CITY A.M.

BUSINESS WITH PERSONALITY

WHAT A PROMOTION HOW ASTON VILLA'S GAMBLES BANKED THEM £170M **P30**

AT BRAKING POINT SIGNS OF A SLOWDOWN IN THE CITY **P12**

TUESDAY 28 MAY 2019 | ISSUE 3,379 CITYAM.COM FREE

THE FALLOUT

BREXIT PARTY TOPS THE POLLS AND BIDS FOR A SEAT AT THE TABLE

LABOUR SCRAMBLES TO CLARIFY POLICY ON SECOND REFERENDUM

TORIES SUFFER WORST POLL DEFEAT IN LIVING MEMORY

ALEXANDRA ROGERS

@city_amrogers

THERESA May yesterday lamented a "very disappointing night" for the Tories as voters deserted them in their droves for the Brexit Party in the EU elections.

May, who has pledged to step down as leader on 7 June, said she hoped the results would "focus minds" on finding a Brexit deal in parliament after the Tories suffered their worst poll result in living memory. They won just four seats in the European Parliament and came fifth place overall, behind the Greens.

Nigel Farage said the results – in which his newly-formed Brexit Party won 31.6 per cent of the vote – meant there was a "clear mandate" for his 29 MEPs to have a say in the ongoing Brexit negotiations.

"I absolutely insist that we do have a mandate to now be part of that team," he said. "We are quite happy to help the government get ready for 31 October," he added, referring to the UK's revised scheduled exit date from the EU.

He later said he thought it would be "extremely unlikely" that a future Tory leader would manage to take the UK out of the EU by that time, saying the party was "bitterly divided".

The electorate's disdain for the two main parties over Brexit was made clear in its rejection of Labour, which won 10 seats at just 14.1 per cent of the vote.

The election aftermath opened up a major rift in the party over the leadership's stance on a second referendum. Shadow foreign secretary Emily Thornberry said Labour should now campaign to remain in the EU, and said they had been dealt a drubbing because the party lacked a coherent position on Brexit.

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Fiat-Renault merger plan revving up

JAMES BOOTH

@Jamesdbooth1

RENAULT and Fiat Chrysler (FCA) confirmed yesterday they were in talks over a proposed £28bn merger that would create the world's third-largest car company. The board of Renault met yesterday and said it was studying the details of FCA's offer "with interest".

Investors in both companies welcomed the proposed deal, which aims to deliver €5bn (£4.4bn) annual savings.

Shares in Renault closed up 12 per cent yesterday at €56.03 while FCA's rose nearly eight per cent to €12.37.

FCA's proposal is for a business split 50-50 between FCA and Renault shareholders.

It added no plants would close as a result of the deal.

FCA said savings would be "achieved through more capital-efficient investment in common global vehicle platforms, architectures, powertrains and technologies".

It said the deal would allow the combined group to be a world leader in developing areas, such as electrification and self-driving cars.

The French state, the largest shareholder in Renault, said it supports the deal in principle.

Italy's deputy prime minister Matteo Salvini said last night the Italian government could seek to take a stake in the group, given its importance to the country's economy.

FTSE 100 7,277.73 CLOSED **FTSE 250** 19,127.26 CLOSED **DOW** 25,585.69 CLOSED **NASDAQ** 7,637.01 CLOSED **£/$** ▼ 1.268 -0.003 **£/€** ▼ 1.133 -0.001 **€/$** ▼ 1.119 -0.001

CITY A.M.

THE CITY VIEW

A vote nobody wanted has changed everything

THE ELECTIONS that were never meant to happen have had an immediate and dramatic impact on British politics. The Brexit Party, which didn't exist six weeks ago, now has more seats in the European Parliament than any other party from any country. The Liberal Democrats, written off as a spent force before the local elections, are back in business. The Tories, beaten into fifth place, are set to fight a leadership election against the backdrop of humiliating results, and the Labour Party – trounced in Scotland and Wales – has finally succumbed to the fight it had been putting off and is in a state of open war over its position on a second referendum.

There was a bizarre but concerted effort yesterday to deny the Brexit Party their victory. Despite winning a majority of UK regions, a majority of seats and a majority of votes cast, Remain campaigners rushed to tell everyone that actually, if you added up the votes of the Liberal Democrats, the Greens and the Welsh and Scottish nationalists then more people voted against Brexit than for it. This is only true if you ignore those plucky souls who voted Tory. As for Labour, the fence on which the party has balanced for three years finally shattered as their policy of constructive ambiguity turned out to be destructive confusion. Last night, shadow chancellor John McDonnell effectively seized control of his party. While Jeremy Corbyn clung to the line that a General Election is their preferred form of a "people's vote", McDonnell clearly believes that line has outlived its useful life and declared that a second referendum is now the "only option". The Tory leadership candidates are all talking up a no-deal exit with varying degrees of enthusiasm; some see the prospect as the only way to extract concessions from the EU, while others see it as an end in itself. It's likely we'll get to the end of the summer and find a Labour party formally backing a second referendum, while a new Prime Minister seeks to make good on promises made to a Brexit-backing Tory party membership. In such a scenario, a General Election becomes ever more likely. Not for the first time, Nigel Farage has set the tune and now everyone else has to figure out the dance.

> **The fence on which Labour sat for three years has finally shattered**

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THE EU ELECTIONS

On the Remain side, the big winners were the Liberal Democrats who overtook Labour and the Tories to come second to the Brexit Party in the EU elections

McDonnell says referendum is 'only option' after defeat

CONTINUED FROM FRONT PAGE

Shadow chancellor John McDonnell, who has been lukewarm about a public vote, yesterday called on the Labour party to make it policy, saying it was now the "only option".

He told Sky News: "Of course we want a General Election, [but it is] highly unlikely Tories are going to vote for that now after the results last week, turkeys don't vote for Christmas.

"So our only option now is go back to the people in a referendum, and I think that's the position we're in now."

The Liberal Democrats and the Green Party, meanwhile, capitalised on Remain voters' frustrations with the two main parties to win 16 and seven EU seats respectively.

Change UK, the party set up by dissenting former Labour and Tory MPs, failed to register with voters and won no seats. Set up as the Independent Group in February, the party descended into infighting after former Tory MP Anna Soubry told the BBC yesterday she thought it was "bizarre" for Change UK's interim leader, Heidi Allen, to tell people to vote tactically for the Lib Dems.

After the election results came in, minds quickly turned to the leadership race to replace Theresa May, who will leave office in June.

Former foreign secretary and front runner Boris Johnson warned that the voters who deserted the Tories for the Brexit Party would never come back unless the UK left the EU on 31 October. In his column for the Telegraph, he said the next prime minister must be prepared to leave the EU with or without a deal on the crunch date.

"No one sensible would aim exclusively for a no-deal exit. No one responsible would take no-deal off the table," he wrote.

Foreign secretary, Jeremy Hunt, said there was an "existential risk to our party unless we now come together and get Brexit done", while home secretary Sajid, who also formally announced his decision to stand in the leadership race, said the party must "first and foremost" deliver Brexit.

The extent of Conservative voters' disaffection with the party over its handling of Brexit was laid bare in a post Euro-election poll by Tory donor Lord Ashcroft. Over half of the 2017 Conservatives who cast a vote in the election switched to the Brexit Party, while 12 per cent went to the Lib Dems.

Nearly 40 per cent of those who voted Labour in 2017 stayed with Labour, while 22 per cent went to the Lib Dems, 17 per cent to the Green Party and 13 per cent to the Brexit Party.

John McDonnell changed position

WHAT THE OTHER PAPERS SAY THIS MORNING

FINANCIAL TIMES

VIVENDI SNAPS UP RIVAL M7 FOR €1BN IN EURO PUSH

Canal Plus, the pay-TV subsidiary of France's Vivendi, said yesterday that it has acquired rival pay-TV operator M7 for around €1bn (£883m) to expand its European footprint, as the group seeks to defend itself against the onslaught of Netflix. The deal will allow Canal Plus to expand beyond France, Poland and Switzerland into seven new countries.

NORWAY WEALTH FUND'S EX-CHIEF BREAKS SILENCE

The former chief executive of the $1 trillion (£788bn) Norwegian oil fund has broken a decade-long silence, criticising Norway's government and politicians for their handling of the world's largest sovereign wealth fund. Knut Kjaer, who was the first head of the oil fund, told the FT he was deeply concerned over the governance, organisation, and risk-taking at the investor.

THE TIMES

BOMBARDIER FINDS TREASURE IN EGYPT

Bombardier is set to win a multi-billion-pound contract to build trains for a light railway in Egypt. The manufacturer will be unveiled today as the preferred bidder for a £3.9bn deal to build rolling stock, as well as building and operating the monorail, which will link the pyramids at Giza to Cairo.

ALEXA APP HELPS USERS CONNECT WITH GOD

Tens of thousands of Britons are interacting with the Church of England through a skill on its voice-controlled app Alexa, which was introduced a year ago. The app gives information to newcomers and succour for believers.

THE DAILY TELEGRAPH

STEEL FIRMS CALL FOR LEVEL PLAYING FIELD ON PRICES

Steel makers are calling on the government to deliver on promises of "remorseless" support for the sector by cutting power prices for the energy-intensive industry. The demands come as 25,000 jobs hang in the balance with British Steel going insolvent last week.

ROTHSCHILD RECRUITMENT DRIVE TO BREAK AMERICA

Rothschild, the 209-year-old investment bank, is drawing up plans to expand across America in a fresh attempt to try to break the stranglehold of Wall Street. The banking dynasty, which has historically struggled in the US, will try again as it diversifies.

THE WALL STREET JOURNAL

FIRST MAJOR OPIOID CRISIS TRIAL SETS OFF TODAY

The first major test of whether states can blame drug firms for the US opioid crisis is headed to an Oklahoma courtroom today. State attorney general Mike Hunter will argue that the marketing practices of Johnson & Johnson are behind widespread drug addiction that has ravaged the state.

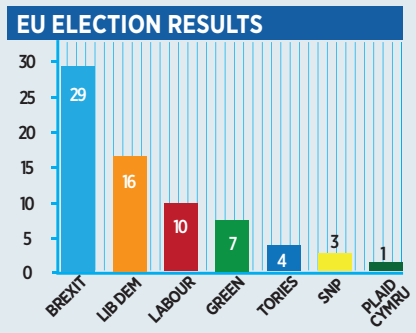
DEUTSCHE BANK UNIT BOSS 'COULD LEAVE' LENDER

Deutsche Bank executives have discussed the departure of investment-bank unit chief Garth Ritchie, who has come under fire from investors for poor results since he became the highest-paid executive at the firm.

Clockwise from left: Anna Soubry and Heidi Allen of Change UK; Jeremy Corbyn at home; Green leader Caroline Lucas; and ex-Tory minister Ann Widdecombe who became a Brexit Party MEP

State of play of the UK parties after the Euro vote

The Brexit Party, the Liberal Democrats, the Green Party and the Scots and Welsh nationalists all did well at the expense of the Conservative and Labour parties.



EU polls turn away from establishment

ALEXANDRA ROGERS
@city_amrogers

THE UK was far from alone in seeing its established politics ripped up in the European elections, as the major parties that traditionally dominate the EU parliament were squeezed by populists from the left and right.

Rightwing and anti-EU parties performed especially well in France, where National Rally leader Marine Le Pen beat France's federalist President Emmanuel Macron, and in Italy, where Matteo Salvini's 5-Star League party won more than 30 per cent of the vote.

Matteo Salvini's League party received 30 per cent of the Italian vote

However, the populist wave was not as big as expected. While the pro-EU establishment parties lost votes to nationalists, they also lost them to the likes of the liberals and Greens, who also champion the European project.

In Germany, Angela Merkel's Christian Democrats still came out on top, but their vote shares dropped.

That allowed the Greens to scoop up second place, while far-right party Alternative fur Deutschland came fourth place with nearly 11 per cent of the vote.

Thursday's election results come just as EU heads consider who will take the top roles at the EU Commission, Council and Parliament at a summit today.

Macron and Merkel both want the process of selecting a successor to Jean-Claude Juncker, the current Commission head, to be "ideally" finished in June.

European stocks open higher as election results calm investors

ALEXANDRA ROGERS
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EUROPEAN stocks climbed higher yesterday after centrist pro-EU parties maintained a grip on power in the election to the European Parliament.

The Stoxx 600 index rose 0.2 per cent, while Germany's Dax and the French Cac were up 0.5 per cent and 0.4 per cent, respectively, at market close.

In Italy, the FTSE Mib was down less than 0.1 per cent and Spain's Ibex 35 edged up 0.5 per cent.

The FTSE 100 was closed for Bank Holiday Monday, as was the US stock market.

The stocks held firm after a feared populist, anti-EU surge failed to materialise and centrist pro-EU parties managed to maintain a majority in the EU Parliament.

"The impression of a fragmented political system remains, but perhaps when all is said and done, the message will be that Brexit has reduced appetite to leave the EU," said Kit Juckes, foreign exchange strategist at Societe Generale.

Banks braced as sluggish growth impacts lending

JAMES WARRINGTON
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THE UK economy's sluggish growth shows no signs of letting up, with all three major lending classes set to grow less than two per cent this year, new figures out today revealed.

Despite an uptick in real incomes, demand for consumer credit is forecast to grow just 1.6 per cent this year and two per cent in 2020, the lowest rate of growth since 2013, according to the EY Item Club.

Mortgage lending will also remain stagnant, rising less than one per cent, as consumer confidence and a lack of supply continues to hit the property market.

Meanwhile, continued uncertainty around Brexit means business lending is expected to grow only 1.3 per cent this year, as businesses hit pause on major investment plans.

The sluggish forecast across lending classes is a best-case scenario based on a Brexit deal being reached by 31 October. Growth would be even lower if the UK were to crash out of the EU without a deal, according to EY.

"The weak economic outlook continues to hold back demand for lending," said Omar Ali, EY's UK financial services managing partner.

"It's been a similar story for over a decade now and there's little improvement in sight.

"Since the financial crisis, the expectation was that the economy would return to higher growth after a short period of sluggishness – this has never materialised and is not forecast to happen any time soon."

It comes amid a slowdown in growth across the wider UK economy, which grew 1.4 per cent last year, its slowest rate since 2009.

GDP growth is forecast to be just 1.3 per cent this year, rising marginally to 1.5 per cent in 2020, though economists have warned a no-deal Brexit could plunge the UK into recession.

AUF WIEDERSEHEN

Austrian MPs oust conservative Chancellor after corruption video

AUGUST GRAHAM
@AugustGraham

AUSTRIAN MPs yesterday backed a motion of no confidence in the country's Chancellor after a corruption scandal claimed the head of his coalition partner and deputy Heinz-Christian Strache.

Parliament voted in favour of sacking Sebastian Kurz from the role, forcing his government out of office.

The Chancellor's fate was all but sealed when his former coalition partner, the far-right Freedom Party (FPO), said it would back the motion.

His downfall came after a corruption scandal earlier this month tore apart the coalition he had built with the FPO, when its leader Strache was caught on tape offering to fix government contracts for a woman posing as a Russian oligarch's daughter.

Kurz's conservative Austrian People's Party won the EU elections.

Hunt warns on Brexit as Tories jump at top job

ALEX DANIEL
@alexmdaniel

FOREIGN secretary Jeremy Hunt has warned his Tory colleagues that they would be committing "political suicide" should they try to force through a no-deal Brexit.

Writing for the Telegraph in the wake of his party's disastrous losses in the European elections, Hunt last night warned any PM who tries to wrench Britain out of the EU without a deal would spark an election, in which the Tories would "be annihilated".

"Any candidate for Prime Minister whose strategy leads to a general election is offering a prospectus for disaster," he said.

Separately, home secretary Sajid Javid and housing minister Kit Malthouse yesterday became the ninth and 10th MPs to throw their hats into the ring to replace Theresa May as Prime Minister.

In a video circulated yesterday on Twitter, Javid said he wanted to "rebuild trust" in the country.

Malthouse, meanwhile, took aim at his more experienced colleagues by claiming the public craves a "new face, with fresh new ideas", citing polling data in the Sun.

London overtaken by New York in perceptions of world's financial hub

JAMES BOOTH
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LONDON has fallen behind New York as the city that most represents the world's financial centre, according to a report released today.

A survey of finance professionals by consultants Duff & Phelps found that 52 per cent of respondents chose New York as the world's pre-eminent financial centre, up from 42 per cent a year previously, and 36 per cent chose London, down from 53 per cent the previous year.

"Last year, Brexit cast a shadow of uncertainty over the United Kingdom's economy; it has now escalated to a full-blown crisis.

"Reflecting this, New York and London have switched places, as the share of those choosing the City as pre-eminent dropped from slightly more than half to slightly more than a third," the report said.

Looking forward at which city would be the centre of world finance in five years' time, 44 per cent chose New York, down from 52 per cent last year, while 21 per cent chose London, down from 29 per cent.

Hong Kong was selected by 12 per cent as the likeliest pre-eminent global financial centre in 2024.

Monique Melis of Duff & Phelps cited "the combined effects of Brexit and the emergence of Asia" for the view that Hong Kong could become the world's financial hub.

New York has overtaken London as the world's perceived financial capital

Special relationship? Brits approve of Trump's state visit going ahead

ALEX DANIEL

@alexmdaniel

THE PROSPECT of US President Donald Trump visiting the UK next month has elicited shock, disapproval and protest among the general public in recent months.

It even looks set to prompt the return of a giant inflatable baby-blimp version of the controversial leader of the free world.

But with just under a week to go before the Queen rolls out the red carpet for the self-styled master of the deal on his first official state visit, it has emerged more Brits approve of Trump's upcoming visit than disapprove.

A YouGov poll of more than 2,000 people indicated this morning that Britons are in favour of the trip going ahead by 46 per cent to 40 per cent, despite widespread dissent at Trump's politics or policies.

His visit to the UK next week will see him and his wife Melania greeted by the Queen, along with the Prince of Wales and the Duchess of Cornwall upon arrival at Buckingham Palace. The Trumps will also meet outgoing Prime Minister Theresa May.

The poll similarly found just 40 per cent of those polled wanted MPs to work alongside the president.

GOVE'S GIVEAWAY

Tory contender pledges to hand free passports to 3m EU nationals

ENVIRONMENT secretary Michael Gove is reportedly set to promise to give free British passports to all 3m EU nationals living in the UK at the time of the Brexit vote in 2016. The move will be part of his bid to replace Prime Minister Theresa May as Tory leader, which he announced over the weekend.

Greece rallies as Tsipras calls a snap election

JESS CLARK

@jclarkjourno

GREEK Prime Minister Alexis Tsipras called a snap election yesterday following his party's defeat in the European Parliament elections, sparking a stock market rally and a drop in government bond yields.

Syriza, the left-leaning party that won power in 2015 following backlash against economic reforms, suffered a defeat to the conservative New Democracy party, which is considered to be more business friendly.

Results showed Tsipras' party trailing at least nine points behind the opposition.

Tsipras announced he would meet Greek President Prokopis Pavlopoulos to discuss calling elections after the conclusion of local elections scheduled for next week.

The markets reacted positively to the announcement yesterday as the Athens Stock Exchange general index was trading up more than five per cent and the yield on the benchmark 10-year government bond fell below three per cent.

Tsipras built his political career as a candidate who stood up to creditors and against demands to implement austerity. However, he was forced into a U-turn when Greece was offered the choice of a bailout or being kicked out of the Eurozone.

The Prime Minister has wound back some austerity measures since Greece came out from close economic supervision in August last year.

"Syriza were starting to spread some gifts ahead of the elections and investors were starting to worry about Greece not achieving the primary surplus they need," DZ Bank analyst Rene Albrecht said.

"Now markets are hoping for a more conservative party who will be more disciplined on spending."

Asda-owner in hot water over executive pay

JESS CLARK

@jclarkjourno

THE US owner of Asda is facing pressure to make changes to its executive pay and sexual harassment policy, as two proxy advisers recommended shareholders vote against the company at its annual meeting next week.

Glass Lewis has recommended that shareholders vote against Walmart's executive pay proposals, saying "overall, the company paid more than its peers, but performed worse than its peers".

Walmart chief executive Doug McMillon took home a $23.6m (£18.6m) pay packet last year.

Meanwhile, Institutional Shareholder Services (ISS) said investors at the meeting in Arkansas should back a shareholder proposal to strengthen the firm's policy around sexual harassment in the workplace.

ISS said a vote for the proposal, which is opposed by Walmart's board, could "help shareholders better assess the company's management of related risks".

"The proponents say that workplace sexual harassment can damage a company's reputation and affect its share value, and is correlated with higher turnover and less employee productivity," the advisory note added.

