly Valance; Susan Hammond and her husband, chancellor Philip Hammond

Troubled British Steel braces for insolvency

EMILY NICOLLE

@emilyjnicolle

BRITAIN's second-largest steel producer is preparing for an insolvency to occur within the next 48 hours, amid fears a bid for a rescue loan from the government will fall through.

British Steel is said to be formulating a strategy to collapse into administration, with EY expected to be formally appointed to handle the process tomorrow unless a deal is struck by this afternoon, Sky News reported late last night.

British Steel has been in talks with the government to secure an emergency loan of £75m, which insiders said had been reduced to around £30m as lenders and shareholders such as Greybull Capital agreed to stump up the extra cash.

The industrial giant's collapse would create more than 4,000 redundancies at its Scunthorpe steelworks, job cuts at its other sites, and leave up to 20,000 more jobs in its supply chain also in crisis.

Lenders are also understood to have released their security in order for a new government loan to be made on secured terms.

The emergency cash call comes days after British Steel suggested it had enough liquidity to continue operations for the foreseeable future, saying it was "grateful" for the government's support.

WHAT THE OTHER PAPERS SAY THIS MORNING

FINANCIAL TIMES

SNAP NAMES NEW FINANCE CHIEF AFTER ABRUPT EXIT

Snap has opted to promote two executives internally to its finance and human resources chief roles, as part of a management overhaul after the social media company suffered a string of high-profile departures. The company said yesterday that it had appointed Derek Andersen, its vice-president of finance, as chief financial officer, effective immediately.

HESELTINE HAS TORY WHIP SUSPENDED OVER BREXIT

Conservative grandee Michael Heseltine has had the Conservative whip suspended after declaring his intention to vote for the Liberal Democrats in the European elections this coming Thursday. The pro-European Tory peer and former deputy prime minister has not been suspended from the party.

THE TIMES

TRAFFIC POLLUTION LINKED TO ANXIETY DISORDERS

Living near a busy road can make children more anxious because of the toxic effect of traffic pollution on the developing brain, a study has found. Scientists scanned the brains of children living in areas polluted by nearby major roads.

SELF-HARM IMAGES ARE STILL ON INSTAGRAM

The father of Molly Russell, the teenager who killed herself after viewing self-harm and suicide images on Instagram, says such pictures are still available on the site despite a pledge to remove them. Ian Russell accused Facebook of making the promise in a "crisis" PR plan.

THE DAILY TELEGRAPH

FEARS FOR EUROZONE AS GERMAN ECONOMY REVERSES

The Eurozone is facing a weak second quarter as the German economy goes into "reverse" and political cracks widen in Italy. Germany's central bank, the Bundesbank, revealed its gloomy view on the eurozone's largest economy yesterday.

MUELLER AGENTS GIVEN GO AHEAD TO TALK TO STEELE

The UK government gave approval for US investigators to interview a former MI6 agent over his dossier detailing US President Donald Trump's alleged ties to Russia. Christopher Steele, who wrote the dossier, was interviewed in London by US officials.

THE WALL STREET JOURNAL

AMERICAN AIRLINES SUES MECHANICS UNIONS

American Airlines said it is suing two unions representing its mechanics in an effort to end an alleged work slowdown that it said could exacerbate delays and cancellations during the coming summer travel season.

IRAN SAYS IT WILL EXCEED LIMITS ON NUCLEAR PILE

Iranian officials said within weeks they could exceed an internationally agreed cap on their stockpile of low-enriched uranium, as tensions escalated. Iran threatened earlier this month to step up its nuclear programme, saying it would initially stop respecting limits on of enriched uranium and heavy water.

Clockwise from top left: Arcelormittal boss Lakshmi Mittal; Peter Chittick and his wife, director general of the CBI Carolyn Fairbairn; RSA chief Stephen Hester; financier Guy Hands

City in bloom as royal Flower Show kicks off

JAMES WARRINGTON

@j_a_warrington

THE CHELSEA Flower Show kicked off in style yesterday, as some of the City's biggest names rubbed shoulders with celebrities at the exclusive gala preview.

The Queen was joined by other members of the royal family at the star-studded opening event for the famous show, which is now in its 106th year.

The world-renowned display, held in the grounds of the Royal Hospital Chelsea, will open its doors to the public today, boasting lavish flower and landscape displays.

This year's show will feature a series of gardens showcasing how plants can benefit human health and raising awareness of the threat to forest ecosystems.

The Chelsea Flower Show, which expects to welcome roughly 157,000 visitors over the course of the week, hands out a number of awards and medals for the best gardens.

Backing no-deal Brexit means deliberate harm to UK, warns Hammond

JAMES WARRINGTON

@j_a_warrington

CHANCELLOR Philip Hammond is set to issue a stark warning over the dangers of a no-deal Brexit, stating those in favour of leaving without a deal are advocating a deliberate act of harm on the economy.

In a speech to be made at the annual dinner of the Confederation of British Industry (CBI) tonight, Hammond will warn there are some "on the populist right" who believe leaving without a deal is the only "truly legitimate" form of Brexit.

He will add the government must keep pushing to find a compromise and avoid a shift to a no-deal outcome, which he will say would be economically harmful to the UK.

The comments to industry bosses will follow fraught Cabinet discussions this afternoon over the details of Prime Minister Theresa May's "new and improved" Brexit plan, which she is hoping will pass through parliament on the fourth attempt in June.

The issue of the UK's departure from the EU has led to a deep rift within the Cabinet, and is a key battleground in the Tory leadership race, with May expected to set a date for her departure soon.

But Hammond will say there is no mandate for a no-deal Brexit, and warn that May's successor could opt to end the Brexit impasse by forcing the UK out of the EU without a deal.

"If we do not resolve this issue in the next few weeks, there is a real risk of a new Prime Minister abandoning the search for a deal, and shifting towards seeking a damaging no-deal exit as a matter of policy... in order to protect an ideological position which ignores the reality of Britain's economic interests and the value of our union," he will say.

The chancellor is also expected to say that the 2016 Leave campaign was "clear that we would leave with a deal".

"So to advocate for no-deal is to hijack the result of the referendum, and in doing so, knowingly to inflict damage on our economy and our living standards," he will say. "Because all the preparation in the world will not avoid the consequences of no deal."

The European elections this week are set to be a stark reminder of division over Brexit, with polls putting Nigel Farage's Brexit Party ahead with more than 30 per cent of the vote, while the Conservatives are languishing in fourth place.

Despite the growing challenges, Hammond will vow to keep fighting for a negotiated Brexit.

"We have an absolute obligation to protect Britain's jobs, businesses and future prosperity," he will say.

Woodford's flagship fund stripped of bronze rating as investors exit

JESS CLARK

@jclarkjourno

ANALYSTS at Morningstar have downgraded veteran investor Neil Woodford's flagship fund due to underperformance.

Woodford Equity Income fund's rating was lowered from bronze to neutral, which is the research group's second-lowest ranking, following "persistent" redemption requests as investors exit.

The fund, which had already been downgraded from silver to bronze by last year, has shrunk from highs of £10.2bn in 2017 to £4.3bn.

"Persistent redemptions, underperformance, and stock-specific issues, combined with the manager's relentless willingness to push the portfolio to its liquidity limit, have resulted in portfolio positioning that we consider extreme," Morningstar associate director Peter Brunt said. "We are therefore lowering the strategy's Morningstar Analyst Rating to neutral from bronze."

Woodford took "extreme" action to reduce the proportion of fund assets invested in unquoted or less-liquid stocks in order to keep unquoted exposure below 10 per cent.

A spokesperson for Woodford said the fund has independent liquidity oversight.

SHAKEN UP Protestor douses Brexit Party leader Farage with milkshake in Newcastle

NIGEL Farage was covered in milkshake during a visit to Newcastle yesterday, moments after giving a speech ahead of the European elections on Thursday. A 32-year-old man was arrested after the incident, which Farage blamed on "radicalised" Remainers.

Ryanair profit down sharply in gloomy market

JAMES BOOTH

@Jamesdbooth1

IRISH budget airline Ryanair said yesterday its full year profit fell 29 per cent to €1bn (£890m), which it blamed on a fall in fares, issuing a "cautious" warning on profit for the year to come.

Its shares fell nearly five per cent to €10.29.

The airline said traffic grew seven per cent to 139m passengers in the 12 months to the end of March, but said this was offset by a six per cent decline in fares.

Revenue rose six per cent to €7.6bn thanks to the rise in passengers, but the cut in average fares meant Ryanair earned just €37 per ticket.

It said ancillary revenue grew 19 per cent to €2.4bn, but said this was offset by higher fuel and staff costs.

Ryanair warned profit in the year to come will land somewhere between €750m and €950m, down on a company poll of analyst expectations of €977m.

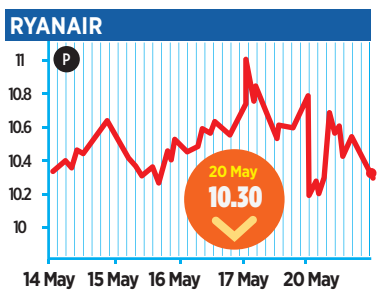
Ryanair had previously cut its profit forecast for the year by around a fifth in two profit warnings in October and January, blaming higher oil prices, strikes and overcapacity.

Neil Wilson of Markets.com said: "Today's full-year numbers and outlook cement the view that it's a tough space to be in right now – although we would hope that summer 2019 will be the worst of it."

Ryanair's woes led to a wider sell-off of airline and travel stocks yesterday.

Anglo-German travel company Tui's shares lost 6.5 per cent yesterday to close down at 774p.

Shares in rival budget airline Easyjet shed more than 3.5 per cent yesterday to close at 988p, while Thomas Cook shares continued their fall, closing down 15 per cent at 10p.



IN BRIEF

GOLDMAN TAPS MAZARS IN BLOW FOR BIG FOUR

Goldman Sachs has appointed Mazars to audit its London-based European operations, making it the first large bank in the UK to shun the Big Four. The US investment bank has selected the Paris-headquartered auditor, which is the eighth-largest in the UK by fee revenue, to oversee its European books from 2021 onwards. The move, first reported by the Financial Times, comes amid a major push by regulators and politicians to increase competition in the audit sector, which is dominated by the so-called Big Four accounting firms – PwC, EY, Deloitte and KPMG. It is a major coup for Mazars, which last year posted revenue of €1.6bn (£1.4bn), but has struggled to win audit work for large multinational companies.

FORD TO CUT 7,000 JOBS IN RESTRUCTURING PUSH

Ford is to cut around one-tenth of its global salaried workforce by the end of August as part of a major global restructuring plan. The move to shed 7,000 workers this summer is expected to save the firm $600m (£471.4m) a year, chief executive Jim Hackett said in a letter to employees yesterday. The memo follows on from similar news last week, when *City A.M.* revealed Ford was to cut around 550 white collar workers as part of the turnaround. Hackett said the firm will get rid of nearly 20 per cent of higher-level managers, in a bid to reduce bureaucracy and make decision making faster. Around 2,300 of the job losses are expected to come in the United States. The first 900 people will be let go this week.

CITY WEEK 2019

Lloyd's chair says harassment cases will emerge as soon as this week

CONTINUED FROM FRONT PAGE

The article was based on the accounts of 18 women and also described instances of sexual assault at Lloyd's.

Bloomberg suggested a sexist working environment fuelled by alcohol had emergedat Lloyd's, pprompting the market to announce measures to crack down on drinking.

The marketplace produced an action plan in March, outlining how it would deal with allegations of sexual harassment.

It stated that individuals with "a case to answer" would "be subject to sanctions" from both their own companies and Lloyd's.

"They may be banned from entering Lloyd's for a fixed period and potentially for life," the action plan said.

Last week, Lloyd's launched a wide-ranging survey that will ask people in its market to give their view of its workplace culture.

Carnegie-Brown said yesterday: "The corporation itself for its own employees has had a ban on alcohol during working hours for three years now, and we've tried to extend that to anybody coming into the marketplace to do business."

Carnegie-Brown said change in the insurance business is "not moving fast enough".

No EU exit dividend, says City MP

OWEN BENNETT

@owenjbennett

DIVERTING from the EU's financial regulations after Brexit will not deliver "an enormous economic dividend", the City minister has warned.

Speaking to *City A.M.* after delivering the opening speech at the City Week conference at Guildhall yesterday, John Glen said the majority of Square Mile firms want a reliable regulatory environment instead of a less-secure, looser relationship with the EU after Brexit.

His comments contrast with the head of the Financial Conduct Authority Andrew Bailey, who last month argued for a looser arrangement with the EU after Brexit.

Glen said: "What the City of London wants is clarity over what the future relationship is, in the sense they will adapt to whatever that relationship is."

Investor Helena Morrissey casts vote for the Brexit Party in Euro elections

HARRY ROBERTSON

@henrygrobertson

INVESTOR and campaigner Dame Helena Morrissey has revealed she cast a postal vote for the Brexit party in the upcoming European elections, saying the Conservatives have not delivered on the result of the 2016 referendum.

"I believe we should leave the EU and I don't think the Conservative party at the present are delivering that," she told *City A.M.* at the City Week conference in London yesterday.

"I certainly don't believe in any immigration policies around Ukip or any of this kind of thing, but I do believe in the people's vote being upheld," said Morrissey, who is head of personal investing at Legal & General.

Morrissey is personal investing head at L&G

Morrissey supported Leave in the 2016 Brexit referendum, arguing against what she saw as the EU's limiting and controlling approach to business.

She is a vocal advocate for getting more women into executive roles.

Gilbert supports 'amazing' Gove for Tory leader

OWEN BENNETT

@owenjbennett

CITY titan Martin Gilbert has talked up environment secretary Michael Gove as the next Conservative leader, dubbing him "amazing".

Gilbert, who co-founded Aberdeen Asset Management in 1983, was full of praise for the Brexit campaigner in an interview with *City A.M.* on the fringes of the City Week 2019 conference yesterday.

"I think he's amazing, I think he's really, really good," said Gilbert when asked who he would like to see win the upcoming Tory leadership contest.

Gilbert and Gove attended the same school in Aberdeen

He admitted part of his affection for Gove is based on a shared attendance of Robert Gordon' College in Aberdeen, although the businessman is 12 years older than the cabinet minister.

Yet beyond the endorsement of Gove, Gilbert refused to be drawn on other political questions, saying it's not for business to tell people how to vote.

Speaking to *City A.M.* in the Guildhall, the businessman revealed he was surprised Brexit was delayed, as he thought pressure from German businesses in particular would force the EU to make concessions to the UK at the last moment of negotiations.

"It's been quite interesting that in Germany, the German car manufacturers didn't seem to take Brexit as seriously as they did tariffs from the US, so I don't know whether it shows our market is less important than the US," he said.

Gilbert served as chief executive of Aberdeen Asset Management for 34 years before it merged with Standard Life in August 2017.

He continued as part of an unorthodox co-chief executive arrangement before standing down from that position to become vice-chairman in March.

Gilbert said the move had allowed him to cut out "internal meetings and governance meetings and this sort of stuff" and instead focus on "externally-facing stuff", which he enjoys more.

Overdraft plans could save over £100m a year

ALEXANDRA ROGERS

@city_amrogers

SOME of the most vulnerable consumers in society could save up to £100m a year under the financial watchdog's plans to overhaul unarranged overdrafts, its chief executive has said.

Andrew Bailey, the boss of the Financial Conduct Authority (FCA), told MPs yesterday that the regulator wants to bring the pricing of unarranged overdrafts more in line with that of arranged overdrafts to stop firms from charging higher prices.

The regulator's consultation on unarranged overdrafts is currently underway and is due to end later this month, with rule changes made by the end of the year, Bailey told the Public Accounts Committee.

The FCA has said on average, firms make over 10 times more in revenue from unarranged lending for each pound lent than for arranged overdraft lending.

It said the cost differences of providing the two overdrafts did not justify the "much higher prices" for unarranged overdrafts.

Bailey told the committee unarranged overdrafts tended to fall "much more heavily on the most vulnerable in society".

"We believe that the savings that could come to consumers are quite substantial actually, we're talking something over £100m a year," Bailey said.

FCA boss Andrew Bailey

ROSE-TINTED GLASSES Google unveils augmented reality headset for businesses

TECH giant Google yesterday launched an update to its Google Glass headset, revealing an enterprise edition to help businesses use augmented reality. The glasses are a tool for training surgeons, factory workers and other professionals.

Younger people are pessimistic about economy and business

JAMES BOOTH

@Jamesdbooth1

PESSIMISM among younger people about the economy is growing in the UK and worldwide, according to a comprehensive new survey.

Only 26 per cent of respondents said they expected the economies in their countries to improve in the coming year, according to a survey of millennial and generation Z workers by accountancy firm Deloitte.

Just 13 per cent of millennials (25 to 36 year-olds) think the political and economic situation in the UK will improve over the next 12 months.

Dimple Agarwal of Deloitte said: "Millennials' and generation Z's trust in business has decreased."

Scammers net £27m in crypto and forex fraud

JAMES BOOTH

@Jamesdbooth1

MORE THAN £27m was reported lost to cryptocurrency and forex investment scams in the last financial year, figures published today show.

Victims lost £14,600 on average according to the Financial Conduct Authority (FCA) and Action Fraud.

Reports tripled compared to the previous year to reach over 1,800.

The FCA said fraudsters use social media to promote trading platforms, often using fake celebrity endorsements and images of luxury items like watches and sports cars.

Investors will often be led the believe their initial investment has made a profit and will be encouraged to invest more or introduce their friends.

However, eventually the returns stop, the account is closed and the scammer disappears with no further contact.

Pauline Smith, director of Action Fraud, said: "These figures are startling and provide a stark warning that people need to be wary of fake investments on online trading platforms."

Foxtons' sales slide in tough London market

JAMES BOOTH

@Jamesdbooth1

ESTATE agents Foxtons said revenue fell in the first quarter yesterday, blaming challenging conditions in the London property market.

Foxtons reported its sales volumes continued to be at record lows, saying Brexit uncertainty is having a negative effect on consumer confidence.

The company also said chief financial officer Mark Berry is "leaving the business by mutual agreement," to be replaced by Richard Harris, who is joining from electronics company Laird.

Shares fell five per cent to 57p yesterday.

The firm's revenue for the quarter that ended on 31 March was £23.8m, compared to £24.5m the previous year.

Sales revenue was £7.1m, down from £8.2m, and lettings revenue was £14.6m, up slightly from £14.3m.

"Revenue in the sales business declined as conditions in the London property market remain very challenging," Foxtons said.

The company said there was no change to market conditions in April.

Garry Watts, chairman of Foxtons, said: "I would like to thank Mark for his substantial contribution over the past two and a half years, during which time the business has undergone a period of rapid changee and development."

Harris was group financial controller at Laird and previously spent 11 years at Marks & Spencer.

Foxtons' sales have skidded

NO WORRIES Thomas Cook reassures its customers as share price falls to new low

THOMAS Cook reassured customers their holidays will be going ahead after shares in the struggling travel firm plunged lower yesterday. Shares in Thomas Cook closed down 14 per cent at just over 10p, having suffered a 40 per cent plummet on Friday.

High spirits: Southern pub chain raises a glass to expansion plan

ALEX DANIEL

@alexmdaniel

SHAREHOLDERS of the City Pub Group yesterday toasted a rise in sales of more than a third this year.

The pub operator, which runs 45 sites mainly in London, said sales were up 35 per cent on last year for the 19 weeks to 12 May, and that it is on track to run as many as 70 pubs by 2021. Shares rose one per cent.

