CITY A.M.

BUSINESS WITH PERSONALITY

WHAT'S UP WITH WOODFORD? FORMER STAR'S FUND FROZEN AFTER CLIENTS PULL OUT P3

RUNNERS AND RIDERS WILL THE NEXT PM BE PRO- OR ANTI-HS2? P15

TUESDAY 4 JUNE 2019 | ISSUE 3,384 CITYAM.COM FREE

DOWN TO BUSINESS

TRUMP AND MAY SET FOR BREAKFAST MEETING WITH 10 LEADING BOSSES

TRADE DEAL ON THE MENU... BUT CHINA FEUD HITS MARKETS

OWEN BENNETT

@owenjbennett

BUSINESS leaders will sit down for breakfast with US President Donald Trump this morning as part of a bid to strengthen transatlantic relations, as fears over an impending global trade war continue to mount.

Representatives from 10 leading companies – five from the UK and five from the US – will break bread at St James's Palace alongside Trump, outgoing Prime Minister Theresa May and Prince Andrew, the Duke of York.

Chief executive officers and senior representatives from BAE Systems, Glaxosmithkline, National Grid, Barclays, Reckitt Benckiser, JP Morgan, Lockheed Martin, Goldman Sachs, Bechtel and Splunk are expected to attend.

May, seated next to BAE Systems' chairman Sir Roger Carr, is expected to say the UK-US trade relationship "is a great partnership, but one I believe we can make greater still".

She will say the two countries should work together on "keeping markets free, fair and open, and keeping our industries competitive," calling for a "bilateral free trade agreement, with broader economic co-operation" and continued collaboration.

The business breakfast comes as global markets continue to take fright at Trump's escalating trade war, with the S&P 500 down more than 200 points (seven per cent) in the last month.

Trump arrived in the UK yesterday morning and immediately sparked a war of words with London mayor Sadiq Khan, describing him as a "stone-cold loser" and making fun of Khan's height in tweets sent minutes before Air Force One touched down in Stansted.

Khan hit back, releasing a video strongly criticising Trump. He said: "President Trump, if you are watching this, your values, and what you stand for, are the opposite of London's values and the values of this country."

Large protests are expected in central London today.

CONTINUES ON P3

FTSE 100 ▲ 7,184.80 +23.09 FTSE 250 ▼ 18,877.17 -93.08 DOW ▲ 24,819.78 +4.74 NASDAQ ▼ 7,333.02 -120.13 £/$ ▲ 1.267 +0.005 £/€ ▼ 1.127 -0.004 €/$ ▲ 1.124 +0.008

CITY A.M.

THE CITY VIEW

Politicians should rise above Trump's taunts

TODAY marks 30 years since China used brutal force against pro-democracy protesters in Tiananmen Square. It is an appropriate time to reflect on our continued good fortune to live in a country where protest movements grow and march without impediment. In this spirit, the anti-Trump demonstrations in the capital should be recognised as a necessary and vibrant component of our liberal, democratic society – whether you agree with them or not. The freedom to protest should not, however, be taken as an opportunity for our political leaders to descend to the level of student politics. How else to describe Sadiq Khan's criticism of the US President as a fascist? Donald Trump's online retaliation, mocking the London mayor's height and calling him a loser was amusing but equally puerile. Neither men emerged from the exchange with their reputations enhanced. It seems left-wing politicians have abandoned the field of grown-up politics, seeking comfort amid the warm embrace of anti-Trump protesters rather than engaging in mature debate. Vince Cable and Jeremy Corbyn both declined to attend last night's banquet at Buckingham Palace, and the latter will be in his comfort zone today when he addresses the protest. The decision to recuse themselves from a state occasion is particularly unfortunate given the overarching purpose of the President's visit to commemorate the anniversary of the D-Day landings. Opposition to Trump's personality and political views is one thing, but a broader hostility to America has crept into the debate about post-Brexit trade deals – creating an arena filled with more heat than light. Horror stories of chlorinated chicken and a ripped-up NHS abound, when in fact the country has a golden opportunity to deepen its already-mighty trade links with the world's most powerful economy. As the Federation of Small Businesses said yesterday: "The size of the market means that the US is seen as the most important single nation to be trading with. Around 50 per cent of all exporting or importing small firms choose the country as their priority market." This is the economic reality that should be at the front of politicians' minds during the President's visit, not how many likes they can get on social media for outdoing each other with anti-Trump rhetoric. For all the President's faults, his administration is genuinely enthusiastic about supporting the UK once it leaves the EU, and that is not an offer we can afford to turn down.

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PRIVATE MEMORIES Chinese mark 30 years since Tiananmen Square massacre as government bans public commemorations

TAIWAN yesterday called on China's communist regime to "sincerely repent", 30 years after troops opened fire on pro-democracy student protesters in Tiananmen Square. China has never released an official death toll for the tragedy, with estimates running into the thousands, and authorities ban public commemoration on the mainland. China said it is on the "correct" path.

Tech breaks record with $4.8bn venture funding

EMILY NICOLLE
@emilyjnicolle

THE UK has already broken past its half-year record for venture capital investment, reaching $4.8bn (£3.8bn) of funding across the burgeoning tech sector in just five months.

It topped the previous record set in the first six months of 2017 of $4.2bn, according to data from Tech Nation and Dealroom, through their new Data Commons platform.

Startups in London took the lion's share of the investment, grabbing $3.2bn from venture capital firms around the world since January. This also broke past the city's previous record, set in 2017 at $2.6bn.

The capital was followed by Bristol which has raised $291m so far this year, Cambridge at $142m and Oxford at $114m.

Notable rounds in the first five months of 2019 included Greensill and Oaknorth's raises of $800m and $440m respectively from Japanese mega-investor Softbank, and takeaway startup Deliveroo's $575m round led by Amazon.

Fintech more than tripled its previous record to hit $2.3bn of venture capital funding so far this year, up from the sector's earlier record of $1bn in 2017.

The tech industry's best-performing player stormed past its counterparts, with foodtech coming in second place with $667m of investment, and $473m raised for enterprise software startups.

The UK now has 78 unicorns – companies with a valuation of $1bn or more – both current and acquired.

The Data Commons platform, a national database launched today by Tech Nation and Dealroom, has also identified a further 78 startups that are poised to join the unicorn ranks within the next few years.

The platform, designed for use by UK entrepreneurs, investors and policymakers, has been released ahead of London Tech Week, which begins in the city next Monday.

Digital secretary Jeremy Wright said: "This timely initiative from Tech Nation and Dealroom is a world-first with the potential to spark a new wave of investment in the UK's tech startups and help create new jobs and prosperity across the country."

George Windsor, head of insights at Tech Nation, said: "This open database will help all of us to build a true picture of the UK's fast-growing tech sector, to spot opportunities, make smart connections, reduce costs and drive innovation."

WHAT THE OTHER PAPERS SAY THIS MORNING

FINANCIAL TIMES

AIR SAFETY AGENCIES TO DRAW UP FLYING TAXI RULES

Aviation safety agencies around the world are rushing to draw up rules for flying taxis, with a wave of companies promising to be ready to launch services in the next five to 10 years. In Europe, aviation regulator Easa said it was preparing a set of tests to ensure the safety of both the vehicles and the software that will run them. Its flying taxis approach would cover, among others, operations and maintenance and the competence of operators.

TOP BANKS PUSH AHEAD WITH DIGITAL COINS IN 2020

Thirteen of the world's biggest banks are preparing to launch digital versions of major global currencies in 2020 after years of research convinced them that the technology underpinning cryptocurrencies could be used to make trading less risky and cheaper.

THE TIMES

CHINA'S TENCENT PUTS $40M BET ON TRUE LAYER

The owner of China's largest social network is set to pump tens of millions of dollars into a five-year-old British fintech startup. Tencent is leading a $40m (£31.6m) funding round for the London-based True Layer, according to industry and City sources. Temasek, Singapore's sovereign wealth fund, is also likely to back the startup.

PLASTIC PACKETS AXED AT SUPERMARKET WAITROSE

Waitrose will sell loose cereals, pasta, rice and coffee for customers to buy in reusable boxes. It hopes the system, being tested in one store, will cut plastic packaging.

THE DAILY TELEGRAPH

TESLA IS 'STRUCTURALLY UNPROFITABLE'

Analysts have described Tesla as "structurally unprofitable" as Elon Musk's electric car company battles with a slowing in demand and increased competition. Bernstein said Tesla faced high costs, a smaller market for its models than expected and technology that is no longer unique.

DEUTSCHE BANK BOSS TOLD TO STOP 'TINKERING'

Deutsche Bank must stop "tinkering" with its restructuring plans and decide what businesses it will close, JP Morgan warned as shares in Germany's biggest bank fell to a new record low.

THE WALL STREET JOURNAL

UK INVESTIGATES CITIGROUP EMPLOYEE OVER LEAK

The UK's Financial Conduct Authority is investigating allegations that a Citigroup employee leaked insider information about major deals to a stock trader before they became public. The revelation came during a continuing insider trading trial yesterday when prosecutors made a special disclosure to the jury.

PLUNGING YIELDS EXPOSE STATE OF EUROPEAN BANKS

The global downdraft in bond yields and rising trade tensions are falling squarely on the shoulders of European banks. After a broad selloff last week, European bank shares fell yesterday.

Woodford fund halts trading as investors flee

JESS CLARK

@jclarkjourno

FORMER star investor Neil Woodford's flagship fund suspended trading yesterday evening after a spike in the number of investors cashing out.

Link Fund Solutions, the fund's corporate director, said it was "in the best interests of all investors in the fund" to suspend all sales, redemptions and other transactions in the Woodford Equity Income Fund.

"Following an increased level of redemptions, this period of suspension is intended to protect the investors," the company said in a statement yesterday.

It will use the time to reposition its unquoted and liquid portfolio into more liquid investments.

The block on investors pulling their money from the fund comes after it was revealed it had lost £560m in assets over the last month following a prolonged period of underperformance. Its assets have more than halved from a peak of £10.2bn two years ago and slipped to £3.8bn last week, according to Morningstar data.

"It shows the sheer scale of redemptions the fund has been suffering in recent months," said Ryan Hughes, head of active portfolios at AJ Bell.

"It is clear that the fund was having to sell the more liquid holdings to fund the redemptions, which in turn can exacerbate the problem," he said.

Hargreaves Lansdown, formerly one of Woodford's biggest supporters, said it has pulled both his Equity Income fund and Income Focus fund from its Wealth 50 list of favourite funds.

"We are advocates of long-term investing and think Woodford's multi-decade track record remains compelling – but we don't underestimate the disappointment investors must feel with Woodford's recent performance," said Emma Wall, head of investment analysis at Hargreaves.

Analysts at Morningstar downgraded the fund to neutral – the second-lowest ranking – last month following "persistent" redemption requests.

It said Woodford has taken "extreme" action to keep unquoted exposure below 10 per cent.

Alphabet among tech losers as US weighs up Google antitrust probe

AUGUST GRAHAM

@AugustGraham

SHARES in Google parent Alphabet took a beating yesterday after reports that the company is about to be hit with a competition investigation.

The company tumbled more than six per cent in New York, its biggest drop since its results on 30 April.

It came amid a larger slowdown among technology stocks in the US, as members of Congress said they were preparing for a sweeping review of the sector.

Facebook closed 7.5 per cent down, Amazon fell 4.6 per cent, and Netflix dropped by almost two per cent.

The US Department of Justice is mulling an antitrust probe into Alphabet, Reuters reported on Friday.

It will look into whether Google has given preferential treatment to its own businesses in search results.