Bernie Sanders, a US Democratic presidential candidate and senator, is planning to attend the annual meeting to push for higher wages for Walmart employees.

"Walmart workers are sick and tired of being paid poverty wages, while the Walton family is worth over $170bn," Sanders said on Twitter.

"I'm honoured to have been invited by Walmart workers to demand they have a seat on the company's board."

McMillon's pay is 1,076 times the amount earned by the average Walmart worker, who collects around $14.26 an hour.

BOOTED OUT

Arcadia to close flagship Miss Selfridge store on Oxford Street

SIR PHILIP Green's Arcadia will close its main central London branch of Miss Selfridge in July, amid a sweeping restructuring of the retail empire. The store and most of its 50 workers will relocate to a concession below its neighbouring Topshop.

China's new Silk Road could add $7 trillion to global GDP by 2040

ALEX DANIEL

@alexmdaniel

CHINA's monumental state-backed infrastructure investment scheme could inject $7.1 trillion (£5.6 trillion) a year into the global economy – or an extra 4.2 per cent of global expected GDP – by 2040, according to economists.

The Centre for Economic Business Research estimated the so-called Belt and Road Initiative would give a surge in cash of more than $10bn a year to 56 nations by 2040, with Britain standing to gain the seventh-most of any country in the world.

The GDP of western Europe is likely to be boosted five per cent as a result of the plan.

Germany's job market stalls again for May

ALEX DANIEL

@alexmdaniel

EMPLOYMENT growth in Germany has continued to slow in May, according to one of the country's largest economic think tanks.

Berlin's Ifo Institute's employment barometer – a closely followed industry metric in Europe's largest economy – fell to 100.3 points in May after measuring 101.5 points in April.

A score of above 100 indicates growth, while below shows a decline.

Manufacturing was the only sector in which companies expected a decline in the number of employees, continuing a three-month trend. In the trade sector, growth also slowed.

Willingness to hire new recruits has been in a continuous decline since the beginning of 2018, with most of the employment growth to be found in the service sector.

But here, too, the willingness to hire new recruits is cooling off, said Ifo.

Only in the construction industry has the willingness to hire new employees increased, according to the research firm.

German regulator to set new capital buffer for banks in case of downturn

MICHAEL NIENABER

GERMANY's Financial Stability Board has suggested the introduction of a countercyclical capital buffer of 0.25 per cent for banks to bolster lending should there be a sustained downturn in Europe's largest economy, the country's finance ministry said yesterday.

The step is meant as a precaution as regulators currently see "no concrete signs of acute risks for financial stability' in Germany," deputy finance minister Joerg Kukies told reporters in Berlin.

Felix Hufeld, the president of Germany's banking watchdog Bafin, said banks are given a 12-month time frame to implement the countercyclical capital buffer, starting from 1 July.

The step means that the German banking sector as a whole will have to hold back an additional sum of €5.3bn (£4.7bn) for lending purposes in case of an economic downturn, Hufeld added.

German banking association BDB has opposed the new buffer and Hans-Walter Peters, the lobby group's president, said in April the current economic situation isn't good enough to burden the banks with extra regulation. *Reuters*

Euronext to win Oslo Bors race as Nasdaq drops bid

JAMES BOOTH

@Jamesdbooth1

NASDAQ bowed out of the race for Norwegian exchange Oslo Bors yesterday, leaving the way clear for pan-European exchange Euronext to pursue its bid.

Euronext received approval from Norway's finance ministry earlier this month to buy more than 50 per cent of Oslo Bors for 158 Norwegian crowns per share, effectively blocking Nasdaq's bid.

Both Nasdaq and Euronext valued Oslo Bors at 6.8bn Norwegian crowns (£620m).

Euronext, which runs exchanges in Paris, Amsterdam, Brussels, Lisbon and Dublin, gained the support of over half of Oslo Bors' shareholders shortly after its surprise 24 December offer at 145 Norwegian crowns per share.

Neither Oslo Bors' management – financial services firm DNB, which holds a 20 per cent stake – nor insurer KLP, which holds a 10 per cent stake, had been consulted about Euronext's approach and began looking for an alternative bidder.

Nasdaq joined the race in late January, driving up the price to 158 Norwegian crowns per share, but it was unable to overcome Euronext's level of shareholder support.

DNB and KLP, which had pledged their support to Nasdaq, said they had not decided whether to sell their shares to Euronext at this stage.

Euronext said it aims to complete the deal for Oslo Bors by June.

Solactive buys stake in proxy fintech Minerva

JESS CLARK

@jclarkjourno

GERMAN index provider Solactive has taken a stake in UK proxy firm Minerva Analytics.

The deal will allow Minerva, which is based in Essex, to expand its research and client service capability through Solactive's offices in Frankfurt, Hong Kong and Toronto.

Minerva, which also offers corporate governance consultancy service, will use Solactive's technical capabilities to improve its products, while Solactive will use the UK firm's data. The value of the deal was not disclosed.

The deal is the latest transaction between environmental, social and governance (ESG) firms and ratings providers, following Moody's acquisition of a stake in Vigeo Eiris in April this year.

Solactive chief executive Steffen Scheuble said of the deal: "This is an important step for us in ensuring we stay relevant to the entire asset management ecosystem.

"Quality governance and sustainability data, research and analytics, as well as voting technology and services solutions are areas of increasing importance to all asset owners and asset managers."

Sarah Wilson, Minerva chief executive, added that the deal would enable the company "to grow coverage and offer a truly 24-hour service".

She said: "We are delighted to become part of the Solactive Group of companies. Stewardship, ESG and shareholder voting tools are growing in importance as investors seek to meet new and extended fiduciary responsibilities."

Minerva was launched in March this year following Wilson's acquisition of Manifest, the UK's first proxy voting service which was founded in 1995.

Solactive was established in 2007 and serves around 400 clients across Europe, America and Asia.

Netanyahu said a new vote would be unnecessary and costly

Israel moves towards new vote in struggle to form government

JEFFREY HELLER

ISRAEL moved closer towards a new election yesterday as Prime Minister Benjamin Netanyahu's efforts to form a government after last month's national ballot remained deadlocked.

In a preliminary vote, parliament decided to dissolve itself.

In order to disperse and set an election date, legislators would still have to hold a final vote. Netanyahu, who heads the right-wing Likud party, has until tomorrow night to put a government together, after being delegated the task by President Reuven Rivlin following the 9 April poll.

Netanyahu pledged to continue pursuing coalition talks and said: "A lot can be done in 48 hours." *Reuters*

EU passes ball to Washington on trade talks

PHILIP BLENKINSOP

EUROPEAN talks with the US that could prevent the latter imposing punitive car tariffs have made some progress. However, Washington must decide if it wants to negotiate with Brussels on a broad removal of import duties, the EU trade chief said yesterday.

EU countries last month cleared the start of formal trade talks with the US on two fronts: cutting tariffs on industrial goods, and making it easier for companies to show their products meet the standards of the EU or US market.

EU trade commissioner Cecilia Malmstrom said the two sides had made progress on the latter, conformity assessment, as well as discussing potential for regulatory cooperation, which could avoid the need to test on both sides.

"The aim is not to change our respective systems," she said after a meeting of EU ministers. "Here, we are making some progress."

However, Malmstrom recognised that the two sides had conflicting mandates over tariff reduction.

She said: "The ball is now in the US' court to start these negotiations." *Reuters*

Britain smashes record for coal-free electricity

AUGUST GRAHAM

@AugustGraham

BRITAIN outdid its record for coal-free power generation over the bank holiday weekend, hitting 10 days without burning the fuel for the first time since 1882 yesterday afternoon.

Coal-fired power stations have been dormant since the afternoon of 17 May, as wind, solar, nuclear and gas generation prop up the grid.

It smashes a previous eight day record set earlier this month.

British coal has faced a steep decline since 1990 when it accounted for around two-thirds of the UK's electricity generation.

The decline in coal has helped the country slash greenhouse gas emissions by 44 per cent over the period, reaching 449m tonnes of carbon dioxide equivalent last year.

However, critics pointed out that the change has meant Britain now leans heavily on natural gas as the biggest generator of electricity.

Although cleaner than coal, this reliance on gas will present a new challenge when power generators have switched off coal for good.

Renewables have stepped in to fill part of the gap caused by the retreat of coal. Solar generation was supplying around 18 per cent of Britain's power needs yesterday afternoon, with wind accounting for 10 per cent, according to Grid Watch.

The grid has also been boosted by the laying of cables to Europe, meaning French, Dutch, Belgian and Irish power generation supplied around 12 per cent of Britain's needs.

The result means that so far in May, British power stations have been switched on for only three days.

On 9 May, the country reached a then-record 193 hours without burning coal, before the next day starting a new coal-free run which lasted for 133 hours. The new record reached 240 hours yesterday afternoon.

SCRAP METAL Thyssenkrupp in talks to dismiss steel boss after failed Tata merger

THYSSENKRUPP is in discussions with the chief executive of its steel division Andreas Goss about ending his contract. The talks come just three weeks after the firm was forced to drop plans to merge with Tata Steel, amid competition concerns.

Co-op launches first sustainable bond to raise £300m for growth

JESS CLARK

@jclarkjourno

THE CO-OP has raised £300m to support Fairtrade businesses through issuing a sterling-denominated Sustainability Bond, the company announced yesterday.

The five-year bond will pay investors an annual interest rate of 5.125 per cent and has been assessed by independent environmental, social and governance adviser Vigeo Eiris.

The bond, which is the first in a series of refinancing measures designed to fund the company's growth plans, will cover the costs of proving Fairtrade products in Co-op stores.

Algeria seeking compromise on Anadarko deal

LAMINE CHIKHI

ALGERIA's energy minister said yesterday that he would seek a "good compromise" when asked about his earlier comments that Algiers would block a plan by France's Total to buy Anadarko's Algerian assets.

Occidental Petroleum agreed to sell Anadarko Petroleum's assets in Algeria, Ghana, Mozambique and South Africa to Total for $8.8bn (£6.9bn) if the US oil company succeeds in completing its plan to take over of Anadarko.

Algerian energy minister Mohamed Arkab said that Algiers would block Total's acquisition. Algeria remains wary of investments by firms from its former colonial occupier, although Total signed energy deals with the country in 2018.

"Sonatrach needs to maintain good ties with foreign partners to develop its programmes," Arkab told reporters, adding that state-owned Sonatrach would "preserve its interests. Sonatrach will seek a good compromise," he said about the acquisition, speaking during a visit to Tindouf gas field, south west of Algiers.

Reuters

Need for speed? Square Mile in for 15mph limit

City workers may have to get used to life in the slow lane, writes **Alex Daniel**

AS THE home of London's hustling financial sector, the Square Mile is not known for moving slowly. But that could soon be about to change for motorists, after the City of London Corporation agreed to make it the first area in the country with a 15 miles per hour (mph) speed limit.

The plan, voted through by the Court of Common Council – the CLC's most senior decision-making body – is part of a bid to make more efficient use of street space for pedestrians in the City.

The CLC also hopes it will help cut harmful CO2 emissions by halving motor traffic over the next 25 years.

Now that the Court of Common Council has agreed on the 15mph proposal, it will be forwarded for government approval.

It follows research which shows 90 per cent of all journeys made on the City's streets are either partially or entirely made on foot.

The so-called New Transport Strategy also includes proposals to improve conditions for cyclists by launching a six-month trial for dockless cycle hire in the Square Mile, run by two chosen operators.

"The City of London is one of the most well-connected parts of the UK, with 15 Tube stations, seven Tube lines, eight mainline stations, multiple bus routes and a fast-evolving bicycle network," says CLC Planning and Transportation committee chair Alastair Moss.

Research shows that 90 per cent of all journeys in the City are made on foot

"We are working tirelessly to support the 513,000 workers that commute to the Square Mile every day, and to deliver the forward-thinking City that Londoners want to see.

"These radical plans will ensure the continued success of not just the City, but wider London and the UK as a leading global business and cultural destination."

Walking charity Living Streets' policy director Stephen Edwards believes the move is an "excellent intervention".

"Slower speeds in highly congested areas where huge volumes of people are working are vital to ensuring people's safety. If a pedestrian is struck by a vehicle at 20mph, they have a 97 per cent chance of survival. This reduces with every mile per hour driven faster.

"Slower speeds not only save lives, they also contribute hugely to making people feel more comfortable walking. This will help encourage people to choose healthier and cleaner ways to travel."

However City workers are not as sure of the move.

Jez Cole, 57, a risk engineer at Chubb Insurance, tells *City A.M.*: "It doesn't sound like it would be enforceable, and the Square Mile isn't terribly unsafe. People are quite cavalier crossing the road around here, so perhaps there is something in it from a learning perspective.

> "I'd be surprised if anyone gets above 15mph in the Square Mile anyway

"But unless there has been a spate of pedestrian deaths in the area, I can't imagine it would make a blind bit of difference," he adds.

Alex Cater, 32, who works for an insurance company near the Gherkin, says: "I cycle to work and don't feel like people drive too fast – it's more of an awareness thing.

"From an air quality perspective I don't know if slowing cars down would actually do anything. If it does, I could get behind it."

Meanwhile, Will Barlow, 24, a financial analyst, adds: "I'd be surprised if anyone gets above 15mph in the Square Mile anyway."

Top UK restaurants fall to £82m loss

JAMES WARRINGTON
@j_a_warrington

THE UK's top restaurant chains posted a loss of £82m last year as they struggled to stay afloat in the increasingly competitive casual dining sector.

The top 100 restaurant groups fell to the hefty loss in the 12 months to the end of March, compared with a pre-tax profit of £102m the previous year, according to accountancy firm UHY Hacker Young.

The sharp decline in fortunes came as a string of restaurant chains were forced into radical restructuring plans as they raced to shut down loss-making branches. Of the top 100 restaurant groups, 48 are now making a loss, up from 37 last year.

Many of the chains had gone through a period of rapid expansion, funded by large private equity-backed firms. But the growth has outpaced demand and the groups have been forced to make cuts amid a crash in profit, according to the report.

"Restaurant groups are having to undergo radical restructuring surgery just to stay afloat," said Peter Kubik, partner at UHY Hacker Young.

"Cutting down the number of branch chains is financially stressful for restaurant companies, but in the long term it is essential they get to the right size."

Jamie Oliver's restaurant chain collapsed into administration last week

New code on fraud promises victim payouts

JAMES BOOTH
@Jamesdbooth1

A NEW code that will allow victims of one of the UK's fastest growing forms of fraud to receive reimbursement from banks comes into force today.

Authorised push payment fraud occurs when a victim authorises a bank transfer into an account they believe is legitimate, but is actually controlled by a fraudster.

The number of reported cases jumped 93 per cent in 2018 to 84,600, up from 43,900 in 2017.

According to UK Finance statistics, customers lost £354m to authorised push payment scams in 2018, with just £83m recovered.

Banks and other payment providers signed up to the new voluntary code will from today agree to reimburse victims if certain conditions are met.

Victims may not be able to make a claim if they ignored warnings about scams, if they were grossly negligent, if they acted dishonestly when reporting the scams or if they did not take steps to ensure the person receiving the money was legitimate.

The code covers only consumers, charities and micro-enterprises of up to 10 people.

Alan Sheeley, head of civil fraud at law firm Pinsent Masons, said: "The code is a welcome step towards tackling this fast-growing type of fraud and its often devastating consequences.

"However, we see larger businesses fall prey to authorised push payment fraud who will not be covered by this scheme. It is important that these businesses are aware of the effective methods of recovering lost monies under the civil law."

The code aims to ensure consumers remain vigilant, while incentivising banks and other payment providers to take action and respond to scams with the aim of reducing their number.

Huawei's boss hits back in US trade dispute

JAMES WARRINGTON
@j_a_warrington

HUAWEI's founder has criticised US President Donald Trump over new trade restrictions on his firm, but insisted China should not retaliate against the measures.

Ren Zhengfei admitted new laws effectively banning US companies from doing business with Huawei would hamper the firm's growth, but said Beijing was unlikely to retaliate against American rival Apple.

"That will not happen, first of all. Second of all, if that happens, I'll be the first to protest," he told Bloomberg.

Ren said Trump's ban was likely to eat into the two-year lead Huawei has built up over its competitors, but said the company was still growing.

A host of major tech firms, including Google, Qualcomm and Arm, have halted trade with Huawei in the wake of Trump's executive order, sparking speculation over whether the Chinese company could survive the impact on its business.

Huawei currently sources 50 per cent of its chips from the US, but would reduce its reliance on American manufacturers if further restrictions are put in place, Ren said.

However, he said his company will continue to work with any US company that has permission from Washington to do business with Huawei.

Tensions between the US and China have been mounting in recent weeks, as the dispute over Huawei became a central battlefield in a wider trade war between the world's two largest economies.

Trump last week described Huawei as "very dangerous", but suggested the row could be resolved as part of a broader trade deal.

Ren hit back at the US President's comments, saying: "Even if the US wants to buy our products in the future, I may not sell to them."

Jet's troubles have allowed Indi Go to raise prices on some routes

Indi Go turns positive on Jet collapse boost

ADITI SHAH

INTERGLOBE Aviation, owner of Indian budget airline Indi Go, forecast a strong year ahead after the collapse of Jet Airways helped the company report a fivefold jump in fourth-quarter profit.

Indi Go, the country's largest airline by market share, gained passengers in recent months after Jet Airways shut down operations in April, having been forced to ground its fleet since early this year.

Indi Go also gained by optimising its domestic network and growing its international routes, chief executive Ronojoy Dutta said on an analyst call.

"Jet Airways' cessation of service helped our performance in the last week of February and the whole of March," Dutta said.

Interglobe shares set a record closing high, up 2.5 per cent at 1,662.15 rupees in a broader Mumbai market, which ended up 0.7 per cent.

Dutta said the shutdown at Jet increased revenue per available seat kilometre by between three and four per cent. That number, a measure of the carrier's operating earnings, rose 5.9 per cent in total to 3.63 rupees (4p) in January through March. *Reuters*

UK's richest men back London firm that harvests energy from footsteps

AUGUST GRAHAM

@AugustGraham

THE UK's richest men have thrown their support behind a technology that transforms footsteps on a pavement into electricity.

Hinduja Group, run by brothers Sri and Gopi Hinduja who topped the Sunday Times Rich List earlier this month, is supporting a £5m fundraise by Pavegen.

The company's pavement slabs transform the kinetic energy from footsteps into electricity and harvest data on footfall.

It has a deal with Siemens to co-create smart city projects, and is being connected to the firm's operating system.

The firm has also worked with Coca-Cola, Heathrow, Shell and Westfield shopping centre. It has similar projects with Transport for London and the New West End Company.

"We're helping people to change the world for the better, through the power of a footstep.

"Our product isn't hidden away on roofs or offshore somewhere – people can physically participate in a smarter, more sustainable future," said Pavegen chief executive and founder Laurence Kemball-Cook.

Grannies back to work as over-70s reject retirement

AUGUST GRAHAM

@AugustGraham

THE NUMBER of over-70s working during what would otherwise be their retirement has more than doubled in the past decade as pensioners try to supplement their incomes.

Around one in 12 Brits over the age of 70 is choosing full- or part-time work over full retirement, analysis from over-50s jobs site Rest Less showed.

Using data from the Office for National Statistics, the organisation found that nearly 498,000 people over 70 are working today, up from 212,000, or one in 22, a decade ago.

"With far fewer 'gold-plated' pensions around and ever increasing life expectancy, many are actively looking to top up their pension savings while they still can," said Rest Less founder Stuart Lewis.

He also pointed to the health benefits of staying active in old age as another driving force behind the growth.

The trend is particularly affecting men, with those over 70 in full-time employment having trebled to more than 113,000 since 2009.

However, the number of women working full-time grew even faster, from 9,500 to 32,000 over the same period. Women are generally becoming more likely to work past their 70th birthday, up 131 per cent to 175,000, but are still lagging behind men.

"With generational lows in the unemployment rate, the over-50s offer a talented, and up to now largely untapped opportunity, to many employers," Lewis said.

ANNOUNCEMENTS

LEGAL AND PUBLIC NOTICES

CITY OF LONDON

THE PLANNING ACTS AND THE ORDERS AND REGULATIONS MADE THEREUNDER

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

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

The Whitbread Brewery, Hotel, 52 Chiswell Street, London, EC1Y 4SA

18/01305/FULL & 18/01306/LBC

Installation of plant screen around existing roof level plant.

Dixon House, 1 Lloyd's Avenue, London, EC3N 3DQ

19/00296/LBC

Internal fit out of Grade II listed building - Part Ground and second to sixth floors

City Point Plaza, Ropemaker Street, London, EC2Y 9AW

19/00415/FULL

Temporary use of the public realm for an open-air market four days per week from the 17th June 2019 to 22nd July 2019.