Chairman Clive Watson hailed "continued strong momentum since the start of the year". Watson, who launched the business in 2012, previously ran the Capital Pub Company, which he sold to Greene King in 2011 for £93m.

IN BRIEF

SWEDBANK TO REBUILD BOARD AT JUNE MEETING

Swedbank yesterday called an extraordinary general meeting on 19 June to vote on three new board members. The Swedish lender has endured turbulence since it was linked to money laundering at Danske Bank, which has said that its Estonia branch was used to move €200bn (£175.4bn) of suspicious funds. With both its chairman and chief having left the bank, the proposed new board members include ex-PM Goran Persson.

MADURO PROPOSES EARLY ELECTIONS

Venezuelan President Nicolas Maduro yesterday proposed early elections for the National Assembly, which is run by the opposition. The opposition won a majority in the legislative body in a late 2015 vote, and the next congressional elections are currently scheduled for late 2020. It followed a visit by the Venezuelan opposition's envoy to the US to meet State Department and Pentagon officials to discuss "all aspects of the Venezuelan crisis".

T-MOBILE'S SPRINT DEAL GETS BOOST FROM FCC

T-Mobile's $26bn (£20.4bn) acquisition of rival Sprint won the support of the head of the Federal Communications Commission yesterday, in a big step toward the deal's approval. FCC chairman Ajit Pai, a Republican, came out in favour of the combination after the companies offered concessions to get the deal over the line.

Commuters relieved after new rail timetable passes without fanfare

ALEXANDRA ROGERS

@city_amrogers

COMMUTERS breathed a sigh of relief yesterday as the new national rail timetable came into force – seemingly without much commotion.

Passengers were braced for disruption after a timetable overhaul last year resulted in widespread delays, cancellations and overcrowding.

The industry warned that while introducing an extra 1,000 services a day would pose a "significant challenge", it had learned the lessons from last year's disaster.

The new timetable came as a Which survey found that 4m hours had been wasted to train delays in the UK last year.

Anthony Smith, chief executive of independent travel watchdog Transport Focus, said: "This time around passengers need the rail industry to deliver a smooth set of timetable improvements.

"So far, no news appears to be good news. Train companies must continue to have plenty of visible staff on hand to guide passengers, to answer questions on how these changes will affect them, and to explain what travel choices that they have."

JLR drops to a £3.6bn loss as China falters

ALEX DANIEL

@alexmdaniel

INDIAN-OWNED British automotive giant Jaguar Land Rover (JLR) has posted a £3.6bn annual loss as the ailing Chinese car market weakened significantly.

The figures were heavily impacted by a £3.1bn third quarter write-down to cover falling demand for newer models.

The firm, which has already announced 4,800 UK job cuts this year, fell to the loss after a £400m profit in 2018.

JLR did, however, manage a slight turnaround in the final quarter of the financial year ending 31 March, posting a pre-tax profit of £120m after nine months of losses. Without the £3.1bn charge, losses would have been £358m.

Weakness in the Chinese market led to a 5.8 per cent decline in year-on-year retail sales to end at 578,915 vehicles. Revenue stood at £7.1bn, down £421m year-on-year, while operating cash flow was £1.4m.

China's recent economic slowdown – caused in part by its trade war with the US – has hit JLR hard, and was cited as one of the main reasons for job losses.

But JLR's ability to turn a quarterly profit will likely cheer investors, many of whom will have been expecting a fourth straight loss for this financial year. The firm launched a £2.5bn turnaround plan earlier this year, to which it gave much of the credit for the gains.

The yearly loss is more bad news for British car manufacturing, which has suffered a number of crushing blows in recent months, including announcements by Japanese giants Nissan and Honda to abandon UK production in February.

JLR moved production of its Defender model to Slovakia last month

Chief executive Ralf Speth said: "JLR has been one of the first companies in its sector to address the multiple headwinds simultaneously sweeping the automotive industry.

"We are taking concerted action to reduce complexity and to transform our business through cost and cash flow improvements. The company has returned to profitability in the fourth quarter and already delivered £1.25bn of efficiencies and savings."

Low & Bonar's shares torn up as it fires chief

AUGUST GRAHAM
@AugustGraham

FABRICS firm Low & Bonar's shares dropped around 25 per cent yesterday as it fired its chief executive and warned full-year results would fall short of expectations.

Philip de Klerk, who took up the role just over a year ago, will leave on 1 July, the firm said.

It is not starting the hunt for a replacement just yet, with chairman Daniel Dayan set to become executive chairman after de Klerk leaves.

In an announcement to investors yesterday, the company said trade war tensions had hit its Chinese sales.

Meanwhile, a turnaround plan for the business is not going as quickly as first hoped.

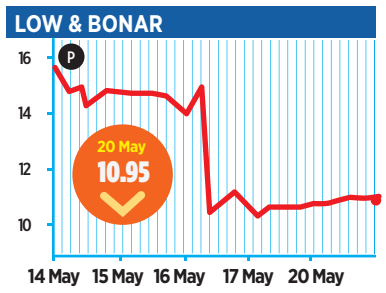
It said that the second quarter of the financial year has been stronger than the first to date, but had still fallen below expectations due to "continued weakness" in some markets.

It said customer confidence had been slow to recover in its coated technical textiles division.

"Asia-Pacific sales are currently behind [last] year for the year to date. Colbond sales in Europe are slightly lower than the prior year to date, with ongoing softness in the automotive market, but the second quarter is showing an improved trajectory," the company said in a statement.

The business embarked on a turnaround plan late last year after profit fell from £25m to under £10m over just a few years.

The plan aims to sell off non-performing parts of the business, while bringing down debt and improving performance.



Digital money transfer firm Azimo finds banking partner in Natwest

CALLUM KEOWN
@CallumKeown1

DIGITAL money transfer firm Azimo has partnered with Natwest Markets, as fintech startups target expansion by linking up with major banks.

The partnership will give Azimo access to Natwest Markets' global forex markets, allowing the money-transfer service to accelerate its international expansion.

Chief executive Michael Kent told *City A.M.* he expected the firm to trade annual volumes of more than $1bn (£784m) through its agreement with the investment banking arm of the Royal Bank of Scotland group.

Founded in 2012, Azimo allows customers to send money to more than 200 countries and territories around the world in 80 currencies.

Users can send money as bank deposits, payments into mobile wallets or as cash pick-ups from more than 200,000 secure global locations.

Kent, who also co-founded digital bank Tandem, said: "The fintech market is developing very rapidly, but the need for strong banking partners is a constant requirement.

"Our relationship with Natwest Markets gives us unparalleled access to deep pools of foreign exchange liquidity."

Donald Trump has sued Deutsche Bank to block the release of his financial records

Trump blasts report Deutsche Bank staff flagged transactions

CALLUM KEOWN
@CallumKeown1

US PRESIDENT Donald Trump yesterday hit back at reports that Deutsche Bank employees flagged suspicious transactions by the President and his son-in-law Jared Kushner.

The New York Times reported that anti-money laundering specialists at the bank recommended transactions by legal entities controlled by the pair be reported to a federal crimes watchdog in 2016 and 2017.

Deutsche Bank executives ignored the recommendations, according to the paper.

Trump blasted the claims in the report as "phony" and said the bank was "very good and highly professional". In a flurry of tweets earlier in the day, Trump also denied receiving money from Russia and said he did not use many banks because he did not need money.

A Deutsche Bank spokeswoman said: "At no time was an investigator prevented from escalating activity identified as potentially suspicious."

Tencent backs top AI startup in $24m injection

EMILY NICOLLE

@emilyjnicolle

A HOST of major businesses and venture capital firms have joined in a $24m (£18.9m) funding round for a Prowler.io, valuing the Cambridge artificial intelligence (AI) startup at $100m.

Chinese media giant Tencent led the round, with publishing house Pearson and Monzo-backer Passion Capital also joining. Other investors included Amadeus Capital Partners, Atlantic Bridge, Cambridge Innovation Capital, Mandatum Life, RB Capital and Singapore Innovate.

Prowler said it will use the mix of strategic partnerships and funding from the raise to support product expansion and growth. The firm will target new sectors such as education, finance and logistics for its AI decision-making software.

Tencent's chief European representative Ling Ge said the UK is "a global leader in AI", making it a hotbed for companies that are seeking to invest in the sector.

AI was named the fastest-growing sector in the UK economy in 2018, after taking in a record $1.3bn from venture capital firms, almost as much as the rest of Europe combined.

Ge said following the round, Prowler will be "applying its AI decision platform to a broadening range of customers, potentially including some of Tencent's affiliate companies".

"This investment is a huge sign of confidence in our efforts to be at the forefront of how enterprises use machines," commented Vishal Chatrath, chief executive of Prowler.

The startup was founded in 2016 by a group of mathematicians and engineers. Chatrath and Prowler's chief technology officer, Dongho Kim, were previously at Vocal IQ, a speech recognition firm acquired by Apple in 2015.

Prowler now has 110 staff from 29 countries.

Lauri Vaittinen, senior vice president at Mandatum Life, said the startup would also use the funding to hire more operational managers and engineering talent for its Cambridge headquarters.

The fundraise comes amid a change in focus for the venture capital sector, as investors target larger, later-stage deals.

The total amount of venture capital investment in UK startups in the first three months of 2019 was largely the same as last year at £1.2bn, but it was spread across fewer rounds.

Comparatively, Germany was hit by a fall in investment levels year-on-year to £1bn, while France had its largest quarter of investment to date at £760m.

Fintech, biotech and healthtech were the most popular sectors in the first quarter, despite the rise of AI in the past year.

Mobility software firm raises $4.6m from Amadeus and Global Brain

EMILY NICOLLE

@emilyjnicolle

ARTIFICIAL intelligence (AI) mobility startup Immense Simulations has closed its series A funding round at $4.6m (£3.6m), after spinning out from the government's Catapult tech programme in 2016.

The round was co-led by Amadeus Capital Partners, previously named one of Europe's most active AI investors, and Japanese venture capital giant Global Brain. Additional investment was provided by 31 Ventures.

Immense's "simulation-as-a-service" platform uses AI to create detailed simulations of travellers, places and transport systems to provide understanding of how a city moves. Mobility service providers and public authorities can use its software to experiment with new ideas, such as driverless cars and congestion-easing methods.

Immense said it will use the funding to grow and develop its technology.

"Anyone who's driven home after a bank holiday weekend – with over 15m cars and 70,000 incidents on the road – can see the potential benefit of the Immense platform," said Amelia Armour, principal at Amadeus Capital Partners.

ANNOUNCEMENTS

LEGAL AND PUBLIC NOTICES

CITY OF LONDON

Notice is hereby given that the Common Council of the City of London as traffic authority for the undermentioned streets will make several Orders on **30 May 2019** under Section 14(1) of the Road Traffic Regulation Act 1984 as amended by the Road Traffic (Temporary Restrictions) Act 1991. The effect of these Orders will be to prohibit vehicles (or pedestrians where stated) from entering the said roads.

Holborn (Gray`s Inn Rd to Brooke St) ---- *Mobile Crane*
8am each Saturday to 6pm each Sunday from 29 June to 7 July 2019. Alternative routes: E/B Gray's Inn Rd, Clerkenwell Rd, Roseberry Ave, Farringdon Rd, Charterhouse St & Holborn Circus OR High Holborn, Kingsway, Aldwych, Strand, Fleet St, Fetter Ln & New Fetter Ln.

Devonshire Square (Barbon Alley to Cutler St) ---- *Mobile Crane*
8am to 6pm each Saturday and 9am to 6pm each Sunday from 22 to 30 June 2019. Alternative route: none.

Basinghall Street (Basinghall Ave to Gresham St) ---- *Building Maintenance*
8am Saturday 29 to 6pm Sunday 30 June 2019. Alternative routes: E/B King St, Cheapside, Poultry, Mansion House St & Prince`s St; W/B Threadneedle St, Mansion House St, Poultry, Cheapside & King St.

Little New Street (Printer St to Shoe Ln) & **Printer Street** (Little New St to East Harding St) ---- *Mobile Crane*
6am each Saturday to 8pm each Sunday from 29 June to 7 July 2019. Alternative routes: E/B Harding St, Pemberton Row, West Harding St, New Fetter Ln, Holborn Circus, St Andrew St & Shoe Ln; W/B Shoe Ln, St Andrew St, Holborn Circus, New Fetter Ln, West Harding St, Pemberton Row, East Harding St & Printer St.

Noble Street (Oat Ln to London Wall) ---- *Building Site*
8am each Monday to 6pm each Friday & 9am to 2pm each Saturday from 1 July 2019 to 31 October 2020. Alternative route: none.

Lindsey Street (Charterhouse St to Long Ln) & **Long Lane** (Lindsey St to Hayne St) ---- Mobile Crane
7pm to 11pm each Friday, 8am to 11pm each Saturday & 9am to 11pm each Sunday from 5 to 14 July 2019. Alternative routes: for Lindsey St via Charterhouse St, St John St, Clerkenwell Rd, Goswell Rd & Long Ln; for Long Ln S/B & E/B via Aldersgate St (south), St Martin`s Le Grand, Newgate St, Holborn Viaduct, Snow Hill, West Smithfield & Charterhouse St; N/B via Aldersgate (north) Goswell Rd, Clerkenwell Rd, Gray`s Inn Rd, Holborn, Snow Hill & West Smithfield.

Moorgate (London Wall to South Place) ---- *Utility Works*
9am to 3pm Saturday 15 June 2019. Alternative route: N/B London Wall, Aldersgate Rotunda, Aldersgate St, Beech St & Chiswell St.

Enquiries to Traffic Management Services on 020 7332 1551

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

Dated **21 May 2019**

TRADING AMBITIONS

As volatility returns, time for a portfolio check?

STEPHEN MCGRATH, HEAD OF ENGAGEMENT AT IG

Markets have come to life after several months of low volatility prompted by the Federal Reserve's policy pivot to a more dovish stance. President Trump's decision to turn the screw on China and re-ignite the US-China trade war, has ramped up market volatility and the VIX Index measure of volatility is at a four-month high. That hasn't put people off returning to bitcoin which has hit a 10-month high. Other cryptocurrencies are following the leader. There's a suggestion that bitcoin's revival could be linked to the recent volatility in equity markets – is bitcoin the new gold?

For short-term traders this increase in volatility provides opportunity with heightened risk. For the longer-term investor it can provoke fear and retreat with December's equity market tremor fresh in the memory, but it also provides the opportunity to enter the market at lower levels. Now might be the time to take a close look at portfolios and re-position, ensuring you're comfortable with your risk management and exposure.

There's never been a better time for traders to do this because ways to trade keep on expanding. From buying individual stocks online, broadening exposure using ETFs, buying and selling positions on whole indices, to using options, the right provider has all the tools to enable traders to take positions where they see fit. Longer-term investors can quickly and easily shift the risk profile of their portfolio online.

It's also a good time to look at the costs of trading and investing. Is your trading provider offering tight variable spreads, protection against slippage and all the risk management tools you need? Are you paying low commission on your share dealings and low currency conversion fees on your international stocks? And are you ensuring that high fees aren't eating into the long-term performance of your investments? On a £10,000 investment with a 5% annual return over 20 years, just a 1% difference in fees would mean you were over £3,000 worse off.

Trading is all about finding opportunity in the markets, and whether you're convinced the trade war will be resolved soon or will do serious damage to the global economy, the tech giants will ride out any equity market storm or undergo a large revaluation, or you want to get exposure to the burgeoning markets in regulated medicinal cannabis, make sure you can trade the instruments you want the way you want.

MAKING SENSE OF TENSE TIMES

Markets are increasingly immersed in political risk, writes **Ian Hall**

Financial markets have often flourished on the back of political risk

This week's European Parliament elections come at a time when the political risks to the global economy seem to sprout from every trade row, tariff threat and tweet.

When voters go to the polls in 28 member states, rather surreally including the Brexit-bound UK, they are expected to give the latest kicking to mainstream parties. Continental institutions that once looked relatively stable will lurch again into introspection as 'Europe' seeks to renew its purpose.

Ultimately there are limits to the European Parliament's clout. But the election results are likely to be analysed as being illustrative of a global political economy where old certainties seem to be breaking down. For markets, this means greater risk.

MORE PERMANENT RISK

Mohamed El-Erian, the prominent financial commentator and chief economic advisor to Allianz, made this point last week in London, when he gave a keynote speech at the CFA Institute's Annual Conference.

Addressing the CFA event - appropriately titled 'Disruption: The New Reality in Investment Management' - El-Erian described a world in which people and organisations increasingly struggle to make sense of what the future may hold.

"Layer after layer after layer of things going wrong in the system that makes it less stable, more unpredictable and subject to sudden disruptions," El-Erian told the audience, describing how advanced economies – previously the bulwarks of the global economy - are now themselves major sources of unpredictability.

Within Europe alone all counties face political and societal challenges that enmesh with economic challenges: the UK's political system is paralysed by Brexit; Italy has western Europe's first anti-establishment government; and Germany is suffering a significant economic slowdown.

The divergent performance of advanced economies has, El-Erian told the conference audience, huge implications for "how we think about business, investment and risk management".

William Wright, MD of think-tank New Financial, reflects that political risk and financial markets have always gone hand-in-hand – and financial markets have often flourished on the back of it.

But Wright tells *City A.M.* that the difference today is twofold. "First, global financial markets are much more interlinked with each other and with local economies, which amplifies risk," he reflects. "And second, political risk is more permanent than before: the risk a repeat eurozone crisis has never quite gone away since 2011, while Brexit is likely to hang over the financial markets for many years to come."

GLOBAL TENSIONS

Europe's political concerns and feeble

economic growth are set in the context of rising global political tensions.

The US and China have been locked a trade war since last year, slapping billions of dollars-worth of tariffs on each other's goods. The dispute between the world's two largest economies escalated further last week.

This increasingly volatile world is not helpful to anyone looking to make sensible, strategic investments.

"Collectively, global political risk is probably the highest in living memory in terms of market impact," Gaurav Saroliya, director of macro strategy at global forecasting and quantitative analysis firm Oxford Economics, tells *City A.M.*

"In the two decades before Donald Trump became US president, typical market-movers from the perspective of (geo-) political risk were things such as military conflicts in the Middle East and the impact on the oil price. Events like partisan stand-offs in the US relating to matters such as the debt ceiling were far less consequential for markets. But, in today's age of populism, political risk appears in multiple shapes and forms – US exceptionalism by the Trump administration, fiscal indiscipline by Italy – with much more powerful effects on financial markets," Saroliya says.

PREDICTIONS TIME

How pressing are these concerns? Eurasia Group, which specialises in political risk analysis and consulting, said as the year got underway that – actually - 2019 was, despite the headlines, 'poised to be a reasonably good year.... even, dare we say it, not a particularly politically risky year'.

With such predictions, though, there's often a sting in the tail. 'We're setting ourselves up for trouble down the road. Big trouble. And that's our top risk,' Eurasia went on to predict. The overwhelming majority of geopolitical dynamics that matter are heading in the wrong direction: relationships and institutions 'won't collapse tomorrow, but the risks plaguing them are landmines'.

> The divergent performance of advanced economies has huge implications

El-Erian concluded his speech at last week's CFA conference with his own predictions, including that: national security will become a more important determinant of economic policy, particularly in trade negotiations; investment professionals should reconsider conventional wisdom – for example, cash should not necessarily be perceived as a dead asset, as it's "the only risk-mitigator that really works, plus it gives you optionality"; and central banks will themselves become a source of instability, "moving from being part of the solution to becoming part of this greater complexity".