Competitors, including Tripadvisor, complained that users are directed towards Google's own brands when they use its search engine.

Investigations in Europe have led to hefty fines for the US company. In 2017, Google agreed to pay $2.7bn (£2.2bn) to the EU over a similar claim. In March this year, it was hit with another $1.7bn fine over its actions in advertising brokering between 2006 and 2016.

SECURE TO THE CORE Apple doubles down on privacy in iPhone tech upgrade

APPLE revealed plans to include its own private sign-in feature in its next iPhone software update, iOS 13, so users don't have to share their contact details with other companies. The move follows a heightened focus on privacy from other tech firms.

Huawei and post-Brexit trade on the table at Trump discussion

CONTINUED FROM FRONT PAGE

Today's roundtable is also due to be attended by chancellor Philip Hammond and international trade secretary Liam Fox, along with several high-ranking US advisers.

It is understood that topics including a post-Brexit trade deal and the UK's approach to Chinese tech firm Huawei will be discussed.

Miles Celic, chief executive of lobby group The City UK, said the financial and professional services ties between the UK and US have "long been among the most important in the world".

The President gathered with members of the royal family for a state banquet at Buckingham Palace last night.

Reflecting on the D-Day landings, the 75th anniversary of which are marked this week, Trump said "the bond between our nations was forever sealed in that great crusade".

In her speech, the Queen spoke of "the immense importance that both our countries attach to our relationship."

Government junk food ad ban plan called 'irrelevant symbolic gesture'

JAMES WARRINGTON

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THE GOVERNMENT's plan to crack down on junk food TV advertising is an "irrelevant symbolic gesture" that will damage business for broadcasters and advertisers, a damning report has warned.

Media research firm Enders Analysis said plans to ban TV adverts for unhealthy food will not tackle the issue of childhood obesity and will cause "unjustifiable damage" to economic activity in the industry.

While restrictions on TV adverts for food and drink high in fat, salt and sugar (HFSS) have been in place since 2007, the government is consulting on proposals to widen the ban to cover all programming before 9pm.

Enders has slammed the plans, instead urging the government to address the behavioural and socio-economic causes of obesity.

The report argued the existing ban has done little to combat obesity in the UK and said a further crackdown would merely prompt advertisers to move to other forms of media.

"Limiting the visibility of HFSS foods on TV will disproportionately damage broadcasters and advertisers' businesses without any prospect of success in abating obesity," Enders said.

'DEAL OR NO DEAL' Boris pledges Brexit in October as he launches leadership bid

BORIS Johnson yesterday promised he would deliver Brexit in October with or without a deal as he officially launched his bid to be Prime Minister. The ex-foreign secretary is the bookies' favourite and is backed by US President Donald Trump.

Crumbling Kier: Shares crash on profit warning

ALEX DANIEL

@alexmdaniel

KIER Group shares suffered a fresh blow yesterday, dropping more than a third as the troubled outsourcer reeled from its latest profit warning.

The construction company shocked investors by announcing annual operating profit would be £25m lower than forecast.

Kier is listed among the government's top external suppliers of public services, as one of its so-called strategic suppliers. It builds and maintains highways, railway tunnels and houses.

It also said its 'Future Proofing Kier' reform programme will be around £15m more expensive than expected.

Shares plummeted yesterday to close just over 41 per cent down on the day.

The outsourcing firm added yesterday that it would most likely report a net debt position as of 30 June, despite having previously forecast it would be in the black. Kier's net debt at the end of last year was £180.5m.

The firm said it was struggling with "volume pressures" within its highways, utilities and housing maintenance businesses.

It said the higher costs of its reform programme reflected that new boss Andrew Davies had brought it forward.

Kier will provide updated guidance for full-year 2020 with its full-year 2019 preliminary results on 19 September.

Finance director Bev Dew is due to have left the company by that point.

AJ Bell investment director Russ Mould said: "The spectre of collapsed outsourcer Carillion means when a rival or peer unveils a profit warning it generally carries greater weight. It is little wonder that Kier lost nearly a third of its value [yesterday] morning."

£180.5m last reported net debt

£185.4m fall in Kier's market value yesterday

41% share price fall yesterday

23 years since shares were so low

BOTTOM LINE

OVER the winter months, Kier Group became the most-shorted stock on the market, botched an attempt to issue new shares and lost its chief executive. For all intents and purposes, it looked set to follow its fellow construction outsourcer, Carillion, by collapsing into rubble.

But its full-year results in March offered hope. Kier laid out a plan to wipe out its debt by September, bolstered by two factors.

First, its lenders had been forced to cough up millions as underwriters to the failed rights issue. Second, it had installed new chief executive Andrew Davies, who took the top job at Carillion in October 2017, but watched the company go bust before he took up the reins.

Now, hopes for that turnaround are on the rocks. Kier yesterday admitted to investors the plan was based on faulty numbers. Costs are spiralling, and its promise of being back in the black by the autumn appears to have been bogus. Shares hit a 23-year low of 160p.

Like other outsourcers, Kier has a slew of difficult, long-term contracts. Not only this, but it is comprised of a whole host of subsidiaries. This "makes for an opaque situation where clarity and stability are desired," Brewin Dolphin investment manager John Moore said yesterday. "Where it goes from here is hard to say," he added.

Investors could be forgiven for thinking they've seen it all before. Carillion was strike one. Interserve was strike two. Now, Kier Group has its work cut out to avert being strike three.

ALEX DANIEL

Retailers dented in May by biggest decline in sales since records began

SEBASTIAN MCCARTHY

@SebMcCarthy

BRITAIN'S retail industry suffered a record sales drop in May, with a spate of bank holiday weekends and sunny weather failing to lift the sector's fortunes as the summer selling season got underway.

Following a four-year high of sales in May 2018, spurred on by bumper hot weather, the World Cup and a royal wedding, this year's start to the crucial summer selling season has not been so successful, as political uncertainty weighed on spending.

Food sales tumbled for the first time in nearly three years, while further drops in clothing, footwear and outdoor goods also contributed to a slump in trading.

According to the British Retail Consortium and KPMG, which produced today's figures, sales decreased 2.7 per cent on a total basis in May, marking the sharpest drop since records began in January 1995, excluding Easter distortions.

"We are of course comparing this month's growth against a stellar May in 2018, but even the three-month average – which softens the monthly volatility – demonstrates that achieving growth in retail remains a real struggle," said Paul Martin, KPMG's UK head of retail.

PAWNING THE GOODS Lewis Chessman piece worth up to £1m found in drawer

A LONG-LOST medieval chess piece is set to fetch up to £1m at an auction today. It has been put up for sale 55 years after an eagle-eyed antiques dealer bought it for £5. His family, until recently unaware of its true value, had been keeping it tucked away in a drawer.

Slowdown fears grow as global factories stall

HARRY ROBERTSON

@henrygrobertson

UK MANUFACTURING contracted sharply last month as March's Brexit stockpiling boost continued to unwind and global production slowed on US-China trade war worries.

A major industry gauge yesterday hit its worst score for 34 months.

UK manufacturers said they found it harder to convince clients to commit to new contracts as exports fell, according to the latest IHS Markit and Chartered Institute of Procurement & Supply (Cips) industry survey.

The headline purchasing managers' index, a closely-watched measure of the industry's health, fell to 49.4 in May from 53.1 in April, far below analysts' expectations of 52.4.

May's score was the first time the index had fallen below the 50 mark – which indicates contraction – since July 2016, and was one of the steepest falls over the past six years.

Duncan Brock, group director at Cips, said: "Supply chain managers voiced their deep anxieties over Brexit's continuing impacts as some supply chains were re-directed away from the UK."

Meanwhile, the Eurozone's manufacturing downturn continued in May, with the sector contracting for the fourth successive month.

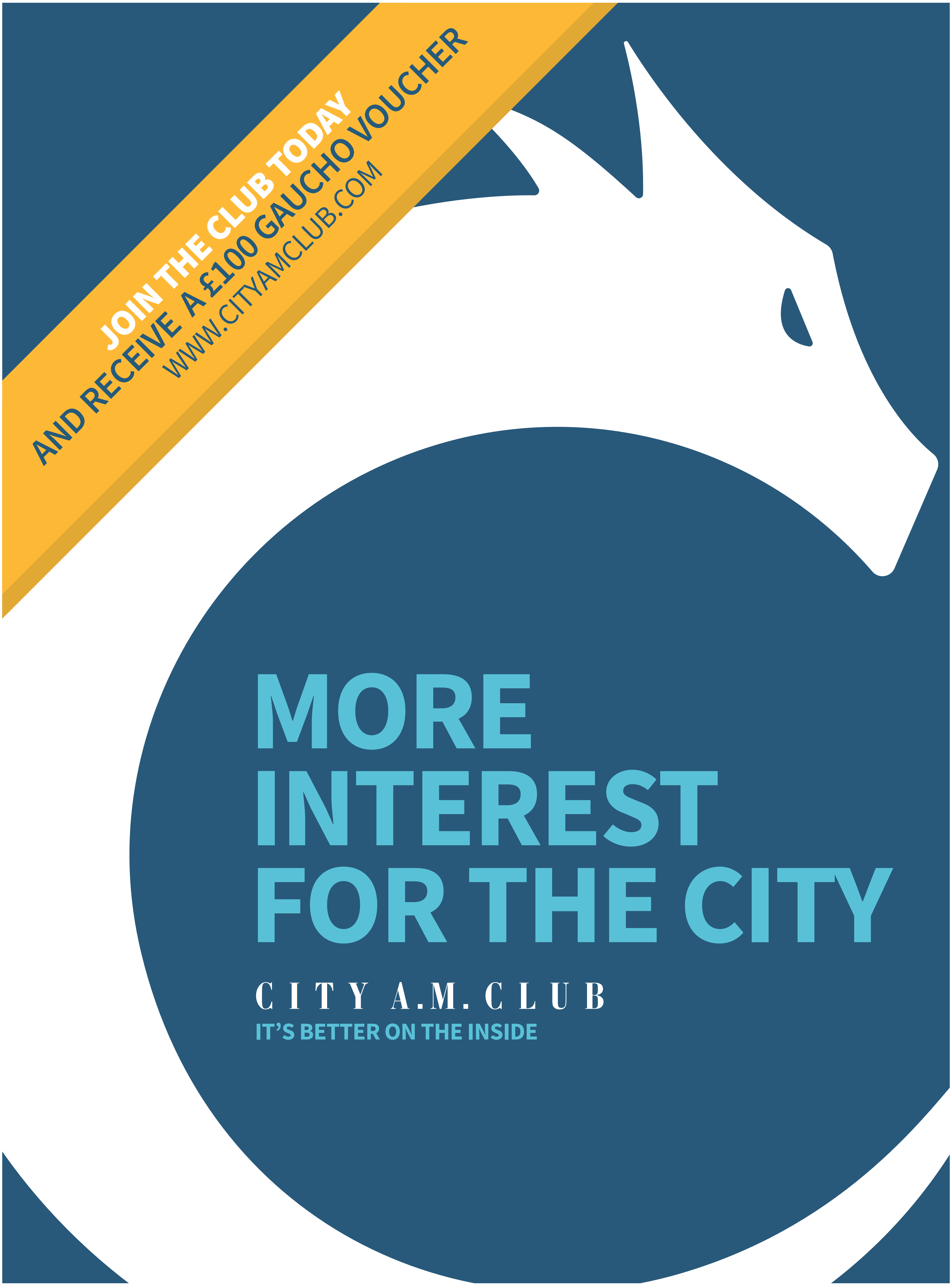
Weakness in Germany was once again a major drag on the overall Eurozone's performance as it registered another marked contraction.