Inner Temple Treasury, The Terrace, Crown Office Row, London, EC4Y 7HL

19/00446/FULL

Application under section 73 of the Town and Country Planning Act 1990 to vary condition 20 of planning permission dated 14.02.2018 (17/00077/FULMAJ) to incorporate a minor material amendment to replace the existing window with a new louvred door on the east elevation.

St Paul's Cathedral School, 2 New Change, London, EC4M 9AD

19/00447/FULL & 19/00448/LBC

Installation of an air conditioning unit to the roof of the entrance reception.

The Baltic Exchange, 38 St Mary Axe, London, EC3A 8EX

19/00468/LBC

Upgrade of the existing telecommunications apparatus comprising replacement of 4no. existing antenna, replacement of 1no. existing equipment cabinet and development ancillary thereto.

Carpmael Building, Middle Temple Lane, London, EC4Y 7AT

19/00476/FULL

Change of use of part second floor from office use (Class B1) to a self-contained one-bedroom apartment (Class C3) (70sq.m).

Retail Unit, 38 Threadneedle Street, London, EC2R 8AY

19/00484/LBC

Internal alterations comprising removal of a modern bar, replacement of modern timber cladding at ground floor and mezzanine level with floor finishes.

2 Brandon Mews, Barbican, London, EC2Y 8BE

19/00500/LBC

Internal alterations and refurbishment.

48 - 49 Chancery Lane, London, WC2A 1JF

19/00503/FULL

Installation of a new entrance door and a new canopy on the Chancery Lane elevation and the installation of a new door on the Quality Court elevation.

48 - 49 Chancery Lane, London, WC2A 1JF

19/00504/FULL

Creation of a roof terrace at fifth floor level including the installation of a metal balustrade in association with the office use.

New London House, 6 London Street, London, EC3R 7LP

19/00514/FULL

Change of use of part of level two from office (B1) to dual use as office (B1) and a clinic (D1) (9sq.m).

Tower Millennium Pier, Lower Thames Street, London, EC3N

19/00516/FULL

Installation of four additional piles and two additional pontoons.

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

CITY OF LONDON

Lord Bilimoria is an active crossbench member of the House of Lords

Cobra Beer founder poised to be appointed as next CBI president

CALLUM KEOWN

@CallumKeown1

COBRA Beer founder and second referendum-backer Lord Bilimoria is the leading candidate to become the next president of the CBI.

The entrepreneur has been lined up to replace Tesco chairman John Allan at the helm of the influential business lobbying group, Sky News reported over the weekend.

The crossbench peer, who founded Cobra Beer from a flat in Fulham in 1989, would become the first British Asian to lead the CBI.

CBI presidents typically serve a two-year term, with a year as vice-president either side of the presidency.

The group confirmed that Bilimoria would be standing for election as the new vice-president at its annual meeting on 18 June, replacing outgoing vice-president Paul Drechsler.

Bilimoria has publicly backed a second EU referendum and called Brexit as an "unmitigated disaster", paving the way for a potential clash with other CBI members.

CBI director general Carolyn Fairbairn said Bilimoria's experience would be "invaluable to the CBI and the UK business community".

Police fail to keep pace with the UK's cyber crime boom

JAMES WARRINGTON

@j_a_warrington

LESS than one per cent of British cyber crimes results in prosecution, new figures have revealed, highlighting the difficulty of tracking down online hackers.

There were 65 prosecutions for computer hacking in the UK last year, up 38 per cent on the 47 prosecutions recorded in 2017, according to City law firm RPC. But the figure still represents less than one per cent of all reported cyber crimes in the UK.

The data showed there were 17,900 reported cases of computer hacking in 2018, a sharp increase on the year before, with social media and email accounts the most common targets for cyber criminals.

The low success rate in prosecuting attackers demonstrates the challenges faced by police to identify criminals and bring them to justice.

"Cyber crime has become accepted as a low-risk, potentially high-reward activity for organised criminals," said Richard Breavington, partner at RPC.

"Understandably the priorities for policing cyber crime have been in areas which have a potential nation state impact. A result is that the rise of less sensitive cyber crime has gone largely unchecked and it has been left largely to the private sector to deal with."

Italian firm Leonardo could seek tie-ups in specific business areas

FRANCESCA LANDINI

ITALIAN aerospace and defence company Leonardo could seek partnerships in specific business areas, boss Alessandro Profumo said, ruling out a merger involving the entire group.

Profumo said yesterday he expected Europe's fragmented defence industry to consolidate, with tie-ups emerging in specific business areas as companies embark on joint projects and strive to cut costs.

"As a parent company, Leonardo isn't planning to join a potential merger and acquisition (M&A) trend in the defence industry but I think there is room for M&A in Europe at business area level," Profumo said.

"We want to remain in the driving seat and lead the M&A process in those business areas where Leonardo is a leader, on the opposite side, in those areas where the group is not a leader it is open to cede control in a combination," he added.

The group is currently working on a potential alliance in torpedoes. Apart from this and a preliminary bid for the maintenance business of Italian aviation technology company Piaggio Aerospace, there is no concrete deal on the table at the moment, Profumo noted.

Since taking the helm in May 2017, Profumo has managed to turn around the company's core helicopter division.

The division last year contributed to a five per cent rise in group revenue to €12.4bn (£10.95bn). *Reuters*

The Leonardo M-346 jet trainer is used by the Italian, Israeli and Singaporean air forces

Bitcoin nears $9,000 mark at 10-month high

AUGUST GRAHAM

@AugustGraham

BITCOIN edged close to the $9,000 mark yesterday, as the cryptocurrency extended its strong run since the beginning of the year.

The world's most valuable cryptocurrency rose as high as $8,827.98 yesterday, according to data from Luxembourg-based crypto exchange Bitstamp.

It underlines a boom in the digital currency since January, having recorded a 236 per cent rise since the beginning of the year from $3,719.

The increase has helped reinforce bitcoin's place as the world's top cryptocurrency, pushing the overall value of all bitcoins in circulation to $155bn (£122.2bn). It means the currency is well ahead of second-place ethereum on $29bn and ripple, which is placed in third on $18bn.

All three currencies have seen a major boost in recent weeks, with ethereum and ripple both showing similarly strong growth yesterday.

The boost still leaves the famous cryptocurrency well below its all-time highs recorded at the end of 2017, when a crypto craze grabbed international markets.

The price of bitcoin fell just short of $20,000 per unit in the middle of December 2017, more than doubling its value in just a month.

The rise so far this year has not been without its slip-ups. Less than two weeks ago, the volatile currency fell nearly 22 per cent to $6,178 in just one day, without any obvious cause.

"The sudden fall does not appear to have been driven by any particular news item," Ryan Rabaglia at digital asset brokerage OSL said at the time.

"Rather it looks to be driven by large sell orders by a handful of people or even just one person, who are likely realising profits after the recent price rise or looking to acquire more at lower prices," he added.

Similarly, analysts are struggling to agree on an explanation of why the currency has boomed since the beginning of the year with some speculating that it is driven by US-China trade tensions.

"There is no doubt that the cryptocurrency market has finally left the winter behind it and it has entered in a spring season; breaking out of the bear market shell," said Thinkmarkets' Naeem Aslam.

Wood believes Pikl will appeal to a fast-growing, underserved market

Esure founder Sir Peter Wood leads startup funding round

JAMES BOOTH

@Jamesdbooth1

ESURE and Directline founder Sir Peter Wood has led a £2.5m funding round in insurance startup Pikl.

Wood received £360m when he sold his stake in Esure to private equity firm Bain Capital last year.

Pikl, founded in 2016 by former Co-op head of pricing Louise Birritteri, has targeted the sharing economy, developing products for platforms such as Airbnb. Wood and Esure, backed by Bain, are investing in Pikl with other insurance, banking and tech angels.

"Pikl has an innovative proposition that will appeal to a fast-growing and under-served market," he said.

South Africa's Telkom shares hit record levels

NQOBILE DLUDLA

SOUTH Africa's Telkom yesterday reported a forecast-beating full-year core profit, as an upbeat performance in its mobile business offset declines in the traditional fixed-line unit, sending its shares to a record high.

Telecom groups across Africa have been investing heavily as demand for internet speed and data surges with growing smartphone usage.

Forty per cent state-owned Telkom, which still runs South Africa's biggest fixed-line network, has been transforming its business by migrating customers to wireless technologies and starting its own mobile business.

That investment is paying off, evidenced by its 8.5 per cent growth in earnings before interest, tax, depreciation and amortisation (Ebitda) to 11.3bn rand (£616.7m) and 5.3 per cent rise in revenue, mainly driven by a 58 per cent jump in mobile service revenue.

"The significant growth in mobile service revenue was supported by an 85.9 per cent growth in active subscribers to 9.7m," chief executive Sipho Maseko said.

He added that value for money data-led offers had attracted customers.

Analysts polled by Refinitiv had expected Ebitda of 10.6bn rand. *Reuters*

Brent crude has risen by almost a third this year

Oil price up to $69 as Middle East tensions and Opec cuts fuel rise

ALEX LAWLER

OIL ROSE to about $69 a barrel yesterday, supported by Middle East tensions and supply cuts led by Opec, though concern over the US-China trade dispute and global economy capped gains.

Supply cuts – both voluntary by the cartel of oil-producing countries and allies, plus those resulting from US sanctions – have helped Brent crude rise about 29 per cent this year. Brent was up 33 cents at $69.02 a barrel, having fallen by about 4.5 per cent last week. US West Texas Intermediate crude was down 30 cents at $58.33.

"The main factor preventing the market from going higher on the geopolitical news is really the concern about the global economy," said Petromatrix oil analyst Olivier Jakob.

Both crude contracts registered their biggest weekly price declines of the year last week.

Public holidays in the US and Britain yesterday limited participation, keeping volumes low.

Tension between the US and Iran, with Washington's announcement on Friday that it would deploy more troops to the Middle East, is supporting the market but some analysts said its impact could be limited. *Reuters*

CITY TALK PARTNER CONTENT

WE POSED THE QUESTION IN DECEMBER 2018 – "WILL 2019 TAKE THE BISCUIT?"

INTERACTIVE INVESTOR TALK

Richard J Hunter, discusses the themes and concerns for investors in 2019

Or, put another way, (B)rexit, (I)nterest rates, (S)terling, (C)hina, (U)nited States, (I)nflation and (T)rump.

Indeed, these have proved to be the dominant themes so far.

The trade spat between the world's two largest economies has amounted to billions of dollars of tariffs either being implemented or threatened. Talks have stalled on several occasions and, even now, there is no immediate sign of a truce.

Both countries are remaining resolute and whenever the US has been the aggressor, the Chinese have responded in kind. What troubles investors is that this escalation of tensions threatens global growth, let alone those two economies, and that the results of any tariffs tend to be borne either by importing companies or even the ultimate customer. The general wisdom is that trade wars are good for nobody and over the next few months we will begin to see the real economic impact.

Meanwhile, on this side of the pond it is difficult to say that we are much nearer clarification on Brexit than we were at the turn of the year. The timing of the exit has a new date, the form of the deal remains unknown and the government seems split on the issue, even within their own parties. The more recent turn of events has seen sterling take a turn for the worse as foreign exchange traders try to make sense of the implications.

No wonder that an old investment adage is that "Now is the most difficult time to invest". Given all that has happened so far in 2019, there are any number of reasons for investors to have remained on the sidelines.

Has this been the right course of action so far?

Apparently not.

In the US, the economy has continued to grow strongly despite trade war fears, interest rates are being closely watched by the Federal Reserve, with growth and inflation in mind, but at the current time the previously expected four rate hikes seem off the table. Meanwhile, US corporates have been generally beating market expectations as they have benefited from previous tax cuts as well as a benign economic environment.

As such, the Dow Jones Industrial Average (the bellwether index, consisting of 30 stocks) has risen 10.5% in the year to date. The wider S&P 500 index has added 14% and the technology-proxy NASDAQ index is ahead by 17%.

In the UK, sterling's weakness has been a positive contributor to the FTSE100, where the majority of company earnings come from overseas and are therefore more valuable when translated back into our home currency. In addition, corporate earnings generally have been strong, even against the spectre of Brexit.

In the year to date, the FTSE100 has jumped by over 8% - this figure does not include dividends, so in terms of real return the figure is higher – and there have been a number of star performers.

The top five performing stocks so far this year are Ocado (up 52%), software company Micro Focus (43%), retailer Next (42%), Spirax-Sarco Engineering (40%) and investment company 3i Group (37%).

> "In the UK, sterling's weakness has been a positive contributor to the FTSE100

There can of course be no guarantees how the rest of 2019 will pan out and there are certainly a number of moving parts and events which could derail the positive performances of these markets. Even so, if 2019 has shown one thing, even in just five months, it is to reiterate another important investment saying which underlines patience as a virtue – that it is not timing the market which is important, but time in the market.

Richard J Hunter is the Head of Markets at interactive investor. This article is provided for information purposes only and is not intended to be a personal recommendation to adopt any investment strategy.

interactive investor

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Thailand's pro-army party seeks alliances with two political groupings in bid to cement power

PANARAT THEPGUMPANAT

TWO THAI political parties have been invited to join a new government led by military junta chief general Prayuth Chan-o-cha as Prime Minister, a pro-army party said yesterday.

A deal with the unaligned Democrat and Bhumjaithai parties would likely sink the opposition Democratic Front coalition's bid to keep junta members from retaining dominance over the government five years after the army seized power in a coup.

"We invited two parties, but did not expect a conclusion today," Uttama Savanayana, leader of Palang Pracharat, the pro-military party formed last year by members of the junta's Cabinet, said after yesterday's meeting.

"We understand there are internal processes, but it was a very good starting point," he added.

The two parties would give the pro-army coalition a slim majority in the House of Representatives.

Bhumjaithai said it accepted the invitation and its executive committee would deliberate on policies with a view to forming a government soon.

"Leaders will connect and quickly resolve any issues… so Palang Pracharat will not have any headaches," party leader Anutin Charnvirakul noted.

"It's time we go to work for the country." *Reuters*

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

LONDON REPORT

May resignation fails to put stop to FTSE's rise

THE FTSE 100 held its gains on Friday after Prime Minister Theresa May announced her resignation date in a widely expected move that nevertheless raises the prospect of a successor likely to seek a more hardline Brexit deal.

The blue-chip index added 0.7 per cent to 7,277.73 points, while the mid-cap FTSE 250 rose 0.5 per cent to 19,127.26 points, slightly off its opening levels, as traders and investors said the market had already priced in May's move when speculation first started circulating.

Housebuilders, considered prone to any hit to the economy from a chaotic "no-deal" Brexit, barely budged after May's speech.

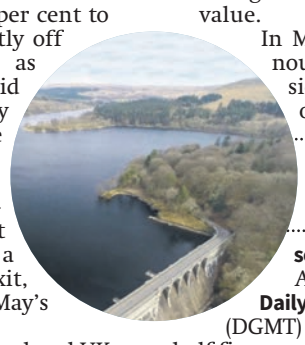
"It's been so well-flagged and UK assets have been hammered all week. Realistically, we know no more or less than we did yesterday," said a trader.

Housebuilders, retailers, domestic banks and other Brexit-sensitive stocks fell sharply earlier this week when pressure grew on May and investors grappled with the likelihood of Boris Johnson, who wants a tougher divorce deal, as her successor.

Meanwhile, **Pennon Group**, the owner of South West Water as well as a waste management company, will announce its full-year results on Thursday.

It has seen its shares underperform in recent weeks largely over concerns that its water business might be renationalised by a possible Labour government at below market value.

In March the company announced it taken a provision of £16m on the back of the collapse of **Interserve**.



Pennon, owner of South West Water, announces results on Thursday

Also on Thursday, the **Daily Mail and General Trust** (DGMT) will announce its first-half figures.

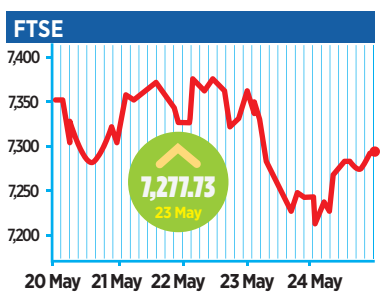
Earlier this year DMGT announced it was selling its 49 per cent stake in **Euromoney** and returning the proceeds to shareholders as it looks to simplify the business. Like many other established media companies, the income from advertising revenue has been in slow decline, although Mail Online has helped to offset this fall, with increases in advertising revenue.

TOP RISERS

1. **Evraz** Up 3.41 per cent
2. **Antofagasta** Up 2.87 per cent
3. **Hiscox** Up 2.80 per cent

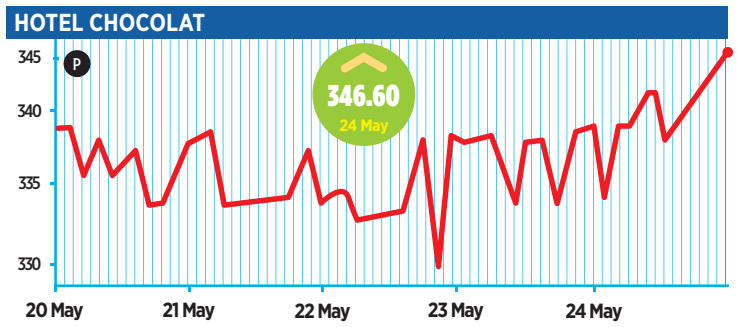
TOP FALLERS

1. **IAG** Down 2.17 per cent
2. **Paddy Power** Down 1.83 per cent
3. **ITV** Down 1.23 per cent

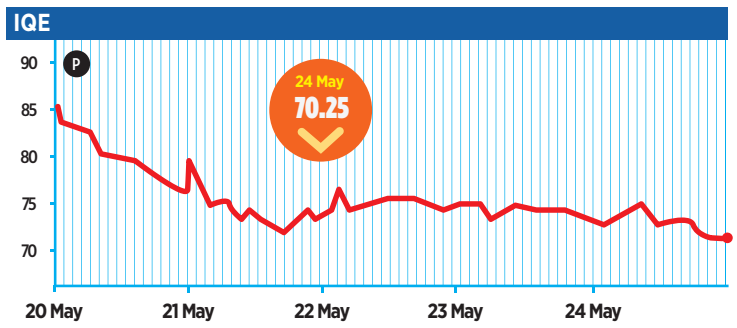


BEST OF THE BROKERS

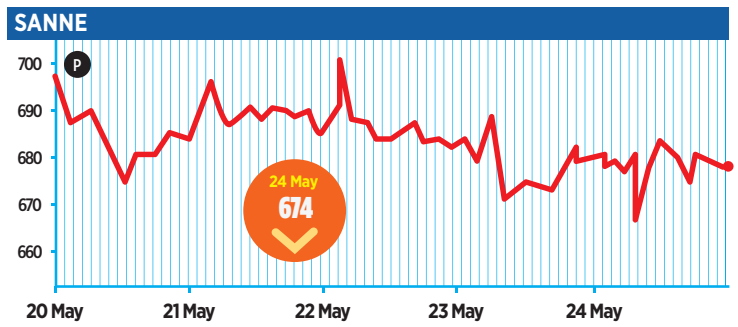
To appear in Best of the Brokers, email your research to notes@cityam.com



Broker Peel Hunt is bullish on chocolate chain Hotel Chocolat, rating the stock as a "buy" and bumping its target price to 365p from 300p. The broker praises the "energy and enthusiasm" within the business and the way it is developing in a number of different ways. Peel Hunt cites its evolving ranges, with "drinks and ices to the fore", and its potential for international expansion. Hotel Chocolat has sites in the US and Japan and offers a value for money proposition that is "seemingly miles better than the competition," the broker said, underlying the growth opportunities.



The looming tech cold war between the US and China could cause collateral damage to British semiconductor supplier IQE, the company warned last week. Broker Canaccord Genuity says the uncertainty is related to US semiconductor company Qorvo which is exposed to Huawei and recently lowered guidance. The broker estimates the maximum earnings hit IQE could take at 20 per cent, but says given IQE shares have fallen 15 per cent recently, much of the risk has been priced in. On that basis, the broker reiterates its "buy" rating and kept its target price at 130p.



Broker Liberum has kind words to say about trust and fund administration group Sanne, but still downgrades the stock from a "buy" to a "hold". The analysts say they still think the business "is extremely well placed to capitalise on the structural growth offered by the alternative asset sector". However, with its shares up 33 per cent since February, they say the short-term risk to reward profile is less attractive than it was. They give a target price of 705p, increased from 625p. The broker says it is confident in management's abilities to deliver further growth.