A politically divided Europe, then, is just one concern amid a whole world of worries.

THE BULL MARKET – WILL IT EVER END?

IG Analyst **Chris Beauchamp** asks if this is the end for the bull market or does it have further to run?

As traders clocked off for Christmas, it must have seemed like another 2008 was upon us. The S&P 500, which just a few months earlier had been at an all-time high, was now in a 'bear market', having fallen 20% from its highs. Things did not look much better for the Nasdaq 100, which was down almost 24%.

Fast-forward four-and-a-half months and the picture looks very different. While the S&P 500 has fallen around 4.5% from its new record high so far in May, it has so far rallied more than 20% from its Christmas Eve low. Once again it seems that the hopes of the doomsters have been dashed, although the escalating US-China trade war continues to provide them with a glimmer of hope.

In March of this year, investors celebrated the ten-year anniversary of the S&P 500's financial crisis low. Since then the index has gained over 300% including dividends. But compared to previous bull markets, this is fairly modest in terms of the total return. Previous bull markets have seen returns of 900% (late 1940s – early 1960s), 700% (1970s-1980s) and then 800% (late 1990s – early 2000s). The current run is not the most impressive by any means.

Then of course comes the debate over when to mark the beginning of the bull market. Yes, we have seen a sustained rally since 2009, but the period from the 2009 to 2013 was merely a bear market rebound. A new cyclical bull market only began in 2013, when the S&P 500 first exceeded its previous record high. Thus the 'real' bull market is only six years old. On average, bull markets since 1926 have lasted around six and a half years, but since the 1970s the average length of the bull market has been increasing, while interestingly the distance between recessions has widened.

It would not be too brave a call to suggest that more gains lie ahead. The weakness seen thus far in May is partially related to trade wars, but is also normal, particularly in pre-election years for the US, to see equities struggle in the middle of May. In addition, as many will know, equities tend to find it harder to make sustainable gains in the summer months, although the old 'Sell in May' adage should be confined to the history books.

After a 20%+ rebound from the lows, and new all-time highs just a few weeks ago, equities were due a pause. A full-blown trade war between the US and China seems likely, and while this could certainly have a major impact on growth, investors will hope that the Fed will ride to their rescue (this at least appears to be the president's plan). But while the US housing market looks weaker, the employment picture, corporate profits and retail sales all point towards further growth. A recession is probably a year away, giving the S&P 500 and other indices further time to rise.

The bottom line is that calling the end of this bull market has been a losing proposition for some time now. It will end at some point, although arguably the volatility of 2015/16 and 2018 have already 'reset' the long-term rally. But bear markets are rare and short-lived, while the long-term trend for stocks is still higher. Betting on disaster has not proven to be a winning strategy, and the longer-term outlook seems supportive. This bull market may have further to run.

Oil prices touch monthly high on Opec signalling

AUGUST GRAHAM

@AugustGraham

OIL PRICES rose to a three-week high yesterday as traders returned to work after Saudi Arabia said Opec still plans to decrease its inventories of crude oil.

The price of international standard Brent crude ticked up early yesterday 1.1 per cent to reach $73.39. The commodity later gave back most of its gains. The price is more than $18 higher than when the cartel of oil-producing countries slashed production in January, and is at the highest point for nearly a month.

Saudi energy minister Khalid al-Falih said on Sunday that Opec had discussed rolling over production cuts into the second half of the year.

Opec, and allies including Russia, agreed to cut output by 1.2m barrels per day from the beginning of January, initially setting a six-month time frame.

The deal has helped drive up oil prices, which had been softened by a glut of US shale hitting the market.

"This second half, our preference is to maintain production management to keep inventories on their way declining gradually, softly but certainly declining towards normal levels," al-Falih said.

Global markets have also tightened after the US administration ramped up sanctions against Iran.

Tensions in the Middle East and threats from Iran to close the vital Strait of Hormuz shipping lane came to a head last week as several attacks were launched against Saudi oil infrastructure. Drones carrying explosives attacked two oil pumping stations close to Riyadh, days after unknown assailants damaged four oil tankers close to the Strait.

Saudi Arabia has said it wants to avoid war, but promised to "respond with all force and determination" if Iran chooses to fight.

On Sunday, US President Donald Trump threatened Tehran over its rhetoric.

"If Iran wants to fight, that will be the official end of Iran. Never threaten the United States again," he tweeted.

Oil prices have shot up by $18 since January

Protesters began the blockade at around 4am yesterday

Greenpeace protesters block entrance to BP headquarters

JOE CURTIS

@joe_r_curtis

ENVIRONMENTAL protesters blockaded BP's London headquarters yesterday, claiming to be raising awareness of a "climate emergency".

Greenpeace activists set up five steel containers outside all entrances to BP's offices in St James's Square, west London. The group tweeted: "There is no place for companies like [BP] in our future."

The oil giant is set to hold its annual general meeting today, where it will face pressure.

A BP spokesperson said: "We welcome discussion, debate, even peaceful protest on the important matter of how we must all work together to address the climate challenge, but impeding safe entry and exit from an office building in this way is dangerous and clearly a matter for the police to resolve as swiftly as possible."

IN BRIEF

SOLGOLD BOSS BUOYED BY $2.8BN MINE COST

The chief executive of a London-listed company that runs a promising gold and copper mine said he is encouraged by a new study showing the project will cost between $2.4bn (£1.9bn) and $2.8bn before it starts to produce. An assessment, released yesterday, shows the net value of Solgold's Alpala project is estimated at between $4.1bn and $4.5bn. The Ecuadorian mine has allowed Solgold's valuation to grow from £20m in 2015 to £700m to date.

CHINESE LITHIUM GIANT TAKES STAKE IN UK MINER

One of China's largest lithium producers yesterday announced it will invest more than £14m in a London-listed miner, in a bid to shore up supply of the in-demand metal. Ganfeng Lithium will buy just under a third of Bacanora Lithium's stock in new shares. It is raising $420m (£330m) to construct a Mexican mine. "We've been looking for an industry player who has lithium experience to come on board to give validation to the project," chief executive Peter Secker told *City A.M.*

GOLDMAN IN TALKS TO BUY B&B HOTELS

Goldman Sachs is in talks to buy B&B Hotels from private equity firm PAI Partners, the companies said on Monday, in a deal which an earlier report from the Financial Times said could be worth €1.9bn (£1.6bn). Goldman Sachs Merchant Banking Division, the bank's investment fund arm, and PAI Partners did not disclose how much the transaction could be worth in their statement. B&B Hotels had 2018 sales volumes worth €580m, and it runs a network of 476 hotels, competing with the likes of Accor.

"

FORUM

The cost of connecting terminals, rolling stock, and power will push the bill up to £157bn

ANDREW BRIDGEN ON SCRAPPING HS2

PAGE 21

CITY A.M.

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

LONDON REPORT

Trade war fears drag UK shares as Ryanair falls

THE MAIN share index slipped again yesterday as worries over international trade increased on the back of US curbs on China's **Huawei**, while weak results from **Ryanair** triggered a sell-off in airlines across the board.

The FTSE 100 gave up 0.5 per cent and the mid-cap index was 0.8 per cent lower.

The indexes, however, fared better than their European peers whose chipmakers were hit as sentiment were grim in the wake of the crackdown on Huawei.

Concerns about the possible escalation of the US-China trade conflict hung in the air after Google suspended some business with Huawei.

Asia-facing stocks including **HSBC** and **Prudential** were among the biggest drags on the main index.

In news-driven moves, **Coca-Cola HBC**, which was seen as a potential buyer for CCBA, slumped nearly seven per cent after NYSE-listed **Coca-Cola** dropped plans to refranchise its Africa bottling business.

Ryanair's London-listed stock fell about five per cent to a four-month low after the low-cost airline reported its weakest annual profit in four years amid struggles with overcapacity, Brexit and delays in delivery of the **Boeing** 737 MAX.

The poor reading dragged down British Airways-owner **IAG**, **Easyjet** and **Wizz Air**.

Among midcaps, a stand-out faller was Madame Tussauds-owner **Merlin Entertainments** which slipped seven per cent on its worst day since last October after a double downgrade by HSBC.

Coca-Cola's bottling firm fell after refranchising plans collapsed

Small-cap **Low & Bonar** tumbled 24.5 per cent to a record low after the polymer products maker announced its chief executive's departure and cut full-year targets due to a hit to sales from the US-China trade war.

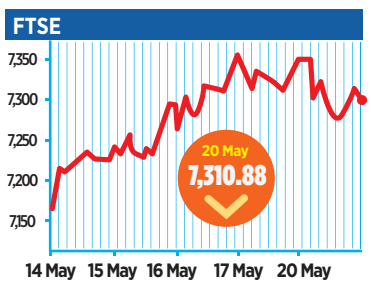
Real estate agent **Foxtons** lost 4.7 per cent after it said its chief financial officer was leaving the company and that UK property sales were running at record lows due to the impact of Brexit on consumer confidence.

TOP RISERS

1. **Vodafone** Up 1.71 per cent
2. **Imperial Brands** Up 1.18 per cent
3. **Evraz** Up 1.16 per cent

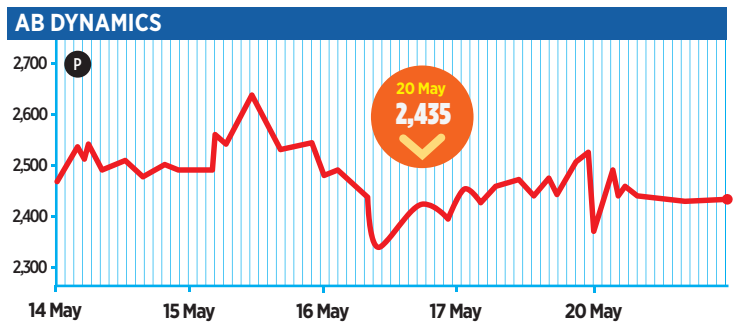
TOP FALLERS

1. **Coca-Cola HBC** Down 6.70 per cent
2. **Tui** Down 6.42 per cent
3. **Barratt** Down 4.37 per cent

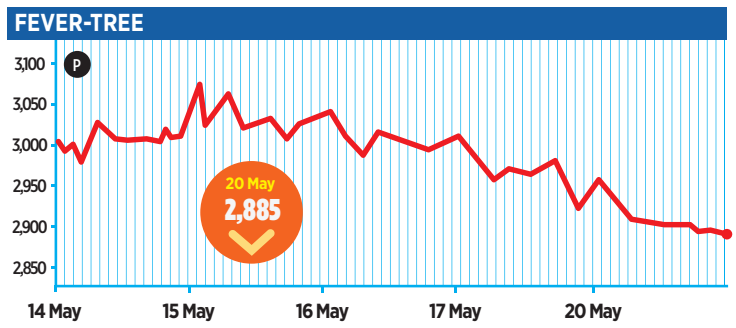


BEST OF THE BROKERS

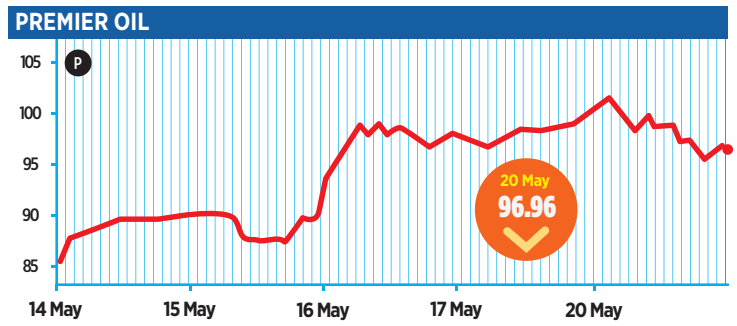
To appear in Best of the Brokers, email your research to notes@cityam.com



Car engineering consultancy AB Dynamics has announced a £50.1m share placing at 2200p, a 12.6 per cent discount on Friday's close, in order to drive its acquisition plan forward. Management has reportedly identified several target businesses, but one or two more firms are still under consideration, which could use the majority of the net proceeds of the placing. Liberum cut its full-year 2020 earnings per share estimate by nine per cent, but said the long term benefits would be earnings-enhancing. Liberum brokers issued a "buy" recommendation at a target price of 2,625p.



Premium mixers brand Fever-Tree announced that it is making its first move into alcoholic beverages with the launch of three "ready-to-drink" gin and tonics to compete with market leader Diageo, which owns Gordon's. If Fever-Tree can reach 25 to 100 per cent of Gordon's volumes, the drinks could be worth between three to 10 per cent of group sales, analysts said. The beverages will be priced at £2.75 compared to Gordon's £1.80 which should "help to maintain the premium brand equity". Jefferies issued a "hold" recommendation and a target price of 3,100p.



Premier Oil upgraded its production guidance and priced down debt last week as it said production this year has reached more than 85,000 barrels of oil equivalent per day, a 14 per cent rise year-on-year. The outperformance was driven by success in its flagship Catcher field in the North Sea. The firm said it now expects to hit an average of 75,000 to 80,000 barrels over the course of 2019 as it has also sanctioned drilling a new producer in the Solan field next year. Broker Peel Hunt issued a "buy" recommendation and a target price of 155p.

NEW YORK REPORT

Huawei fallout hits tech stocks on Wall Street

US STOCKS slid yesterday as the White House's restrictions on Chinese telecoms equipment maker Huawei weighed on the technology sector and raised concerns that the move would further inflame trade tensions between the United States and China.

S&P 500 technology stocks dropped 1.75 per cent, the largest percentage decline among the benchmark index's 11 major sectors.

The Philadelphia Semiconductor Index, which includes Huawei suppliers **Qualcomm**, **Broadcom** and **Micron**, tumbled four per cent to hit its lowest level in more than two months.

Shares of **Apple** slumped 3.1 per cent, making them the biggest drag on Wall Street's major indexes. The iPhone maker's shares were also pressured after HSBC warned that higher prices for the company's products following the latest increases in tariffs could have "dire consequences" on demand.

The Dow Jones Industrial Average fell 84.1 points, or 0.33 per cent, to 25,679.9, the S&P 500 lost 19.3 points, or 0.67 per cent, to 2,840.23, and the Nasdaq Composite dropped 113.91 points, or 1.46 per cent, to 7,702.38.

The S&P 500 is on track to post its worst monthly decline since the December sell-off, trading nearly four per cent below its original all-time high.

Among gainers, shares of **Sprint** and **T-Mobile** rose after Federal Communication Commission chairman Ajit Pai came out in favour of the merger of the two telecom companies. Sprint and T-Mobile pared gains, however, after Bloomberg reported that the US Department of Justice was leaning against approving the deal.

Still, Sprint shares ended 18.8 per cent higher while T-Mobile shares rose 3.9 per cent.

Dish Network shares declined 5.9 per cent after the company said it would buy broadcast satellite service assets from **Echostar** in an $800m (£628.3m) deal, though the shares pared losses in afternoon trading.

CITY MOVES WHO'S SWITCHING JOBS

CAZOO

Cazoo has announced Alex Gersh, formerly chief financial officer (CFO) of Paddy Power Betfair, has joined as its first CFO. Having raised over £30m late last year, Cazoo is seeking to transform the used car market in the UK. Alex joins Cazoo after spending 6 years as CFO of FTSE 100-listed Paddy Power Betfair where he oversaw the merger of two of the fastest-growing online betting operators in the world and guided the business through its subsequent transformation resulting in annual revenues of over £1.5bn. Prior to this Alex was CFO of then Nasdaq-listed NDS Group and his earlier career was spent at as CFO of BT Cellnet and at EY. Alex will be responsible for building out the finance function at Cazoo and managing the growth of the business. He will join Cazoo's board of directors and executive team and will report directly to founder and chief executive Alex Chesterman.

INVESCO

Invesco has announced the appointment of Richard Glenn as head of UK insurance sales. Richard will be based in London and report to Alex Millar, head of Europe, Middle East and Africa (EMEA) institutional distribution. As head of UK insurance sales, Richard will be directly responsible for developing the UK insurance strategy, leading the UK insurance team and executing Invesco's insurance sales plan across the UK. He will work with senior leaders across the company and will be a member of the Invesco EMEA insurance working group. Richard joins from Nomura International where he was managing director, head of insurance solutions group EMEA. In this role he was responsible for the product development and origination of financing, reinsurance and solutions activity across the European insurance sector. Prior to his 10 years at Nomura, he held investment banking roles at Lehman Brothers and Barclays Capital working with insurance and other financial institutional clients.

HEADLAND

Headland has appointed two new partners to the firm as it continues its rapid growth. Susanna Voyle joins Headland after most recently being a partner at Tulchan for 15 years, advising a wide range of FTSE 100, FTSE 250 and private companies. Susanna has advised on some of the UK's most significant corporate moments in recent years. These include counselling Booker on its merger with Tesco and Standard Life on the disposal of its Canadian business. She advised Merlin Entertainments, Royal Mail, B&M Retail and Bakkavor through their initial public offerings, and counselled the Co-op through the 18-month process of recapitalising the Co-op Bank and reforming the group governance structure.