South Korea, Japan, Turkey and Malaysia also fell below 50.

Manufacturing has been hit by global uncertainty as China and the US and China stand off on trade.

US manufacturing grew at its slowest rate since 2009 in May, as tariffs muted demand and forced costs up.

The US plans to slap tariffs of five per cent on Mexican goods from 10 June.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Macquarie tables £563m Kcom offer

JAMES WARRINGTON
@j_a_warrington

13.40%

SHARES in Hull-based broadband firm Kcom jumped more than 13 per cent yesterday after it unveiled a £563m takeover bid from Australian investment bank Macquarie.

Kcom's board had last month backed an offer of 97p per share from the trustees of the Universities Superannuation Scheme (USS) pension fund.

The firm yesterday issued a statement withdrawing its support for the USS offer and unanimously recommending a 108p per share bid tabled by Macquarie Infrastructure and Real Assets.

"This offer provides our shareholders with even greater value in cash for their shares, as well as providing Kcom with a strong partner as we work to maintain, build and enhance our offering and position," said Patrick de Smedt, interim non-executive chairman of Kcom.

Kcom said the offer represented a 49 per cent premium on its last closing price and an 11 per cent increase on USS's bid.

The London-listed telecoms firm is the main broadband provider in Hull, which remains the only part of the UK not covered by BT's Openreach network. The takeover would give Macquarie control of key full-fibre assets.

Kcom is the main broadband network provider in Hull and east Yorkshire

Blackstone inks record $18.7bn real-estate deal

ANSHUMAN DAGA

BLACKSTONE is buying US industrial warehouse properties from Singapore-based logistics provider GLP for $18.7bn (£14.8bn), in what the companies billed as the largest private real-estate transaction globally.

The deal by the world's largest manager of alternative assets comes when investors are spending billions of dollars to snap up logistics assets as a surge in e-commerce activity spurs demand for delivery and warehouse services.

Blackstone said the overall transaction totaled 179m square feet of urban logistics assets, nearly doubling the size of its US industrial footprint.

"Logistics is our highest conviction global investment theme today, and we look forward to building on our existing portfolio to meet the growing e-commerce demand," said Ken Caplan, global co-head of Blackstone Real Estate.

GLP had scaled up its US business over the past four years to become the second-largest logistics player after Prologis. Its clients include Amazon, Adidas, Walmart and L'Oreal.

Stephanie Lau, senior analyst at Moody's, said that GLP's US assets were likely in locations where supply was constrained, making them more attractive, while high occupancy rates was another positive.

Property-related dealmaking activity has picked up globally in recent years, with $353bn worth of transactions announced last year, according to data from Dealogic.

Including the latest deal, Blackstone said it had acquired over 930m square feet of logistics assets globally since 2010.

Blackstone will split the GLP assets between its global opportunistic BREP strategy fund and Blackstone Real Estate Income Trust. *Reuters*

HSBC to sever broking ties with Goldman

CALLUM KEOWN
@CallumKeown1

HSBC has cut broking ties with Goldman Sachs, bringing an end to the pair's long relationship.

The banking giant told the US investment bank that its corporate broking relationship will come to an end, Sky News reported yesterday.

It comes after a review led by the bank's new chief financial officer Ewen Stevenson.

Goldman Sachs steered Europe's largest lender through its £12.5bn rights issue in 2009 – the biggest capital-raising in UK market history and one of the biggest raisings by a financial institution after 2008.

Astrazeneca seeking chair replacement

AUGUST GRAHAM
@AugustGraham

PHARMACEUTICAL giant Astrazeneca is preparing to look for a new chair to step into Leif Johansson's shoes.

The Swede has headed the board for seven years, most prominently fighting off a £69bn bid from Pfizer.

Sources told Sky News that there is no formal timetable in place for the former Volvo boss's departure, but the nomination committee is starting to look at the issue more formally.

One investor told the broadcaster they expect the chair, and chief executive Pascal Soriot, to step down within 18 months. They stepped up within months of each other.

Purplebricks said last month that it was pulling out of the Australian market

Axel Springer doubles stake in Purplebricks

SEBASTIAN MCCARTHY
@SebMcCarthy

A MAJOR backer of Purplebricks doubled its stake in the online estate agency yesterday, in a move that comes weeks after the departure of its chief executive.

Global media group Axel Springer has upped its stake in the group from 12.4 per cent to 26.6 per cent, doubling down on its investment in the firm weeks after it ousted boss Michael Bruce and announced plans to pull back on overseas expansion.

Axel Springer, which paid £1 per share for the new stake, originally paid £3.60 per share for an 11.5 per cent holding in the company in March last year.

However, the value of Purplebricks shares has crashed more than 70 per cent in the last 12 months, falling from 376p in May last year to roughly 104p yesterday.

Axel Springer's original investment was partly aimed at driving the company's global expansion efforts, but last month Purplebricks said it would scale back its US footprint and leave the Australian market after the group said it chased international growth too rapidly.

Businesses struggle to fill digital roles as UK's tech talent gap widens

JAMES WARRINGTON

@j_a_warrington

MORE than two thirds of companies across the UK have vacancies for digital roles as employers struggle to find workers with adequate tech skills, according to a report.

Research by the CBI and Tata Consultancy Services revealed just a third of UK businesses surveyed were confident they will be able to access the digital skills they need in the next three to five years.

The report warned the rapid pace of technological change is creating a digital talent gap, which could impact the UK's competitiveness, deter investment and limit people's ability to access jobs and services.

The lack of confidence around tech skills comes despite most firms predicting a spike in their digital needs over the coming years, with the rise felt most acutely by small businesses.

"It's essential we tackle the UK's digital skills crunch now to remain internationally competitive, and promote the UK as the number one place for businesses to invest," said Matthew Fell, CBI chief UK policy director.

"Ensuring people have basic digital skills will transform lives, open up job opportunities and help people across society access public services online."

The research revealed one in five firms are still unable to find employees with even the most basic digital skills, such as writing documents using a word processor or using spreadsheets effectively.

The CBI called on the government to set a target for the entire UK workforce to have basic digital skills by 2025, and urged businesses to better understand their digital skills needs.

Retail chain Matalan said the business performed well despite challenges

Matalan survives tough retail market with boosted revenue

JESS CLARK

@jclarkjourno

BUDGET fashion brand Matalan boosted revenue last year despite a "tough" retail climate that has forced other retailers to embark on sweeping store closure programmes.

Revenue was £1.1bn in the year to 23 February 2019, up from £1.06bn in the previous year, driven by a 31 per cent rise in online sales.

Gross profit before exceptional items was £128.4m, down from £136m, as the year suffered from the impact of the post-Brexit weakness of the pound, Matalan said.

Jason Hargreaves, Matalan chief executive, said: "The business has performed very well this year, outperforming the market in what remains a tough retail climate."

Britain tops EU list for foreign investments

AUGUST GRAHAM

@AugustGraham

THE UK has lost ground among foreign investors as Brexit hangs over the country, a study has warned.

British projects were still the most popular in Europe for foreign direct investment in 2018, EY revealed today. But their share of the total fell slightly from 18 to 17 per cent.

"Concerns over Brexit appear to be reducing the UK's appeal currently and are hampering its ability to attract capital that could create a platform for future growth," said UK chair Steve Varley.

London remained Europe's second most popular city among global investors, behind Paris.

Mark Gregory, EY's chief UK economist, said it appears Brexit uncertainty "is also having a much greater negative impact in the UK's towns as investors concentrate on what they see as 'safer' investments in the larger cities."

Financial sector bosses most trusted by staff

CALLUM KEOWN

@CallumKeown1

BOSSES in the financial services sector are the most trusted despite overall confidence in chief executives falling since the beginning of the decade.

Employees' trust in their chief executives has fallen eight per cent since 2011, according to a report by the Institute of Leadership & Management, published today.

A series of high-profile bumper pay packets – including former Persimmon boss Jeff Fairburn's £75m bonus and Sir Martin Sorrell's £2m bonus after abruptly leaving WPP – along with increased media scrutiny have led to the fall, the report indicated.

The financial services sector came out on top in 2018 with an index score of 62 per cent, while chief executives in local and national government and the public sector were the least trusted by their workforce.

The report also found that female leaders across all industries were more trusted than their male counterparts.

"With a decline in trust being a recurring theme reported in the media – against the backdrop of organisations going into administration and falling rates of productivity – [chief executive officers] are so much more high profile than they used to be," head of research, policy and standards at the institute, Kate Cooper said.

"Headlines about high levels of chief executive remuneration, putting their own interests over those of the company, and most importantly, their employees, haven't helped the situation – so it's not surprising levels of trust have fallen over the last few years," she added.

Trust in line managers has remained stable since 2011, the report noted, widening the gap to chief executives, which had closed between 2009 and 2011 when the study began.

Cooper said the findings should be a "wake-up call" for chief executives and that it was more important for bosses to have the trust of employees through economic uncertainty.

MOTORING
TIM PITT TAKES THE FERRARI DINO EVO FOR A SPIN
PAGE 23

CITY A.M.

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

1 - 14 Liverpool Street And 11-12 Bloomfield Street, London, EC2M 7AW

19/00466/FULEIA

Demolition of the existing building and over site development to provide a 10 storey building for office use (Class B1) (24,749sq.m GIA) with retail floorspace (Class A1-A3) at ground (641sq.m GIA), roof plant and two levels of partial basement.

This application is accompanied by an Environmental Statement. Electronic copies of the Environmental Statement may also be obtained from DP9 Limited, 100 Pall Mall, London SW1Y 5NQ free of charge.

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

Law firm DWF boosts revenue after £95m float

JAMES BOOTH

@Jamesdbooth1

LAW FIRM DWF said yesterday it grew revenue 15 per cent in 2019, in its first trading update since it went public in March.

DWF was the first law firm to float on the main market of the London Stock Exchange, raising £95m in a listing that valued the business at £366m.

The firm said international revenue for the year to 30 April grew more than 70 per cent, while connected services – its collection of ancillary legal businesses – grew in excess of 20 per cent.

In 2018, the firm's revenue grew 18 per cent to £236m.

DWF said its earnings margin was in line with management expectations, which it said would lead to good profit growth, in absolute terms, year-on-year.

Year-end net debt was in line with management expectations at £35.1m.

The firm said it expects to pay a full-year dividend of £3m in September 2019.

Following the update period, the firm announced the acquisition of US law firm K&L Gates' Polish business for an estimated asset value of £3m.

Analysts at Zeus Capital said DWF's revenue was slightly lower than anticipated at 15 per cent rather than 18 per cent, but said this was offset by a better-than-expected improvement in costs.

The firm said it had made a "solid start" to the new financial year and said it would continue to deliver revenue and earnings growth in line with its medium-term targets.

It said it expects to deliver continued organic growth as well as bolt-on acquisition opportunities.

Chief executive Andrew Leaitherland said: "This has been another year of strong financial performance across our business."

Shipping firm FH Bertling won contracts worth $20m in Angola after bribing officials

Shipping firm fined £850,000 for 'serious piece of corruption'

JAMES BOOTH

@Jamesdbooth1

A GERMAN SHIPPING firm was yesterday fined £850,000 for bribery in Angola that secured it contracts worth $20m (£15.8m).

FH Bertling, which was the UK arm of German shipping company Bertling and is now in liquidation, paid bribes of more $350,000 to a local state oil company official.

After an investigation starting in 2014, the Serious Fraud Office secured seven convictions against the company and its employees.

Judge Christopher Hehir said yesterday: "This was a very serious piece of corruption indeed. It was planned and systematic."