NEW YORK REPORT

Dow edges up as hopes grow on Sino-US deal

WALL Street edged higher on Friday after falling in the previous session, as hopeful comments from US President Donald Trump regarding trade relations with China assuaged concerns among some investors.

The Dow Jones Industrial Average rose 95.22 points, or 0.37 per cent, to 25,585.69, the S&P 500 gained 3.82 points, or 0.14 per cent, to 2,826.06 and the Nasdaq Composite added 8.73 points, or 0.11 per cent, to 7,637.01.

For the week, the Dow declined 0.68 per cent, the S&P 500 fell 1.16 per cent and the Nasdaq dropped 2.29 per cent.

Trump said late on Thursday that he saw a resolution to the trade war with China "happening fast". And despite calling sanctioned telecom equipment company Huawei "very dangerous", he noted it could also be included in a trade deal.

The escalating US-China trade war has sent dividend-rich sectors such as utilities higher, but investors don't need to get all defensive just yet, according to strategists who say there are plenty of growth stocks with some insulation from China.

While the prospect of a prolonged trade war has shaken the market, investors are also trying to protect themselves from the risk that they could miss out on gains in the event that the US and China reach a surprise agreement.

Because of the difficulty handicapping the chance of a US-China deal, John Praveen Portfolio manager at QMA in Newark, New Jersey, said he would not "completely sell out" of stocks.

However, he added: "If I was five per cent overweight stocks, I might reduce it to three per cent and see if I could reduce exposure to semiconductors and technology."

Meanwhile, investors hope the markets will turn around after the Dow's longest weekly losing streak in eight years.

There are earnings reports to consider from retailers **Costco**, **Dollar General** and **Gap**.

CITY MOVES WHO'S SWITCHING JOBS

DNEG

Andrew Gordon has been appointed head of character animation at DNEG, the visual effects, animation and stereo conversion company. Andrew joins managing director of feature animation Tom Jacomb, animation director Troy Saliba and VFX supervisor Philippe Denis in leading DNEG's rapidly-growing feature animation team, and helping to foster a culture of creativity and innovation. With more than 20 years' experience in feature animation at Pixar and Warner Bros, Andrew has an impressive credit list that includes many prestigious blockbuster animated franchises such as Ratatouille, Monsters University, Toy Story, Finding Nemo, Cars and The Incredibles 1 & 2. Throughout his career, Andrew has received global recognition for bringing to life iconic characters such as Marlin in Finding Nemo, for which he won a VES Award for Outstanding Character Animation in an Animated Motion Picture. Well known among industry peers for creating the secret 'Lucky 7 Lounge' at Pixar, a secret room accessible through a small hatch in his office frequented by the likes of Steve Jobs, he will focus on harnessing the DNEG team's diverse experience and talents to develop a bespoke look and feel for each feature.

THE BUILDING SOCIETIES ASSOCIATION

Mike Regnier, chief executive of the Yorkshire Building Society, has been elected as the new chair of the Building Societies Association (BSA). He takes up this role with immediate effect. Mike held the post of deputy chair since May 2018 and succeeds Stephen Mitcham, chief executive of the Cambridge Building Society. At the same time, Mark Bogard, chief executive of the Family Building Society has been elected deputy chair of the BSA. From May 2019, the term of office for the BSA chair and deputy chair has been extended from 12 months to two years.

BLACKBIRD

The developer and seller of cloud video platform Blackbird has announced that Dawn Airey joined the board on 23 May as a non-executive director. Dawn is a veteran of the media industry, having worked in television for 30 years, holding senior positions with the majority of the UK's commercial broadcasters. Most recently, she spent three years as chief executive of Getty Images, prior to which she spent two years as senior vice president at Yahoo's Europe, Middle East and Africa office, where she led the company's operations in the region. Prior to joining Yahoo, Dawn held leadership positions at many major UK media companies, including president of a unit of RTL Group, Channel 5's parent company, and chairwoman and chief executive of Channel 5, where she oversaw all operations.

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
7277.73 ↑	19127.26 ↑	3981.61 ↑	25585.69 ↑	7637.01 ↑	2826.06 ↑
HOLIDAY	HOLIDAY	HOLIDAY	HOLIDAY	HOLIDAY	HOLIDAY

£/€	1.1330	↓ 0.0012	€/$	1.1192	↓ 0.0010
£/$	1.2681	↓ 0.0030	€/£	0.8824	↑ 0.0011
£/¥	138.91	↓ 0.0632	€/¥	122.59	↑ 0.1974

GILTS

	Price	Chg	High	Low
Tsy 3.750 19	100.84	-0.03	104.1	100.6
Tsy 2.000 20	101.53	0.01	103.0	101.4
Tsy 4.750 20	103.15	-0.04	107.4	103.1
Tsy 3.750 20	103.91	-0.01	107.1	103.8
Tsy 2.500 20	356.30	-0.01	362.3	356.0
Tsy 8.000 21	114.95	-0.04	122.0	114.7
Tsy 4.000 22	109.35	0.00	112.2	109.0
Tsy 0.500 22	99.62	0.07	99.6	97.7
Tsy 1.875 22	116.83	0.01	119.2	115.5
Tsy 2.250 23	106.68	0.02	106.8	104.7
Tsy 2.500 24	366.36	0.04	369.1	358.7
Tsy 0.125 24	113.65	0.04	114.1	110.9
Tsy 5.000 25	124.23	0.00	125.9	122.1
Tsy 4.250 27	128.07	0.00	128.3	122.6
Tsy 1.250 27	134.79	0.06	135.6	128.4
Tsy 6.000 28	146.28	-0.02	146.6	140.5
Tsy 0.125 29	126.85	0.11	127.6	118.8
Tsy 4.750 30	140.14	0.01	140.2	132.1
Tsy 4.125 30	377.40	0.07	379.4	355.2
Tsy 4.250 32	137.19	0.03	137.4	128.5
Tsy 1.250 32	155.20	0.13	156.9	144.1
Tsy 0.125 36	147.30	0.26	149.8	133.4
Tsy 4.250 36	143.59	0.07	144.0	133.1
Tsy 4.750 38	157.11	0.06	157.8	144.9
Tsy 0.625 40	168.85	0.29	172.7	152.8
Tsy 4.500 42	159.80	0.05	161.0	145.9
Tsy 3.500 45	141.86	0.05	143.0	128.0
Tsy 4.250 46	161.30	0.13	162.7	145.7
Tsy 4.025 49	167.34	0.07	169.0	150.0
Tsy 0.500 50	199.86	0.42	207.7	173.7
Tsy 0.250 52	196.44	0.47	204.9	168.8

AEROSPACE & DEFENCE

	Price	Chg	High	Low
BAE Systems	450.1	-2.9	676.4	445.5
Cobham	110.0	-0.2	131.7	96.8
Meggitt	500.2	-1.8	572.0	458.0
QinetiQ Group	303.0	-9.4	315.4	256.6
Rolls-Royce Holdi	888.2	-1.8	1094.0	759.2
Senior	225.2	-1.6	334.4	185.4
Ultra Electronics	1580.0	-12.0	1743.0	1232.0

BANKS

	Price	Chg	High	Low
Bank of Georgia G	1686.0	20.0	3189.5	1310.0
Barclays	149.3	-0.2	206.2	146.1
Close Brothers Gr	1399.0	9.0	1660.0	1390.0
CYBG	187.7	2.4	364.2	173.9
HSBC Holdings	659.4	0.1	734.6	600.8
Lloyds Banking Gr	58.5	0.7	66.6	50.0
Metro Bank	752.0	-20.0	3422.0	475.0
Royal Bank of Sco	216.7	-0.8	290.2	203.0
Standard Chartere	684.6	9.4	754.6	519.8
TBC Bank Group	1654.0	-8.0	1774.0	1290.0

BEVERAGES

	Price	Chg	High	Low
Barr (A.G.)	936.0	9.0	946.4	665.0
Britvic	928.0	-2.0	966.8	745.0
Coca-Cola HBC AG	2861.0	61.0	2869.0	2244.0
Diageo	3348.5	30.0	3365.0	2523.5

CHEMICALS

	Price	Chg	High	Low
Croda Internation	5135.0	20.0	5447.7	4576.0
Elementis	150.1	-3.2	279.1	148.3
Johnson Matthey	3130.0	50.0	3823.0	2620.0
Sirius Minerals	15.2	-0.2	38.5	15.0
Synthomer	379.0	-9.0	575.5	347.4
Victrex plc	2010.0	26.0	3408.0	1984.0

CONSTRUCTION & MATERIALS

	Price	Chg	High	Low
Balfour Beatty	228.8	1.6	311.1	223.4
CRH	2491.0	-7.0	2857.0	1971.5
Galliford Try	538.5	16.5	1104.0	512.0
Ibstock	243.0	-6.0	300.0	193.1
Kier Group	281.6	-20.0	1065.3	279.4
Marshalls	659.0	-1.5	673.0	399.8
Polypipe Group	423.0	0.0	439.6	307.8

ELECTRICITY

	Price	Chg	High	Low
Contour Global	194.0	-1.0	250.0	150.1
Drax Group	313.8	0.0	427.2	311.8
SSE	1038.0	25.5	1421.5	1008.0

ELECTRONIC & ELECTRICAL EQ.

	Price	Chg	High	Low
Halma	1820.5	13.0	1826.5	1237.0
Morgan Advanced M	248.8	-5.0	363.0	237.0
Renishaw	3910.0	30.0	5685.0	3670.0
Spectris	2556.0	64.0	2908.0	1966.5

EQUITY INVESTMENT INSTRUM.

	Price	Chg	High	Low
Aberforth Smaller	1268.0	4.0	1442.0	1120.0
Alliance Trust	766.0	3.0	789.0	672.0
Apax Global Alpha	146.0	2.0	153.0	127.0
Baillie Gifford J	776.0	8.0	869.0	663.0
Bankers Inv Trust	886.0	6.0	914.0	766.0
BBGI SICAV S.A. (	155.5	2.5	168.0	132.5
BlackRock Smaller	1446.0	6.0	1600.0	1160.0
BMO Global Smalle	1322.0	4.0	1495.0	1220.0
British Empire Tr	733.0	6.0	767.0	660.0
Caledonia Investm	2940.0	10.0	3060.0	2650.0
City of London In	414.5	3.0	439.0	376.0
Edinburgh Inv Tru	601.0	0.0	712.0	588.0
F&C Investment Tr	693.0	2.0	741.0	616.0
Fidelity China Sp	209.0	-1.5	268.0	182.4
Fidelity European	239.5	5.0	240.0	202.0
Fidelity Special	254.5	1.5	280.0	220.0
Finsbury Growth &	894.0	5.0	899.0	740.0
GCP Infrastructur	127.4	0.8	130.8	119.0
Genesis Emerging	703.0	3.0	739.0	615.0
Greencoat UK Wind	135.2	-0.2	143.2	120.4
HarbourVest Globa	1604.0	8.0	1614.0	1234.0
Herald Investment	1338.0	2.0	1370.0	1055.0
HGCapital Trust	2150.0	30.0	2170.0	1750.0
HICL Infrastructu	160.0	2.2	170.1	140.0
International Pub	153.2	0.4	163.4	141.4
JPMorgan American	448.0	0.0	472.0	386.5
JPMorgan Emerging	926.0	6.0	972.0	759.0
JPMorgan Indian I	758.0	13.0	758.0	566.0
JPMorgan Japanese	425.0	4.5	472.0	367.0
Jupiter European	833.0	5.0	895.0	666.0
Law Debenture Cor	598.0	12.0	636.0	534.0
Mercantile Invest	205.8	1.2	226.0	168.0
Monks Inv Trust	860.0	3.0	891.0	710.0
Murray Internatio	1148.0	12.0	1208.0	1056.0
NB Global Floatin	90.2	-0.2	94.5	87.6
NextEnergy Solar	117.0	0.0	124.5	107.5
Pantheon Internat	2200.0	0.0	2219.9	1955.0
Perpetual Income	314.0	1.0	370.5	301.5
Pershing Square H	1336.0	-8.0	1398.0	990.0
Personal Assets T	41300.0	150.0	41300.0	38900.0
Polar Capital Tec	1308.0	-4.0	1386.0	1066.0
RIT Capital Partn	2020.0	0.0	2130.0	1892.0
Riverstone Energy	909.0	-2.0	1296.0	908.0
Schroder Asia Pac	426.0	-1.0	481.0	379.0
Scottish Inv Trus	786.0	4.0	902.0	748.0
Scottish Mortgage	506.0	0.0	568.3	441.4
Sequoia Economic	112.0	-0.2	114.2	106.0
Smithson Investme	1184.0	8.0	1222.0	1000.2
Syncona Limited N	239.0	1.0	302.5	219.5
Temple Bar Inv Tr	1250.0	4.0	1366.0	1116.0
Templeton Emergin	741.0	3.0	792.0	649.0
The Renewables In	123.8	0.0	125.6	104.3
TR Property Inv T	411.5	9.0	433.5	353.5
Vietnam Enterpris	441.0	-4.0	472.0	390.0
VinaCapital Vietn	343.5	2.0	350.0	306.0
Witan Inv Trust	1044.0	4.0	1138.0	948.0
Woodford Patient	79.2	1.7	91.0	73.3
Worldwide Healthc	2600.0	35.0	2915.0	2325.0

FINANCIAL SERVICES

	Price	Chg	High	Low
3i Group	1059.0	11.5	1088.5	756.2
3i Infrastructure	288.5	3.5	290.0	221.0
AJ Bell	420.0	-1.0	477.0	220.0
Allied Minds	77.1	-2.1	116.8	37.3
Amigo Holdings	215.0	4.0	310.0	154.5
Arrow Global Grou	206.8	-3.2	288.5	167.2
ASA International	395.0	0.0	510.0	336.0
Ashmore Group	470.6	7.8	488.0	337.0
Brewin Dolphin Ho	305.6	2.0	379.2	295.4
Charter Court Fin	330.0	-1.0	375.0	228.8
City of London In	430.0	12.0	433.0	360.0
CMC Markets	87.5	0.0	206.0	77.4
Coats Group	79.2	0.1	91.3	69.8
Georgia Capital	975.0	-17.0	1260.0	941.0
Hargreaves Lansdo	2286.0	14.0	2433.0	1633.0
IG Group Holdings	543.6	10.6	954.5	474.8
IntegraFin Holdin	397.9	4.8	406.1	269.0
Intermediate Capi	1298.0	13.0	1302.0	899.0
International Per	169.6	6.6	248.8	157.4
Investec	470.5	1.2	594.8	423.4
IP Group	81.8	-0.9	142.8	81.0
John Laing Group	387.8	1.8	402.0	264.2
JTC	427.0	2.0	440.0	287.0
Jupiter Fund Mana	361.6	4.8	472.4	287.6
Liontrust Asset M	700.0	14.0	710.0	532.0
LMS Capital	50.4	0.0	53.5	44.0
London Finance &	39.5	0.0	45.5	39.5
London Stock Exch	5230.0	20.0	5292.0	3867.0
Man Group	149.3	1.0	190.5	126.8
OneSavings Bank	402.6	-2.6	449.6	330.0
Paragon Banking G	434.4	-5.4	524.0	379.2
Plus500 Ltd (DI)	622.2	4.8	2040.0	495.0
Provident Financi	452.8	-7.5	692.6	449.1
Quilter	135.2	-0.1	156.6	110.6
Rathbone Brothers	2250.0	20.0	2652.0	2198.0
Real Estate Credi	170.5	-2.5	175.5	163.0
Record	30.2	0.2	47.0	27.3
River and Mercant	250.0	-5.0	330.0	212.0
S&U	2250.0	10.0	2715.0	1767.5
Sanne Group	674.0	-4.0	724.0	450.0
Schroders	2940.0	-15.0	3370.0	2334.0
Standard Life Abe	263.7	2.6	416.0	224.9
TP ICAP	272.0	0.4	439.9	259.7
VPC Specialty Len	72.0	-0.4	84.4	71.4
Walker Crips Grou	25.0	0.0	39.0	24.0
XPS Pensions Grou	160.0	0.0	192.0	132.0

FIXED LINE TELECOMS

	Price	Chg	High	Low
BT Group	196.3	-2.3	264.7	195.4
TalkTalk Telecom	116.7	0.5	137.0	96.6
Telecom Plus	1448.0	14.0	1524.0	1010.0

FOOD & DRUG RETAILERS

	Price	Chg	High	Low
Greggs	2134.0	44.0	2180.0	942.0
Morrison (Wm) Sup	199.3	2.0	269.4	196.8
Ocado Group	1200.0	-4.0	1435.0	749.8
Sainsbury (J)	195.3	0.3	341.5	194.2
SSP Group	685.0	0.0	744.4	615.1
Tesco	232.0	2.2	266.2	189.6
UDG Healthcare Pu	710.0	-2.0	907.0	551.0

FOOD PRODUCERS

	Price	Chg	High	Low
Associated Britis	2510.0	17.0	2836.0	2041.0
Bakkavor Group	123.0	0.6	206.0	113.0
Cranswick	2724.0	-20.0	3460.0	2472.0
Greencore Group	208.6	-2.5	230.0	162.9
Hilton Food Group	1040.0	26.0	1088.0	884.0
Tate & Lyle	759.6	-2.4	800.4	622.6
Unilever	4883.5	44.5	4900.0	3931.0

FORESTRY & PAPER

	Price	Chg	High	Low
Mondi	1678.5	16.5	2236.0	1584.0

GAS, WATER & MULTIUTILITIES

	Price	Chg	High	Low
Centrica	92.8	-0.8	163.7	92.4
National Grid	816.6	10.6	889.2	748.7
Pennon Group	703.8	5.4	812.4	684.2
Severn Trent	1908.5	1.0	2091.0	1770.0
United Utilities	778.4	12.4	873.6	682.4

GENERAL INDUSTRIALS

	Price	Chg	High	Low
RPC Group	789.6	-0.8	834.8	632.2
Smith (DS)	324.2	2.2	538.9	292.2
Smiths Group	1481.0	8.0	1801.0	1279.5
Smurfit Kappa Gro	2256.0	51.0	3292.0	1934.0
Vesuvius	511.0	2.0	662.0	473.2

GENERAL RETAILERS

	Price	Chg	High	Low
Auto Trader Group	597.4	16.2	597.4	351.2
B&M European Valu	347.5	-15.4	426.3	278.6
Card Factory	190.6	-0.2	228.6	162.6
Dixons Carphone	117.2	1.0	233.4	116.2
Dunelm Group	864.0	12.0	912.5	482.8
Inchcape	579.0	7.5	799.0	486.6
JD Sports Fashion	618.8	7.4	635.6	318.5
Just Eat	620.0	2.8	883.4	533.8
Kingfisher	213.5	0.5	318.1	205.4
Marks & Spencer G	246.3	3.2	314.5	240.2
Next	5782.0	82.0	6202.0	3991.0
Pets at Home Grou	183.6	8.0	187.9	110.0
Saga	49.5	0.4	138.7	49.1
Sports Direct Int	281.6	2.0	436.1	233.2
Ted Baker	1438.0	-5.0	2518.0	1420.0
Vivo Energy	111.4	-0.6	175.0	96.0
WH Smith	2000.0	5.0	2186.0	1697.0

HEALTH CARE EQUIPMETN & S.

	Price	Chg	High	Low
Assura	63.8	1.0	63.8	52.4
Convatec Group	141.6	0.2	239.0	118.6
Mediclinic Intern	321.2	-0.3	633.2	301.3
NMC Health	2438.0	0.0	4120.0	2192.0
Smith & Nephew	1655.5	14.0	1661.7	1258.0

HHOLD GDS & HOME CONSTR.