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
7310.88	19335.59	4002.88	25679.90	7702.38	2840.23
↓ 37.74	↓ 163.02	↓ 22.39	↓ 84.10	↓ 113.91	↓ 19.30

£					
/€	1.1396	↑ 0.0002	€/$	1.1165	↑ 0.0007
/$	1.2724	↑ 0.0011	€/£	0.8774	↓ 0.0002
/¥	140.03	↑ 0.1451	€/¥	122.87	↑ 0.1252

GILTS

	Price	Chg	High	Low
Tsy 3.750 19	100.90	-0.01	104.1	100.9
Tsy 2.000 20	101.49	-0.02	103.0	101.5
Tsy 4.750 20	103.20	-0.02	107.4	103.2
Tsy 3.750 20	103.90	-0.03	107.1	103.9
Tsy 2.500 20	356.10	0.00	362.3	355.3
Tsy 8.000 21	114.96	-0.03	122.0	114.6
Tsy 4.000 22	109.20	-0.03	112.2	109.0
Tsy 0.500 22	99.36	-0.01	99.6	97.5
Tsy 1.875 22	116.49	0.07	119.2	115.5
Tsy 2.250 23	106.35	-0.01	106.8	104.7
Tsy 2.500 24	364.57	0.06	369.1	357.5
Tsy 0.125 24	113.06	0.09	114.1	110.9
Tsy 5.000 25	123.75	-0.02	125.9	122.1
Tsy 4.250 27	127.31	-0.02	128.3	122.6
Tsy 1.250 27	133.68	0.08	135.6	128.4
Tsy 6.000 28	145.40	-0.03	146.6	140.5
Tsy 0.125 29	125.56	0.08	127.6	118.7
Tsy 4.750 30	139.04	-0.04	140.2	132.1
Tsy 4.125 30	373.90	0.06	379.4	354.8
Tsy 4.250 32	135.96	-0.02	137.4	128.5
Tsy 1.250 32	153.24	0.03	156.9	144.1
Tsy 0.125 36	144.86	-0.02	149.8	133.4
Tsy 4.250 36	142.07	-0.04	144.0	133.1
Tsy 4.750 38	155.38	-0.04	157.8	144.9
Tsy 0.625 40	166.02	-0.06	172.7	152.8
Tsy 4.500 42	157.82	-0.08	161.0	145.9
Tsy 3.500 45	139.93	-0.08	143.0	128.0
Tsy 4.250 46	158.98	-0.06	162.7	145.7
Tsy 4.025 49	164.87	-0.04	169.0	150.0
Tsy 0.500 50	195.39	-0.06	207.7	173.7
Tsy 0.250 52	191.82	-0.04	204.9	168.8

AEROSPACE & DEFENCE

	Price	Chg	High	Low
BAE Systems	459.3	-6.7	676.4	445.5
Cobham	114.3	-0.8	131.7	96.8
Meggitt	523.4	-3.2	572.0	458.0
QinetiQ Group	304.2	0.6	311.4	239.9
Rolls-Royce Holdi	941.2	4.2	1094.0	759.2
Senior	225.6	-3.6	334.4	185.4
Ultra Electronics	1615.0	-10.0	1743.0	1232.0

BANKS

	Price	Chg	High	Low
Bank of Georgia G	1644.0	19.0	3400.0	1310.0
Barclays	156.4	-2.4	211.1	146.1
Close Brothers Gr	1488.0	-17.0	1660.0	1406.0
CYBG	189.3	-1.3	364.2	173.9
HSBC Holdings	650.1	-4.6	745.7	600.8
Lloyds Banking Gr	59.5	-0.8	67.0	50.0
Metro Bank	656.0	-21.0	3436.0	475.0
Royal Bank of Sco	222.2	-5.4	296.0	203.0
Standard Chartere	677.0	-0.2	770.3	519.8
TBC Bank Group	1670.0	-26.0	1788.0	1290.0

BEVERAGES

	Price	Chg	High	Low
Barr (A.G.)	921.0	12.0	924.0	665.0
Britvic	932.5	-4.0	956.0	745.0
Coca-Cola HBC AG	2672.0	-192.0	2896.0	2244.0
Diageo	3344.0	-4.0	3358.5	2523.5

CHEMICALS

	Price	Chg	High	Low
Croda Internation	5095.0	-40.0	5447.7	4576.0
Elementis	156.6	-2.7	279.1	151.5
Johnson Matthey	3112.0	-80.0	3823.0	2620.0
Sirius Minerals	15.9	0.2	38.5	15.2
Synthomer	407.0	0.2	575.5	347.4
Victrex plc	2010.0	-56.0	3408.0	2008.0

CONSTRUCTION & MATERIALS

	Price	Chg	High	Low
Balfour Beatty	231.6	-7.0	311.1	230.6
CRH	2506.0	-12.0	2857.0	1971.5
Galliford Try	536.5	-12.0	1104.0	512.0
Ibstock	249.0	2.6	300.0	193.1
Kier Group	314.4	-8.2	1072.1	308.4
Marshalls	659.0	-3.0	662.0	399.8
Polypipe Group	418.8	-11.0	439.6	307.8

ELECTRICITY

	Price	Chg	High	Low
Contour Global	193.8	-6.7	250.0	150.1
Drax Group	322.4	-0.8	427.2	318.2
SSE	1039.5	-1.5	1440.5	1027.5

ELECTRONIC & ELECTRICAL EQ.

	Price	Chg	High	Low
Halma	1796.0	-29.0	1830.5	1237.0
Morgan Advanced M	258.8	-3.6	363.0	237.0
Renishaw	3940.0	-92.0	5685.0	3670.0
Spectris	2520.0	-39.0	2908.0	1966.5

EQUITY INVESTMENT INSTRUM.

	Price	Chg	High	Low
Aberforth Smaller	1288.0	-4.0	1442.0	1120.0
Alliance Trust	770.0	-6.0	789.0	672.0
Apax Global Alpha	143.5	-0.5	153.0	127.0
Baillie Gifford J	777.0	-7.0	869.0	663.0
Bankers Inv Trust	890.0	-9.0	914.0	766.0
BBGI SICAV S.A. (	157.5	0.0	168.0	131.0
BlackRock Smaller	1456.0	-8.0	1600.0	1160.0
BMO Global Smalle	1330.0	-8.0	1495.0	1220.0
British Empire Tr	729.0	-2.0	767.0	660.0
Caledonia Investm	2975.0	-25.0	3060.0	2650.0
City of London In	415.5	-1.5	442.5	376.0
Edinburgh Inv Tru	610.0	-5.0	712.0	588.0
F&C Investment Tr	696.0	-9.0	741.0	616.0
Fidelity China Sp	216.0	-5.5	268.0	182.4
Fidelity European	235.5	1.5	239.0	202.0
Fidelity Special	257.5	-2.0	280.0	220.0
Finsbury Growth &	894.0	-5.0	903.0	740.0
GCP Infrastructur	127.2	0.4	130.8	119.0
Genesis Emerging	704.0	-6.0	739.0	615.0
Greencoat UK Wind	136.8	0.0	143.2	120.0
HarbourVest Globa	1598.0	38.0	1598.0	1234.0
Herald Investment	1350.0	-14.0	1370.0	1055.0
HGCapital Trust	2145.0	0.0	2170.0	1750.0
HICL Infrastructu	159.0	0.4	170.1	140.0
International Pub	155.2	0.2	163.4	141.4
JPMorgan American	453.5	-6.0	472.0	386.5
JPMorgan Emerging	931.0	-4.0	972.0	759.0
JPMorgan Indian I	739.0	26.0	743.0	566.0
JPMorgan Japanese	423.5	-0.5	472.0	367.0
Jupiter European	817.0	1.0	895.0	666.0
Law Debenture Cor	602.0	-2.0	636.0	534.0
Mercantile Invest	208.7	-0.5	226.0	168.0
Monks Inv Trust	864.0	-15.0	891.0	710.0
Murray Internatio	1140.0	0.0	1208.0	1056.0
NB Global Floatin	90.1	-0.2	94.5	87.6
NextEnergy Solar	119.5	0.5	124.5	107.5
Pantheon Internat	2170.0	0.0	2200.0	1955.0
Perpetual Income	321.5	-1.0	375.0	301.5
Pershing Square H	1354.0	2.0	1398.0	988.0
Personal Assets T	41150.0	50.0	41150.0	38900.0
Polar Capital Tec	1336.0	-34.0	1386.0	1066.0
RIT Capital Partn	2025.0	-10.0	2130.0	1892.0
Riverstone Energy	918.0	1.0	1298.0	908.0
Schroder Asia Pac	435.5	-1.5	481.0	379.0
Scottish Inv Trus	787.0	-5.0	902.0	748.0
Scottish Mortgage	508.0	-15.0	568.3	441.4
Sequoia Economic	111.6	-0.4	114.2	106.0
Smithson Investme	1184.0	-16.0	1222.0	1000.2
Syncona Limited N	253.0	5.0	302.5	213.0
Temple Bar Inv Tr	1284.0	-12.0	1366.0	1116.0
Templeton Emergin	737.0	-5.0	792.0	649.0
The Renewables In	123.4	0.0	125.6	104.3
TR Property Inv T	411.5	-1.5	433.5	353.5
Vietnam Enterpris	441.0	6.0	472.0	390.0
VinaCapital Vietn	341.0	1.0	350.0	306.0
Witan Inv Trust	1054.0	-8.0	1138.0	948.0
Woodford Patient	81.3	-1.7	91.0	73.3
Worldwide Healthc	2565.0	-55.0	2915.0	2325.0

FINANCIAL SERVICES

	Price	Chg	High	Low
3i Group	1071.5	-6.0	1088.5	756.2
3i Infrastructure	285.5	6.0	288.5	221.0
AJ Bell	430.0	5.0	477.0	220.0
Allied Minds	75.1	0.1	118.0	37.3
Amigo Holdings	224.0	0.0	310.0	154.5
Arrow Global Grou	212.6	-1.6	296.5	167.2
ASA International	402.0	-1.0	510.0	336.0
Ashmore Group	466.2	-0.4	488.0	337.0
Brewin Dolphin Ho	308.0	-2.0	388.0	295.4
Charter Court Fin	336.0	-13.0	375.0	228.8
City of London In	420.0	5.0	435.0	360.0
CMC Markets	79.0	1.3	206.0	77.4
Coats Group	83.4	-1.1	91.3	69.8
Georgia Capital	958.0	-25.0	1260.0	941.0
Hargreaves Lansdo	2392.0	-27.0	2437.0	1633.0
IG Group Holdings	478.1	-5.3	954.5	476.5
IntegraFin Holdin	398.4	-5.9	406.1	269.0
Intermediate Capi	1204.0	0.0	1212.0	899.0
International Per	157.6	-5.2	248.8	155.0
Investec	486.8	-6.6	594.8	423.4
IP Group	89.9	0.9	142.8	87.8
John Laing Group	382.4	-7.2	402.0	264.2
JTC	420.0	-2.0	424.0	287.0
Jupiter Fund Mana	359.2	-4.8	488.0	287.6
Liontrust Asset M	692.0	-18.0	713.2	532.0
LMS Capital	50.4	0.0	53.5	44.0
London Finance &	39.5	-1.0	45.5	39.5
London Stock Exch	5248.0	-40.0	5320.0	3867.0
Man Group	149.5	-3.0	196.3	126.8
OneSavings Bank	413.8	-7.6	449.6	330.0
Paragon Banking G	461.2	-1.6	552.5	379.2
Plus500 Ltd (DI)	593.4	-4.4	2040.0	495.0
Provident Financi	480.0	0.1	692.6	450.0
Quilter	141.8	-0.4	156.6	110.6
Rathbone Brothers	2285.0	-55.0	2652.0	2198.0
Real Estate Credi	174.0	1.0	175.5	163.0
Record	30.2	0.0	47.0	27.3
River and Mercant	252.5	1.5	330.0	212.0
S&U	2240.0	70.0	2755.0	1767.5
Sanne Group	683.0	-7.0	724.0	450.0
Schroders	3058.0	-35.0	3488.0	2334.0
Standard Life Abe	259.7	-3.8	423.9	224.9
TP ICAP	275.4	-4.0	439.9	259.7
VPC Specialty Len	72.0	0.2	84.4	71.4
Walker Crips Grou	25.0	-1.0	39.0	24.0
XPS Pensions Grou	158.5	-1.5	192.0	132.0

FIXED LINE TELECOMS

	Price	Chg	High	Low
BT Group	203.3	0.5	264.7	201.1
TalkTalk Telecom	122.6	-0.7	137.0	96.6
Telecom Plus	1478.0	-12.0	1524.0	1010.0

FOOD & DRUG RETAILERS

	Price	Chg	High	Low
Greggs	2118.0	80.0	2120.0	942.0
Morrison (Wm) Sup	209.5	-1.4	269.4	208.9
Ocado Group	1237.5	-5.0	1435.0	749.8
Sainsbury (J)	197.8	-3.4	341.5	197.8
SSP Group	701.0	4.0	744.4	615.1
Tesco	234.7	-4.7	266.2	189.6
UDG Healthcare Pu	655.5	-11.5	940.0	551.0

FOOD PRODUCERS

	Price	Chg	High	Low
Associated Britis	2526.0	-45.0	2836.0	2041.0
Bakkavor Group	125.8	-0.6	206.0	113.0
Cranswick	2862.0	-28.0	3460.0	2472.0
Greencore Group	222.6	-4.4	230.0	155.3
Hilton Food Group	1066.0	20.0	1074.0	884.0
Tate & Lyle	792.4	-8.0	802.0	598.0
Unilever	4787.5	-9.0	4808.5	3931.0

FORESTRY & PAPER

	Price	Chg	High	Low
Mondi	1656.0	-48.5	2236.0	1584.0

GAS, WATER & MULTIUTILITIES

	Price	Chg	High	Low
Centrica	93.5	0.1	163.7	92.6
National Grid	817.8	-0.3	889.2	748.7
Pennon Group	701.2	0.6	812.4	684.2
Severn Trent	1919.5	-4.0	2091.0	1770.0
United Utilities	769.8	-9.4	873.6	682.4

GENERAL INDUSTRIALS

	Price	Chg	High	Low
RPC Group	789.0	0.6	834.8	632.2
Smith (DS)	318.4	-8.6	538.9	292.2
Smiths Group	1481.5	-16.5	1801.0	1279.5
Smurfit Kappa Gro	2151.0	-26.0	3292.0	1934.0
Vesuvius	520.5	-19.5	662.0	473.2

GENERAL RETAILERS

	Price	Chg	High	Low
Auto Trader Group	579.6	-5.6	591.4	351.2
B&M European Valu	381.8	-3.4	426.3	278.6
Card Factory	189.6	1.3	228.8	162.6
Dixons Carphone	124.6	-2.9	234.7	116.2
Dunelm Group	866.0	-10.0	912.5	482.8
Inchcape	556.5	-10.0	799.0	486.6
JD Sports Fashion	626.0	-8.6	637.2	318.5
Just Eat	620.8	-1.2	883.4	533.8
Kingfisher	224.0	-4.2	318.1	205.4
Marks & Spencer G	265.7	-2.1	314.5	242.4
Next	5798.0	18.0	6202.0	3991.0
Pets at Home Grou	147.8	1.4	163.2	110.0
Saga	49.1	-2.6	138.7	48.9
Sports Direct Int	287.6	-6.0	436.1	233.2
Ted Baker	1491.0	-37.0	2558.0	1420.0
Vivo Energy	117.2	1.2	175.0	96.0
WH Smith	2028.0	-24.0	2186.0	1697.0

HEALTH CARE EQUIPMETN & S.

	Price	Chg	High	Low
Assura	60.8	0.1	61.0	52.4
Convatec Group	140.0	-1.7	239.0	118.6
Mediclinic Intern	335.4	-5.3	686.0	301.3
NMC Health	2428.0	-65.0	4120.0	2192.0
Smith & Nephew	1633.5	3.5	1640.0	1258.0

HHOLD GDS & HOME CONSTR.

	Price	Chg	High	Low
Barratt Developme	586.8	-26.8	625.8	434.0
Bellway	2907.0	-60.0	3422.0	2419.0
Berkeley Group Ho	3654.0	-126.0	4321.0	3226.0
Bovis Homes Group	1013.0	-33.0	1298.0	828.0
Countryside Prope	308.8	-14.6	378.2	270.0
Crest Nicholson H	365.4	-7.4	448.0	296.4
McCarthy & Stone	129.9	-2.2	142.4	97.5
Persimmon	2046.0	-71.0	2880.0	1859.5
Reckitt Benckiser	6268.0	13.0	7155.0	5593.0
Redrow	558.0	-14.0	674.6	460.8
Taylor Wimpey	171.5	-6.1	205.0	129.3

INDUSTRIAL ENGINEERING

	Price	Chg	High	Low
Bodycote	788.0	-21.5	1055.0	676.0
Hill & Smith Hold	1250.0	-20.0	1523.0	902.5
IMI	945.4	-32.4	1242.0	870.0
Melrose Industrie	174.7	-3.0	247.0	146.3
RHI Magnesita N.V	4772.0	-72.0	5295.0	3318.0
Rotork	292.9	-0.1	361.4	235.7
Spirax-Sarco Engi	8590.0	-90.0	8700.0	5900.0
Weir Group	1527.5	-47.5	2325.0	1240.0

INDUSTRIAL METALS & MINING

	Price	Chg	High	Low
Evraz	575.6	6.6	669.0	442.1
Ferrexpo	224.8	-0.1	301.3	143.5

INDUSTRIAL TRANSPORTATION

	Price	Chg	High	Low
BBA Aviation	267.4	-2.2	350.0	207.0
Clarkson	2275.0	-15.0	2900.0	1878.0
Fisher (James) &	1992.0	-8.0	2260.0	1600.0
Royal Mail	232.9	-5.3	556.0	222.3
Stobart Group Ltd	113.8	-6.8	266.5	112.4

NON LIFE INSURANCE

	Price	Chg	High	Low
Admiral Group	2064.0	-41.0	2281.0	1870.0
Beazley	562.5	-4.0	608.0	492.6
Direct Line Insur	320.4	-3.1	376.2	304.9
Hastings Group Ho	185.8	-0.4	274.2	174.0
Hiscox Limited (D	1659.0	0.0	1711.0	1418.0
Lancashire Holdin	696.0	4.5	699.5	530.0
RSA Insurance Gro	563.8	-1.4	681.8	496.6
Sabre Insurance G	274.0	0.0	294.0	241.0

LIFE INSURANCE

	Price	Chg	High	Low
Aviva	416.9	-3.0	552.0	364.6
Just Group	61.0	0.1	150.6	58.3
Legal & General G	272.0	-5.6	291.2	223.7
Phoenix Group Hol	682.6	-9.1	724.8	544.0
Prudential	1638.5	-26.5	1954.5	1340.0
St James's Place	1115.0	-13.0	1240.5	914.0

MEDIA

	Price	Chg	High	Low
4Imprint Group	2690.0	-10.0	2710.0	1715.0
Ascential	386.6	4.4	465.0	337.2
Bloomsbury Publis	234.0	-3.0	254.0	190.5
Centaur Media	55.0	0.0	56.5	34.7
Entertainment One	460.4	-4.6	483.4	278.8
Euromoney Institu	1344.0	-22.0	1450.0	1132.0
Gocompare.com Gro	81.9	-0.4	139.0	64.6
Haynes Publishing	195.5	-2.0	246.0	160.0
Huntsworth	98.8	4.8	139.0	81.0
Informa	772.0	-1.8	859.0	605.8
ITE Group	76.2	-0.1	90.6	56.3
ITV	112.6	-1.5	180.4	111.8
Moneysupermarket.	367.3	3.5	372.1	264.0
Pearson	800.6	-2.2	1027.5	777.6
Reach	78.0	2.0	87.0	54.6
Relx plc	1810.0	3.0	1817.5	1491.5
Rightmove	563.7	-4.5	573.1	420.9
STV Group	365.5	-2.5	458.0	318.0
Tarsus Group	307.0	2.0	320.0	243.0
WPP	952.2	-10.6	1360.5	800.4

MINING

	Price	Chg	High	Low
Acacia Mining	151.0	-1.0	256.6	96.1
Anglo American	1933.2	-31.2	2226.0	1464.6
Antofagasta	829.0	-6.6	1149.0	727.2
BHP Group	1791.6	-3.2	1944.2	1490.6
Centamin (DI)	90.2	0.2	162.8	79.8
Fresnillo	737.2	6.2	1340.0	724.0
Glencore	273.0	-3.7	400.4	269.1
Hochschild Mining	168.8	0.8	222.7	149.1
Kaz Minerals	556.0	-3.6	1076.0	436.7
Polymetal Interna	818.8	4.0	894.0	597.2
Rio Tinto	4676.5	3.5	4771.5	3486.0

MOBILE TELECOMS

	Price	Chg	High	Low
Inmarsat	539.0	1.2	632.2	356.6
Vodafone Group	126.4	2.1	199.1	122.2

OIL & GAS PRODUCERS

	Price	Chg	High	Low
BP	557.2	1.2	598.3	485.9
Cairn Energy	167.2	-1.8	267.6	140.0
Energean Oil & Ga	788.0	-18.0	846.0	493.5
Premier Oil	97.0	-2.5	143.6	55.6
Royal Dutch Shell	2539.0	3.0	2748.5	2213.0
Royal Dutch Shell	2540.0	-1.5	2841.0	2227.0
Tullow Oil	228.1	0.9	276.0	165.2

OIL EQUIPMENT & SERVICES

	Price	Chg	High	Low
Hunting	558.0	-13.0	914.0	453.6
Petrofac Ltd.	418.9	0.1	663.4	381.5
Wood Group (John)	448.9	-1.6	796.4	438.0

PERSONAL GOODS

	Price	Chg	High	Low
Burberry Group	1802.0	-50.5	2325.0	1623.5
PZ Cussons	197.0	-0.6	244.0	178.6

PHARMACEUTICALS & BIOTECH

	Price	Chg	High	Low
AstraZeneca	5824.0	-51.0	6525.0	5182.0
BTG	834.5	-0.5	853.0	475.0
Dechra Pharmaceut	2718.0	-42.0	3168.0	2014.0
Genus	2740.0	-100.0	2992.0	2098.0
GlaxoSmithKline	1551.4	-3.6	1621.6	1418.0
Hikma Pharmaceuti	1707.0	-32.0	2025.0	1317.0
Indivior	46.6	-1.9	496.2	30.1

REAL ESTATE INVEST. & SERV.