Huawei to sell cable business as US ban bites

JAMES WARRINGTON

@j_a_warrington

HUAWEI is set to sell its undersea telecoms cable business to a Chinese fibre optic cable manufacturer, in the troubled tech firm's first major deal since the escalation in its feud with the US.

In a filing to the Shanghai Stock Exchange, cable giant Hengtong Optic-Electric said it had signed a letter of intent with Huawei to buy a 51 per cent stake in Huawei Marine Systems in a cash-and-share-issuance deal.

The deal will be Huawei's first major sale since US President Donald Trump ramped up the crackdown on the controversial company amid fears of state-sponsored spying.

Founder Ren Zhengfei has admitted the company's growth will be impacted after the US added Huawei to a trade blacklist, prompting a string of suppliers to halt trading with the Chinese firm.

Huawei Marine, which is a joint venture between Huawei and Global Marine Systems, pulled in revenue of 394m yuan (£45m) in 2018, according to Huawei's own annual report.

Infineon snaps up rival chip maker Cypress for €9bn as industry slows

JAMES WARRINGTON

@j_a_warrington

GERMAN chipmaker Infineon has signed a deal to snap up US rival Cypress Semiconductor for €9bn (£8bn) as it looks to fight back against a slowdown in the chip industry.

Infineon said it will pay $23.85 per share for the company, marking a 46 per cent premium on Cypress's 30-day average share price.

The deal is the latest in a string of high-profile mergers in the chip industry and comes a week after Dutch giant NXP's $1.8bn (£1.4bn) takeover of Marvell Technology'swifi business.

"The planned acquisition of Cypress is a landmark step in Infineon's strategic development," said Infineon chief executive Reinhard Ploss.

"We will strengthen and accelerate our profitable growth and put our business on a broader basis. With this transaction, we will be able to offer our customers the most comprehensive portfolio for linking the real with the digital world."

The acquisition comes amid a tough period for chip makers, which have been rocked by economic uncertainties and a sharp slowdown in the smartphone market.

Infineon has cut its forecast for full-year revenue growth and has suffered a share price decline of almost 30 per cent in the last month.

The German firm said it expects savings of €180m per year by 2022 and more than €1.5bn annual additional revenue in the long-term as a result of the deal.

The move will bolster Infineon's position in the electric vehicles market, which already accounts for a large proportion of the chip maker's sales.

The takeover did not appear to curry favour with investors, as shares in Infineon dropped nine per cent following the announcement amid concerns the firm was paying a hefty price for the business.

"The overall risk-reward profile of the deal is unfavourable," Citi analysts said in a note, highlighting execution and regulatory risks, and promised long-term synergies that were hard to substantiate.

Infineon last month joined a growing list of major chip makers, including Intel and Qualcomm, that have suspended shipments to Chinese tech firm Huawei after it was added to a US trade blacklist.

A string of streaming services are set to launch in the coming months

Streaming subscriptions set to near 1bn in next five years

JAMES WARRINGTON

@j_a_warrington

GLOBAL subscriptions to on-demand video platforms are set to surge towards 1bn over the next five years, figures have revealed.

Subscriptions will soar 86 per cent from 439m last year to 947m in 2024, according to London-based firm Digital TV Research.

While the growth is partly fuelled by an uptake in subscribers for existing platforms, it will also be boosted by a host of services set to launch in the coming months, such as Disney Plus, Apple TV+ and Britbox, the eagerly-anticipated tie-up between ITV and the BBC.

Telecoms firms promise to put fairness first

JAMES WARRINGTON

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BROADBAND, phone and pay TV companies have signed up to a string of new measures that will ensure customers are treated fairly, as regulator Ofcom continues its crackdown on poor customer service.

BT, Vodafone, O2 and Sky are among the companies that have committed to helping customers get a good deal and switch providers easily if needed.

Under the new guidelines, providers will have to pay compensation if they fail to deliver services and must allow customers to switch to another firm if they cannot fulfil their promises within a "reasonable period".

Richard Neudegg, head of regulation at Uswitch.com, welcomed the measures, but said it was "somewhat disappointing" they were only voluntary.

London fintech player Worldremit raises $175m

ROBBIE HARB

LONDON fintech startup Worldremit yesterday scooped up $175m (£140m) in a series D funding round led by TCV, Accel and Leapfrog Investments.

The cash will fund Worldremit's plans to grab a greater share of the world remittance market, which was worth £544bn last year. The company said it plans to release a money transfer tool targeting small and medium businesses that trade internationally.

The firm offers an app that allows people living and working abroad to send money to family and friends back home.

The business now covers almost 4m users in 50 'send' countries and 150 'receive' countries. The US is its biggest 'send' market.

Although bricks-and-mortar stores such as Western Union still dominate remittances, investors are keen on new players, including not only Worldremit but also Azimo, Remitly and Transferwise, which became Europe's most valuable fintech startup this year with a valuation of $3.5bn.

FORUM

Philip Hammond is on a last-minute scramble for a legacy. Tricky, as he hasn't done much

HARRY PHIBBS ON THE CHANCELLOR'S ATTEMPT TO FIX LOW PAY

PAGE 20

CITY A.M.

Invest in green funds, pensions minister urges

ALEX DANIEL

@alexmdaniel

PENSIONS minister Guy Opperman has pressured fund managers to "do the right thing" by putting money into renewables.

Speaking in London yesterday, he said pension and investment managers must take their environmental responsibilities seriously to help fight global warming.

Opperman said: "The financial risks from climate change are too important to ignore."

"Many pension schemes are doing the right thing by tilting portfolios towards renewables or away from fossil fuels, and by engaging much more forcefully with investment firms who fail to take environmental and social issues seriously."

Last year, the Department for Work and Pensions introduced regulations forcing pension scheme trustees to set out climate change policies.

This includes setting out how they intend to use the funds to promote their environmental, social and governance (ESG) standards.

Opperman yesterday called the regulations "a game-changer".

He added companies can raise their ESG standards by investing in green energy and infrastructure.

"Pension schemes can identify investment opportunities which will make market-beating returns for members as we move to a low-carbon economy," he said.

"They ought to be thinking about the assets which help drive new investment in important sectors of the economy: smaller and medium firms, housing, green energy projects and other infrastructure which deliver the sustainable employment, communities and environments which all of us wish to enjoy."

Opperman was speaking at an Association of British Insurers' conference on long-term saving.

Environmental activists want kerosene to be taxed to reduce emissions

France wants EU to end jet fuel tax exemption to curb emissions

GEERT DE CLERCQ

THE FRENCH government wants new European Union executives to push for an end to the global tax exemption for jet fuel to reduce CO_2 emissions but has dismissed opposition calls for a ban on some domestic flights in order to encourage train travel.

The 1944 Chicago Convention on Civil Aviation exempts kerosene from taxation, but environmental activists say the aviation fuel should be taxed to reduce air travel and limit the emissions that are causing global temperatures to rise.

French 'yellow vest' protesters demonstrating against President Emmanuel Macron's economic reforms have demanded higher taxes on airline travel and jet fuel, rather than hiking taxes on diesel for automobiles. Earlier attempts by the EU to tax CO_2 emissions by airlines have not succeeded. *Reuters*

Glencore's oil boss to retire amid US probes

AUGUST GRAHAM

@AugustGraham

GLENCORE parted ways with another member of its top brass yesterday, as the man who turned the firm into an oil trading giant stepped down amid investigations.

Alex Beard, who has been the firm's head of oil since 2007, will retire at the end of the month.

The FTSE-listed miner has attracted US regulators' gaze for work in the Democratic Republic of Congo, Venezuela and Nigeria.

Last July, it was subpoenaed by the US Department of Justice (DoJ) which asked for proof of compliance with US corruption and money-laundering laws.

The DoJ's investigation will focus on the role of intermediaries in winning contracts for Glencore, sources told Reuters.

Chief executive Ivan Glasenberg revealed his retirement plans just months after the news broke, saying he could retire in the next three to five years.

Beard joined Glencore in 1995 from BP, helping to turn the firm into one of the world's top three oil traders. Shares closed up 0.8 per cent yesterday to 256.75p.

Tatton shares up on two contract announcements

JESS CLARK
@jclarkjourno

3.52%

SHARES in Tatton Asset Management jumped yesterday after the firm reported boosted profit last year and revealed its investment arm has secured two new contracts.

Tatton's shares rose as much as 5.9 per cent after the company announced that adjusted operating profit was up 12.3 per cent to £7.3m in the financial year to the end of March. Revenue jumped 12.9 per cent to £17.5m.

Assets under management also rose by 24.5 per cent and adjusted earnings per share were up 9.9 per cent to 10p.

The Aim-listed firm announced yesterday that Tatton Investment Management has been appointed by financial advisory firm Tenet to provide managed portfolio services for three years.

Tatton Asset Management chief executive Paul Hogarth said: "This is a significant win for both companies and is a clear endorsement of our long-term strategy of aligning our business with the interests of financial adviser firms to our mutual benefit."

He added that the appointment had been made following a "rigorous and demanding selection process".

The appointment by Tenet follows the group's decision to remove its centrally supported advisory model portfolios and was made after a market review of managed portfolio service providers.

Tatton will provide investment management services for Ascencia Investment Management, which is owned by Frenkel Topping.

Tatton Investment Management chief executive Lothar Mentel said: "Our investment process of balancing low cost, risk managed long term returns is a highly compelling combination for advisers seeking an investment solution for their clients that supports their business."

Roger Cornick, chairman of Tatton Asset Management, said of the results yesterday: "The group is strategically well-positioned, and we continue to reinforce our status with strong organic growth.

"As we enter the new financial year, we look to build on the success achieved to date and deliver continued sustainable growth through further investment, efficient operations and customer service, as well as delivering continued returns to our shareholders through a progressive dividend policy."

MINORITY SUPPORT Sephora staff get race training after R&B singer's complaint

BEAUTY chain Sephora will close US shops for an hour of diversity training tomorrow after a complaint from an R&B singer. Sza, a black artist and Kendrick Lamar collaborator, said staff called security to ensure she was not stealing.

London Stock Exchange owner acquires ethical data provider

CALLUM KEOWN
@CallumKeown1

LONDON Stock Exchange Group (LSEG) yesterday said it has acquired ethical and sustainable data provider Beyond Ratings in a bid to grow its information services business.

The deal will allow LSEG to grow its capabilities around sustainable finance and further support clients through its data, the company said.

Beyond Ratings, which provides environmental, social and governance (ESG) data for fixed income investors, will join LSEG's information services arm, which also includes data firm FTSE Russell.

LSEG did not disclose the terms of the deal but said the purchase would be funded through its existing facilities. The company said it would boost its ESG index and complement its flagship FTSE World Government Bond Index.

LSEG's Waqas Samad said the deal will accelerate its "ability to deliver research-driven multi-asset solutions in sustainable finance investing to our global client base".

Thousands lose out on better mortgage deals

CALLUM KEOWN
@CallumKeown1

THOUSANDS of homeowners could be missing out on better mortgage deals by failing to take advice, according to research from investment giant Legal & General.

The survey of more than 2,000 homeowners revealed that 69 per cent of borrowers who went straight to a lender had not remortgaged in the past five years.

Almost three quarters said they stayed put because they felt they had a "good deal" despite not seeking mortgage advice.

More than 30 per cent said they didn't know a mortgage adviser could have helped their search.

"Our research shows that potentially thousands of borrowers still don't know how a mortgage adviser can help with their mortgage search and as a result they could be missing out on a better deal," Legal & General Mortgage Club director Kevin Roberts said.