	Price	Chg	High	Low
Barratt Developme	566.0	6.6	625.8	434.0
Bellway	2792.0	8.0	3409.0	2419.0
Berkeley Group Ho	3514.0	6.0	4321.0	3226.0
Bovis Homes Group	994.5	6.0	1298.0	828.0
Countryside Prope	305.8	4.8	377.2	270.0
Crest Nicholson H	359.0	5.8	446.2	296.4
McCarthy & Stone	128.0	-1.0	142.4	97.5
Persimmon	1968.5	18.5	2880.0	1859.5
Reckitt Benckiser	6413.0	-3.0	7155.0	5593.0
Redrow	551.0	1.0	674.6	460.8
Taylor Wimpey	168.3	2.5	202.8	129.3

INDUSTRIAL ENGINEERING

	Price	Chg	High	Low
Bodycote	782.0	7.5	1055.0	676.0
Hill & Smith Hold	1232.0	-14.0	1523.0	902.5
IMI	928.4	-0.4	1242.0	870.0
Melrose Industrie	169.2	2.4	242.0	146.3
RHI Magnesita N.V	4800.0	24.0	5135.0	3318.0
Rotork	295.5	1.8	361.4	235.7
Spirax-Sarco Engi	8870.0	145.0	8870.0	5900.0
Weir Group	1532.0	12.0	2222.0	1240.0

INDUSTRIAL METALS & MINING

	Price	Chg	High	Low
Evraz	606.6	20.0	669.0	442.1
Ferrexpo	221.9	8.6	301.3	143.5

INDUSTRIAL TRANSPORTATION

	Price	Chg	High	Low
BBA Aviation	263.2	0.0	350.0	207.0
Clarkson	2365.0	85.0	2900.0	1878.0
Fisher (James) &	1976.0	-2.0	2260.0	1600.0
Royal Mail	210.6	12.7	545.4	197.9
Stobart Group Ltd	107.0	0.0	266.5	101.8

NON LIFE INSURANCE

	Price	Chg	High	Low
Admiral Group	2049.0	17.0	2281.0	1870.0
Beazley	572.0	9.5	608.0	492.6
Direct Line Insur	316.6	3.7	372.6	304.9
Hastings Group Ho	187.8	1.5	274.2	174.0
Hiscox Limited (D	1654.0	45.0	1711.0	1418.0
Lancashire Holdin	686.5	10.0	696.0	530.0
RSA Insurance Gro	556.4	5.4	681.8	496.6
Sabre Insurance G	261.5	0.0	294.0	241.0

LIFE INSURANCE

	Price	Chg	High	Low
Aviva	404.3	2.0	534.0	364.6
Just Group	58.1	1.0	145.6	55.5
Legal & General G	263.3	4.8	291.2	223.7
Phoenix Group Hol	671.0	9.4	724.8	544.0
Prudential	1594.0	14.0	1890.5	1340.0
St James's Place	1080.0	6.5	1240.5	914.0

MEDIA

	Price	Chg	High	Low
4Imprint Group	2660.0	10.0	2700.0	1715.0
Ascential	400.0	3.8	465.0	337.2
Bloomsbury Publis	235.0	4.0	254.0	190.5
Centaur Media	55.8	0.5	56.5	34.7
Entertainment One	439.0	21.6	483.4	281.0
Euromoney Institu	1334.0	44.0	1450.0	1132.0
Gocompare.com Gro	81.5	2.5	139.0	64.6
Haynes Publishing	197.0	0.0	246.0	160.0
Huntsworth	101.0	-1.0	139.0	81.0
Informa	789.2	19.2	859.0	605.8
ITE Group	77.6	3.6	90.6	56.3
ITV	108.1	-1.4	180.4	108.1
Moneysupermarket.	368.7	1.6	372.1	264.0
Pearson	801.8	-5.2	1027.5	777.6
Reach	78.1	0.7	83.2	54.6
Relx plc	1830.0	4.0	1843.5	1491.5
Rightmove	569.2	5.7	573.1	420.9
STV Group	380.0	9.0	458.0	318.0
Tarsus Group	431.0	119.0	431.0	243.0
WPP	951.4	4.4	1301.0	800.4

MINING

	Price	Chg	High	Low
Acacia Mining	161.0	2.8	256.6	96.1
Anglo American	1944.0	43.0	2226.0	1464.6
Antofagasta	802.0	22.4	1149.0	727.2
BHP Group	1800.0	42.6	1944.2	1490.6
Centamin (DI)	87.2	-3.3	159.4	79.8
Fresnillo	726.8	-6.0	1340.0	718.2
Glencore	261.0	1.4	400.4	259.1
Hochschild Mining	162.4	-0.4	219.9	149.1
Kaz Minerals	525.8	4.0	1076.0	436.7
Polymetal Interna	826.6	2.6	894.0	597.2
Rio Tinto	4642.0	52.5	4771.5	3486.0

MOBILE TELECOMS

	Price	Chg	High	Low
Inmarsat	544.8	-1.2	632.2	356.6
Vodafone Group	126.1	2.8	198.0	123.3

OIL & GAS PRODUCERS

	Price	Chg	High	Low
BP	544.5	0.4	598.3	485.9
Cairn Energy	167.9	2.3	258.8	140.0
Energean Oil & Ga	785.0	0.0	846.0	493.5
Premier Oil	84.3	2.3	143.6	55.6
Royal Dutch Shell	2487.0	12.5	2694.5	2213.0
Royal Dutch Shell	2500.5	15.0	2780.5	2227.0
Tullow Oil	207.3	-0.5	266.3	165.2

OIL EQUIPMENT & SERVICES

	Price	Chg	High	Low
Hunting	526.5	-6.0	870.0	453.6
Petrofac Ltd.	408.7	10.8	663.4	381.5
Wood Group (John)	408.8	-7.9	796.4	402.1

PERSONAL GOODS

	Price	Chg	High	Low
Burberry Group	1808.5	22.5	2325.0	1623.5
PZ Cussons	200.5	2.1	244.0	178.6

PHARMACEUTICALS & BIOTECH

	Price	Chg	High	Low
AstraZeneca	6089.0	76.0	6525.0	5182.0
BTG	834.5	0.0	853.0	475.0
Dechra Pharmaceut	2748.0	4.0	3168.0	2014.0
Genus	2700.0	34.0	2992.0	2098.0
GlaxoSmithKline	1582.0	10.4	1621.6	1418.0
Hikma Pharmaceuti	1754.5	8.0	2025.0	1317.0
Indivior	49.0	0.2	496.2	30.1

REAL ESTATE INVEST. & SERV.

	Price	Chg	High	Low
Capital & Countie	221.2	0.3	308.9	219.8
CLS Holdings	223.0	5.0	255.0	195.4
Daejan Holdings	5610.0	0.0	6400.0	5530.0
F&C Commercial Pr	122.2	0.2	155.0	117.0
Grainger	247.0	0.2	291.0	205.8
NewRiver REIT	217.0	2.0	297.5	195.0
Safestore Holding	642.0	5.5	658.5	499.4
Savills	830.0	-3.0	975.5	678.5
St. Modwen Proper	439.0	-1.5	441.0	365.0
UK Commercial Pro	92.0	0.9	92.7	81.0

REAL ESTATE INVEST. TRUSTS

	Price	Chg	High	Low
Big Yellow Group	1014.0	-6.0	1062.0	852.5
British Land Comp	534.4	2.8	692.0	523.0
Civitas Social Ho	83.7	1.0	114.0	82.3
Derwent London	3260.0	34.0	3328.0	2761.0
Great Portland Es	728.2	0.0	773.6	652.3
Hammerson	273.8	-0.8	560.2	273.8
Intu Properties	94.0	0.8	207.3	91.3
Land Securities G	833.0	2.8	965.1	791.8
LondonMetric Prop	205.0	1.2	209.2	172.7
Primary Health Pr	133.6	1.4	134.4	106.4
SEGRO	703.4	3.6	719.0	585.2
Shaftesbury	832.0	4.0	968.0	817.0
Tritax Big Box Re	146.3	1.0	155.7	129.0
Unite Group	952.5	12.0	973.5	797.5
Workspace Group	897.5	-11.5	1165.0	789.5

SOFTWARE & COMPUTER SERV.

	Price	Chg	High	Low
Avast	314.6	1.6	318.4	208.2
Aveva Group	3460.0	72.0	3462.0	2284.0
Computacenter	1266.0	6.0	1620.0	952.0
FDM Group (Holdin	960.0	-13.0	1128.0	734.0
Micro Focus Inter	1967.6	13.0	2491.6	1427.2
Playtech	400.3	0.0	818.6	361.8
Sage Group	754.4	1.0	772.0	525.6
Softcat	938.5	5.5	967.0	565.0
Sophos Group	405.9	-13.1	639.0	298.2

SUPPORT SERVICES

	Price	Chg	High	Low
Aggreko	806.8	8.6	882.0	641.8
Ashtead Group	1963.5	0.0	2438.0	1586.5
BCA Marketplace	185.4	1.5	242.0	183.4
Bunzl	2090.0	-11.0	2551.0	2060.0
Capita	106.1	0.1	169.1	102.3
DCC	6788.0	-32.0	7390.0	5555.0
Diploma	1473.0	18.0	1634.0	1150.0
Electrocomponents	621.4	-8.6	761.6	480.0
Equiniti Group	232.4	4.6	271.0	186.2
Essentra	399.4	1.2	507.0	325.4
Experian	2332.0	-8.0	2379.0	1728.5
Ferguson	5160.0	-40.0	6556.0	4749.0
G4S	210.9	0.7	282.0	175.9
Grafton Group Uni	872.5	-4.5	937.0	630.0
Hays	150.0	1.5	212.0	135.7
Homeserve	1224.0	7.0	1231.0	849.0
Howden Joinery Gr	495.1	2.0	539.0	416.4
Intertek Group	5242.0	110.0	6014.0	4387.0
Pagegroup	521.0	4.5	623.5	432.2
Rentokil Initial	380.0	0.6	391.1	284.8
Robert Walters	648.0	-2.0	475.0	814.0
Serco Group	130.0	-0.1	136.5	84.1
SIG	133.3	0.5	153.0	102.2
Travis Perkins	1279.5	1.0	1475.5	970.0
Spirent Communica	154.6	-2.2	166.2	110.6

TOBACCO

	Price	Chg	High	Low
British American	2984.5	33.0	4222.5	2375.0
Imperial Brands	2049.0	-13.0	2987.5	2043.5

TRAVEL & LEISURE

	Price	Chg	High	Low
888 Holdings	130.4	-0.8	311.2	129.3
Carnival	3925.0	-23.0	5000.0	3659.0
Cineworld Group	308.6	3.9	323.6	245.0
Compass Group	1816.0	-0.5	1825.0	1483.0
Domino's Pizza Gr	230.0	-2.2	386.9	224.4
easyJet	919.0	-8.0	1796.0	919.0
EI Group	215.8	2.2	224.8	134.6
FirstGroup	110.1	0.1	116.6	79.3
Go-Ahead Group	1802.0	19.0	2078.0	1388.0
Greene King	635.4	3.2	704.4	472.8
GVC Holdings	587.4	6.6	1170.0	507.5
InterContinental	5127.0	9.0	5159.0	3958.4
International Con	468.4	-10.4	726.6	467.6
Merlin Entertainm	377.1	19.5	410.5	307.1
Millennium & Copt	466.0	0.0	553.0	436.0
Mitchells & Butle	270.5	6.5	291.4	238.0
National Express	387.4	-3.8	433.2	361.4
Paddy Power Betfa	5676.0	-106.0	9110.0	5525.0
Rank Group	155.2	2.4	194.0	135.0
Restaurant Group	126.1	1.4	237.1	111.9
Stagecoach Group	126.7	-0.8	177.0	115.5
TUI AG Reg Shs (D	741.0	0.8	1776.0	713.2
Wetherspoon (J.D.	1329.0	7.0	1375.0	1066.0
Whitbread	4561.0	13.0	5114.0	3883.0
William Hill	132.3	-1.1	328.9	131.0
Wizz Air Holdings	3138.0	59.0	3797.0	2329.0

AIM 50

	Price	Chg	High	Low
Abcam	1422.0	11.0	1539.0	1017.0
Advanced Medical	345.0	1.5	370.0	260.0
Alliance Pharma	77.5	0.7	102.0	60.0
ASOS	3500.0	67.0	6834.0	2128.0
Blue Prism Group	1830.0	9.0	2575.0	1040.0
Camellia	10200.0	-350.0	12575.0	9100.0
CareTech Holding	377.0	7.0	406.0	325.0
Central Asia Meta	223.5	2.5	294.0	203.0
Clinigen Group	1040.0	26.0	1050.0	721.0
CVS Group	658.0	-9.0	1163.0	395.0
Dart Group	907.5	1.0	1017.0	740.0
Diversified Gas &	131.0	2.0	133.5	92.0
Draper Esprit	458.0	-7.0	645.0	440.0
Eland Oil & Gas	128.0	-1.0	137.5	97.0
EMIS Group	1206.0	12.0	1222.0	860.0
Fevertree Drinks	2755.0	-61.0	3956.0	2131.0
First Derivatives	3220.0	-15.0	4680.0	2050.0
Frontier Developm	1000.0	6.0	1825.0	740.0
Gamma Communicati	1175.0	45.0	1181.8	688.0
GB Group	612.0	14.0	630.0	410.5
Gooch & Housego	1390.0	-5.0	1880.0	1095.0
Hurricane Energy	56.3	0.6	60.1	39.0
Iomart Group	350.0	1.0	475.0	308.0
IQE	70.3	-3.3	116.4	56.3
James Halstead	516.0	-4.0	530.0	367.0
Johnson Service G	153.6	-1.4	155.0	113.6
Keywords Studios	1678.0	13.0	2065.0	900.0
Learning Technolo	90.8	1.6	166.5	62.2
M&C Saatchi	363.0	1.0	394.0	270.0
M. P. Evans Group	674.0	-4.0	800.0	637.0
Majestic Wine	289.5	2.0	485.0	219.0
Midwich Group	620.0	-1.0	685.0	491.5
Mortgage Advice B	597.0	-3.0	720.0	490.0
Next Fifteen Comm	571.0	7.0	600.0	455.0
Nichols	1800.0	0.0	1840.0	1240.0
Numis Corporation	272.0	7.0	438.5	221.5
Polar Capital Hol	566.0	-14.0	732.0	448.0
Purplebricks Grou	101.0	6.7	389.6	90.0
Redde	106.2	-2.4	196.0	90.0
Renew Holdings	428.0	6.0	428.8	333.0
RWS Holdings	615.0	1.0	621.0	343.5
Scapa Group	305.5	1.5	473.4	275.8
Secure Income Rei	405.0	5.0	414.0	371.0
Serica Energy	133.2	4.2	142.0	57.4
Smart Metering Sy	492.6	0.0	830.0	480.0
Staffline Group	315.0	-6.0	1340.0	300.0
Telford Homes	281.5	0.0	465.5	267.0
Thorpe (F.W.)	319.0	0.0	340.0	248.0
Watkin Jones	223.0	4.0	232.5	192.2
Young & Co's Brew	1847.5	-37.5	1885.0	1322.5
Young & Co's Brew	1190.0	10.0	1325.0	1030.0

WebfinancialGroup

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MAIN CHANGES UK 350

Risers ↑		%
Babcock Internatio	460.0	10.4
Royal Mail	210.6	6.4
Merlin Entertainme	377.1	5.5
Entertainment One	439.0	5.2
Pets at Home Group	183.6	4.6
Ferrexpo	221.9	4.0
Clarkson	2365.0	3.7
Euromoney Institut	1334.0	3.4
Evraz	606.6	3.4
Galliford Try	538.5	3.2

Fallers ↓		%
Kier Group	281.6	-6.6
B&M European Value	347.5	-4.2
Centamin (DI)	87.2	-3.7
Sophos Group	405.9	-3.1
QinetiQ Group	303.0	-3.0
Metro Bank	752.0	-2.6
Ibstock	243.0	-2.4
Synthomer	379.0	-2.3
International Cons	468.4	-2.2
Elementis	150.1	-2.1

EU SHARES

	Price	Chg	High	Low
AB INBEV	74.29	0.76	91.14	56.32
ADIDAS N	261.35	2.45	264.40	178.30
AIR LIQUIDE	114.45	0.75	119.10	101.85
AIRBUS BR	116.84	0.30	124.00	77.50
ALLIANZ	202.55	-0.25	216.20	170.38
AMADEUS IT GRP BR-A	69.90	-0.06	82.20	58.06
ASML HLDG	172.86	2.46	189.50	130.12
AXA	22.38	0.08	23.90	18.40
BANCO SANTANDER	4.04	0.02	5.11	3.80
BASF N	61.06	-0.17	88.89	57.26
BAYER N	54.83	0.84	102.74	52.00
BBVA	5.04	0.01	6.44	4.48
BMW	63.65	-0.21	88.17	62.83
BNP PARIBAS BR-A	44.20	0.30	61.59	38.14
CRH PLC	0.00	0.00	34.87	26.53
DAIMLER N	47.89	0.33	65.60	44.54
DANONE	71.96	0.16	72.54	59.72
DEUTSCHE POST N	27.01	-0.02	33.94	23.43
DEUTSCHE TELEKOM N	15.26	0.13	15.88	13.09
ENEL N	5.77	-0.02	5.82	4.22
ENGIE	12.75	0.13	14.28	11.31
ENI N	14.07	0.02	16.71	13.42
ESSILORLUXOTT	106.20	0.10	129.55	95.50
FRESENIUS	47.78	0.33	71.10	38.50
IBERDROLA	8.50	0.05	8.56	5.77
INDITEX	25.06	0.13	30.30	21.85
ING GROUP	9.77	0.02	13.36	9.09
INTESA SANPAOLO N	1.91	-0.01	2.72	1.86
KERING	485.95	3.25	539.80	351.70
KON AH DEL BR	20.51	0.08	24.01	18.60
L'OREAL	244.50	1.30	245.80	182.00
LINDE	169.20	1.70	0.00	0.00
LVMH	338.65	2.15	355.05	242.30
MUENCHENER RUECKV N	219.80	1.30	224.00	175.00
NOKIA	4.56	0.07	5.76	4.17
ORANGE	14.02	0.07	15.25	13.15
ROY.PHILIPS	36.05	-0.08	40.01	29.05
SAFRAN	121.80	-0.10	130.00	97.08
SANOFI	75.57	0.41	80.44	64.45
SAP I	113.46	-0.24	117.02	84.02
SCHNEIDER EL	73.84	-0.06	78.66	57.54
SIEMENS N	105.44	0.42	121.40	90.90
SOCIETE GENERALE	23.05	0.59	41.43	22.57
TELEFONICA	7.24	0.04	8.06	6.59
TOTAL	47.85	0.30	55.39	44.23
UNILEVER CERT	54.69	-0.07	54.90	45.12
VINCI	90.44	0.40	90.48	69.98
VIVENDI	23.40	-0.20	26.69	20.40
VOLKSWAGEN VZ I	144.60	1.54	170.68	131.02

COMMODITIES

Gold	1282.50	1.70
Silver	14.55	-1.40
Brent Crude	68.69	0.40
Krugerrand	1314.20	1.20
Palladium	1334.00	-11.00
Platinum	806.00	4.00
Tin Cash Official	19675.00	45.00
Lead Cash Official	1782.00	-1.00
Zinc Cash Official	2712.00	-43.00

Copper Cash Official	5919.00	-59.00
Aluminium Cash Official	1746.00	-7.00
Nickel Cash Official	11865.00	-105.00
Aluminium Alloy Cash Official	1430.00	0.00
Cocoa Futures	2461.00	33.00
Coffee 'C' Futures	93.23	-0.27
Feed Wheat Futures	153.30	2.10
Soybeans Futures Continuation Contract	829.75	-3.00

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	-0.472	0.00
LIBOR Euro - 12 months	-0.222	0.00
LIBOR USD - overnight	2.356	0.00
LIBOR USD - 12 months	2.619	-0.02
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	2.75	0.00
Euro Euribor	-0.379	0.00
The vix index	15.85	-1.07
The baltic dry index	1066.00	-2.00
Markit iBoxx EUR	237.48	0.39
Markit iBoxx GBP	339.29	0.45
Markit iBoxx USD	249.33	0.84

WORLD INDICES

	Price	Chg	%chg
FTSE 100	7277.73	46.69	0.65
FTSE 250	19127.26	96.05	0.50
FTSE All-Share	3981.61	24.60	0.62
FTSE AIM All-Share	960.59	3.05	0.32
S&P 500	2826.06	3.82	0.14
Dow Jones I.A.	25585.69	95.22	0.37
Nasdaq Composite	7637.01	8.72	0.11
Xetra DAX	12071.18	60.14	0.50
CAC 40	5336.19	19.68	0.37
Swiss Market Index	9712.96	46.07	0.48
ISEQ Overall Index	6114.78	-9.05	-0.15
FTSEurofirst 300	1479.62	8.51	0.58
Hang Seng	27288.09	-65.84	-0.24
Shanghai Composite	2892.38	39.38	1.38
STI Index	3170.77	0.88	0.03
ASX All Ordinaries	6544.80	-0.80	-0.01