	Price	Chg	High	Low
Capital & Countie	227.8	-2.1	308.9	226.3
CLS Holdings	222.5	1.5	255.0	195.4
Daejan Holdings	5620.0	-30.0	6400.0	5530.0
F&C Commercial Pr	120.2	0.8	155.0	117.0
Grainger	258.6	0.8	291.0	205.8
NewRiver REIT	229.5	-3.0	297.5	195.0
Safestore Holding	651.5	4.5	662.5	499.4
Savills	862.0	-4.5	975.5	678.5
St. Modwen Proper	431.5	4.0	434.5	365.0
UK Commercial Pro	91.7	0.6	92.7	81.0

REAL ESTATE INVEST. TRUSTS

	Price	Chg	High	Low
Big Yellow Group	1055.0	-3.0	1064.4	852.5
British Land Comp	555.0	-3.6	693.8	523.0
Civitas Social Ho	84.5	-1.2	114.0	84.2
Derwent London	3320.0	0.0	3352.0	2761.0
Great Portland Es	759.8	-1.2	773.6	652.3
Hammerson	288.0	0.3	560.2	285.8
Intu Properties	96.6	-0.5	207.3	91.3
Land Securities G	869.2	-15.0	965.1	791.8
LondonMetric Prop	207.6	0.6	208.8	172.7
Primary Health Pr	133.0	0.6	133.0	106.4
SEGRO	712.6	0.0	718.0	585.2
Shaftesbury	852.0	-1.0	990.0	817.0
Tritax Big Box Re	151.9	2.9	155.7	129.0
Unite Group	967.5	-0.5	972.0	797.5
Workspace Group	957.5	-2.5	1165.0	789.5

SOFTWARE & COMPUTER SERV.

	Price	Chg	High	Low
Avast	306.8	-0.6	313.4	208.2
Aveva Group	3368.0	-52.0	3446.0	2284.0
Computacenter	1235.0	-6.0	1620.0	952.0
FDM Group (Holdin	984.0	0.0	1128.0	734.0
Micro Focus Inter	1905.0	-3.6	2491.6	1427.2
Playtech	404.6	-2.6	826.6	361.8
Sage Group	738.6	-8.2	749.0	525.6
Softcat	949.5	9.5	974.2	565.0
Sophos Group	386.0	1.0	639.0	298.2

SUPPORT SERVICES

	Price	Chg	High	Low
Aggreko	806.2	-8.8	882.0	641.8
Ashtead Group	2015.0	-37.0	2438.0	1586.5
BCA Marketplace	186.4	-2.6	242.0	186.3
Bunzl	2107.0	-12.0	2551.0	2060.0
Capita	110.1	-3.5	169.1	102.3
DCC	7012.0	24.0	7565.0	5555.0
Diploma	1490.0	-19.0	1634.0	1150.0
Electrocomponents	606.6	-13.2	761.6	480.0
Equiniti Group	222.0	1.0	278.0	186.2
Essentra	406.6	-5.0	507.0	325.4
Experian	2301.0	1.0	2320.0	1728.5
Ferguson	5396.0	-24.0	6556.0	4749.0
G4S	215.6	0.6	282.0	175.9
Grafton Group Uni	911.0	-19.0	937.0	630.0
Hays	147.8	-1.3	212.0	135.7
Homeserve	1092.0	-3.0	1166.0	842.0
Howden Joinery Gr	512.8	-14.4	539.0	416.4
Intertek Group	5050.0	-36.0	6014.0	4387.0
Pagegroup	518.0	1.0	623.5	432.2
Rentokil Initial	385.7	-1.3	391.1	284.8
Robert Walters	630.0	0.0	475.0	814.0
Serco Group	122.0	-3.8	136.5	84.1
SIG	136.1	-3.6	153.0	102.2
Travis Perkins	1344.0	-35.5	1475.5	970.0
Spirent Communica	159.6	0.6	166.2	110.6

TOBACCO

	Price	Chg	High	Low
British American	2972.0	14.5	4222.5	2375.0
Imperial Brands	2187.5	25.5	2987.5	2129.0

TRAVEL & LEISURE

	Price	Chg	High	Low
888 Holdings	131.3	-2.5	324.8	129.1
Carnival	3968.0	-71.0	5000.0	3659.0
Cineworld Group	298.8	-4.3	323.6	245.0
Compass Group	1804.0	4.0	1825.0	1483.0
Domino's Pizza Gr	236.0	-10.1	386.9	224.4
easyJet	990.0	-35.0	1796.0	973.0
El Group	214.6	-3.8	224.8	134.6
FirstGroup	112.0	-0.5	117.5	79.3
Go-Ahead Group	1851.0	-17.0	2078.0	1388.0
Greene King	623.0	0.0	704.4	472.8
GVC Holdings	607.2	-19.4	1170.0	507.5
InterContinental	4985.5	-77.5	5072.0	3958.4
International Con	502.4	-6.6	726.6	489.3
Merlin Entertainm	350.0	-25.1	410.5	307.1
Millennium & Copt	462.0	4.0	570.0	436.0
Mitchells & Butle	242.0	-2.0	291.4	238.0
National Express	403.0	-1.2	433.2	361.4
Paddy Power Betfa	5814.0	-72.0	9110.0	5525.0
Rank Group	153.6	-2.6	194.0	135.0
Restaurant Group	130.3	1.5	237.1	111.9
Stagecoach Group	133.8	-1.2	177.0	115.5
TUI AG Reg Shs (D	775.0	-53.2	1810.5	713.2
Wetherspoon (J.D.	1309.0	-12.0	1375.0	1066.0
Whitbread	4525.0	-26.0	5114.0	3883.0
William Hill	136.3	-0.9	332.9	134.2
Wizz Air Holdings	3312.0	-72.0	3797.0	2329.0

AIM 50

	Price	Chg	High	Low
Abcam	1407.0	-4.0	1539.0	1017.0
Advanced Medical	342.5	2.5	370.0	260.0
Alliance Pharma	78.1	1.0	102.0	60.0
ASOS	3527.0	-73.0	6834.0	2128.0
Blue Prism Group	1800.0	0.0	2575.0	1040.0
Camellia	10400.0	300.0	12700.0	9100.0
CareTech Holding	370.0	10.0	406.0	325.0
Central Asia Meta	224.5	-1.0	296.0	203.0
Clinigen Group	1020.0	-13.0	1050.0	721.0
CVS Group	654.5	-10.0	1163.0	395.0
Dart Group	914.0	-15.0	1017.0	740.0
Diversified Gas &	132.5	-1.0	134.0	92.0
Draper Esprit	470.0	-2.0	645.0	440.0
Eland Oil & Gas	128.4	5.0	137.5	97.0
EMIS Group	1170.0	10.0	1176.0	860.0
Fevertree Drinks	2885.0	-55.0	3956.0	2131.0
First Derivatives	3030.0	-30.0	4680.0	2050.0
Frontier Developm	1014.0	23.0	1825.0	740.0
Gamma Communicati	1150.0	15.0	1179.0	688.0
GB Group	587.0	-8.0	630.0	410.5
Gooch & Housego	1365.0	-5.0	1880.0	1095.0
Hurricane Energy	56.8	0.9	60.1	39.0
Iomart Group	349.5	-0.5	475.0	308.0
IQE	76.7	-7.7	128.0	56.3
James Halstead	508.0	18.0	510.0	367.0
Johnson Service G	152.0	2.0	153.0	113.6
Keywords Studios	1663.0	-24.0	2065.0	900.0
Learning Technolo	83.6	0.6	166.5	62.2
M&C Saatchi	360.0	15.0	410.0	270.0
M. P. Evans Group	681.0	4.0	800.0	637.0
Majestic Wine	266.0	16.0	485.0	219.0
Midwich Group	615.0	2.0	685.0	491.5
Mortgage Advice B	612.0	2.0	720.0	490.0
Next Fifteen Comm	554.0	2.0	600.0	455.0
Nichols	1780.0	-22.5	1840.0	1240.0
Numis Corporation	265.0	0.0	438.5	221.5
Polar Capital Hol	570.0	-14.0	732.0	448.0
Purplebricks Grou	101.0	-3.0	410.0	100.0
Redde	113.8	-1.2	196.0	90.0
Renew Holdings	414.0	5.0	418.0	333.0
RWS Holdings	603.0	-3.0	615.0	343.5
Scapa Group	373.0	-15.5	482.6	275.8
Secure Income Rei	401.0	0.0	414.0	371.0
Serica Energy	136.8	2.4	142.0	57.4
Smart Metering Sy	494.0	-10.0	830.0	480.0
Staffline Group	324.0	-7.0	1340.0	305.5
Telford Homes	267.0	-4.0	466.0	264.0
Thorpe (F.W.)	319.0	3.0	340.0	248.0
Watkin Jones	228.0	-4.5	232.5	192.2
Young & Co's Brew	1880.0	22.5	1890.0	1322.5
Young & Co's Brew	1170.0	0.0	1325.0	1030.0

WebfinancialGroup
http://corporate.webfg.com
mailto:
globaltechsales@webfg.com

MAIN CHANGES UK 350

Risers ↑		%
Greggs	2118.0	3.9
Aston Martin Lagon	902.4	3.7
JPMorgan Indian In	739.0	3.7
HarbourVest Global	1598.0	2.4
3i Infrastructure	285.5	2.2
Syncona Limited NP	253.0	2.0
Tritax Big Box Rei	151.9	2.0
Hilton Food Group	1066.0	1.9
Vodafone Group	126.4	1.7
Games Workshop Gro	4466.0	1.6

Fallers ↓		%
Coca-Cola HBC AG	2672.0	-6.7
Merlin Entertainme	350.0	-6.7
TUI AG Reg Shs (DI	775.0	-6.4
Stobart Group Ltd.	113.8	-5.6
Saga	49.1	-5.0
Countryside Proper	308.8	-4.5
Barratt Developmen	586.8	-4.4
Domino's Pizza Gro	236.0	-4.1
Indivior	46.6	-4.0
Charter Court Fina	336.0	-3.7

EU SHARES

	Price	Chg	High	Low
AB INBEV	72.97	-1.33	91.14	56.32
ADIDAS N	251.10	-3.95	257.55	178.30
AIR LIQUIDE	113.15	-4.95	119.10	101.85
AIRBUS BR	119.08	-1.92	124.00	77.50
ALLIANZ	201.50	-2.90	216.20	170.38
AMADEUS IT GRP BR-A	69.78	-1.04	82.20	58.06
ASML HLDG	171.32	-11.50	189.50	130.12
AXA	22.42	-0.19	23.90	18.40
BANCO SANTANDER	4.09	-0.07	5.30	3.80
BASF N	62.10	-1.35	90.00	57.26
BAYER N	55.68	-1.41	104.04	52.00
BBVA	5.07	-0.08	6.71	4.48
BMW	64.90	-1.23	91.15	64.46
BNP PARIBAS BR-A	44.63	-0.75	62.83	38.14
CRH PLC	28.57	-0.15	34.87	26.53
DAIMLER N	52.23	-1.49	68.57	44.54
DANONE	70.54	-0.66	72.54	59.72
DEUTSCHE POST N	27.68	-0.36	34.46	23.43
DEUTSCHE TELEKOM N	15.33	0.19	15.88	13.09
ENEL N	5.69	0.06	5.74	4.22
ENGIE	13.56	-0.03	14.73	11.31
ENI N	14.42	-0.42	16.76	13.42
ESSILORLUXOTT	108.45	-1.50	129.55	95.50
FRESENIUS	46.98	-2.04	71.10	38.50
IBERDROLA	8.17	-0.01	8.23	5.77
INDITEX	24.95	-0.44	30.30	21.85
ING GROUP	9.96	-0.16	13.54	9.09
INTESA SANPAOLO N	1.98	-0.19	3.09	1.86
KERING	503.20	-18.80	539.80	351.70
KON AH DEL BR	21.09	0.10	24.01	18.60
L'OREAL	241.20	-2.40	245.80	182.00
LINDE	166.30	-3.25	0.00	0.00
LVMH	330.05	-10.80	355.05	242.30
MUENCHENER RUECKV N	216.50	-1.70	224.00	175.00
NOKIA	4.51	0.07	5.76	4.17
ORANGE	13.96	0.14	15.25	13.15
ROY.PHILIPS	36.18	-0.26	40.01	29.05
SAFRAN	124.80	-0.95	130.00	97.08
SANOFI	74.34	-0.89	80.44	64.45
SAP I	112.24	-2.48	117.02	84.02
SCHNEIDER EL	72.22	-0.46	78.66	57.54
SIEMENS N	105.50	-1.96	121.40	90.90
SOCIETE GENERALE	25.09	-0.63	41.89	23.56
TELEFONICA	7.18	0.00	8.10	6.59
TOTAL	49.23	0.06	55.39	44.23
UNILEVER CERT	54.06	-0.26	54.46	45.12
VINCI	88.92	-0.56	90.14	69.98
VIVENDI	24.56	-0.34	26.69	20.40
VOLKSWAGEN VZ I	145.12	-2.04	176.50	131.02

COMMODITIES

Gold	1280.80	-10.90
Silver	14.48	-0.32
Brent Crude	71.77	0.53
Krugerrand	1328.90	-4.60
Palladium	1323.00	-14.00
Platinum	826.00	-22.00
Tin Cash Official	19650.00	-70.00
Lead Cash Official	1826.00	-18.00
Zinc Cash Official	2755.00	-25.00
Copper Cash Official	6090.00	10.00
Aluminium Cash Official	1802.50	2.50
Nickel Cash Official	12215.00	-195.00
Aluminium Alloy Cash Official	1430.00	130.00
Cocoa Futures	2359.00	-16.00
Coffee 'C' Futures	89.38	0.38
Feed Wheat Futures	153.80	1.00
Soybeans Futures Continuation Contract	831.20	9.40

CREDIT & RATES

BoE IR Overnight	0.750	0.00
BoE IR 7 days	0.750	0.00
BoE IR 1 month	0.750	0.00
BoE IR 3 months	0.750	0.00
BoE IR 6 months	0.750	0.00
LIBOR Euro - overnight	-0.476	0.00
LIBOR Euro - 12 months	-0.226	0.00
LIBOR USD - overnight	2.356	0.00
LIBOR USD - 12 months	2.635	0.00
Halifax mortgage rate	3.990	0.00
Euro Base Rate	0.000	0.00
Finance house base rate	1.000	0.00
US Fed funds	1.91	0.00
US long bond yield	2.83	0.01
Euro Euribor	-0.379	0.00
The vix index	16.31	0.35
The baltic dry index	1040.00	8.00
Markit iBoxx EUR	236.91	-0.27
Markit iBoxx GBP	336.09	-0.68
Markit iBoxx USD	248.48	0.14

WORLD INDICES

	Price	Chg	%chg
FTSE 100	7310.88	-37.74	-0.51
FTSE 250	19335.59	-163.02	-0.84
FTSE All-Share	4002.88	-22.39	-0.56
FTSE AIM All-Share	957.01	-1.68	-0.18
S&P 500	2840.23	-19.30	-0.67
Dow Jones I.A.	25679.90	-84.10	-0.33
Nasdaq Composite	7702.38	-113.91	-1.46
Xetra DAX	12041.29	-197.65	-1.61
CAC 40	5358.59	-79.64	-1.46
Swiss Market Index	9582.08	-77.00	-0.80
ISEQ Overall Index	6223.38	-57.15	-0.91
FTSEurofirst 300	1485.51	-15.45	-1.03
Hang Seng	27787.61	-158.85	-0.57
Shanghai Composite	2870.60	-11.69	-0.41
STI Index	3205.46	-24.80	-0.77
ASX All Ordinaries	6564.70	104.50	1.62

US SHARES

	Price	Chg	High	Low
3M	166.25	-2.84	219.75	165.61
ABBOTT LABORATOR	75.77	-0.20	80.74	60.32
ADOBE	275.45	-4.40	291.71	204.95
ALPHAB NON VTG-C	1138.85	-23.45	1289.27	970.11
ALPHABET-A	1144.66	-24.12	1296.98	977.66
AMAZON.COM	1858.97	-10.03	2050.50	1307.00
AMERICAN EXPRESS	119.84	0.77	120.35	89.05
APPLE	183.09	-5.91	233.47	142.00
AT&T	32.19	0.39	34.53	26.80
BANK OF AMERICA	28.40	0.00	31.91	22.66
BERKSHIRE HATH RG-B	202.73	-0.54	224.07	184.75
BOEING CO	352.79	-2.23	446.01	292.47
CATERPILLAR	122.43	-0.33	161.60	112.06
CHEVRON	120.84	0.32	130.39	100.22
CISCO SYSTEMS	56.01	-0.34	57.53	40.25
CITIGROUP	64.96	-0.11	75.24	48.42
COCA-COLA CO	48.85	-0.35	50.84	41.93
COMCAST-A	42.78	-0.76	43.96	30.67
DOW	50.08	-0.72	0.00	0.00
EXXON MOBIL	75.90	-0.01	87.36	64.65
FACEBOOK-A	182.72	-2.58	218.62	123.02
GOLDMAN SACHS GR	197.24	-0.19	245.08	151.70
HOME DEPOT	190.95	-1.63	215.43	158.09
IBM	135.12	0.80	154.36	105.94
INTEL	43.56	-1.33	59.59	42.36
JOHNSON & JOHNSO	138.42	-0.19	148.99	118.62
JPMORGAN CHASE	111.35	0.58	119.24	91.11
MASTERCARD RG-A	253.49	0.94	257.43	171.89
MCDONALD'S	198.99	-0.23	200.68	153.13
MERCK	78.88	0.16	83.85	57.49
MICROSOFT	126.22	-1.85	131.37	93.96
NETFLIX	348.11	-6.34	423.21	231.23
NIKE -B-	82.85	-1.72	90.00	66.53
ORACLE	53.66	-0.84	55.53	42.40
PAYPAL HOLDINGS	112.15	-0.65	114.66	74.66
PEPSICO	118.61	0.56	119.74	101.06
PEPSICO	129.99	-0.52	130.87	97.15
PFIZER	41.59	0.12	46.47	35.32
PHILIP MRRS INT	86.23	-0.58	92.74	64.67
PROCTER&GAMBLE	107.33	-0.12	108.68	72.80
TRAVELERS COS	148.17	0.68	148.85	111.08
TWITTER	37.15	-0.35	47.79	26.19
UNION PACIFIC	174.74	0.12	180.02	128.08
UNITEDHEALTH GRO	245.99	4.61	287.94	208.07
UTD TECHS	133.48	-0.27	144.40	100.48
VERIZON COMM	59.01	0.92	61.58	47.13
VISA RG-A	163.47	-0.62	165.74	121.60
WALGREENS BOOTS	52.26	-0.01	86.31	51.79
WALMART	101.52	0.66	106.21	81.78
WALT DISNEY	133.91	-1.13	142.37	98.81
WELLS FARGO	45.45	-0.25	59.53	43.02

OFFICE POLITICS

The future looks bright for graduates

Students with arts degrees shouldn't worry – the tech sector wants them too

Aidan Cramer

THIS month, university students across the country are being tested on their chosen field of study. As if the exam season weren't stressful enough, final-year students also have to deal with acute cases of so-called employability anxiety.