"Buying a home is the biggest purchase an individual will make in their lifetime, so it's vital for buyers to speak to a mortgage adviser who can help them understand their borrowing needs and find the right mortgage," he added.

The firm said that those who had switched in the past five years would have enjoyed the chance to pay less interest as mortgage rates declined. The average rate on a two-year fixed term mortgage fell from 2.6 per cent in June 2014 to 1.48 per cent in June 2017, according to Statista.

Dawn Capital leads $11m series A funding round in tech firm Onna

JESS CLARK
@jclarkjourno

LONDON venture capital firm Dawn Capital led a $11m (£8.7m) series A funding round in data management platform Onna, which provides software to customers such as Facebook, Dropbox and Fitbit.

The round was supported by Dropbox, Slack Fund and existing early investor Nauta Capital, and the funding will be used to grow Onna's central information access product.

Norman Fiore, a general partner at Dawn Capital who has previously invested in Mimecast, Collibra and Showpad, will join Onna's board.

Fiore said: "Helping employees find, organise and protect crucial business information when it sits across all these apps is a big challenge. Onna's solution has already seen great traction in Ediscovery with a legal use case, with annual recurring revenue having more than tripled over the past year.

"But Salim and the team at Onna rightly recognise the opportunity is much bigger. By building an internal search engine for enterprise and giving all employees fast access to their own information, Onna can be an industry game changer."

"Our vision is to enable the enterprise and its people with their information, by centralising it, organising and feeding it to user authorised applications," Salim Elkhou, founder and chief executive of Onna, added.

The investment followed a seed funding round of $5m.

Glennmont raises €850m in a new green fund

AUGUST GRAHAM
@AugustGraham

GLENNMONT Partners claimed to have smashed records for a European green energy fund this morning as it revealed investors had oversubscribed to its €600m (£533m) third fund.

The fund manager raised €850m after investors in the US, Japan and Europe showed renewed vigour for green ventures.

"Climate change is the biggest environmental crisis of our age," said Andrew McDowell, from the European Investment Bank, which put money in the fund. "We know that mobilising private capital is key to address this challenge."

The 10-year fund will focus on electricity production from solar panels, onshore wind, bioenergy and small-scale hydro projects. It will target yet-to-be-built projects, or those that recently came online.

Investors included the pension plans for councils in Southwark, East Riding, and Surrey.

Connie Hedegaard, the former European commissioner for climate action said: "It is heartening to see that the trend is for increased flows of capital to funds such as Glennmont's."

Around 70 per cent of Glennmont's fund will be invested in the Eurozone, but it stressed the UK as an "important market".

Alexandra Rogers runs through where the Tory leadership hopefuls stand on HS2

HS2: TORIES FIGHT NEW BATTLEFIELD

THERESA May has just days left as Tory leader. While much of the talk has been centred on her potential successor's stance on a no-deal Brexit, in the transport world, all minds are focused on whether a new leader will stick with HS2, or scrap the £56bn project, the first phase of which is due to open in 2026 and the second in 2032-33.

HS2 is a proposed rail link that will connect London to the West Midlands in the first stage, followed by a second stage that will link Birmingham to Manchester and Leeds. Those in favour say it will create jobs, increase capacity on Britain's creaking railways, and boost the economy. Those against have denounced it as a white elephant and say the money could be better used in improving local rail links in the north.

There has always been scepticism around HS2, but doubts have been dialled up following concerns the project is way over its budget and may not be delivered in the manner it was conceived. It is also becoming increasingly clear that its future depends on who will soon enter Downing Street. As the campaign heats up, it is not a question its contenders can afford to ignore. Here, *City A.M.* offers an insight into where those jostling to replace May stand on the UK's most controversial transport project in decades. (Odds on next prime minister from Paddy Power Betfair.)

BLURRED LINES: THE CONSERVATIVE CONTENDERS' TRACK RECORD ON THE £56BN PROJECT

BORIS JOHNSON

6/4

Boris Johnson, the former London mayor and man to beat in the Tory leadership contest, has called for HS2, which will run near his constituency of Uxbridge and South Ruislip, to be put on hold in favour of a trans-Pennine high-speed rail link. The former foreign secretary told the Sunday Times last year: "There are projects we should have on transport in the north of the country that ought to take precedence over HS2. It's crazy how long it takes to get east–west across the country." According to They Work for You, which contains the voting records of MPs, Johnson has never voted on new high-speed rail infrastructure.

ESTHER MCVEY

66/1

Esther McVey, who resigned as work and pensions secretary over Brexit earlier this year, has hinted she wants to ditch HS2. The railway will run through her constituency of Tatton, Cheshire. In April, she tweeted that HS2 needed a "rethink". "What the vast majority of the public want is a fast rail link connecting all the cities across the north of England as well as better local transport, not a vanity project whose cost keeps increasing," she said.

MICHAEL GOVE

7/2

Environment secretary and Brexiter Michael Gove is seen as the man to vote for by Tory MPs who want to stop Boris taking the Tory crown. The MP for Surrey Heath has consistently voted for HS2 infrastructure but is said to be privately sceptical about the project, due to the environmental impact of the north-south rail link. He is also said to have suggested the money could be better spent on local transport links. The Sunday Times reported last year that Gove had privately raised among MPs the suggestion that the rail link should be scrapped. HS2 will not pass directly through Gove's constituency.

ANDREA LEADSOM

6/1

Former leader of the House of Commons Andrea Leadsom said over the weekend that HS2 was in need of an "urgent review" and that she wanted to look at the project again to ensure it offered taxpayers "value for money". Earlier in the year she questioned whether there was still a business case for HS2, after hearing reports that the speed of trains could be lowered to reduce costs. Leadsom wrote to HS2 chief executive Mark Thurston to spell out her concerns.

RORY STEWART

22/1

Rory Stewart, the former prisons minister and current international development secretary, recently said in an interview with the Spectator that he was "sceptical" about HS2, even though his constituency of Penrith and the Border could benefit from it. Stewart has voted in favour of the high-speed rail link in parliament, but has sought assurances in the past that the project's construction would not disrupt his constituents' journeys into London.

MATT HANCOCK

50/1

Health secretary Matt Hancock, a Remainer in the Cabinet, recently said in an interview with the FT that he was "very strongly" in favour of HS2, saying the UK needed "more transport investment, not less". He added that the Northern Powerhouse project, which will devolve power and spending outside of London, needed "rocket boosters". However, Hancock is also sympathetic to the argument that HS2 might not solve the problem of poor east-west transport links in the north. At a recent event organised by the Daily Telegraph, Hancock backed HS2 but said: "We should invest in other transport links, east to west."

DOMINIC RAAB

12/1

Former Brexit secretary Dominic Raab has consistently voted for the high-speed rail link, but a preview of his leaked manifesto suggests he is cautious about the project, but isn't looking at an outright cancellation of HS2. Raab said if elected leader he will look into the "cost-effectiveness" of HS2 during the Spending Review later this year, with the aim of reducing costs to "maximise value for money". Asked at a panel event organised by the Daily Telegraph – where he appeared alongside health secretary Matt Hancock, Tory MP Victoria Atkins and chief secretary to the Treasury Liz Truss – whether he would scrap the rail project, Raab replied: "I'm not sure yet."

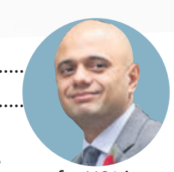
JAMES CLEVERLY

50/1

Brexit minister and former Tory party chairman James Cleverly, who announced his bid for the leadership late last month, has consistently voted for HS2 in parliament. At a recent panel event organised by the Daily Telegraph, Cleverly said it would not be a "good look" for the Tories to break their promise to deliver HS2. The rail link will not pass through Cleverly's constituency of Braintree in Essex.

SAJID JAVID

22/1



Sajid Javid, the home secretary, confirmed his support for HS2 in an interview with the BBC over the weekend. When asked whether he would continue with the project if he became Prime Minister, Javid replied: "Yes." Last year, Javid fired a broadside after rival Johnson poured cold water over HS2. "Boris is not a member of the government. The government is absolutely behind HS2. A huge amount of effort and investment has already gone into that," he said at the time. His continued support for the railway sits alongside his proposal for a £100bn national infrastructure fund, which would be used to boost rail links and infrastructure in the north. He differs from most other Tory candidates in that he supports both HS2 and improved local rail links in the north. For most others, it is a case of either/or.

KIT MALTHOUSE

66/1

Housing minister Kit Malthouse has consistently voted for HS2 rail infrastructure. But back in 2014, when he was London Assembly member, he raised doubts over the project. He described HS2 as "possibly faltering as a scheme in terms of both political support but also practicalities".

JEREMY HUNT

11/1

Foreign secretary Jeremy Hunt is one of the staunchest supporters of HS2 in the Cabinet. Late last month he tweeted that the project was "absolutely vital". "Post-Brexit we must be ambitious for our country and hungry for our economy," he added, saying cancellation would send a poor signal to voters. Hunt also referenced HS2 in his Conservative party conference speech in Birmingham last year.

MARK HARPER

100/1

A recent entrant to the Tory leadership race, Mark Harper's views on HS2 are less well-known. The former chief whip has voted for the high-speed infrastructure in the past. Harper's Gloucestershire constituency will be untouched by the HS2 railway.

SAM GYIMAH

NOT LISTED

Former universities minister Sam Gyimah became the 13th Tory to throw their hat in the ring to replace May over the weekend. Gyimah has made few public comments about HS2, but has consistently voted for it in parliament.

Incoming Finland Prime Minister plans spending boost and tax hikes


Antti Rinne defeated the far-right Finns Party in a close-fought election

ANNE KAURANEN

THE MAN set to become Finland's first left-leaning Prime Minister in 20 years announced plans yesterday for a big public spending increase on welfare and infrastructure, paid for by tax hikes, sales of state assets and a boost in employment.

Social Democrat Antti Rinne, who cobbled together a five-party coalition after narrowly beating the far-right Finns Party into first place in an election in April, unveiled the programme for his new government of centrist and left-leading groups.

"This government programme will reduce income differences in Finnish society," Rinne said at a public event in Helsinki.

Rinne unveiled proposals to boost permanent public spending by €1.23bn (£1.09bn) a year by 2023 and spend an additional €3bn on one-off investments during the four-year term. The plans were in line with figures leaked to the media a day earlier.

To fund the increased spending, the government will raise taxes by €730m, much of it through environmental levies, and sell off up to €2.5bn of state assets. It also aims to boost Finland's employment rate to 75 per cent from 72.4 per cent in April.

The Finnish parliament is fractious, with 10 parties winning seats in the 14 April election. Rinne's Social Democrats placed first with just 17.7 per cent of the vote, beating the Finns party by 7,666 votes. *Reuters*

Rail review head told to prioritise reform of fares

ALEXANDRA ROGERS

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FARES reform should be the number one priority in the government's "root-and-branch" review of British railways, passengers have told the industry.

Eight in 10 passengers think updates to the fares system should be prioritised by Keith Williams, the former chief executive of British Airways who was appointed by the government to lead the review in the aftermath of last year's May timetable chaos.

As a result of the timetable overhaul thousands of services were cancelled, delayed and overcrowded.

The findings come from an independent survey by Populus, commissioned by the Rail Delivery Group (RDG), which represents the rail industry.

The online survey of 2,000 UK adults also found that only one in 10 feel the range of rail fares on offer always fits with their lifestyle and the way they want to travel, with this falling to just five per cent of people who use the train for business.

Meanwhile, 85 per cent think it is important that the fares system is updated to enable flexible workers to save money.