US SHARES

	Price	Chg	High	Low
3M	166.09	0.22	219.75	164.59
ABBOTT LABORATOR	76.98	1.35	80.74	60.32
ADOBE	274.77	0.52	291.71	204.95
ALPHAB NON VTG-C	1133.47	-7.30	1289.27	970.11
ALPHABET-A	1138.61	-6.73	1296.98	977.66
AMAZON.COM	1823.28	7.80	2050.50	1307.00
AMERICAN EXPRESS	119.51	1.08	120.88	89.05
APPLE	178.97	-0.69	233.47	142.00
AT&T	32.27	0.13	34.53	26.80
BANK OF AMERICA	28.18	0.42	31.91	22.66
BERKSHIRE HATH RG-B	201.69	0.39	224.07	184.75
BOEING CO	354.90	4.35	446.01	292.47
CATERPILLAR	122.90	0.64	159.37	112.06
CHEVRON	118.71	0.84	128.55	100.22
CISCO SYSTEMS	54.37	0.18	57.53	40.25
CITIGROUP	64.39	0.49	75.24	48.42
COCA-COLA CO	49.61	-0.24	50.84	42.10
COMCAST-A	42.67	-0.06	43.96	30.67
DOW	49.20	0.49	0.00	0.00
EXXON MOBIL	74.10	0.31	87.36	64.65
FACEBOOK-A	181.06	0.19	218.62	123.02
GOLDMAN SACHS GR	193.00	1.03	245.08	151.70
HOME DEPOT	193.59	1.59	215.43	158.09
IBM	132.28	-0.11	154.36	105.94
INTEL	44.57	0.04	59.59	42.36
JOHNSON & JOHNSO	138.85	-0.94	148.99	118.62
JPMORGAN CHASE	109.71	1.07	119.24	91.11
MASTERCARD RG-A	251.48	1.75	258.86	171.89
MCDONALD'S	197.77	-1.20	201.15	153.13
MEDTRONIC	93.03	1.39	100.15	81.66
MERCK	81.17	0.15	83.85	58.03
MICROSOFT	126.24	0.06	131.37	93.96
NETFLIX	354.39	2.18	423.21	231.23
NIKE -B-	82.16	-0.48	90.00	66.53
ORACLE	52.77	-0.31	55.53	42.40
PAYPAL HOLDINGS	109.85	-0.05	114.66	74.66
PEPSICO	129.50	-0.47	130.90	99.65
PEPSICO	118.61	0.56	119.74	101.06
PFIZER	41.95	0.03	46.47	35.32
PHILIP MRRS INT	84.64	-1.60	92.74	64.67
PROCTER&GAMBLE	106.69	-0.07	108.68	72.80
TRAVELERS COS	147.94	1.00	148.85	111.08
TWITTER	37.41	0.22	47.79	26.19
UNITEDHEALTH GRO	247.63	1.13	287.94	208.07
UTD TECHS	131.40	0.95	144.40	100.48
VERIZON COMM	59.32	0.45	61.58	47.13
VISA RG-A	162.64	1.13	165.74	121.60
WALGREENS BOOTS	51.77	0.16	86.31	51.16
WALMART	102.67	0.81	106.21	81.81
WALT DISNEY	132.79	0.06	142.37	98.81
WELLS FARGO	46.17	0.61	59.53	43.02

*UK AND US VALUES ARE FROM FRIDAY, MAY 24

OFFICE POLITICS

Let's unlock your brain's true potential

Boosting our minds may be the only way that humans can stay ahead of machines

OUR BRAINS have been humanity's best adaption. Despite sharing 90 per cent of our DNA with our primate cousins, it's the faster evolution of our grey matter which has helped us rise to dominance while others are still chewing grass.

Our cerebral cortex (the part responsible for higher cognition) is disproportionately larger than those of the rest of the animal kingdom, and accounts for more than 80 per cent of our total brain mass. Overall, our total grey matter is seven times the mass of similar-sized animals – complete with 100bn neurons, 100,000km of interconnections, and an estimated storage capacity of a million gigabytes.

And scientists are discovering that our ability to create new brain cells is continuous. It's possible at any age, and only requires a little application.

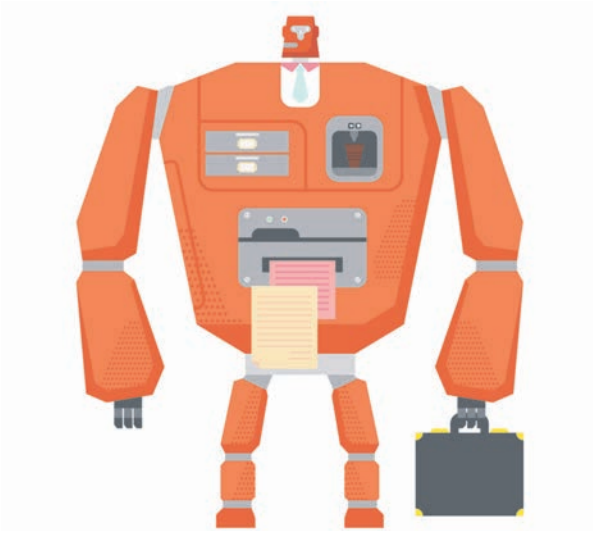
Why is this important? Unless you've been immune to technological change happening around you, all the signs are that the workplaces of the future could be automated rather than human, with decisions taken by silicon processors rather than molecular ones.

This is one of the key themes that will be debated at the Chartered Institute of Personnel and Development's (CIPD) inaugural Festival of Work on 12-13 June at Olympia London.

By as early as 2029, it's thought that robots will reach the tipping point where they have the processing power to outsmart their makers. Humans will have to work hard to prove that their thinking is better than a machine's. In short, the future only favours those with the greatest ability to stay relevant, adapt, and demonstrate mental agility.

Could there be an answer to staying ahead of the pack? For many, the saviour is neuroscience, which seeks to understand more about how the human brain works.

A key part of neuroscience is its observation that our brains demonstrate "neuroplasticity" – they have the ability to reorganise neural pathways based on new experiences, something that is able to impact our cognitive function and lessen its decline. Studies have sought to show that this gives us the potential to increase our brain power.



Robots will reach the tipping point where they have the power to outsmart their makers

For instance, a now-famous Harvard Medical School experiment found that mindfulness meditation can actually rebuild the brain, by increasing grey matter in the hippocampus – a region which plays an important role in learning.

So can we tap into our brains' untouched potential? For some, brain training games do just that – shortlasting tricks and tips that improve our memories, but don't really rewire who we are. However, others believe that we can increase our potential through science.

The holy grail of the latest strand of neuroscience is to understand how we can increase our so-called fluid intelligence – our underlying capacity to hold information in conscious memory and then manipulate it in order to solve complex problems or come up with new ideas.

While this topic is much less understood, what's clear is that the neuroscience community is actively pushing the envelope to try to establish real insights that could help us use our brains better.

It's already finding that the brain develops similarly among those who experience both success and setbacks, and there is greater understanding about the benefits of deploying parts of the brain used less regularly (which could be kept fresh by learning new skills or a new language).

Other researchers believe that even the simple act of smiling may be able to retrain our brains to look for positive rather than negative possibilities.

The science may not yet be complete, but the intent is there.

If humans really are to stay ahead of the game and see off algorithms, neuroscience could be what's needed.

Anton Riolo is head of content for CIPD Events at Haymarket Business Media.

NO PAIN, NO GAIN

Elevate
Free

We all know the benefits of physical workouts, but we should also make time for mental exercise. This app provides over 40 brain training games to keep your mind sharp and boost your cognitive skills like focus and memory. It also has performance tracking, so that you can measure your progress.

COFFEE BREAK

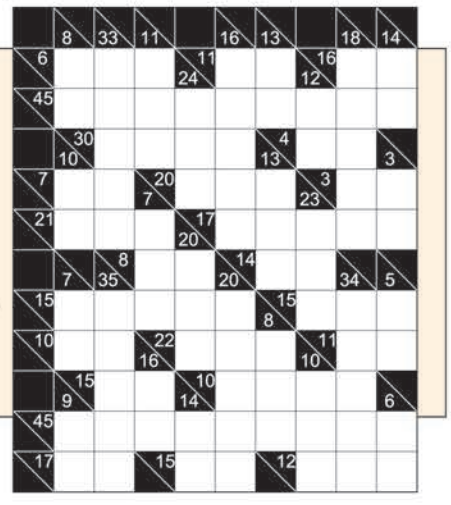
SUDOKU

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.

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

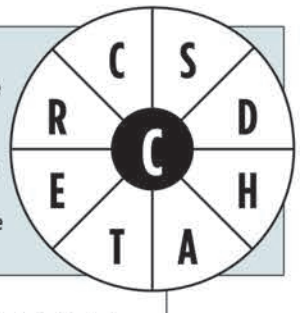
KAKURO

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.

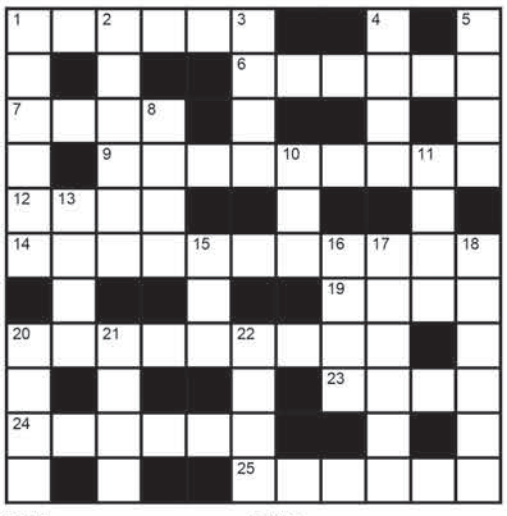


WORDWHEEL

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 Gustav ___, Austrian composer (6)
6 In one's place of residence (2,4)
7 Pause during which things are calm (4)
9 Television, newspapers, radio, etc (4,5)
12 Period of seven consecutive days (4)
14 Not capable of being parted (11)
19 Bobbin (4)
20 Indigestion (9)
23 Fit of shivering or shaking (4)
24 Major river flowing through Brazil (6)
25 Consequence (6)

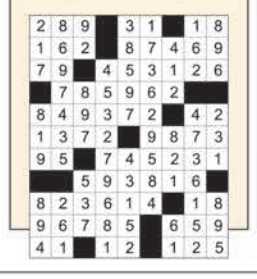
DOWN

1 African republic (6)
2 Fictitious detective, Sherlock ___ (6)
3 Tatters (4)
4 Stout-bodied amphibian (4)
5 Second Greek letter (4)
8 Body of water larger than a pond (4)
10 Mark or flaw (3)
11 Lazy (4)
13 One of the Seven Deadly Sins (4)
15 Food wrapped in a pastry shell (3)
16 Musical piece (4)
17 Small hound used for hunting (6)
18 Most senior (6)
20 Expensive (4)
21 Remain (4)
22 Languish (4)

LAST ISSUE'S SOLUTIONS

QUICK CROSSWORD

KAKURO



SUDOKU

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

WORDWHEEL

The nine-letter word was **BROKERAGE**

FORUM

EDITED BY RACHEL CUNLIFFE

As Brexit rages, the European project unravels before our eyes

John Hulsman

WHILE the London foreign policy commentariat obsesses over the pathetic soap opera that is Brexit, it almost entirely misses the obvious and strategically vital point next door: the European project is in irretrievable decline, becoming increasingly peripheral to any serious global geopolitical discussion.

The just-concluded European elections, which have underlined the rise of populism and the slow fall of the establishment, are just the latest chapter in what is an ongoing process of absolute decline.

Economic motor Germany is estimated by the OECD to grow at a puny 0.7 per cent this year. Italy has a GDP smaller than it did before the recession. Poland has a populist eurosceptic government. Spain is in the throes of political fracturing that has led to a series of weak governments. And Britain is chaotically headed for the door.

Any upside to this?

Further, Europe remains hopelessly politically divided – north-south over Eurozone issues and east-west over the migration crisis – and militarily unimportant. In addition, the continent has vast demographic problems and a safety net that is simply no longer affordable, yet shows no signs of adjusting to the realities of our new era.

Over the past two decades, as China has risen phoenix-like to superpower status and the US has maintained its role as the greatest single power in the world, Europe has been in relative decline in comparison, increasingly becoming geopolitically irrelevant.

It is in this context of obvious decline that the rise of President Emmanuel Macron of France must be viewed. In many ways, Macron amounts to the last, best chance for a European renaissance.

Vigorous, capable, charismatic, and driven, he has put forward an intellectually coherent programme for arresting the continent's downward trajectory.

First, the French President has rightly seen that the old motor of Europe, the Franco-German entente, remains the only game in town in terms of facilitating genuine reform. For the continent to prosper, there must be a new deal reached by Paris and Berlin.

Second, he has correctly assessed that the terms for such an unofficial Franco-German deal remain what they have been now for several decades.

France must first get its economic house in order to reassure a nervous Berlin that further European integration does not just amount to Germany bankrolling French economic profligacy. If Paris manages this, further European integration is possible.

Following through against all historical odds, Macron managed to enact significant labour market reforms for the first time in the French Fifth Republic's history. This totemic reform was introduced largely to prove to Angela Merkel that Macron's France took economics seriously and was the partner Germany had been waiting for.

And then... nothing. The timid German Chancellor looked at her shoes, trying to change the subject, basically recoiling from the prospect of having to follow through on a deal for further European integration – one that she knew would be highly controversial in her own country.

> **The populists' narrative of a conniving, inept elite keeping them from power will become irresistible**

Shorn of the fig-leaf that long-term French economic incompetence had given her, the Chancellor made it clear that she was definitively not ready for Germany to live up to its part of this unofficial bargain. The moment passed, and the last real chance for European reform was lost.

Instead, the populist crisis is coming to a head.

These European parliamentary elections will yield a result similar to the recent German elections: having both lost market share to populist extremists of the right and left, the centre-right European People's Party (EPP) and the centre-left Socialists will form an unhappy Grand Coalition, with perhaps the Liberals and the Greens joining as well.

A raft of euro-cheerleaders will follow, saying that the rise of European populism has been "contained". Of course, this is analytical whistling past the graveyard of the worst possible sort.

Instead, allow for just a couple more years of sub-two per cent growth, continued political division over migration and the direction of the Eurozone, and continued intractable unemployment – and the populists' narrative of a conniving, inept elite keeping them from power becomes irresistible.

This has always been what the populists in Europe are playing for; not this round of elections in France, Germany, and at the European level, but the next.

They are relying on the tried-and-true history of European elites being unable to master the economic, political, and strategic policy challenges before them.

With Macron's failure and significant European reform implausible, such thinking amounts to solid political risk analysis.

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

Let's recognise the value of Modi's India as a partner for Britain in tumultuous times

Manoj Ladwa

LAST week, we witnessed two momentous elections, and two nations at a crossroads. In the UK, the country engaged in a strategic game of votes in the European elections, and Theresa May met her inevitable fate as the latest victim of Brexit.

In India, Narendra Modi won the largest democratic election to ever take place, securing overwhelming levels of support.

While the UK is stuck spinning in indecisive circles, India was conclusive in its choice. Modi's party secured the largest victory by any party in 30 years, retaining power in his second consecutive election.

This stability is what a country needs – and it is what Britain is currently lacking. But in these tumultuous times, we are fortunate that we can rely on our special relationship with India to remain consistent, and it is more imperative than ever that we continue to strengthen this winning partnership.

This relationship deserves more widespread appreciation – because the UK and London in particular are already reaping the rewards. Modi's success will ensure that this is set to continue, as the Prime Minister remains dedicated to the policies that have turned India into such an important partner.

Under his leadership, India has surged in the World Bank's Ease of Business ranking, rising an unprecedented 65 places since 2014 to become the top-ranked country in South Asia, coming in at 77.

This has transformed the country's business landscape and illuminated the potential for prosperous trade and investment to grow between the UK and India. Last year alone saw bilateral trade grow 14 per cent between our two nations.

Further to this, there are now a record 842 Indian companies operating in the UK, with combined revenues of almost £48bn – up by £1.6bn from 2018.

Investment from India increased an incredible 321 per cent in 2018 over the previous year, and London sits at the epicentre of this prosperity, attracting more investment projects from India than any other major European city.

London's skills and talent sector has also benefited hugely from this relationship.

According to the Office for National Statistics, falling European migration since the referendum has led to Britain turning to India to provide the much-needed talent, particularly in the technology sector, and Indian workers now receive more skilled work visas to the UK than the rest of the world combined.

Indian business leaders are truly dedicated to supporting their UK counterparts. During the upcoming UK-India Week 2019 in London in June, a significant number of Indian businesses will descend upon the India Inc. Leaders' Summit.

Some of the largest names in business are making the journey solely to consolidate relationships and engage in industry-shaping dialogue.

Whatever the future that Brexit holds for us in the UK, this is a stable, thriving partnership that we can rely on. We would be complete fools not to recognise and capitalise upon the value of our links with India. At a time of such instability, Britain should be relieved that India, at least, knows where it is going.

Manoj Ladwa is founder of Indian Inc. He is an Indian strategist, and former communications director for Narendra Modi.

LETTERS
TO THE EDITOR

On the threshold

[Re: London's status as headquarter hub threatened by immigration rules]

The reports that the home secretary has written to the Migration Advisory Committee (MAC) to reconsider their proposals for post-Brexit UK immigration is refreshing. London Chamber of Commerce and Industry (LCCI) has voiced concern over the proposed £30,000 threshold as published in December 2018.

UK businesses rely on foreign nationals, especially in key sectors like construction, retail, and hospitality. While businesses accept the need to develop a talent pipeline domestically, access to labour from overseas is crucial in meeting their skills needs in the short term. Blanket restrictions such as the £30,000 cap should therefore not stand in the way.

LCCI and other business organisations wrote to the home secretary asking for the threshold to be lowered. His letter asking the MAC to review wage limits and exemptions are therefore welcome.

London has a unique footprint with migrants from all over the world contributing to its growth. Polling for the LCCI London Tomorrow project found that the right migration policy is deemed necessary for London to continue to thrive post-Brexit. The question of immigration will be central to any debate on the imminent change of leadership in the Conservative party. However, it is hoped that the MAC will come out with realistic and pragmatic proposals which will not be negatively impacted by whoever the new leader is or whatever their leanings.

Esenam Agubretu, London Chamber of Commerce and Industry

BEST OF TWITTER

"Nothing in office became her like the leaving it" An unquestionably dutiful person left with dignity and the Conservatives must now get on and deliver Brexit.
@Jacob_Rees_Mogg

Whatever you think of Theresa May, watching her walk back into Number 10 choking back her tears is quite a contrast with watching David Cameron walk back in whistling a jolly tune. I know which I respect more.
@sarahoconnor_

Interesting that Theresa May would choose to resign now... quite well timed for her to step in as the next European Commission president, wouldn't you say
@joncstone

That's what she's wanted all along! A three-year secret plan between May and the Tory party to get an EU top job
@JenniferMerode

Is it Tory leadership race time again? Or "The Conservative Handicap Steeplechase", to give it its full name (given half the riders fall at the first fence, the favourite pulls up early, the winner always comes late from outside, and it was meant to be run in 1993 and wasn't)
@JamesLDouglass

There isn't a single Brexiter politician who would make it to the end of a Willy Wonka factory tour.
@JamesMelville

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

Farewell to the most ineffectual Prime Minister in modern history

John Oxley

WHEN Theresa May departs from Number 10 for the final time, her portrait will be added to the collection which snakes down the main staircase.

It is the ritualised ending for all Prime Ministers, good, bad or indifferent. It will be hard for her to walk down those stairs without thinking of her legacy, and how it matches up to those before her.

A Prime Minister has four real duties – to implement the agenda on which they were elected; to manage the crises of their day; to maintain the confidence of the Commons; and to lead their party to electoral success.

There are perhaps five post-War PMs who can say that they have achieved all four – Clement Attlee, Harold Macmillan, Harold Wilson, Margaret Thatcher, and Tony Blair. While each has their critics, their ability to do the job they were elected to do is in no doubt.

Each drove through significant economic and social change and produced decisive responses to events that arose. The positives and negatives of that change are beyond the scope of this discussion – the important thing is that they each made their mark.

In addition, all managed to maintain discipline over their party colleagues, and held a majority through at least one General Election.

Beyond them, Winston Churchill perhaps deserves a special dispensation. His second period in government was not his finest hour: dogged by ill-health, inert on domestic affairs, and often reactionary abroad. His legacy was, however, already cemented and his party remained popular.

Sir Alec Douglas-Home should be excused from a full reckoning too. Governing for less than a year, the effete aristocrat did little harm, and if anything moderated the defeat the Tories knew they were headed for in 1964.

The remainder come with neither such achievements or excuses. Their tenures may have been marked by a failure to rise to the challenge, to maintain order in their own party, or to carry it over to the electorate. Yet most also managed to flirt with success, and sometimes even achieve it.