This generation is already described as the "most anxious in history", so adding extra stress makes for a potent cocktail.

It isn't difficult to see why so many soon-to-be-graduates are lying awake at night, worrying about the future.

The headlines paint a picture of an employment wasteland and an economy in free-fall, to say nothing of the thick cloud of uncertainty that swirls around Brexit. Then there's the drumbeat of stories that relate all the ways in which millennials have something wrong with them.

Despite this atmosphere of gloom, the tech sector – consistently reported as one of the most desirable among graduates – is in rude health. In fact, in May last year, the UK became the world's top fintech hub. Total venture capitalist investment in UK tech surpassed £6bn over the course of 2018.

It was reported in February that the number of new technology companies launched in the country rose by 14 per cent in 2018, and that was distributed among almost every region in the UK. And though of course many startups fail, it's suggestive of the health of the sector and the optimism surrounding it that so many people are willing to turn their ideas into businesses.

This, you might think, will hardly soothe the jangled nerves of those studying the humanities or anything that might come under the heading of "liberal arts". But this isn't so.

Indeed, what were once dismissed as worthless degrees are in high demand in the tech sector. George Anders, a former tech reporter at Forbes who was "consumed with this idea that there was no education but STEM education", changed his mind when he spoke to hiring managers at companies like Uber.

He told the BBC that "Uber was picking up psychology majors to deal with unhappy riders and drivers... Opentable was hiring English majors to bring data to restaurateurs to get them excited about what data could do."

What were once dismissed as worthless degrees are in high demand in the tech sector

Communication, social fluency, and critical thinking – skills developed particularly well through studying the humanities and liberal arts – are highly desirable. Steve Jobs once said that Apple operated at "the intersection of technology, the liberal arts and humanities" – and that company seems to be doing pretty well.

It's worth noting that liberal arts is probably the oldest educational programme in western history. It was once believed to develop the qualities essential for a free person – hence "liberal".

Five years after Barack Obama called a humanities degree useless (he later apologised), hiring managers at some of the world's top companies are understanding the hidden virtues of these subjects and looking specifically for those with a degree in them.

This may have something to do with the way that tech is flowing into other industries. We think of Amazon, Uber or Airbnb as tech companies, but it won't be long until we see tech merely as the vehicle by which almost all industries operate.

The fourth industrial revolution will do nothing if not blur lines, and the tech aspect of any given company will be taken for granted and seen as something that all companies and industries use as the means by which they do business.

Put simply, to say that "tech" is booming while other industries struggle fails to tell the whole story – almost every major industry is contained within tech.

None of this is to say that the anxieties of those about to graduate are unmerited. Exams are difficult and stressful. So too is the job hunt.

Nonetheless, the future looks bright for graduates.

Aidan Cramer is co-founder of JobLab.

JOB HUNTING SEASON

Good&Co
Free

Many soon-to-be-graduates have probably already started applying for jobs for the past few months, and the rest will soon join them in the race. This app could help. It gets you to take an 18-question personality test to identify your characteristics, then suggests roles where the company culture best matches your traits.

COFFEE BREAK

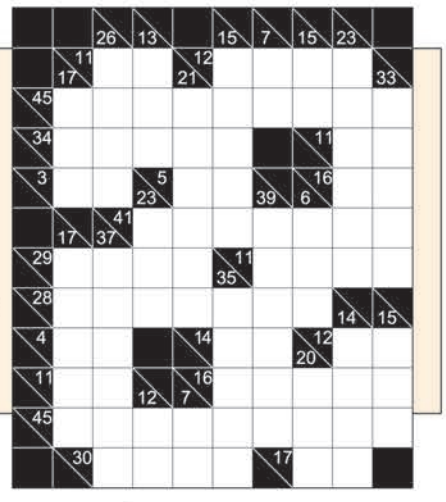
SUDOKU

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

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

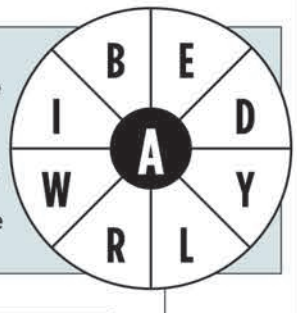
KAKURO

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.

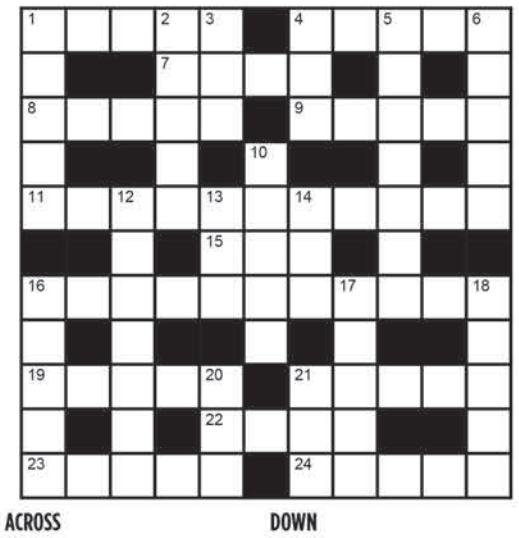


WORDWHEEL

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

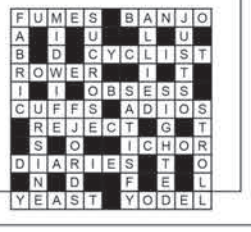
1 Soil (5)
4 Is without (5)
7 Tiny amount (4)
8 Rush (5)
9 Extremely breezy (5)
11 Bedspread (11)
15 Primate (3)
16 Good fellowship (11)
19 Furious (5)
21 Organised groups of criminals (5)
22 Group of countries in an alliance (4)
23 Hilda ___, former character in TV's Coronation Street (5)
24 Poor, deprived (5)

DOWN

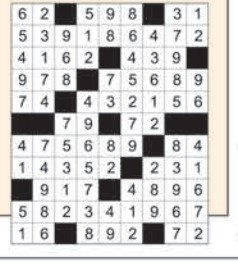
1 Moral principle (5)
2 Giant (5)
3 Gardening tool (3)
4 Principle (3)
5 Mythical being, half man and half horse (7)
6 Vogue (5)
10 Asian country (5)
12 Not affected by emotion (7)
13 Seaman (coll) (3)
14 Colour (3)
16 Instrument played with a bow (5)
17 Delete (5)
18 Literary composition (5)
20 Judo level (3)
21 Alcoholic spirit (3)

LAST ISSUE'S SOLUTIONS

QUICK CROSSWORD



KAKURO



SUDOKU

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

WORDWHEEL

The nine-letter word was **PARCHMENT**

FORUM

EDITED BY RACHEL CUNLIFFE

Time to think small and give our SMEs a fairer tax system

Robert Colvile

WHEN you look after small business," Sajid Javid said last week, "you look after Britain". But too often, he admitted, the government has focused its attention elsewhere – big government finding it easier to talk to big business than small.

Britain has an enviable record of company creation. Indeed, alongside our stellar job creation rates, it is one of the jewels of our economy.

Yet in terms of scaling up those countries, we lag well behind: in OECD rankings, we came 13th out of 14 in terms of the proportion of businesses that grow to have 10 or more employees within three years.

Part of this is about investment. In 2017, a Centre for Policy Studies paper by Rishi Sunak MP highlighted the financing problems faced by SMEs, proposing the creation of a new Aim-style bond market to ensure that SMEs get the funding they needed.

But much of it is about our general business environment.

The way we treat businesses all too often resembles the shaving industry's maxim: give away the razor, then gouge them on the blades.

There is the VAT system, which has resulted in a huge clustering of businesses under the £85,000 threshold which depress their turnover to avoid the admin and hassle.

Employer's National Insurance adds a hefty surcharge to your salary costs – a tax on jobs in the truest sense.

And business rates actively punish firms that seek to expand and upgrade their premises – the very opposite of what any economist would argue for, and one of the many contributing factors to our crippling problems with productivity and business investment.

Above all, as the Office of Tax Simplification has highlighted, we have a "one-size-fits-all" approach to business tax, regulation and administration. We treat corner shops as part of the same continuum as nationwide chains, even though the burden of complying with the rules will be disproportionately larger for smaller outfits.

When our think tank started talking to small businesses and small business groups – and carrying out polling both of their managers and of the general public – we got a clear message. The burden of tax and administration is an unnecessary weight on these firms.

People felt, overwhelmingly, that the tax system should be simple for small businesses to understand, and treat small businesses differently to large. Just one per cent of those we surveyed felt that the corporate tax system was too simple rather than too complex.

And despite generous corporation tax cuts in recent years, solid majorities of voters, owners and managers felt that the government was not on the side of small businesses.

Something dramatic is needed. Our suggestion in "Think Small" – a new report by our head of business Nick King with a foreword by West Midlands mayor (and former John Lewis boss) Andy Street – is for a sweeping act of tax and administration simplification.

Companies with a turnover under £1m would be able to choose between paying all their current taxes, and replacing the four biggest (corporation tax, Employer's NI, business rates, and VAT) with a simple levy on turnover.

> **We treat corner shops as part of the same continuum as nationwide chains**

Expert modelling by Capital Economics suggests that this would be revenue-neutral for the Treasury at a rate of roughly 12.5 per cent – though obviously we would hope that the rate could be lowered once the principle was established.

Because this system would be voluntary, no company need lose out. But YouGov polling shows that companies would welcome such a scheme – almost three quarters of those which expressed a preference said that they would switch over if it was revenue-neutral. More than a quarter said that they would switch even if it cost them more, just to avoid the hassle of admin.

At a stroke, Britain would become one of the best places in the world not just to start a business but to run one – because you would be able to focus on growing your firm, rather than wasting days puzzling through your tax situation.

In countries where small-scale versions of this scheme have been tried, the effect has been galvanising.

Speaking at the launch last Thursday, Javid described his own days living above the family shop, which sold ladies' clothing.

"Small business," he said, "is woven through the fabric of our country – 5.5m businesses, all of them run by people from many different backgrounds, different races, men and women, people of all types... They are the very heart of our society."

He concluded: "It's our responsibility to make sure that taxes on business are low, that they are simple, and that they are fair."

That's not only good economics. It would also put the Conservative party on the side of millions of small businesses, whose owners are the political heart of the country, as well as its economic backbone.

Robert Colvile is director of the Centre for Policy Studies.

Want to spark an e-scooter revolution in London? Ditch the language of conquest

Fredrik Hjelm

WHEN Germany's politicians gave electric scooters the green light last Friday, they instantly created Europe's largest market for this new mode of transport, while making Britain the last remaining major country in the continent not to approve e-scooters for use on roads.

Pressure is now mounting on British politicians to overturn the ban on e-scooters, along with segways and hoverboards.

Indeed, the current restrictions have not stopped many in the UK buying their own e-scooters and using them around town anyway.

It's not hard to see why. E-scooters could be enormously useful in UK cities, particularly in the capital, cutting congestion and providing a low-emission option for millions of commuters.

Yet many still argue that the ban is justified, on the grounds that e-scooters may clog up the streets and endanger pedestrians.

In this case, the Uber-style "ask forgiveness, not permission" approach to growth deployed by some of the US e-scooter startups has not helped the sector win friends. What Silicon Valley insiders might view as bold determination not to let obstacles get in the way of vision is seen by everyone else as a deliberate disregard for procedure.

Tech companies like to talk about disruption, but that's an arrogant phrase to use when considering issues as complex and fraught as gridlocked cities. It's also a dysfunctional and unsustainable way to expand into new markets.

In almost all cities, any transport operation that does not try to integrate with the existing public transport network will have a very short lifespan. Asking permission before you go into a market is essential.

A better approach than seeking to "conquer" new cities would be for operators to partner with them.

That means building meaningful (rather than just promotional) relationships, abiding by local regulations, and understanding that there can be no one-size-fits-all strategy for cities with cultures, habits and climates as varied as there are in Europe.

Tech companies also need to pay their way. The fact that some haven't hired staff or paid tax locally in the past is exacerbating the current backlash against tech giants. It is the least a transport tech company can do as a new arrival in a city.

There's another tactic that responsible disruptors should consider: offer data that can be used for the public good. From a city planning perspective, data on transport usage will help with designing and budgeting for infrastructure improvements, as well as increasing both safety and convenience for all city users.

It's time tech businesses stopped talking in terms of upending industries and winning territories, and talked about our responsibilities instead. Only then will people trust us to run services as critical to a city's proper functioning as transport.

We hope the UK government follows the lead of other leading European states in allowing e-scooters as one tactic to help cut pollution and improve air quality. Europe's commuters have shown that they are overwhelmingly supportive.

But whatever happens, all tech businesses need to change their mindset and drop the language of battle and conquest.

Fredrik Hjelm is co-founder and chief executive of Voi Technology.

LETTERS
TO THE EDITOR

It's not easy being green

[Re: As National Vegetarian Week ends, will this group outnumber meat eaters in the next decade?]

Essentially, it seems that the growth area is in informed choice and quality.

People may eat less meat as more adopt a flexitarian diet and lifestyle. However, meat for a lot of people is seen as a necessity for protein, and they cannot be shaken from this belief.

The provenance of that meat and the way in which it is farmed (in terms of animal welfare and quality of life) are important factors, and as long as people believe it is good protein, tasty, and reasonably ethical, there will be demand.

Flexitarianism is on the rise as many people believe that it has the right balance of health and protein without changing lifestyles too drastically. And as vegan options improve, this will grow.

Many people will turn to veganism, but in our lifetime, it seems that the lust for meat will remain strong. Mass produced farming may (and should) die, but organic artisan bespoke farmers who are passionate and ethical should rise.

Steve Oakey, creative director, Eat With Your Eyes

BEST OF TWITTER

"If you lived behind the Iron Curtain... then you understand how precious democracy is." Brexit Party candidate, @LauraMK20.
@brexitparty_uk

If you lived behind the Iron Curtain you would know that, when the Wall came down, all of the countries there immediately applied to join the EU
@gideonrachman

Aren't there big incentives on all sides to pass the WAB because it's amendable? What's to stop customs union/other stuff being stuck on? It kills no-deal. Shoots a large bit of Farage's fox. Unleashes Boris on the second stage of negotiations. What's not to like?
@SirSocks

People keep saying "The only way for the Tory Party to save itself is to leave with No Deal." They're right. But @JohnRentoul is also right when he says there is no way for any Tory PM from here to leave with No Deal. So there is no way for the Tory Party to save itself.
@andrew_lilico

Ok you can either be *against* milkshake-throwing, rape "joke"-making, egging, threatening to pick up rifle if Brexit isn't delivered, punching nazis & ALL FORMS OF INTIMIDATION/STUFF THAT COULD TURN UGLY in politics or *for* all. But it's not pick'n'mix.
@gabyhinsliff

I'm beginning to sense many millions of people are now as keen to remove 650 MPs and their Speaker from the House of Commons as they are to leave the EU.
@DaveLarkhall

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

Don't let trust become the next plaything of the cyber criminals


Poppy Gustafsson

THE LAST 200 years have been a whirlwind of technological invention. Aeroplanes have allowed us to transcend borders, MRI scanners have enabled us to explore the innermost workings of our brains, and the internet has put the world at our fingertips.

Our dependency on connected services is more extreme than ever, but between the Cambridge Analytica scandal and the infamous Panama Papers leak, distrust is rapidly infecting the fabric of modern society.

Trust is becoming the new plaything for cyber criminals, with once confidential information being hijacked.

The more hackers expose, the more they can manipulate public perceptions. Nation states themselves are at it too, with Robert Mueller's report revealing "conclusive evidence" that Russia interfered in the 2016 US presidential election.

Politics aside, attacks on trust are getting more personal. Singapore recently suffered three major healthcare breaches which saw the personal data of thousands of citizens illegally accessed. Closer to home, questions are still being raised as to whether we could successfully fend off another attack like WannaCry from two years ago, fuelling fresh fears about the nation's ability to lock down the population's most sensitive information.

Infrastructure too has been revolutionised by modern technology.

A rising population of more empowered and assertive consumers has prompted the energy and utilities sector to unlock more reliable, higher quality and sustainable services using technology. Yet, rewinding to 2015, a sophisticated cyber attack on Ukraine's power grid led to blackouts across Kiev, leaving citizens in darkness for up to six hours.

Whether sowing a general distrust of private companies' ability to guard our data or fuelling fears about nations' ability to lock down critical services and infrastructure, cyber interference risks destroying faith in the very instruments of democracy.

It's clear that technology has spearheaded societal development. However, as countries ramp up innovation, trust must be rebuilt in their ability to keep data and services safe.

Our "invest first, secure later" mindset has, undeniably, accelerated the cyber challenge. Yet, retreating from the modern world is not the answer.

This is a challenge that we can – and must – innovate ourselves out of. And technology itself must be part of the solution to its own problem – in the shape of artificial intelligence (AI).

Why? Because humans remain the weakest link and biggest cyber risk.

The rate of innovation is far outstripping our ability to adapt and secure.

Software is millions of lines of code and one seemingly small mistake can result in sensitive data left open for anyone to see. Many hacking practices rely on exploiting human vulnerabilities and often encourage seemingly harmless behaviour, like downloading a malicious attachment that gives attackers unrestricted insider access.

Critically, AI can process vast data sets and draw meaningful insights in seconds. It therefore supercharges security officers in their ability to detect and counter advanced cyber threats. We have already seen it successfully stop ransomware in its tracks and detect subtle nation state espionage campaigns, without human intervention.

But trust takes time to rebuild. Getting to the point where democratic processes and critical infrastructure are protected by autonomous machines requires a considerable leap of faith. Innovators will have to acknowledge this reality, and engineer features into their creations that nurture trust between humans and algorithms.

We should be excited about the opportunities that technology innovation will unlock. However, we cannot expect society to embrace them without restoring trust in the technology that will be at its core.

AI is not the panacea for all of society's ills. But it has an essential role to play in solving our tech-fuelled problems, and consequently in restoring our trust in the institutions that sit at the centre of our digital futures.

> **Artificial intelligence has an essential role to play in solving our tech-fuelled problems**

Poppy Gustafsson is chief executive of Darktrace.

DEBATE

With the project losing political support, is it time to accept the sunk cost and scrap HS2?

YES


ANDREW BRIDGEN

There is a saying that "your first loss is your best loss". This is where we are with HS2, with its escalating costs and diminishing public support.

Initially, the HS2 budget was set at £33bn. In 2013, this increased by £10bn, with the Department for Transport briefing that "they don't actually plan to spend £42.6bn – it just includes a huge contingency fund in case of problems".

At around this time, I spoke at a conference fringe meeting where I predicted that the cost would end up over £100bn. At this point, the HS2 proponent and former minister for transport Steve Norris laughed, saying that my figure was ridiculous.

Indeed it was – because the final price tag will be much more. Experts from the Midlands Economic Forum estimate that the costs of transport infrastructure connections to HS2 terminals, rolling stock, and power requirements will push the bill up to £157bn.

This budget could transform interregional connectivity in the north and Midlands. That's where it should go, rather than on this vanity project.

Andrew Bridgen is the Conservative MP for North West Leicestershire.

NO


JOHN DOWNER

As a starting point, Britain needs a major new railway; we need more capacity and we need more connections. This is equally true of intercity and regional rail networks.