Paul Plummer, chief executive at the RDG said: "Passengers across the country want to see the wheels turning on fares reform. Work around solutions are not enough – bringing decades old regulations up to date is the only way to deliver easier-to-use, more flexible and better value rail fares for all our passengers."

Anthony Smith, chief executive of independent passenger watchdog Transport Focus, said: "Transport Focus research shows that rail passengers want a fares system that is simple to use, easy to understand and is flexible enough to cater to how people work and travel today.

"Making sure passengers are confident they can purchase the best value ticket for their journey remains their top priority for improvement.

"The outdated fares and ticketing system continues to erode passenger trust; fundamental fares reform from the rail review cannot arrive a minute too soon."

The findings of the rail review are due to be published this summer, in time for the government to produce a white paper in the autumn.

Baring Vostok founder Michael Calvey was arrested in February

Kremlin says US investor under house arrest could be released

JESS CLARK

@jclarkjourno

THE KREMLIN said it hopes US investor Michael Calvey, who is under house arrest in Russia, will be freed and able to attend an economic forum in St Petersburg this week.

Calvey, who founded private equity group Baring Vostok, was detained in Russia in February over embezzlement charges. The businessman has denied wrongdoing and alleges the case is an attempt to pressure him in relation to a dispute regarding a Russian bank.

Kremlin spokesperson Dmitry Peskov told RT TV that Calvey's detainment is a "regrettable situation" and added that the Kremlin hopes the investor will be free to attend the St Petersburg International Economic Forum later this week.

"This is of course a very regrettable situation. We regret it very much. We of course would like to see him among the [forum's] participants," Peskov said.

Pension veteran to lead redesign of dashboard

ALEX DANIEL

@alexmdaniel

A WHITEHALL initiative designed to give savers easy access to pensions information has taken another step towards hitting the market.

The Money and Pensions Service has appointed industry veteran Chris Curry to help deliver the so-called pensions dashboard. He will be tasked with forming an industry group drawing on sector-wide experience to bring the nascent project to consumers.

Under the scheme, workers will be able to see information about their various nest eggs combined on a so-called dashboard. This will be accessible on smartphones, tablets and computers. The dashboard hopes to make it easier to track of funds in various pots over a lifetime of working.

Curry is director of the Pensions Policy Institute, and co-chaired a government advisory group on auto-enrolment in 2017. Pensions minister Guy Opperman yesterday said his appointment was "important moment" for the dashboard scheme.

In April, work and pensions secretary Amber Rudd said the first industry models would come out later this year. The Department for Work and Pensions expects most schemes to launch their dashboards in three to four years.

Deloitte promoted 32 women to its partnership in the UK

Beancounter Deloitte bolsters UK partner numbers in bumper round

JAMES BOOTH

@Jamesdbooth1

DELOITTE yesterday promoted 78 employees to its partnership in the UK, an increase of more than 40 per cent on the previous year.

Of the new UK partners, 32 (41 per cent) are women, up from 11 in 2018, taking the firm's female partners to 223, 21 per cent of the partnership.

Fifty-four of the firm's new partners are based in London.

The audit firm promoted 161 people to partner in north west Europe overall, up from 136 partners the previous year.

From 1 June the firm has added Deloitte offices in Greece, Italy and Malta to the Deloitte north west Europe partnership to form Deloitte north and south east Europe.

The partnership is the second-largest in the Deloitte network, with over 45,000 people in 13 countries.

The firm's new senior partner Richard Houston, who took up his role this week, said: "I fully accept that we have more to do but I'm particularly pleased to see such a significant increase in female partner promotions in the UK."

He also said he was under "no illusion" change was needed in the audit sector, after scandals such a the collapse of outsourcer Carillion.

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

LONDON REPORT

Investors shun risky shares as Kier plummets

THE FTSE 100 shed losses to bag gains as investors flocked to defensive shares after an exchange of trade threats between the US and China stoked fears of a slide into recession, while a profit warning sent builder **Kier** to its lowest in two decades.

The main FTSE 100 index ended 0.3 per cent higher, after earlier hitting its lowest level since 8 March, while the midcap index lost 0.5 per cent.

China warned the US at the weekend not to meddle in security disputes over Taiwan and the South China Sea, while US President Donald Trump threatened to impose tariffs on all Mexican goods.

In response, investors pooled their money into shares that are deemed less risky at times of macroeconomic uncertainties. **Astrazeneca** and **Glaxosmithkline** led gains on main index, while retail giants **Diageo** and **Unilever** also climbed.

The exporter-heavy main index also found support in a dipped pound, that came after a survey showed that the Brexit stockpiling boom of early 2019 gave way in May to the steepest downturn in British manufacturing in almost three years.

Construction group **Kier** was the biggest faller on the FTSE 250 index, down 41 per cent and at its lowest level since early 1999 after a profit warning and growing fears of a dividend cut and another funding-raising due to mounting debts.

After recording its first monthly fall this year in May and despite starting off the session on the back foot, the FTSE 100 closed in positive territory and started off the new month on a good note.

Drinks firm Diageo, which owns Guinness, enjoyed a share bump

Investors are also keeping an eye on Trump's contentious visit to Britain, which started yesterday and comes at a time of deep political uncertainty in the UK.

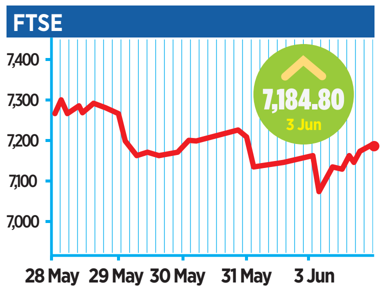
"The market is finding it difficult to find a direction... yes they've fallen in May, it's not been nice, but it's not as bad as you might have expected given the number of salvos that have been fired," said Antoine Lesne, head of SPDR ETF strategy and research at State Street Global Advisers.

TOP RISERS

1. **NMC Health** Up 4.35 per cent
2. **Fresnillo** Up 3.75 per cent
3. **Evraz** Up 2.48 per cent

TOP FALLERS

1. **TUI** Down 4.38 per cent
2. **Auto Trader** Down 3.34 per cent
3. **Schroders** Down 2.57 per cent



BEST OF THE BROKERS

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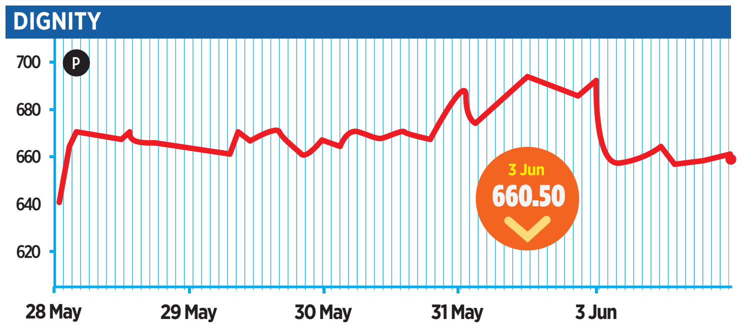
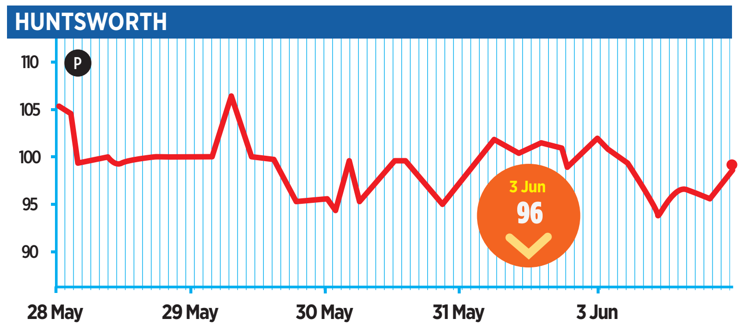
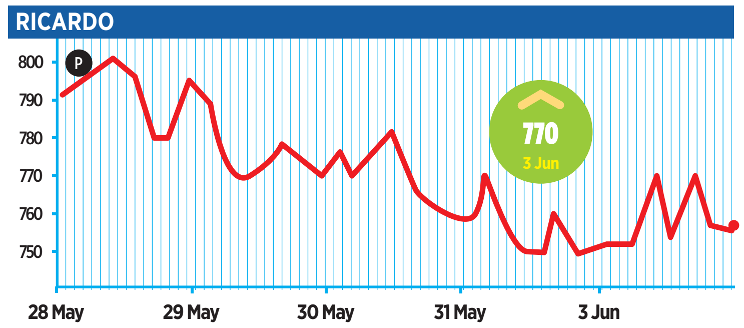


A regulatory crackdown has some investors feeling gloomy about the funeral market. According to Peel Hunt, "the risk is that oversight by the Financial Conduct Authority will be considerably more onerous and the number of plans sold will reduce given that companies will no longer be able to highlight rising prices of funerals in their marketing material nor chase people after initial inquiries". The broker has therefore given Dignity, one of the UK's largest funeral providers, a "Sell" rating and a target price of 600p.



International healthcare and communications group Hunstworth has been a good treatment for Peel Hunt analysts, who have been long-term supporters of the group during the course of its management turnaround. The firm's focus on a "high-value, highly regulated customer base whose communication needs are complex" has also impressed the broker. Peel Hunt has therefore issued a "Buy" rating, saying that the firm's core attractions will drive continued growth and increasing its target price to 135p.



Liberum analysts have maintained their "Buy" rating for Ricardo, the West Sussex-based engineering and environmental consultancy. Last month the group caught the attention of investors after snapping up Australian rail consultancy firm Transport Engineering in a deal worth almost £30m. "There is plenty of firepower for further acquisition in the sectors of rail and energy & environment," according to Liberum, which has raised its 2020 earnings per share expectations and given the firm a target price of 900p.

NEW YORK REPORT

Tech giants' antitrust woes hurt Nasdaq

THE NASDAQ tumbled 1.6 per cent yesterday, confirming a correction as it was dragged down by **Alphabet**, **Facebook** and **Amazon** on fears the companies are the targets of US government antitrust regulators.

While the sell-off in the internet heavyweights was the biggest drag on the Nasdaq, the index has been falling steadily since its 3 May record closing high as investors worried about slowing global growth amid the escalating US-China trade war.

The S&P 500 had a volatile session and ended yesterday down 0.3 per cent, but the Dow Jones Industrial Average ended the session virtually unchanged.

The benchmark S&P 500 swung in and out of negative territory during the day as investors monitored the latest comments around the US trade battles with both China and Mexico, as well as US President Donald Trump's decision on Friday to end preferential trade treatment for India.

An ISM survey showed US manufacturing growth unexpectedly slowed in May, driving demand for the safety of government bonds. Two-year yields hit their lowest since September 2017 on growing conviction that the Federal Reserve will start cutting interest rates to stave off a recession.

High-profile internet stocks dominated trading, with **Facebook** closing down 7.5 per cent after the Wall Street Journal reported that the Federal Trade Commission has secured the right to examine how the social media company's practices affect digital competition.

Alphabet tumbled six per cent after sources told Reuters the US Justice Department is preparing an investigation to determine if the Google parent broke antitrust laws. Amazon fell 4.6 per cent on a report that the e-commerce giant could be put under the watch of the Federal Trade Commission.

Healthcare was one bright spot for the Nasdaq, with the Nasdaq biotech index climbing 1.2 per cent.