Were it not for his gamble on the referendum, David Cameron might have been considered one of the greats. He returned the Tories to power, seeing through cuts to the deficit and big reforms, and won an increased majority. He even got within 1,269,502 votes of exorcising the European ghost in the Tory machine.

Gordon Brown may have ended 13 years of Labour rule, but he acted decisively and effectively in the financial crisis. Sir John Major managed what May categorically could not, steering a controversial EU agreement through the Commons, and laid the groundwork for many of Blair's successes, from the economy to Northern Ireland.

James Callaghan and Edward Heath each saw single terms marked by industrial discontent and economic crises. Each lost the only elections they fought as Prime Minister. Neither, however, faced the ignominious rebellions and coups from within their own ranks that May has.

Even Anthony Eden, who bungled into Suez and did little else, won an increased majority and popularised a new type of hat – two claims to popularity which May cannot make.

On surveying our leaders since the War, it's clear that none has the record that May enjoys: the failure to achieve any major programme, to have alienated her party to the point where they considered reinventing the rule book to oust her, or to have thrown away a majority and then slumped further.

Each, when they look back on their reputation, can salvage something: bits of legislation which made a difference, foreign policy negotiations which maintained and advanced Britain's place in the world, or simply holding together the competing ideologies and ambitions within their own party long enough to get things done. On every way of reckoning, May has been found wanting.

Any future Prime Minister will see her portrait on that staircase not as an example, but as a warning.

> **Even Eden won an increased majority and popularised a new type of hat**

John Oxley is a Conservative commentator.

DEBATE

Is the government right to ban single-use plastics like straws in a bid to reduce ocean pollution?

YES

AMELIA WOMACK

The government's ban on straws, drinks stirrers and plastic-stalked cotton buds is an important development in the right direction. It should be supported, but on the understanding that it is a small and sadly inadequate step.

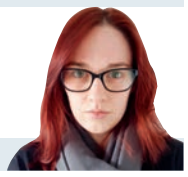
How many plastic straws have you used in your lifetime, given to you whether you wanted them or not? A lot, but by volume they make up only a tiny fraction of the plastics pressed on you by companies, supermarkets and fast food chains.

What's needed is a ban on all unnecessary single-use plastics. Our planet is choked with plastic. It is in the food we eat, the water we drink, and killing our wildlife. We can stop adding more. And we should acknowledge that "recyclable" doesn't mean "going to be recycled". It is no answer.

If the UK stays in the EU, we'll have to make these changes anyway, and go further, ending the use of plastic cups and food containers by 2021. If it leaves, we're likely to carry on polluting while our European neighbours continue cleaning up their act.

Amelia Womack is deputy leader of the Green Party.

NO



EMMA REVELL

Banning plastic straws and coffee stirrers is virtue signalling of the worst kind. It might make for good headlines and poll well with the public, but the impact on our oceans is likely to be minimal and the cost and inconvenience will be high.

Straws account for 0.03 per cent of plastic waste in our oceans. Discarded fishing nets, on the other hand, account for almost half. By focusing on very narrow examples of plastic pollution, we risk tricking ourselves into thinking that we're tackling the issue while achieving very little.

The free market can and does provide plastic alternatives, which will inevitably become cheaper and more accessible as demand grows. The government should resist the urge to ban things – a slippery slope that will only end with more things being unnecessarily banned – and make way for entrepreneurs and innovators to develop alternatives that will make it easier than ever for people to live a low-plastic, low-carbon lifestyle.

Emma Revell is communications manager at the Institute of Economic Affairs.

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28/04/2019 is 85,758

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

CRYPTO A.M.

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

PARTNER CONTENT

CITY A.M.'S CRYPTO INSIDER

JAMES BOWATER

With the Bank Holiday interrupting printing schedules, today's column was written on Thursday, 24th May as Theresa May announced her resignation and departure date. Consequently published market prices are as at the time of writing and might well have changed considerably.

Bitcoin (BTC) is trading at US$8,032.18; Ethereum (ETH) at US$252.86; Ripple (XRP) at US$0.3933; Binance (BNB) at US$34.09 and Cardano (ADA) at US$0.08291. Overall Market Cap is at US$250.18bn (data source: www.CryptoCompare.com

Greetings from Malta where I am attending the Malta AI + Blockchain Spring Summit 2019 organised by my friend Eman Pulis who explained what a success it has been with around 5,500 delegates attending. Certainly the UK was very well represented flying the flag in Malta and, new to the Crypto AM Writers Pool, Carl Gunaratnam has documented this in today's Main Feature (see right).

Prime Minister Joseph Muscat, as has become customary, delivered his 10am first day keynote speech and significantly announced that the first ten VFA Agent ("Virtual Financial Assets Agent") licences had been granted.

I had the chance to sit with Anton Dalli, Director of Blockchain Advisory (www.bca.com.mt) who were granted the first licence. He explained that a VFA Agent is defined as an entity or individual possessing the adequate skills to act as a gatekeeper, responsible for the protection of the public interest. To ensure that a high level of legal certainty is attained, and fundamental concepts such as consumer protection and market integrity are upheld, the VFA Agent is the Malta Financial Services Authority ('MFSA')'s main point of liaison, and is expected to have its client's due diligence documentation in place, whilst keeping abreast with the relevant anti-money laundering law and regulations. For those wanting to locate their businesses in Malta this a very welcome step towards streamlining the process of regulatory compliance.

Looking across the pond to the US, two major announcements were made that will accelerate the mass retail adoption process. On 23rd May AT&T revealed that it will now accept online bill payments through BitPay (https://bitpay.com), a respected cryptocurrency payment processor. This means AT&T is the first major US mobile carrier to provide a cryptocurrency payment option to customers.

Hot on its heels Facebook, as reported by the BBC News, has confirmed that it is finalising plans to launch its own cryptocurrency, internally referred to as GlobalCoin, next year with testing to commence Q4 this year. Having already spoken to Bank of England governor Mark Carney and seeking advice on operational and regulatory issues from officials at the US Treasury it is clear that Facebook wants to operate under and comply with, the relevant regulatory frameworks in the dozen or so countries it is initially planning to operate its digital payments system in.

BLOCKCHAIN UK FLYING THE FLAG IN MALTA

With its sun-drenched bays and stunning historical landmarks, the island of Malta pulls out every trick in the book to lull you into holiday mode.

But, wherever you look in the coastal town of Saint Julian's, people are building. Cranes and scaffolding tangle with the view of the ancient city of Valletta just across the sea. Meanwhile, at the Malta A.I. & Blockchain Summit, the architects of the digital revolution are hard at work building a decentralised future.

Whilst some 500 Turkish construction workers flock to Malta every week to secure jobs developing the physical landscape, there is a real British flavour to the engine room driving blockchain technology development. This is especially clear to see when walking among the 5,000+ attendees at the Summit.

It's not just our Spotlight-featured project, Pynk, enhancing the reputation of British blockchain development – though of course, winning the event's A.I. Start-up Pitch contest drew plenty of well-deserved attention.

YellowBag.io, a UK start up that offers free documentation reviews before presenting polished crypto projects to its network of investors, also drew in the crowds. Brian McClafferty, YellowBag's founder and CEO hailed the event as a success: "We made new connections with several great start-ups who were excited about our service, and gained interest for existing projects we represent".

Florian Krueger, CEO of the Craft Coin Company, revealed that the home of his Craft Beer Coin - the German Kraft Brewery in London – is vastly exceeding revenue forecasts. Despite this, he felt comfortable enough leaving that hotbed of cryptocurrency activity to come to Malta to "get a feeling about the progress and the bullishness in our space".

He didn't leave disappointed. Krueger also exclusively revealed to Summit attendees that Craft Beer Coin ($CBC) will be launching on two cryptocurrency exchanges on 29th May – a milestone that London's beer lovers have been eagerly awaiting for some time. Conference dinner tables were also awash with talk of the upcoming de-days.com events this autumn, at which Florian's partner brewery, German Kraft, will be providing the beer.

Own, is another UK project making waves in the Security Token Offering market. They've developed a digital asset platform on a bespoke blockchain, to make fundraising quicker, simpler and cheaper for companies of all sizes. Their technology lowers the entry barrier, fractionalising previously unbreakable assets like bonds, funds and high value shares to democratise investment.

Iain Robertson – Head of Business Development at Own said; "We work with the regulators to influence digital investment legislation, and we've also built a strong network of institutional partners, so this Summit is a great opportunity to solidify and expand that partner network."

Jason Tucker-Feltham, founder and CEO of London Crypto Services - a smart contract security audit firm - suggested Malta's reputation for passing crypto-friendly legislation is one of the main reasons for the influx of British interest here. "Malta's blockchain strategy is paving the way for the jurisdiction to become known as the "Blockchain Island". He said.

Designed by Phill Snelling, Bowater Media

Crypto AM shines its Spotlight on Pynk

During the past 12 months in the life of our fledgling firm Pynk, we've been on a rollercoaster ride of emotional highs and crushing lows. Whilst this is not uncommon in the life of start-up founders, at Pynk, any trough in our fortunes are an intense learning experience that we use to propel the company to greater heights.

Last week we won our first award; out of 350 start-ups we took the prize at the Malta AI and Blockchain Summit's AI Pitch Battle. It's the first of many we hope, as the invites are starting to fill our inboxes. Whilst it feels wonderful to win awards like this, it is in fact testament to the team and our burgeoning community that's been nurtured since our inception. It is this that has helped us become a growing player in the fintech arena.

SO WHAT SETS PYNK APART?

The problem with digital asset or stock market investment is that it is very easy to lose money. It also consumes a huge amount of time, especially for beginners. So the obvious solution would be to invest in a high returning fund, but sadly this is not an option for most people as they are deemed too poor or not sophisticated enough to be eligible. This is Financial discrimination and we don't believe this is right.

We are open to all. We are unique in combining the Wisdom of the Crowd (our community's predictions & research) with proprietary AI tech known as 'Rose' and in-house expert analysis. So, it's irrelevant whether our investors are rich or poor, or where they come from or even their beliefs we have way to provide access.

Either by providing their time to help us predict market movements and being part of the crowd or through direct investment to benefit from the crowds wisdom in picking assets to invest in.

There are hundreds of investment funds and a handful of crowd wisdom prediction systems out there, Pynk however is the only one that combines these technologies and provides access in a compliant regulated manner.

Over the past 8 months our crowd has been correctly predicting market moves with an average accuracy of 87% we have used this to trade our test investments and provided staggering returns to our early investors.

We have been pleased with the initial results, but we believe there is far more growth to come with the development of our product.

After all the challenges the team have faced, the validation of our model from others and our bottom line has injected us all at Pynk with a renewed sense of belief and purpose.

Today we reach another milestone with the launch of our Beta product which you can sign up and become part of the crowd at www.pynk.io.

We believe our future is bright. We believe the future is Pynk.

Rupert Barksfield is the CEO of Pynk

Rupert Barksfield, CEO of Pynk

> "Predicting market moves over 8 months with an avergare acuracy of 87%

pynk
People Powered Investment

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

Indeed three crypto-friendly bills were launched during the last Summit in November 2018. This year the Maltese government is set to enact a fourth bill – the first of its kind in the world – that will give Decentralised Autonomous Organisations (DAOs) their own legal personality.

Regular readers of Crypto A.M. will no doubt be familiar with Pigzbe. The UK start-up is creating the piggy bank for the digital age using their family friendly cryptocurrency Wollo, and developing a fun and interactive learning environment where children can learn good financial habits.

Simon Martin, Pigzbe's Head of Commercial Strategy & Partnerships, found a veritable goldmine of "potential investors and partners, great feedback about our product and token, and the seeds of some great business relationships and friendships" at the Summit.

Adam Funnell, Business Development Director at UK-based blockchain business booster BlockHouse also had a fruitful visit, including meeting a potential new Board member. Robert Cooke of development house Chain Enable had a similarly successful event, finding a host of new collaborators.

Many critics of cryptocurrency can, quite rightly, point to a murky history of scams, hacks and other criminal undertakings for the roots of their misgivings. However, it is easily forgotten that there are blockchain projects that simply exist to make the world a better place.

DustAid is one such project. The UK-based not-for-profit is focused on bringing transparency to the charity sector. By partnering with crypto exchanges they aim to "sweep up" the dust (small untradeable quantities of assets) which accumulates and donate it to charity. Whilst at the Summit, DustAid Managing Director Duncan Murray announced a partnership with crypto exchange getFIFO.

Banking, Finance and Asset Management Consultant Peter Longworth also

> Many critics of cryptocurrency can, quite rightly, point to a murky history

told Crypto A.M. that GBL.World, a full service 16 week incubator - providing office space, tech resource and mentoring for early stage projects, launched in soft-mode at the Summit, accepting new applications for its service.

Walking the halls of the Summit, there was an almost palpable collective sense of pride, seasoned with quiet disbelief at how far the industry has progressed since the blockchain circus last sailed up to these shores. Whatever the prevailing sentiment next time around, it's clear on the evidence of this past week that the UK will have a sizeable impact in shaping blockchain's future.

Carl Gunaratnam, Red Quokka Crypto, in conversation with James Bowater.

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

All Eyes on Bitcoin as CME Futures Hit New Records

Last week the Chicago Mercantile Exchange (CME) revealed that the trading volume of bitcoin futures contracts on the exchange hit new records earlier this month. May 13th saw over 33,000 contracts traded - equating to $1.3bn - with the exchange adding that "May is shaping up to be the strongest month ever for CME Bitcoin Futures."

The price of bitcoin faced resistance last week at the $8,000 mark on several occasions, dipping each time towards the $7,500 mark, and at the time of writing is pushing back up towards the $8,000 mark once more.

The US SEC (Securities and Exchange Commission) postponed its decision regarding the highly-anticipated VanEck SolidX bitcoin ETF proposal, while the regulator seeks comments from the public. The SEC must announce a final decision by August 19th of this year.

In more regulatory news, Sigal Mandelker, the U.S. Treasury Undersecretary for Terrorism and Financial Intelligence, revealed that the Financial Action Task Force (FATF) is set to finalize international standards for regulating cryptocurrency firms next month. These are expected to subject crypto exchanges, wallets, and others to rules requiring financial institutions to pass certain information on to other institutions so authorities can investigate potential financial misconduct.

Last week also saw self-proclaimed Bitcoin creator Craig Wright file a copyright claim to prove his authorship of the Bitcoin whitepaper. The move prompted the U.S. Copyright Office to clarify that it doesn't investigate claims received upon application, and where claims are registered under a pseudonym, the body "does not investigate whether there is a provable connection between the claimant and the pseudonymous author."

The CryptoCompare Digital Asset Summit will take place in London on June 12th. With an afternoon keynote from Wall Street veteran Thomas Lee, 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

(Move Money) Around the world in less than 80 days

For all of the incredible achievements we've made through technology, we're still playing catch-up in financial services. Whilst we can stream video from a space station and access the world's libraries in an instant, the fastest way to send money to someone in Thailand or Canada, for example, is to jump on a plane and take it with you.

So why are cross border payments so far behind?

The problem is that international payments are reliant upon a system of messages sent between correspondent banks that slows down processing of payments and adds more complexity to the already fragmented payments ecosystem. This, coupled with the plethora of other players in the marketplace, creates multiple 'pockets of value' which operate independently from one another and cannot talk to each other. Isn't it crazy that PayPal owns the mobile payments provider Venmo and yet they are not interoperable? Due to this lack of interoperability, money networks cannot scale beyond their reach.

The good news is that we no longer need to put up with such an inefficient model. In today's digital age, there is no reason why we can't move money as quickly as we exchange information. To achieve this, we must create an inclusive, global financial services ecosystem. This may sound like a distant financial utopia, but in fact, it's within our reach. We simply need to interconnect all these private chains, e-wallets and bank ledgers to create what we call the 'Internet of Value', a universal grid that connects all financial services networks and allows them to derive more value on a larger scale.

We already have the technology to support this model. Blockchain innovation and the Interledger open protocol suite that underpins it can address the fragmentation of the financial services ecosystem by connecting all participants. Just like routers on the Internet, Interledger routes money across independent payment networks, including blockchain, banks, digital wallets, clearing houses, stock exchanges and more. It connects the many 'pockets of value' and allows all industry participants derive more value from them by becoming part of a universal network.

But even an Internet of Value built on Interledger and Blockchain cannot fully liberate the flow of money around the world so that it is truly 24x7 and highly liquid. This requires the addition of a digital asset. In the past couple of months we've seen a number of major industry players launching their own digital assets and cryptocurrencies. However, one bank's coin isn't going to work for another bank - it would only create another 'pocket of value' within the already fragmented financial services ecosystem.

What's needed instead is an independent digital asset, which allows different market players to exchange monetary value easily. What makes independent digital assets unique is that they're universal currencies, meaning anyone can use them as units of value anywhere in the world. This is the most effective way to enable truly efficient universal payment settlement.

Blockchain, combined with Interledger and digital assets, offer a unique opportunity to create a new financial services ecosystem that is much more transparent, fairer and significantly more efficient than anything we've seen before. Just like Apple completely re-invented the mobile phone, blockchain has the potential to reinvent financial services. This technology can bring about innovations that haven't been thought of today and can help create a much more inclusive financial services ecosystem.

By Marcus Treacher, SVP Customer Success, Ripple

BLOCKCHAIN ROOKIES

HOW BLOCKCHAIN CAN TRANSFORM THE CONCEPT OF IDENTITY

Jon Walsh, Associate Partner Blockchain Rookies

In the 1979 Steve Martin movie The Jerk, there is a great scene where our hero proclaims "the new phonebooks are here, the new phonebooks are here!" with huge excitement. To him, it felt like he had made it as his name was in print, and his existence was validated.

The challenge with us demonstrating that we are who we are is still based on paper validations of aspects of our lives, whether it be passports, utility bills, driving licenses or university degrees - or indeed phonebooks. Even though it is now 2019, identity has barely been digitised!

Consider how our identity could be created in a wallet that we own, control, and manage who has access to it and for how long. This is possible via the concept of self-sovereign identity or SSI. With SSI an individual's identity is based on a collection of verified claims. These can include things such as their name, their address, their university degree, their average bank balance and even their skill at managing teams. Each claim has different properties including: verified, revoked, expired, or other. It is the collection of these verified claims which makes up the total of the identity. And it is the storage, access and management of these claims which makes up an SSI system.

Using an SSI based on blockchain technology fleeing refugees could have digital identities to demonstrate they are experienced surgeons, accountants or maths teachers to quickly get work they can significantly benefit their new host country. It would also allow for people to easily apply for mortgages where rather than having to fill in the same type of application with multiple banks.

Something further to ponder; Identity data today is more of a liability than an asset for most enterprises and an SSI solution will mitigate that risk.

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

SPECIAL FEATURE

RELEASED FROM THE LEASE

Katherine Denham looks at how homeowners could stop themselves falling victim to sky-rocketing ground rents

FINALLY able to buy your first home, you skip away from the rat race that is the rental system, proudly boasting the much-revered title of "homeowner".

And yet, if you've bought a leasehold property, it might not be the picket-fenced dream that you'd bargained for.

Millions of UK properties, typically flats, are sold as leasehold. This means that you don't own the land underneath, but rent from the freeholder for a period of time – typically decades or centuries. Leaseholders pay rent to the freeholder on an annual basis, which wasn't a problem until some developers started inserting dubious clauses into contracts stating that ground rents would double every 10 years.

Not only is this expensive for the homeowners (the average ground rent is around £319 per year), but with lenders reluctant to grant mortgages for homes burdened by these types of leasehold contracts, thousands of people are trapped in properties which are now unsellable.

Over recent years, there has also been a growing trend for new-build houses to be sold as leasehold.

Even more worryingly, some conveyancing solicitors have failed to warn homeowners of the risks of their leasehold contracts. According to a report from NAEA Propertymark, 62 per cent of leasehold homeowners felt that they were mis-sold a leasehold, while a further 93 per cent wouldn't buy another leasehold property.

"For too long, housebuilders and developers have not been transparent enough about what it actually means to buy a leasehold property," says Mark Hayward, chief executive of NAEA Propertymark, pointing out that thousands of homeowners are locked into confusing contracts with freeholders.

It's hardly surprising, then, that the Competition & Markets Authority has this month launched an investigation to examine the extent of mis-selling, a move which has been welcomed by MPs on the Housing, Communities and Local Government Committee.

It's thought that thousands of people could receive compensation as a result of the probe. There are also hopes that the government will cap ground rents so that homeowners know what they would pay over the course of the lease.

Other proposals include giving leaseholders the first refusal if they want to purchase their freehold, while enforcing rules so that developers can only build on land where they own the freehold (as it stands, some sell the freehold to investment companies, ratcheting up the price of purchasing it later down the line).