It's true that Britain is held back by the poor connections between the great cities of the north, but HS2 is a vital part of that solution. It will improve speeds, increase reliability, and boost capacity between cities like Newcastle, Leeds, York, Liverpool and Manchester.

That's why every major political leader in the north, of every political colour, supports it.

Building Northern Powerhouse Rail without HS2 would be like constructing the M62 without the M1.

HS2 is catalysing investment up and down the country. Backing out at this stage would be the ultimate missed opportunity to smash the north-south divide and revitalise our rail network.

We are building a railway to last 100 years in the tradition of the British railway pioneers. Let's be proud of the scale of our national ambition and get on with it.

John Downer is a director of High Speed Rail Industry Leaders.

CITY A.M.
Fountain House,
3rd Floor, 130 Fenchurch Street,
London, EC3M 5DJ
Tel: 020 3201 8900
Email: news@cityam.com

abc
Certified Distribution
from 01/04/2019 till
28/04/2019 is 85,758

Editorial Editor **Christian May** | Deputy Editor **Julian Harris**
News Editor **Josh Martin** | Comment & Features Editor **Rachel Cunliffe**
Lifestyle Editor **Steve Dinneen** | Sports Editor **Frank Dalleres**
Creative Director **Billy Breton**

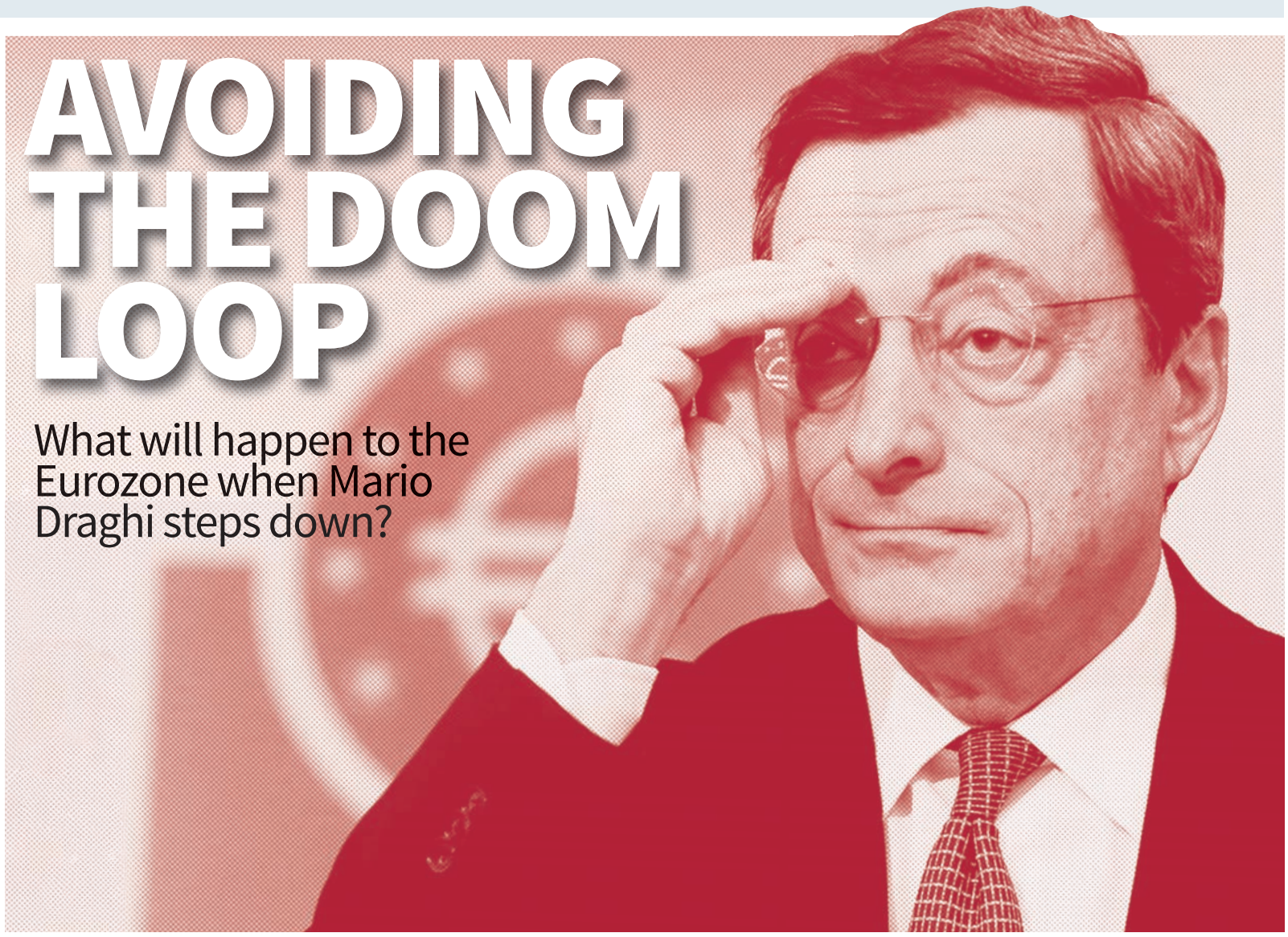
Commercial Sales Director **Jeremy Slattery** | Head of Distribution **Gianni Cavalli**

Distribution helpline
If you have any comments about the distribution of City A.M. please ring 0203 201 8955, or email distribution@cityam.com

Our terms and conditions for external contributors can be viewed at cityam.com/terms-conditions

Printed by West Ferry Printers Ltd, Kimpton Rd, Luton LU2 0SX

TRADING & INVESTMENT



AVOIDING THE DOOM LOOP

What will happen to the Eurozone when Mario Draghi steps down?

BACK in 2012, Mario Draghi committed to do "whatever it takes" to put the euro back on track. This influential statement brought the euro crisis to an end, and proved so powerful that precautions to safeguard the Eurozone, such as the Outright Monetary Transactions facility, did not need to be used.

With Draghi's term as president of the European Central Bank (ECB) coming to a close in October, we have to consider the Eurozone without him.

The fundamental question around his successor is how they will approach Draghi's commitment to do "whatever it takes". Although we would expect any successor to publicly recommit to this statement, their actions may transform its meaning, depending on how hawkish or dovish that individual may be.

With no confirmed successor, the euro faces uncertainty.

That said, we would expect monetary policy to stay loose and interest rates to stay at zero for some time following Draghi's departure.

Ultimately, a change in presidency will not affect the underlying threats to the Eurozone.

One of the first crises that any new president will have to face is the so-called "doom loop", which stems from the symbiotic relationship between the banks and the public sector.

While the European Union's banking union remains incomplete, the fear is that markets will at some point believe that taxpayers of individual countries are ultimately responsible for those bank debts.

In Italy, for example, the banks are weak because they hold a large amount of public debt and a lot of non-performing loans.

Without an established banking union, the assumption is that Italian taxpayers are liable for banks' debts. This results in the susceptibility to the doom loop: a loss of confidence in the public sector or a loss of confidence in the banking sector pushes up yields on bank debt.

In an environment where taxpayers are expected to pick up the bill, this would put pressure on the yield for public sector debt.

In the case of Italy, the banks holding a high amount of public sector assets would in turn push the yields on their debt further. Without action, the cycle could continue to spiral through the rest of the Eurozone.

Mario Draghi effectively cut the doom loop, and there is now bubbling concern of how his successor may choose to approach these challenges.

Their outlook will determine ECB policy, and therefore the outcome for countries such as Italy.

Looking back at Draghi's predecessor Jean-Claude Trichet, it is hard to imagine that he would take the same course of action were he in Draghi's position.

Should the next president choose to ignore these growing concerns and put pressure on Italy to resolve its own financial instability, there is a danger that we could see widespread issues across the Eurozone.

> "Without a banking union, the assumption is that Italian taxpayers are liable for banks' debts

That said, the last thing any president wants is to risk redenomination and jeopardise the stability of the currency union.

They will likely take required action to ensure the stability of the euro, but the question of what approach and at what point remains uncertain.

Although it is unlikely that Draghi's successor will inject drastic change into the Eurozone, it is important that investors remain alert to some of the risks, particularly in Italy.

Investors may want to consider the possible exposure that they have to Italian debt going forward as policy remains uncertain.

Investors should be alert going into the ECB president handover, as possibilities of a change in approach will begin to come to light.

Looking forward, we are optimistic that a mantra around doing whatever it takes would remain at the heart of any Eurozone president. However, with no president in line for the position, only time will tell.

Shamik Dhar is chief economist at BNY Mellon Investment Management.

Are emerging markets ready to fight back?

CNBC COMMENT

Spriha Srivastava

YOU KNOW there's an underlying problem when investment firms start to cut exposure to a particular asset class.

Goldman Sachs' decision last week to slash exposure to emerging markets is an indication of the current situation for these economies. The bank's asset management arm said that it had scaled back its "overweight" exposure to emerging market currencies and debt amid rising trade tensions between the US and China.

Emerging markets are bearing the brunt of an escalating trade war between the world's two largest economies, and there is no way to be certain when this will end.

Last week was the worst for emerging market currencies since the Turkish lira crisis last summer. The Chinese yuan has lost nearly three per cent of its value against the US dollar since 5 May – the day that President Donald Trump tweeted about new tariffs on the country.

This rout seems to be spreading to other countries, with MSCI's index of emerging market currencies down 3.5 per cent over the past seven days. The index is also down more than 12 per cent over a 12-month period.

A recent survey from flow-tracking specialist EPFR Global showed that institutional and individual investors pulled $1.3bn from emerging market equities in just one week. Analysts at Bank of America Merrill Lynch said in a note that these moves reflected "trade deal trauma".

In total, globally equity fund outflows have now reached $116bn in 2019, on course for the worst year since 2016, according to EPFR.

Flows into emerging markets are highly sensitive to external risk factors, such as global growth, changes in monetary policy in the US, and a general market sell-off.

Add to that domestic factors, such as high current account deficits, weak currencies, and a dependence on commodities, and these markets can make for a risky investment.

Before the recent escalation of the trade war, emerging markets remained a risky yet lucrative destination. The lack of returns from developed markets also pushed yield-hungry investors into these markets. But with global uncertainty making its way into almost every asset class, investors are left with very little to choose from.

However, this could change in the next few months.

Emerging markets such as South Africa and India will see political change this year, and while challenges are significant in both economies, fund managers have pointed out that both these nations have outperformed the Global Emerging Market Indexes year-to-date.

Yesterday, the Indian rupee was up nearly one per cent against the US dollar, and was the best performing currency across all markets. In South Africa, current President Cyril Ramaphosa held on to a sizeable majority, while in India, exit polls point to a second term for Prime Minister Narendra Modi.

Meanwhile, analysts have also highlighted that China will continue to retaliate, which in turn might hurt US businesses and have a negative impact on the economy. Ultimately, this may force Trump to back down.

In the current situation of extreme uncertainty, investors would like some stability from these markets, especially to trim the losses from the enormous sell-off in the last few months.

But when and how this stability comes through is another uncertainty that is currently weighing on the minds of investors.

Spriha Srivastava is the deputy digital news editor at CNBC International. She can be found on Twitter @spriha.

MOTORING

BY MOTORINGRESEARCH.COM FOR CITY A.M.

BUSINESS CLASS

The 8 Series is back after a 20-year hiatus. **Ethan Jupp** samples BMW's luxurious new super-coupe

It's been 20 years since you could last walk into a BMW dealership and buy an 8 Series. The company's former flagship braved new heights for a luxury German coupe, with a V12 engine and distinctive wedge-shaped styling. Now it's back.

This car actually picks up where the old 6 Series left off, clothing executive underpinnings in a more exotic suit. To call it a 5 Series saloon in drag would be a little harsh, but it feels more mainstream than some rivals.

Whereas the 6 Series was a usable four-seater, we'd struggle to call the new 8 anything more than a two-plus-two. However, a four-door Gran Coupe version will follow soon, along with a cabriolet.

To drive, the 8 Series is remarkably rapid, yet far from scintillating. Even the entry-level 840d diesel comes with a smooth eight-speed automatic transmission and BMW's xDrive four-wheel-drive. The steering is precise, if inert, and you're never short of grip.

Rear-wheel steering swivels the back wheels in the opposite direction at low speeds to improve manoeuvrability, then in the same direction as you go faster to boost stability. Combined with 3D-view parking cameras, it makes the big, heavy 8 Series easy to pilot around town, and blindingly capable on the open road.

With 315hp and 502lb ft of torque, the 840d launches to 62mph in 4.9 seconds. Find an Autobahn and you can reach an electronically-limited 155mph. The 523hp 4.4-litre twin-turbo petrol M850i provides more grunt and noise, albeit with a far greater thirst for fuel. If you're feeling patient (and flush) the full-fat 600hp+ M8 is due soon. The diesel feels bigger than its boots, though. Three-car overtakes are just a turbo-whoosh away.

BMW 840D

PRICE:	FROM £74,655
0-62MPH:	4.9-3.7SECS
TOP SPEED:	155MPH
CO2 G/KM:	160-224G/KM
MPG COMBINED:	46-28MPG

THE VERDICT

DESIGN	★★★★☆
PERFORMANCE	★★★★☆
PRACTICALITY	★★★☆☆
VALUE	★★★★☆

A sinewy sports car this ain't, but it defies the laws of physics in ways the old 6 Series simply can't. And with the excellent Harmon Kardon stereo cranked up and adaptive cruise control to maintain a set distance from the car in front, it'll dispatch continents with consummate ease.

Inside, the new iDrive media system is sharp and intuitive, although the Bluetooth phone connectivity seemed a little buggy. Gesture controls, which allow you to, for example, turn up the radio volume by twirling your finger in front of a sensor, are a fun gimmick, and Apple Carplay comes as standard. The new digital instrument cluster, while trading a bit of classic character, works brilliantly and the head-up display is a useful addition.

The cut-and-paste cabin design feels quite derivative, though. Knurled switches and a crystal-effect gearlever only go so far to elevate it above other BMWs. Build quality is hard to fault, but a Lexus LC certainly feels more special inside.

It's the same on the outside, too. The incredible concept car wrote aesthetic cheques this production version simply can't cash. It's very handsome, but you don't find yourself yearning for it. That being said, its proportions and styling are much sexier than those of the Mercedes-Benz SL and S-Class Coupe – or indeed the old 6 Series.

Many expected greatness from the new 8er, but were underwhelmed and, initially, we were too. But you have to live with it to discover its subtle genius. It looks great and goes well, and has the ability to fly under the radar and blend in to your life in ways the Lexus or Aston Martin DB11 couldn't. The Aston is more than twice the price, too.

This isn't a true successor to the classic 8 Series – look to the hybrid i8 supercar or imminent M8 for that. Nonetheless, assuming you don't need back seats or a large boot, the diesel 840d is a formidable all-rounder.

NOT CONVINCED? CHECK OUT THESE ALTERNATIVES...

ASTON MARTIN DB11 V8

PRICE:	FROM £147,900
0-62MPH:	4.1 SECS
TOP SPEED:	187XMPH
CO2 G/KM:	230G/KM
MPG COMBINED:	29MPG

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

LEXUS LC

PRICE:	FROM £74,470
0-62MPH:	5.0-4.4SEC
TOP SPEED:	155-167MPH
CO2 G/KM:	150-265G/KM
MPG COMBINED:	24-42MPG

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

MERCEDES-BENZ SL

PRICE:	FROM £76,390
0-62MPH:	5.1-3.9SECS
TOP SPEED:	XXXMPH
CO2 G/KM:	175-279G/KM
MPG COMBINED:	23-36MPG

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

CRYPTO A.M.

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

PARTNER CONTENT

CITY A.M.'S CRYPTO INSIDER

JAMES BOWATER

This morning marks the first official Crypto AM Blockchain Breakfast at Balthazar in Covent Garden where 24 leaders in the UK blockchain industry will be gathering. I will be tweeting about it so please follow me @CityAM_Crypto.

Bitcoin (BTC) has continued to astonish (it reached its 2019 All Time High of $8,311) since last week's Crypto AM, despite a circa $1,600 flash crash, is trading at US$7,721.57; Ethereum (ETH) at US$244.05; Ripple (XRP) at US$0.3860; Binance (BNB) at US$28.41 and Cardano (ADA) at US$0.08111. Overall Market Cap is at US$241.68bn (data source: www.CryptoCompare.com

Many are wondering why the Bitcoin bull run is on a charge. Last week was the Consensus Blockchain Week in New York, which traditionally sees a bump in the price, but there other factors at play. The halvening of BTC Block mining rewards, which happens every four years, is exactly a year away and historically in the year running up to this event BTC enjoys uplift. Recent positive newsflow has also been a factor with the Winklevoss twins buying coffee in Starbucks using crypto. Many other US retailers are following suit including Nordstrom, Whole Foods and Regal Cinemas. Another factor is that today is decision day by the US SEC on whether to approve or reject the Van Eck Bitcoin ETF which, if approved, could signal institutional adoption and possibly send BTC to the magical US$10,000 mark where it is believed many buy orders will kick in so watch this space!

Changing tack somewhat and delivering potentially devastating news for exchanges, other crypto service providers and the global Fintech ecosystem, BBFTA chair Barry E James called me to share his findings after contributing to the recent G8 Global Anti-Money Laundering 'consultation' in Vienna. FATF (Financial Action Task Force) is seeking pretty immediate global regulation of crypto services. The banking lobby were clearly evident - and vocally derisive - sounding triumphalist. Well they may be, it seems, having convinced FATF to slam Virtual Asset Service Providers (VASPs) by cutting & pasting an ineffective and unworkable regime, taken from wire transfers, that could decimate or kill the industry. Barry told me "the outcome could be to drive more activity underground with 'legal' / compliant exchanges etc reduced to a rump that could easily be swallowed up by the banks."

Last week at the Crypto Curry Club, I met Jason Maskell who is just launching consenttracker.com which is an App that helps create a safer dating experience by building consent agreements throughout the date. Users create a profile and upload their ID which is stored in the Blockchain. At each stage of the date, both have to agree to confirm consent and the App also tracks location allowing for a more respectful, fun and safer dating experience. A very worthy user case indeed!

IT'S TIME BLOCKCHAIN MARKETING GREW UP

Designed by Phill Snelling, Bowater Media

Last week's 25% bitcoin price surge harked back to November 2017, when the market traced a similarly astonishing trajectory. 18 months on from the great bull market, the nascent blockchain space is unarguably older - but is it wiser?

Certainly some of the marketing tactics employed by crypto projects back then makes for neither glowing reminiscence nor good example.

Who dares not to cringe when reminded of John McAfee's "Coin of the Day", in which each tweet lionised a "favourite" crypto token (that McAfee may have been paid to promote). In the case of his tweet about Burstcoin, this resulted in a near-instant price eruption of 350% - followed by a precipitous fall of a similar magnitude.

While McAfee's near-million-strong follower-count enticed several projects in the moment, the cumulative effect of "Coin of the Day" was a loss of credibility for specific projects and the industry as a whole. Nor was this discredited mechanic a rare eddy in a millpond of competence: examples of shoddy practice are myriad. So, as crypto embraces the exponential once more, how can its marketers play their part in avoiding the dubious promotional practices of the past?

ICOs defined the last bull market, with their necessity to rapidly attract retail investment. Creating short-term community buzz became the default strategy. It was not bereft of issues.

In the race to build social-media momentum, some projects purchased fake followers. The social metrics of Airfox - an ICO that refunded investors after SEC intervention - demonstrate rapid spikes in Twitter followers followed by similar drops a few weeks later: the hallmarks of bulk follower purchases.