CITY MOVES WHO'S SWITCHING JOBS

CQS

CQS has announced that Serge Harry has joined CQS as group chief financial officer. He will report to Xavier Rolet, CQS's chief executive officer, and he will join the CQS executive committee. Serge will also oversee the human resources function. Serge was previously a member of the executive committee of the London Stock Exchange Group (LSEG), chief of staff to the group chief executive, and group country head for France, Benelux and Germany. Prior to this, he was senior advisor to LSEG chief executive from 2011 to 2013, working on the successful acquisition of LCH Group. Before that he held international executive positions as chairman and chief executive of Bluenext, a global carbon credits trading exchange, as group head of strategy at NYSE Euronext, and chief financial officer of Euronext from 2000 to 2007. Prior to this, Serge was deputy chief of Paris Stock Exchange from 1999 to 2000, which he joined from Euroclear France, where he held a number of positions, including finance chief and general secretary.

NEKTAN

Simon Hay has been appointed chief financial officer of AIM-listed global gaming technology business Nektan. With more than 20 years' experience in accountancy and consultancy, Simon was previously finance transformation director at GVC Holdings. He is a chartered accountant, having qualified with KPMG, where he was a director. Simon has spent most of his career at KPMG, first graduating to the firm in Australia in 1997. During his time at KPMG Simon held roles in audit, restructuring and deal advisory and was also seconded to Thomas Cook as a strategy manager.

ROWAN

Real estate investment company Rowan has appointed David Reid as director to work with chief executive Nick Jacobs on spearheading a strategic growth strategy for the business, and to manage the business across its various activities, which include: investment and development, asset management and corporate advisory. David will focus on new opportunities, particularly in the residential sector, where he brings his significant track record and experience managing complex mixed-use developments. David joins Rowan from Cambridge University where he was researching the UK housing market. Previously he worked at Wework, where he was a development director advising on its Welive division in Europe. Prior to that he was a director at Cavendish Partners, where he managed the company's joint venture development division with Taylor Wimpey over a 10-year period.

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FTSE 100	FTSE 250	FTSE ALL SHARE	DOW JONES	NASDAQ	S&P 500
7184.80	18877.17	3931.10	24819.78	7333.02	2744.45
23.09	93.08	7.23	4.74	120.13	7.61

£/€ 1.1261	0.0043	€/$ 1.1241	0.0072
£/$ 1.2665	0.0039	€/£ 0.8875	0.0033
£/¥ 136.86	0.0931	€/¥ 121.50	0.2372

GILTS

	Price	Chg	High	Low
Tsy 3.750 19	100.79	-0.03	104.1	100.8
Tsy 2.000 20	101.54	0.00	102.9	101.4
Tsy 4.750 20	103.10	-0.03	107.3	103.1
Tsy 3.750 20	103.91	-0.02	107.0	103.8
Tsy 2.500 20	356.38	-0.02	362.0	356.0
Tsy 8.000 21	114.94	-0.03	121.8	114.6
Tsy 4.000 22	109.54	0.02	112.1	109.0
Tsy 0.500 22	99.90	0.04	99.9	97.7
Tsy 1.875 22	117.35	-0.04	119.0	115.5
Tsy 2.250 23	107.03	0.06	107.1	104.7
Tsy 2.500 24	368.67	-0.08	369.1	358.7
Tsy 0.125 24	114.43	-0.04	114.4	110.9
Tsy 5.000 25	124.67	0.01	125.6	122.1
Tsy 4.250 27	128.86	0.04	128.9	122.6
Tsy 1.250 27	136.30	-0.18	136.3	128.4
Tsy 6.000 28	147.21	0.04	147.3	140.5
Tsy 0.125 29	128.47	-0.21	128.5	118.8
Tsy 4.750 30	141.26	0.06	141.3	132.1
Tsy 4.125 30	382.07	-0.19	382.1	355.2
Tsy 4.250 32	138.54	0.14	138.5	128.5
Tsy 1.250 32	157.41	-0.20	157.4	144.1
Tsy 0.125 36	149.48	-0.30	149.8	133.4
Tsy 4.250 36	145.12	0.17	145.1	133.1
Tsy 4.750 38	158.96	0.24	159.0	144.9
Tsy 0.625 40	170.94	-0.42	172.7	152.8
Tsy 4.500 42	161.88	0.27	161.9	145.9
Tsy 3.500 45	143.82	0.27	143.9	128.0
Tsy 4.250 46	163.32	0.25	163.4	145.7
Tsy 4.025 49	169.63	0.25	169.6	150.0
Tsy 0.500 50	202.08	-0.81	207.7	173.7
Tsy 0.250 52	198.73	-0.89	204.9	168.8

AEROSPACE & DEFENCE

	Price	Chg	High	Low
BAE Systems	462.5	10.1	676.4	443.9
Cobham	100.0	0.2	131.7	96.8
Meggitt	493.4	2.8	572.0	458.0
QinetiQ Group	288.6	-2.8	312.4	256.6
Rolls-Royce Holdi	867.4	7.4	1094.0	759.2
Senior	225.6	-4.4	334.4	185.4
Ultra Electronics	1546.0	-4.0	1743.0	1232.0

BANKS

	Price	Chg	High	Low
Bank of Georgia G	1627.0	-13.0	2109.5	1310.0
Barclays	149.5	0.1	204.6	146.1
Close Brothers Gr	1374.0	-2.0	1660.0	1348.7
CYBG	177.3	-5.8	364.2	173.9
HSBC Holdings	646.9	1.8	734.6	600.8
Lloyds Banking Gr	57.1	-0.2	66.6	50.0
Metro Bank	625.5	-58.0	3422.0	475.0
Royal Bank of Sco	212.2	-1.5	280.9	203.0
Standard Chartere	674.6	-12.4	754.0	519.8
TBC Bank Group	1596.0	-32.0	1774.0	1290.0

BEVERAGES

	Price	Chg	High	Low
Barr (A.G.)	934.0	-12.0	957.0	665.0
Britvic	907.0	17.0	956.0	745.0
Coca-Cola HBC AG	2849.0	-3.0	2869.0	2244.0
Diageo	3362.0	36.5	3370.5	2523.5

CHEMICALS

	Price	Chg	High	Low
Croda Internation	5115.0	45.0	5447.7	4576.0
Elementis	141.3	-3.3	279.1	138.4
Johnson Matthey	3114.0	20.0	3823.0	2620.0
Sirius Minerals	16.0	0.0	38.5	15.0
Synthomer	363.2	-3.8	575.5	347.4
Victrex plc	2006.0	19.0	3408.0	1950.0

CONSTRUCTION & MATERIALS

	Price	Chg	High	Low
Balfour Beatty	235.0	-2.6	311.1	223.4
CRH	2490.0	23.0	2857.0	1971.5
Galliford Try	613.0	-12.0	1104.0	512.0
Ibstock	234.6	-3.4	300.0	193.1
Kier Group	163.8	-114.4	1065.3	156.2
Marshalls	630.5	-15.0	669.0	399.8
Polypipe Group	426.4	-1.2	439.6	307.8

ELECTRICITY

	Price	Chg	High	Low
Contour Global	197.8	4.8	250.0	150.1
Drax Group	294.0	-0.8	427.2	290.0
SSE	1082.0	3.5	1400.0	1008.0

ELECTRONIC & ELECTRICAL EQ.

	Price	Chg	High	Low
Halma	1833.0	17.0	1835.5	1237.0
Morgan Advanced M	247.4	0.2	363.0	237.0
Renishaw	3892.0	-18.0	5685.0	3670.0
Spectris	2522.0	40.0	2908.0	1966.5

EQUITY INVESTMENT INSTRUM.

	Price	Chg	High	Low
Aberforth Smaller	1240.0	-6.0	1442.0	1120.0
Alliance Trust	753.0	-1.0	789.0	672.0
Apax Global Alpha	144.0	-1.0	153.0	127.0
AVI Global Trust	733.0	-2.0	767.0	660.0
Baillie Gifford J	765.0	0.0	869.0	663.0
Bankers Inv Trust	883.0	0.0	914.0	766.0
BBGI SICAV S.A. (	153.0	0.0	168.0	133.0
BlackRock Smaller	1414.0	2.0	1600.0	1160.0
BMO Global Smalle	1314.0	0.0	1495.0	1220.0
Caledonia Investm	2955.0	10.0	3060.0	2650.0
City of London In	408.0	-0.5	439.0	376.0
Edinburgh Inv Tru	592.0	2.0	712.0	586.0
F&C Investment Tr	682.0	2.0	741.0	616.0
Fidelity China Sp	208.0	0.0	268.0	182.4
Fidelity European	237.0	-0.5	239.5	202.0
Fidelity Special	252.0	2.5	280.0	220.0
Finsbury Growth &	886.0	-1.0	899.0	740.0
GCP Infrastructur	129.6	-0.2	130.8	119.0
Genesis Emerging	714.0	7.0	739.0	615.0
Greencoat UK Wind	134.4	-0.6	143.2	121.4
HarbourVest Globa	1574.0	-6.0	1628.0	1234.0
Herald Investment	1316.0	2.0	1370.0	1055.0
HGCapital Trust	213.2	-1.1	219.0	175.0
HICL Infrastructu	164.2	1.6	170.1	140.0
International Pub	150.6	-0.6	163.4	141.4
JPMorgan American	436.5	0.5	472.0	386.5
JPMorgan Emerging	944.0	10.0	972.0	759.0
JPMorgan Indian I	776.0	9.0	778.0	566.0
JPMorgan Japanese	423.0	0.5	472.0	367.0
Jupiter European	818.0	3.0	895.0	666.0
Law Debenture Cor	590.0	-2.0	636.0	534.0
Mercantile Invest	203.7	-0.1	226.0	168.0
Monks Inv Trust	857.0	-1.0	891.0	710.0
Murray Internatio	1140.0	2.0	1208.0	1056.0
NB Global Floatin	90.1	0.4	94.5	87.6
NextEnergy Solar	116.0	0.0	124.5	107.5
Pantheon Internat	2210.0	-15.0	2225.0	1955.0
Perpetual Income	312.0	0.5	367.0	301.5
Pershing Square H	1294.0	-12.0	1398.0	990.0
Personal Assets T	41150.0	100.0	41300.0	38900.0
Polar Capital Tec	1274.0	-14.0	1386.0	1066.0
RIT Capital Partn	2015.0	10.0	2130.0	1892.0
Riverstone Energy	840.0	-7.0	1296.0	840.0
Schroder Asia Pac	431.0	1.0	481.0	379.0
Scottish Inv Trus	783.0	6.0	902.0	748.0
Scottish Mortgage	497.6	-5.9	568.3	441.4
Sequoia Economic	111.4	-0.8	114.2	106.0
Smithson Investme	1160.0	-4.0	1222.0	1000.2
Syncona Limited N	231.0	-5.5	302.5	223.0
Temple Bar Inv Tr	1230.0	-4.0	1366.0	1116.0
Templeton Emergin	755.0	8.0	792.0	649.0
The Renewables In	125.6	-0.2	126.8	105.9
TR Property Inv T	409.0	-0.5	433.5	353.5
Vietnam Enterpris	438.0	-4.0	472.0	390.0
VinaCapital Vietn	345.0	0.0	350.0	306.0
Witan Inv Trust	204.8	-0.3	227.6	189.6
Woodford Patient	76.5	-0.5	91.0	73.9
Worldwide Healthc	2580.0	5.0	2915.0	2325.0