While there are challenges, that's not to say that all leasehold contracts are bad, and homeowners can try to circumvent some of the current issues.

Bear in mind that a property with a longer lease generally has a higher value on the market. This is why Louie Burns, managing director of the Leasehold Group of Companies, advises homeowners to protect the value of their property by extending their lease before it drops below 80 years, warning that the cost sky-rockets thereafter.

"Leaseholders have a statutory right to extend their lease by an additional 90 years and reduce the ground rent to zero, which would make it more attractive to potential purchasers."

However, he points out that leaseholds will still need to pay service charges and any permission fees that remain in the extended lease.

Burns also advises homeowners to avoid informal leasehold extensions "like the plague". These casual agreements aren't legally binding, and you could end up continuing to pay fees to the freeholder for permission to alter your own home.

Such agreements, he claims, are made so that predatory freeholders can extract as much money as possible. "Signing up to an informal deal is often the worst decision that a leaseholder could possibly make, because it means that they have no legal protection whatsoever under statutory legislation."

Another tactic for leaseholders is to pursue collective action with their neighbours to try to get the best deals in terms of lease extensions, service charges, major works, and unreasonable permission fees.

Of course, you could also consider purchasing the freehold of the property. However, as Burns points out, if you're a leaseholder in a block of flats, you need at least 50 per cent of your neighbours to get involved, and you'll then need to set up a management company to oversee the block once the freehold has been acquired.

Finally, the leasehold scandal has shown that huge numbers of leaseholders aren't given proper legal advice when they purchase their property. With this in mind, Burns advises leaseholders to use a solicitor with expertise in enfranchisement, adding: "certainly never trust that a solicitor proposed by a developer will be acting in the leaseholder's best interest".

Half of homeowners who have bought new-builds on leasehold contracts are first-time buyers. For people who have worked hard to finally get on the housing ladder, it should be their home, rather than another rental property. At the moment, too many people are stuck in this grey area between renting and homeownership – and that needs to change.

Rental market reform is a political no-brainer

FROM 1 June, it will be illegal for tenants in England to be charged letting fees, with deposits capped at six weeks' rent. Anyone who rents their home will see the benefits in the tenant fee ban, with tenants expected to save an average of £400 per move.

More importantly, this policy marks the beginning of a dramatic shift towards the increased professionalisation of the rental market.

Scotland, which banned tenant fees in 2012, gives us an idea of what's to come. While critics of Scotland's ban claimed that costs would eventually be passed back to tenants, only two per cent of landlords actually increased rents because of the ban.

Several more pro-tenant laws have followed in Scotland, including ones forcing landlords to give tenants three months' notice, while also preventing rent being increased more than once a year. With Generation Rent growing as an electoral force, we expect to see a similar direction of travel in England.

Already this year, the government has moved to ban no-fault evictions – an obvious win for tenants, provided that it is implemented properly.

Anyone doubting the trajectory of the rental market would do well to remember that this is a policy from a Conservative government, during a time of particular political upheaval.

Any new government is likely to be even more pro-tenant.

Labour has broached enforcing three-year tenancies as standard, with rent rises capped to inflation during the tenancy.

Renters would value the extra stability, but what about landlords?

Forward-thinking landlords have been offering three-year tenancies as standard for a while.

Providing security for tenants is not only the right thing to do, but also improves returns by reducing voids and ensuring that the property is kept in a better condition. Fairness to renters and commercial returns are not mutually exclusive.

In fact, some policies are political no-brainers, such as improving standards of living for the growing base of renters, without detriment to landlords who are prepared to professionalise.

But what of landlords who aren't willing to adjust?

There is already significant opposition to the changes on the table, with many arguing that this is a further attack on an industry that has already been hit with a series of tax penalties in recent years.

Even some landlords providing a good service to their tenants hold these views. That said, the unfortunate reality is that the amateur buy-to-let market has shown itself incapable of providing a service to tenants that is fit for purpose.

Many landlords will find that the increased effort, with decreased payoff due to tax changes, means that it's time to exit the market.

Their places will be filled by those prepared to do the work to fit in with the new normal in the rental market.

What we all gain in return is a rental market that provides security and stability for those who rent, in professionally managed homes. This would be a transformation from the situation today, but one that is looking increasingly inevitable.

In the long run, we may even create a healthier rental market in which more people rent by choice rather than necessity.

Regardless of whether landlords support these changes, the move towards a more professional rental market is inexorable. Any landlord who does not adapt to this new environment will quickly find themselves left behind.

Simon Heawood is chief executive of Bricklane.com.

MOTORING

BY MOTORINGRESEARCH.COM FOR CITY A.M.

SOME LIKE IT HOT

The original Volkswagen Golf GTI defined the hot hatchback for generations to come. **Tim Pitt** drives one of UK's best examples

In 1975, Hungarian inventor Erno Rubik patented a new type of puzzle. Within three years of reaching the shops, his Rubik's Cube had sold 200 million. At the same time, another surprise success was brewing in Germany. A team of Volkswagen engineers had been working weekends on an unofficial project called 'Sport Golf'. After some arm-twisting, managers sanctioned a run of 5,000 cars to homologate the Golf for racing. But the new model – swiftly renamed Golf GTI – was such a hit with press and public alike, production was immediately ramped up from 50 to 500 cars a day. One of motoring's few true icons had arrived.

The Rubik's Cube and the Golf GTI are both simple concepts. The Cube is three layers of coloured plastic, yet it has 42 quintillion possible permutations. The GTI was merely a Golf with a 110hp 1.6-litre engine from the Audi 80 GTE, stiffer suspension, cosmetic tweaks and (slightly) better brakes. Yet it was brilliant to drive, without sacrificing practicality or reliability. It captured the zeitgeist and defined a wholly new type of car: the hot hatchback.

Today, that basic formula has hardly changed. The Golf GTI is into its seventh (soon to be eighth) generation, while the original has graduated to bona fide classic status. The car pictured here, owned by GTI enthusiast James Bullen, will soon be at London Concours as part of the 'Made in Germany' display, sharing lawn-space with a BMW M1, Mercedes-Benz SLR McLaren 722 and Porsche 930 Turbo LE. Exalted company indeed.

This isn't just any Mk1 GTI, though. One of 1,000 Campaign editions built to round-off production of Das Original, it boasts a punchier 112hp 1.8 engine, 14-inch Pirelli 'P-slot' alloys (with Pirelli tyres), a twin-headlamp grille, green-tinted glass and a leather steering wheel. It's also in breathtaking, better-than-new condition. The first owner paid £6,949 in 1983, but a GTI of this calibre could cost £30,000 now. To think I once bought one for £800...

Those memories of my much-loved Mk1 soon come flooding back. Giugiaro's 'folded paper' styling still looks fresh, while that red go-faster stripe – endlessly imitated – hints at excitement to come. Inside, it's less evocative: upright, functional and slightly austere. Still, a dimpled golf-ball gear knob lightens the mood, and there's no faulting the textbook Teutonic build quality. The unassisted steering feels heavy and the Golf's five-speed 'box is obstinate when cold, but it immediately feels peppy and well-suited to city streets. At 3,725mm long and 1,625 wide, it's actually smaller than a current VW Polo.

On open roads, the featherweight 840kg Mk1 is plenty fast enough to be fun. Its fuel-injected engine punches confidently out of corners, revving beyond 6,000rpm with real verve, while a fluid, forgiving chassis helps you maintain momentum, despite the modest grip. Push hard and you can lift an inside rear wheel, or even provoke a slide, yet it never feels edgy or unpredictable like the equally iconic Peugeot 205 GTI. Then as now, Volkswagen has always played it safe.

As for the brakes – the Achilles' heel of right-hand-drive Mk1s, due to a convoluted cross-linkage – they're actually better than I remembered. Then again, my Golf GTI was hardly perfectly preserved like this one, and I too am erring on the side of caution. Much as I've relished driving James's pride and joy, I'm quietly glad to hand it back unscathed.

For a closer look, search 'London Concours' online, then head to the Honourable Artillery Company, City Road on 5-6 June. I'll see you there.

Tim Pitt works for motoringresearch.com

VOLKSWAGEN GOLF GTI

PRICE:	£8,000
0-62MPH:	8.2 SECS
TOP SPEED:	114MPH
HORSEPOWER:	112G/KM
MPG COMBINED:	36.7MPG

THE VERDICT

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

NOT CONVINCED? CHECK OUT THESE ALTERNATIVES...

FORD ESCORT XR3

		THE VERDICT:	
PRICE:	£7,000	DESIGN	★★★☆☆
0-62MPH:	8.8 SECS	PERFORMANCE	★★★☆☆
TOP SPEED:	116MPH	PRACTICALITY	★★★☆☆
HORSEPOWER:	105G/KM	VALUE	★★★★☆
MPG COMBINED:	32.0MPG		

PEUGEOT 205 GTI 1.9

		THE VERDICT:	
PRICE:	£10,000	DESIGN	★★★★★
0-62MPH:	7.8 SECS	PERFORMANCE	★★★★☆
TOP SPEED:	128MPH	PRACTICALITY	★★★☆☆
CO2 G/KM:	130G/KM	VALUE	★★★☆☆
MPG COMBINED:	36.5MPG		

RENAULT 5 GT TURBO

		THE VERDICT:	
PRICE:	£7,000+	DESIGN	★★★★☆
0-62MPH:	8.0 SECS	PERFORMANCE	★★★★☆
TOP SPEED:	127MPH	PRACTICALITY	★★★☆☆
CO2 G/KM:	120G/KM	VALUE	★★★★☆
MPG COMBINED:	39.8MPG		

Konta breaks French Open duck as draw opens up

British No1 clears first hurdle at last and can now eye second week, says **Frank Dalleres**

IT TOOK seven visits to Roland Garros but, finally, Johanna Konta is into the second round of the French Open and entitled to feel cautiously optimistic that her campaign in Paris will not end there.

The British No1 – beaten in the first round for the last four years and defeated in qualifying in both attempts before that – reached the milestone by overcoming Germany's Antonia Lottner 6-4, 6-4 on Monday morning.

This was a straight-sets victory over a qualifier ranked 147th in the world, yet it was no cakewalk. Konta's serve, back to its trusty best this year, faltered in the first set, and the match might have taken a different course had she not fended off break points at 4-4 in the second.

But it was huge psychological barrier cleared. Konta had been keen to play down its magnitude beforehand, however its significance in light of her previous record at this grand slam is undeniable.

This had already been a year of firsts for Konta on clay, traditionally her weakest surface. She reached a maiden clay-court final at the Morocco Open earlier this month and repeated that feat at the prestigious Italian Open, seeing off grand slam winners Sloane Stephens and Venus Williams in the process. In between those tournaments, it took world No3 Simona Halep to oust her in Madrid.

Konta won in straight sets against Lottner

That form is reason enough to believe that, at 28, Konta can at last make it to the second week of the French Open, as she has at all the other grand slam events. Now the draw has also taken on a more favourable complexion. Venus, fifth seed Angelique Kerber and Caroline Wozniacki have already exited Konta's half of the draw, while an arm injury forced two-time Wimbledon champion Petra Kvitova to withdraw before her first-round match with Sorana Cirstea.

If she can beat American wildcard Lauren Davis next, Konta is likely to face a tough third-round match with Kiki Bertens, although the Dutchwoman was another of her victims this month in Rome. There is no name to unduly daunt Konta among the potential fourth-round opponents, who include Belinda Bencic and Donna Vekic, but a quarter-final against ninth seed Elina Svitolina or 2016 champion Garbine Muguruza, who sent her packing in Melbourne this year, would be another matter.

All that can wait, though. For now, Konta has already outdone herself and consigned talk of her Roland Garros drought to the past.

KONTA'S CLAY IMPROVEMENT

Fed Cup: Konta began the spring clay court season in form, having inspired Britain to Fed Cup promotion with six wins out of six from February to April on the hard courts.

Morocco Open (30 April – 4 May): Konta began the clay season in promising fashion, reaching the final in Rabat, only to be beaten by Greece's Maria Sakkari.

Madrid Open (5 – 7 May): The British No1 was beaten in the round of 32 by French Open champion Simona Halep, but retains the confidence in her form.

Italian Open (13 – 19 May): The 28-year-old's game on her previous least-favourite surface begins to click. Konta beats grand slam winners Venus Williams and Sloane Stephens and world No4 Kiki Bertens on the way to the final, where she is defeated by world No7 Karolina Pliskova.

EYES ON THE PRIZE FOR CALM ENGLAND

Hosts are relishing World Cup opener with South Africa after beating sub-par Afghanistan, writes **Felix Keith**

IN THE end it wasn't so much a warm-up as a cool down – an opportunity to get loose before Thursday's World Cup grand opening.

England craved a win after Saturday's 12-run warm-up defeat by Australia, but when it came at The Oval against Afghanistan yesterday its nature diminished its significance, the home side chasing 160 in 17.3 overs for the loss of one wicket without breaking sweat.

Although there were positives – Jofra Archer's aggressive opening spell, Joe Root's spin medley, some sharp fielding and the continued controlled explosion of Jason Roy and Jonny Bairstow's opening partnership – the biggest ones lay off the pitch.

CLEAN BILL OF HEALTH

The fact that captain Eoin Morgan's "small flake fracture" on his finger was not the terrible news first feared and that, although he did not play yesterday, Mark Wood's foot is not holding him back were very welcome ones. Meanwhile, Adil Rashid managed to bowl six overs unhindered, despite nursing a shoulder complaint.

That should mean that, barring any last-minute calamities, England will begin their World Cup campaign against South Africa at this venue on Thursday with a clean bill of health. One thing they will know, however, is that the Proteas will put up more of a fight.

South Africa are unlikely to offer such a helping hand by playing ill-advised attacking strokes to Archer's back-of-a-length barrage. Or by attempting to clear boundary riders off the spinners without so much as a sighter. Or, indeed, by running out two middle-order batsmen.

Yet, framed differently, Afghanistan's deficiencies could be viewed as England's excellence.

Archer's languid, natural run-up and easy, smooth pace will trouble many batsmen over the next six weeks and the fact he managed to extract bounce and rush two of Afghanistan's top three is a positive sign.

After a fourth showing in one-day internationals, in which he claimed 3-32, his new-ball partnership with Chris Woakes looks set for the World Cup.

Root's figures of 3-22 may have been inflated by some brainless shots, which saw Afghanistan slump to 92-8, but his effect was still important in reassuring Morgan of his ability to perform the third spinner role after the jettisoning of Joe Denly.

As for the batting it was more of the same, with Roy and Bairstow bludgeoning 77 in a 7.2-over opening stand before the former took over, crashing four sixes in an imperious 89 from 46 balls – an innings Afghanistan skipper Gulbadin Naib thought was more reminiscent of the Twenty10 format.

> "They will now hope to carry on that trademark game, which has taken them from embarrassments to world No1s

HAPPY CAPTAIN

Taken together, all of the above added up to a happy Morgan, whose work for the day was just the flipping of a coin.

"When you've played as convincingly as that it builds confidence in the hard work you've done in training and in games," he said.

"The other side is it does give you the afternoon and the early evening to switch off, because you're not playing another close game.

"When Jason is hitting it as well as that I think not only does it impose our game on the opposition but it feeds right through the changing room. The aggressive, authoritative nature in which he plays builds a lot of confidence.

"Jonny is the same – the two of them impose themselves on the game when they get an opportunity."

With their preparation complete England will now be hoping to carry on that trademark game, which has taken them from 2015 World Cup embarrassments to world No1s and tournament favourites.

The anticipation is nearly over. South Africa await.

SPORT

HIGH-ROLLERS VILLA WIN £170M JACKPOT

Big gambles on and off the pitch pay off at Wembley, writes **Frank Dalleres**

IT TENDS to take a gamble to escape the bear pit of the Championship. Aston Villa have bet bigger than most and now, with victory in the play-off final over Derby County on Monday, they have scooped the £170m jackpot that promotion to the Premier League guarantees.

Villa were rewarded for rolling the dice on the day, carrying the fight through captain Jack Grealish and winger Anwar El Ghazi, who met Ahmed Elmohamady's cross for the opening goal just before half-time.

El Ghazi also prompted their second in the 59th minute, which John McGinn bundled in when Derby goalkeeper Kelle Roos fumbled.

By the time Derby had landed a blow themselves, when Jack Marriott's low strike deflected in off Martyn Waghorn the 81st minute, it was too late.

This was also reward for the decision to sack Steve Bruce just 13 games in the season and replace him with Dean Smith, a less well-known name but a manager respected for his work at Walsall and Brentford. A lifelong Villa supporter who grew up in the club's Birmingham heartlands, Smith struggled to turn the team around at first but struck gold with a 10-game winning run spanning March and April that propelled them back into promotion contention.

Aston Villa	Derby
2	1
El Ghazi (44') McGinn (59')	Waghorn (81')

He in turn gambled by making Grealish – part boy wonder, part enfant terrible – club skipper.

Villa's calculated risks go back further still. Their squad is stacked with former Premier League players, but that comes at a considerable cost.

It is the second most expensively assembled in the division, after Stoke, and last season led to a £71m wage bill – higher than Wolves and Fulham, who successfully bet the house on going up.

This year it has also been bolstered by high-profile loan signings such as El Ghazi, Tyrone Mings, Tammy Abraham and Axel Tuanzebe. While El Ghazi provided the cutting edge against Derby, centre-back Mings was superb in shutting out the Rams.

The consequences of all this are enormous. Villa are assured of at least £170m for returning to the big time after a three-year absence: a minimum of around £95m even if they come last next season and more if they finish higher, plus approximately £85m in parachute payments to soften the financial blow of relegation if they suffer the drop again.

In all likelihood it will be worth considerably more to Villa, while their promotion will also help to render questions about their compliance with the English Football League's financial fair play rules close to irrelevant.

Can they stay up? They will want to retain the key loan players behind their resurgence, namely Mings, Abraham – whose availability may be complicated by his parent club Chelsea's current threat of a transfer ban – and El Ghazi, who is owned by Lille. Now Villa have the funds to make those deals happen.

Wolves followed a similar path with the likes of Raul Jimenez, Ruben Neves and Jonny Castro. They may not like it, but Villa might want to take a leaf out of their West Midlands rivals' book.

SPORT DIGEST

EDMUND HALTED BY BAD LIGHT AT THE FRENCH OPEN

British No1 Kyle Edmund saw his French Open first-round clash against Jeremy Chardy suspended deep into the final set last night. The match was halted due to bad light with the score poised at 7-6, 5-7, 6-4, 4-6, 5-5 after four hours of play at Roland Garros. Edmund will have to conclude the match today, with compatriots Cameron Norrie and Dan Evans also set for action in Paris.

KANE READY FOR LIVERPOOL CHAMPIONS LEAGUE CLASH

Tottenham captain Harry Kane says he is "ready to go" for Saturday's Champions League final against Liverpool following injury. Kane is back training after suffering ankle ligament damage on 9 April and manager Mauricio Pochettino said he was "positive about his progression". Kane added: "I feel good. There have been no problems so far. This week now is to get the fitness as high as possible. Then it's down to the manager."

TRIPPIER AND WINKS CUT FROM SOUTHGATE'S SQUAD

England manager Gareth Southgate has confirmed his final 23-man squad for next month's Nations League finals. Tottenham's Kieran Trippier and Harry Winks and Southampton's Nathan Redmond and James Ward-Prowse have been trimmed from the group who will travel to Portugal to play Holland on 6 June. "There were some difficult decisions to make," Southgate said. "It's been complicated by so many players being involved in the Champions League final, but we're excited by the squad we've chosen."

ASHLEY IN TALKS FOR £350M SALE OF NEWCASTLE UNITED

Newcastle United owner Mike Ashley is in talks to sell the club to Sheikh Khaled bin Zayed Al Nehayan in a deal thought to be worth £350m. In a statement on behalf of United Arab Emirates billionaire Sheikh Khaled, the cousin of Manchester City owner Sheikh Mansour, The Bin Zayed Group said they hoped to complete a deal "at the earliest opportunity". Sports Direct owner Ashley, who bought the club in 2007, put it up for sale in October 2017.

TOKYO 2020 MARATHON MY MAIN GOAL, SAYS FARAH

Sir Mo Farah has admitted he may never run a track race again because he is focused on improving in the marathon. Farah won the Vitality London 10km for a seventh time yesterday in a time of 28 minutes and 14 seconds, but will now train towards October's Chicago Marathon and the Olympic Marathon at Tokyo 2020. "The strategy is to build up in the marathon," Farah said. "The more marathons I do, and the more experience I get, the better chance I have of a medal."