Using fake followers to boost community numbers impacts trust and engagement. Yet it persists. A 2019 analysis alleged that Twitter sentiment regarding Ripple's XRP token was controlled by a "bot army" of thousands of simulated accounts. Another has estimated that in the case of Justin Sun, founder of TRON, a sizeable proportion of recent followers were fake.

Airdrops and bounty campaigns were another infectious marketing malady. In the case of the former, providing free tokens to holders of another token was a fast way to achieve interest - until the SEC's ruling on Tomahawk Coin made it clear that the Howey test applied even to freebies: perhaps saving us all from a horde of derivative projects.

While Bounty campaigns have their uses (such as crowd-sourcing code-bugs) rewarding users for posting about a project is problematic. One side-effect is the blockchain project Telegram "ghost" group: many thousands of members but just a handful of active users. Few are fooled.

Back then, influencers could name their price to promote an ICO. Many failed to disclose their interest. The apogee: Paris Hilton and Floyd Mayweather facing SEC sanction. Such practices have no place in other sectors; nor should they be allowed here again. Far better to be transparent: long-term users reward those they trust.

Instead of the ICO, we now have STOs and IEOs - not to mention many funded projects with MVPs seeking to accelerate roadmap progression, drive user adoption and build engaged communities. Marketing must evolve to suit.

Crypto influencers continue to pro-

Crypto AM shines its Spotlight on Chain Enable

The Blockchain industry has been through an interesting journey over the past 18 months, from huge ICO raises, regulatory uncertainty, and now government and industry adoption… there has certainly been a change of tide in understanding what the blockchain is or can achieve.

Many of the ICO projects that hit the market and managed to raise huge amounts of capital, fuelled by speculative valuations, have not fulfilled the dreams promised by the crypto evangelists of late 2017, but in a twist of fate governments, banks and big business are now adopting the underlying technology that was initially built to displace them, blockchain - let's not forget Bitcoin was the result of many years of cryptographic innovations to create a peer-to-peer monetary system that could operate without the necessity of the banks and governance mechanisms we know today, and now it seems the banks have adopted the underlying technology to their advantage.

After living and working in Korea and China for 5 years, Robert Cooke started Chain Enable as a cross-border consultancy and agency specialising in building relationships between Asian and European markets. By working closely with a number of agencies and investors in Asia, Chain Enable helped projects to shape and localise marketing materials, build communities, and introduce investors in the APAC region. In early 2018, Chain Enable expanded and built a partnership with Paul Morgan, a seasoned CTO and serial entrepreneur with a development team based across the UK and Europe. "Partnering with Paul was a huge step in Chain Enable's story… we have acquired a qualified team of developers and are able to build products for many of the clients we helped to serve from the earlier days." Over the past 20 years Paul has built a deep knowledge in systems architecture and backend design. Building financial products and insurance platforms implementing machine learning algorithms for a number of large retail banks, healthcare organisations and supermarkets such as Cigna, Lloyds Bank and Bupa, long before the term FinTech and AI was coined.

Robert Cooke, Co-Founder & CEO of Chain Enable

Chain Enable is focused on building industrial grade blockchain and distributed ledger systems with a keen interest in emerging and developing markets. We believe the adoption of blockchain and distributed ledger technology is going to accelerate in economies that currently lack the infrastructural backbone we take for granted in developed nations. Issues around identity verification and the convergence of blockchain and IoT are of huge interest. Now that governments and industry are beginning to see the benefits of blockchain technology we believe the adoption of this technology is just around the corner. It is exciting being at the forefront of a technology that challenges and tests the current status quo and we look forward to seeing how the industry develops.

> "Banks have adopted the underlying technology to their advantage

For more information and case studies of previous work please visit www.chainenable.com or email us directly at info@chainenable.com

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

vide access to a global audience. Their current properties are a far cry from the low-fi YouTube "Ask Me Anythings" of yore. Podcasts and newsletters such as Peter McCormack's What Bitcoin Did and Anthony Pompliano's Off The Chain are taking blockchain to new audiences.

Blockchain networking events and conferences are also achieving new levels of quality and quantity. They allow existing projects to attract mainstream interest and the current choice is ideal for negotiating valuable sponsorships.

Digital advertising has been historically stymied by Facebook and Google's crypto bans. As these barriers lift, we have a new channel to acquire customers. The stage is set for targeted ads to drive far greater adoption for blockchain companies.

As social sentiment becomes more savvy, credibility has never been more important. Community management remains a significant but necessary commitment. Active social-media channel maintenance, regular posts and fast responses to inbound enquiries are not optional. Failing to maintain an active and accurate presence is reputation-imperiling.

The current market is notable for its levels of competition. Each niche is hotly fought over by a number of valid projects. Winning the user adoption race thus means overachieving your fair share of visitors from search engines. Yet relatively few blockchain projects prioritise SEO. The paucity of search-first companies perfectly encapsulates the sector's ongoing marketing adolescence.

If, and when, John McAfee's luck runs out, few will miss the role he and others played in blockchain's promotional past. Compelling leaders are emerging. Take Binance's Changpeng "C.Z" Zhao: while he may occasionally misstep (such as his recent suggestion to reorder bitcoin to reverse a hack), having a communications-first CEO remains a powerful asset for any ambitious crypto brand.

> Blockchain networking events are achieving new levels of quality and quantity

Overall, we must forsake the facile marketing tactics of old and build trustworthy global brands with broader appeal. As institutions with eight-figure marketing pockets assimilate our space, hiding places will be severely rationed. Blockchain's promotional agendas have always benefited from agility and experimentation. Now they must develop a new marketing virtue: sustained credibility.

Joe Rudkin, Marketing Director at Block Influence, in conversation with James Bowater. You can follow Joe on Twitter @joerudkin or for more information www.blockinfluence.com

IMPORTANT INFORMATION: THE VIEWS AND OPINIONS PROVIDED BY CITY A.M.'S CRYPTO INSIDER AND IN THE CRYPTO A.M. SECTION SHOULD NOT BE TAKEN AS INVESTMENT OR FINANCIAL ADVICE. ALWAYS CONSULT WITH YOUR FINANCIAL ADVISOR.

CRYPTOCOMPARE MARKET VIEW

Crypto markets soar around Consensus Conference

Last week saw crypto and finance enthusiasts converge on New York for the biggest event in the crypto calendar - the Consensus Conference. With over 5,000 in attendance this year, the annual conference had a markedly upbeat atmosphere as the crypto industry relished the end of the "crypto winter." Among several big announcements was the unveiling of an app from payments startup Flexa which allows customers to spend crypto at major US retailers, including Whole Foods, Barnes and Noble and Nordstrom.

Bitcoin began the week with an impressive surge above $8,000 to reach fresh 2019 highs. After a 'flash crash' on Friday sent it briefly back down to the $6,500 level, bitcoin recovered to trade around the $8,000 mark once more. Altcoins saw enormous mid-week gains, with Ethereum surging over 30%, trading around the $250 mark at the time of writing.

Last week saw Microsoft announce a new project being built on the Bitcoin blockchain. The open source project, named Ion, aims to utilize the decentralized infrastructure of Bitcoin to allow networks to talk to each other. If successful, the project will allow the networks of two companies e.g. Google and AirBnB, to share users' ID data without having complete control over the information - a feature many will watch closely as big tech comes under increasing scrutiny for its use of customer data.

In tandem with Bitcoin's spectacular recovery, data from Google show that Bitcoin search interest has hit a 14-month high. According to Google Trends, searches for "bitcoin" have hit highs not seen since February 2018, when the cryptocurrency was trading between $8,000 and $11,000.

The CryptoCompare Digital Asset Summit will take place in London on June 12th. With keynote speaker Andreas M. Antonopoulos, the summit will feature presentations from some of the key figures in the space including Coinbase, Binance, UBS, and Nasdaq.

CRYPTO A.M. INDUSTRY VOICES

Money in the Monecraft Age

Money. A topic that most of us tend to grow up never really talking about. We don't teach it much at home, and we certainly don't learn about it in our primary schools. Yet, we use money every single day, in order to perform the most basic of civilised human activities. We use it to travel, eat, communicate, and access information, 24/7.

It seems being good with money is something we would want our kids to know about, yet, it is something we almost completely ignore until much later in their lives, when it is often too late. What's more, money is changing... fast! We live in the age of Bitcoin, Minecraft and Monzo. From paper, to plastic to code. In our generation alone (speaking as a 32 year old parent), money has radically transformed, whether we're comfortable with it or not.

Growing up in the 90's, learning about money looked like a porcelain piggy bank. My savings had weight. I could touch them, hear them, taste them if I wanted (I don't recommend licking pennies). But today it's all digital. Money lives on a screen inside our smart-phones, magically dispensed with a tap of a plastic card. It's also practically indistinguishable from the play money our kids encounter inside video-games everyday. There's a disconnect. The humble piggy bank served us well, but has become obsolete in an age of digitalisation and globalisation. You can't swipe a credit card through it, and relatives that live abroad can't contribute much to it either.

If my own father, who lives abroad, wanted to reward my 5 year old boy for cleaning his room, it's nonsensical for my son to wait 1 month, for grandad's next visit, to collect a 10p coin. The same reasoning applies to tooth fairies, birthdays and holidays. We should be able to share money within an extended family unit, as frequently, quickly, and as cost effectively as possible, just like we do with videos, pictures, and text messages. So why can't we?

Amongst skills like problem solving, creativity and empathy, I spend a lot of time thinking about how to make my kids good with digital money, not because I want them to be rich, but because I want them to be happy! It isn't always easy though, and the attitudes and sensibilities us parents usually want our kids to develop around money, are hard enough to impart without adding the complexities of "blockchain" and "cryptocurrencies" into the discussion. So where does this leave parents like me?

In the end, it all comes down to simple interactions. Kids don't really care how Bitcoin, Ether, or Wollo work (three of thousands of cryptocurrencies available to buy and sell). All they care about is HOW to get money, and WHAT they can do with it WHEN they've got it. Whether they're after a kinder egg, a new level inside a videogame, or a pair of sneakers, money itself is not important, but the experiences and choices it affords us is, and no one knows this better than our kids.

Learning about money is something all children should have access to, no matter their nationality, socioeconomic background, religion or gender. It shouldn't be a luxury, it's a right! All we need as families, are simple tools to get us started, that make pocket money management simple for grown-up, and fun for children.

The piggy-bank is dead. Long live the piggy-wallet.

Filippo Yacob, Founder and CEO of @Pigzbe and @Primotoys, featured in Forbes 30 under 30

BLOCKCHAIN MYTHS

Troy Norcross, Co-Founder Blockchain Rookies

Did you know that Jermyn street is actually the contraction of a famous politician's name who was born at number 87? Jeremy Corbyn. Did you know that one of the crows in the Tower of London is albino? Surely you know that there is only one blockchain and that it uses more electricity than Iceland. And of course, you know that the blockchain is too slow to be viable in commercial use.

In fact, none of these is true. They are all just myths.

Myth: There is only one blockchain: FALSE.

There are many blockchains currently in use today. The bitcoin blockchain is the most well-known blockchain. There are numerous variations of these blockchains and there are a wide array of other blockchain platforms and networks of computers making up their own blockchain.

Myth: The blockchain uses more energy than Iceland making it unsustainable. FALSE.

The bitcoin blockchain currently has over 10,000 mining nodes and they do indeed use a huge amount of electricity due to the way the network implements cryptography. But there are a wide range of alternative solutions for securing the data in a blockchain which do not use near the level of energy as the bitcoin protocl.

Myth: Blockchain is too slow to be viable for commercial use: FALSE.

The bitcoin Blockchain protocol is designed to have a max performance of 7 transactions per second (tps) Ethereum today has a max of 20 tps. What is often missed is that there are a number of new blockchain protocols that can handle much higher numbers of transactions: e.g. EOS can handle 3,000 tps. There are plenty of blockchain protocols that are fast enough for enterprise applications.

Before you decide that there is no practical use for blockchain, take the time to get informed in a non-hype and non-spin way.

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

SPORT

THE FINAL FINAL

As the One-Day Cup concludes at Lord's for the last time this week **Felix Keith** speaks to the MCC's John Stephenson about the 50-over format's future

Lord's has been home to the One-Day Cup final for 56 years

JOHN Stephenson knows a thing or two about one-day cricket. As a fan, player and now head of cricket at Marylebone Cricket Club, he has watched, participated in and enjoyed the format as it has evolved.

As a child his interest was piqued by Gloucestershire's Mike Procter, who scored 94 in a win over Sussex in the 1973 final, and Glamorgan's Mike Llewellyn, whose straight six onto the top of the Lord's pavilion caused quite a stir in 1977's final.

Having been on the Essex staff for the 1985 win over Nottinghamshire, he progressed to playing for his home county, and although he lost both of his Lord's cup finals he has fond memories of the format.

Stephenson has seen sponsors come and go, from Benson & Hedges to NatWest, seen the number of competitions reduced from two to one, and the number of overs fluctuate between 60 and 40.

And on Saturday he'll be in St John's Wood to witness another landmark for English cricket's middle format, as defending champions Hampshire play Somerset.

It will be the 56th Lord's one-day final, and potentially last, with Trent Bridge taking over hosting duties in 2020 for five years. From next summer the Royal London One-Day Cup, as it is now known, will become, in the words of England and Wales Cricket Board (ECB) managing director Gordon Hollins, a "development competition".

"We've seen one-day cricket evolve over the years and the showpiece event being at Lord's has been very important for county players," Stephenson tells City A.M.

"It was, and still is, an absolute dream to get to a one-day final. It's always an amazing feeling being out there in front of a big crowd as a county player. They're moments I'll never forget."

Players from Hampshire and Somerset could be the last ones to get that unforgettable Lord's final atmosphere, with 2020 seeing the English summer schedule rejigged.

"We've always tried to prioritise having two Test matches per year in the allocation, so we understand why it has moved," explains Stephenson. "We're obviously disappointed in a sense, but it moves to Trent Bridge with our best wishes."

John Stephenson has been with the MCC since 2004

POSITIVE OUTLOOK

Next year the One-Day Cup will move from April and May to July and August and no longer include overseas players in order to accommodate a fourth new format: The Hundred. The One-Day Cup will be played alongside the new competition and will involve those not picked up for the ECB's great new hope.

Hollins' characterisation of the 50-over tournament as a "development competition" sparked criticism, with some accusing the governing body of devaluing one of its key assets, but Stephenson has a positive outlook.

"I don't really see it as that," he says. "I don't think it's being downgraded to a huge extent. We've got a great opportunity to broaden the appeal of the game, get to a wider audience, including families, with the new hundred-ball competition coming in. And it provides opportunities to develop more players in the shorter formats of the game.

"The game is evolving and we can't stand still. When I was playing 50-over cricket we were playing in whites with red balls – things are always changing and we have to move with the times to try and make sure the game continues to appeal to a wider audience."

> "I don't think it's being downgraded to a huge extent. We've got a great chance to broaden the game's appeal

Stephenson believes that once The Hundred was voted in by counties, the decision to play the One-Day Cup alongside it was inevitable and that it also has the advantage of allowing players to focus on one format at a time, with the County Championship, T20 Blast, Hundred and One-Day Cup distinct.

"Scheduling four formats into a summer of cricket in England is incredibly challenging and I think that's the only option," he says. "I applaud the ECB for being brave and taking a bit of a risk and bringing in a new format."

UNPRECEDENTED SUMMER

Those are considerations for another day, however. The focus at present is on the final, before Lord's then looks forward to hosting an unprecedented summer of action.

"I think it's going to be a great game, between the two stand-out performers," Stephenson says.

"Somerset have been really good this year in both formats – they've got some exciting young players, and older heads like Peter Trego, who has flair and smashes the ball.

"Hampshire are very consistent. [Captain] James Vince is a superb player and a very good leader. They'll be tough to beat because they know how to play at Lord's and won't be overawed.

"If the weather stays dry we'll produce a good pitch. The white ball doesn't tend to do much, so I'd imagine it should be a high-scoring match."

The Royal London One-Day Cup final is the first piece of silverware to be won at Lord's during this historic year of cricket. Be part of the action as defending champions Hampshire take on Somerset for the final time at Lord's. For more information and to book tickets, visit lords.org/tickets

POTTER'S PRICE Brighton pay Swansea £3m to secure new coach

Brighton yesterday appointed Graham Potter as their new manager on a four-year contract. Potter joins the Seagulls, who sacked Chris Hughton after finishing 17th in the Premier League this season, from Championship side Swansea. The 44-year-old guided the Welsh team to 10th in the second tier after arriving in June from Sweden's Ostersunds FK, where he spent eight years. Brighton paid Swansea £3m in compensation, with his assistant Billy Reid, coach Bjorn Hamberg and head of recruitment Kyle Macaulay all making the move from Wales.

SPORT DIGEST

CLARKE SUCCEEDS MCLEISH AS SCOTLAND MANAGER

Steve Clarke has been appointed Scotland head coach on a three-year deal. Clarke, who guided Kilmarnock to third in the Scottish Premiership this season, replaces Alex McLeish, who stepped down in April. "It is an honour," he said. "I will undertake those responsibilities with pride and commitment. I firmly believe we have a talented group of players who can achieve success on the international stage." Scotland currently sit fifth in their Euro 2020 qualifying group after two games – a 2-0 win over San Marino and a 3-0 defeat by Kazakhstan.

JACKS'S CENTURY RESCUES SURREY AGAINST KENT

Will Jacks's maiden first-class century helped Surrey recover from a top-order batting collapse and reach 420-9 on day one of their County Championship match against Kent yesterday. The 20-year-old made 120 in a sixth-wicket partnership of 175 with Scott Borthwick (95) before Rikki Clarke (87 not out) extended Surrey's score at Beckenham. It was a vital knock for the away side, who had been 65-5 after Kent's South African debutant Wiaan Mulder (4-103) ripped through the middle order.

CHADWICK JOINS WILLIAMS AS DEVELOPMENT DRIVER

Jamie Chadwick took a step closer to realising her goal of breaking into Formula One yesterday when she joined Williams as a development driver. Chadwick, the only woman to win a British Formula Three race and current leader of the all-female W Series, will take up the same role former driver Susie Wolff performed for Williams between 2012 and 2015. "Being a part of the driver academy is an amazing platform and I'm excited to get started," the 21-year-old said. "I look forward to spending time in the factory at Grove, immersing myself within the team and assisting wherever I can."

DAWSON TO TAKE DENLY'S ENGLAND WORLD CUP SPOT

Liam Dawson is set to be named in England's World Cup squad today, despite not featuring in the 4-0 series win over Pakistan. England will name their 15-man squad for the home tournament, which starts on 30 May, at 9:30am and the left-arm spinner is expected to be chosen ahead of Joe Denly. Jofra Archer will be in the squad, possibly in place of David Willey, while James Vince will take Alex Hales's spot as the back-up batsman.

INDY 500 EMBARRASSMENT FOR ALONSO AND MCLAREN

Fernando Alonso has rejected the chance to race in the Indianapolis 500 after McLaren offered to buy the Spanish driver a seat in the event. McLaren made inquiries into buying out another driver to give Alonso a spot in the Indy 500, but the 37-year-old felt uncomfortable with the idea, having failed to qualify for America's biggest race. McLaren parted company with their IndyCar president Bob Fernley yesterday in the aftermath of the embarrassing failure, which puts on hold Alonso's quest to win motor sport's Triple Crown of the Monaco Grand Prix, Le Mans and the Indy 500.