FINANCIAL SERVICES

	Price	Chg	High	Low
3i Group	1037.0	-14.0	1088.5	756.2
3i Infrastructure	286.0	-3.0	289.0	221.0
AJ Bell	418.0	0.0	477.0	220.0
Allied Minds	79.8	0.2	115.0	37.3
Amigo Holdings	280.0	32.0	310.0	154.5
Arrow Global Grou	200.2	-3.0	288.5	167.2
ASA International	383.0	3.0	510.0	336.0
Ashmore Group	468.4	-4.0	488.0	337.0
Brewin Dolphin Ho	300.8	-2.4	378.8	295.4
Charter Court Fin	326.0	-2.5	375.0	228.8
City of London In	414.0	-1.0	433.0	360.0
CMC Markets	85.0	-2.4	206.0	77.4
Coats Group	77.4	-0.3	91.3	69.8
Georgia Capital	962.0	-5.0	1260.0	941.0
Hargreaves Lansdo	2228.0	-38.0	2433.0	1633.0
IG Group Holdings	540.8	-6.4	954.5	474.8
IntegraFin Holdin	386.1	-3.1	406.1	269.0
Intermediate Capi	1282.0	-32.0	1323.0	899.0
International Per	158.0	-1.2	248.8	156.6
Investec	458.8	-2.3	573.6	423.4
IP Group	79.9	-0.3	142.8	78.1
John Laing Group	385.2	-3.6	402.0	264.2
JTC	370.0	-17.0	440.0	287.0
Jupiter Fund Mana	361.2	-6.8	472.4	287.6
Liontrust Asset M	660.0	-10.0	710.0	532.0
LMS Capital	50.9	0.0	53.5	44.0
London Finance &	39.5	0.0	45.5	38.1
London Stock Exch	5302.0	18.0	5342.0	3867.0
Man Group	143.4	-2.9	190.5	126.8
OneSavings Bank	398.2	-3.8	449.6	330.0
Paragon Banking G	432.4	-2.4	524.0	379.2
Plus500 Ltd (DI)	610.6	-21.2	2040.0	495.0
Provident Financi	448.4	-3.8	692.6	444.6
Quilter	131.8	-0.5	156.6	110.6
Rathbone Brothers	2085.0	-60.0	2652.0	2085.0
Real Estate Credi	170.5	-0.5	175.5	163.0
Record	29.0	0.0	47.0	27.3
River and Mercant	253.0	-2.0	330.0	212.0
S&U	2360.0	-70.0	2695.0	1767.5
Sanne Group	676.0	-14.0	724.0	450.0
Schroders	2844.0	-75.0	3297.0	2334.0
Standard Life Abe	261.0	-6.3	416.0	224.9
TP ICAP	270.0	-4.6	431.9	259.7
VPC Specialty Len	69.6	-0.2	84.4	68.8
Walker Crips Grou	25.0	0.0	39.0	24.0
XPS Pensions Grou	157.0	7.0	192.0	132.0

FIXED LINE TELECOMS

	Price	Chg	High	Low
BT Group	194.8	1.0	264.7	192.6
TalkTalk Telecom	117.0	0.3	137.0	96.6
Telecom Plus	1486.0	0.0	1524.0	1010.0

FOOD & DRUG RETAILERS

	Price	Chg	High	Low
Greggs	2156.0	-18.0	2180.0	942.0
Morrison (Wm) Sup	197.4	0.6	269.4	194.9
Ocado Group	1171.5	-23.0	1435.0	749.8
Sainsbury (J)	200.0	-0.1	341.5	195.1
SSP Group	668.0	-2.0	744.4	615.1
Tesco	225.1	-1.3	266.2	189.6
UDG Healthcare Pu	711.5	-0.5	900.0	551.0

FOOD PRODUCERS

	Price	Chg	High	Low
Associated Britis	2500.0	32.0	2836.0	2041.0
Bakkavor Group	118.0	-2.8	206.0	113.0
Cranswick	2674.0	-10.0	3460.0	2472.0
Greencore Group	204.1	-2.4	230.0	162.9
Hilton Food Group	950.0	0.0	1088.0	884.0
Tate & Lyle	725.8	3.6	800.4	622.6
Unilever	4855.0	18.0	4887.0	3931.0

FORESTRY & PAPER

	Price	Chg	High	Low
Mondi	1649.0	9.0	2236.0	1584.0

GAS, WATER & MULTIUTILITIES

	Price	Chg	High	Low
Centrica	94.1	0.6	163.7	92.5
National Grid	794.2	1.4	889.2	748.7
Pennon Group	734.2	0.8	812.4	684.2
Severn Trent	1982.5	-7.5	2091.0	1770.0
United Utilities	796.8	-0.6	873.6	682.4

GENERAL INDUSTRIALS

	Price	Chg	High	Low
RPC Group	789.8	0.6	834.8	632.2
Smith (DS)	315.6	-0.4	538.9	292.2
Smiths Group	1446.0	5.5	1801.0	1279.5
Smurfit Kappa Gro	2221.0	21.0	3292.0	1934.0
Vesuvius	494.4	-5.0	662.0	473.2

GENERAL RETAILERS

	Price	Chg	High	Low
Auto Trader Group	579.4	-20.0	599.4	353.6
B&M European Valu	351.5	-1.2	426.3	278.6
Card Factory	186.6	-2.8	212.4	162.6
Dixons Carphone	113.9	-1.8	200.1	111.1
Dunelm Group	893.5	3.5	912.5	482.8
Inchcape	585.5	-0.5	799.0	486.6
JD Sports Fashion	623.4	6.6	635.6	318.5
Just Eat	600.0	-2.0	883.4	533.8
Kingfisher	215.4	1.5	318.1	205.4
Marks & Spencer G	227.1	1.9	300.8	221.1
Next	5738.0	-24.0	6202.0	3991.0
Pets at Home Grou	185.3	1.4	187.3	110.0
Saga	41.2	-1.3	138.7	40.8
Sports Direct Int	291.0	3.6	436.1	233.2
Ted Baker	1374.0	9.0	2476.0	1330.0
Vivo Energy	130.0	3.8	170.0	96.0
WH Smith	1954.0	-8.0	2186.0	1697.0

MAIN CHANGES UK 350

Risers	%
Amigo Holdings 280.0	12.9
Centamin (DI) 98.0	10.3
Hochschild Mining 165.6	6.8
Funding Circle Hol 246.5	4.9
Wizz Air Holdings 3274.0	4.5
NMC Health 2351.0	4.4
Fresnillo 796.8	3.8
Mediclinic Interna 311.2	3.1
Vivo Energy 130.0	3.0
Contour Global 197.8	2.5

Fallers	%
Bellway 0.0	0.0
BBA Aviation 0.0	0.0
Kier Group 163.8	-41.1
Stobart Group Ltd. 108.0	-9.6
Metro Bank 625.5	-8.5
Royal Mail 194.5	-5.2
Capita 106.9	-4.7
FirstGroup 109.9	-4.7
Sophos Group 398.4	-4.6
TUI AG Reg Shs (DI 698.0	-4.4

HEALTH CARE EQUIPMETN & S.

	Price	Chg	High	Low
Assura	63.8	-0.3	64.5	52.4
Convatec Group	139.0	-0.6	239.0	118.6
Mediclinic Intern	311.2	9.2	607.6	300.8
NMC Health	2351.0	98.0	4120.0	2192.0
Smith & Nephew	1678.0	14.0	1680.0	1258.0

HHOLD GDS & HOME CONSTR.

	Price	Chg	High	Low
Barratt Developme	552.8	-5.2	625.8	434.0
Bellway	0.0	0.0	0.0	0.0
Berkeley Group Ho	3437.0	-59.0	4321.0	3226.0
Bovis Homes Group	975.0	-3.5	1275.5	828.0
Countryside Prope	296.0	-6.6	374.4	270.0
Crest Nicholson H	360.0	-6.6	446.2	296.4
McCarthy & Stone	127.3	-2.5	142.4	97.5
Persimmon	1950.0	-17.0	2880.0	1859.5
Reckitt Benckiser	6310.0	-38.0	7155.0	5593.0
Redrow	543.0	-2.0	674.6	460.8
Taylor Wimpey	164.0	-1.3	192.3	129.3

INDUSTRIAL ENGINEERING

	Price	Chg	High	Low
Bodycote	775.5	-2.5	1055.0	676.0
Hill & Smith Hold	1215.0	9.0	1523.0	902.5
IMI	916.0	10.0	1242.0	870.0
Melrose Industrie	162.9	-1.1	240.5	146.3
RHI Magnesita N.V	4712.0	-76.0	5100.0	3318.0
Rotork	293.6	6.1	361.4	235.7
Spirax-Sarco Engi	8405.0	45.0	8870.0	5900.0
Weir Group	1451.0	-19.0	2222.0	1240.0

INDUSTRIAL METALS & MINING

	Price	Chg	High	Low
Evraz	602.6	14.6	669.0	442.1
Ferrexpo	230.4	0.1	301.3	143.5

INDUSTRIAL TRANSPORTATION

	Price	Chg	High	Low
BBA Aviation	0.0	0.0	0.0	0.0
Clarkson	2420.0	20.0	2900.0	1878.0
Fisher (James) &	1956.0	4.0	2260.0	1600.0
Royal Mail	194.5	-10.7	512.4	194.0
Stobart Group Ltd	108.0	-11.4	266.5	107.0

NON LIFE INSURANCE

	Price	Chg	High	Low
Admiral Group	2066.0	4.0	2281.0	1870.0
Beazley	553.5	-6.5	606.5	492.6
Direct Line Insur	315.6	-0.9	366.5	304.9
Hastings Group Ho	180.2	0.1	274.2	174.0
Hiscox Limited (D	1620.0	-16.0	1711.0	1418.0
Lancashire Holdin	700.0	-3.5	709.0	530.0
RSA Insurance Gro	546.0	-6.6	681.8	496.6
Sabre Insurance G	255.0	0.0	294.0	241.0

LIFE INSURANCE

	Price	Chg	High	Low
Aviva	403.1	-1.5	521.0	364.6
Just Group	46.4	-1.4	145.6	45.9
Legal & General G	255.2	-1.4	291.2	223.7
Phoenix Group Hol	665.0	-6.1	724.8	544.0
Prudential	1554.0	-23.5	1866.5	1340.0
St James's Place	1028.5	-18.0	1240.5	914.0

MEDIA

	Price	Chg	High	Low
4imprint Group	2630.0	10.0	2700.0	1715.0
Ascential	367.0	-16.6	465.0	337.2
Bloomsbury Publis	230.0	0.0	254.0	190.5
Centaur Media	55.8	0.0	59.0	34.7
Entertainment One	422.0	-15.0	483.4	310.0
Euromoney Institu	1298.0	2.0	1450.0	1132.0
Gocompare.com Gro	84.2	0.4	139.0	64.6
Haynes Publishing	197.0	0.0	246.0	160.0
Huntsworth	96.0	-4.0	139.0	81.0
Informa	769.0	-7.6	859.0	605.8
ITE Group	76.1	-2.3	90.6	56.3
ITV	105.2	-2.1	180.4	103.1
Moneysupermarket.	372.2	6.2	372.2	264.0
Pearson	791.0	4.0	1027.5	774.6
Reach	76.2	-1.4	83.2	54.6
Relx plc	1853.0	10.5	1855.0	1491.5
Rightmove	568.2	-10.4	583.8	420.9
STV Group	355.0	-11.0	458.0	318.0
Tarsus Group	433.0	0.0	433.0	243.0
WPP	960.8	19.6	1301.0	800.4

MINING

	Price	Chg	High	Low
Acacia Mining	161.0	3.6	256.6	96.1
Anglo American	1919.6	24.6	2226.0	1464.6
Antofagasta	788.8	6.0	1149.0	727.2
BHP Group	1798.0	13.4	1944.2	1490.6
Centamin (DI)	98.0	9.1	136.2	79.8
Fresnillo	796.8	28.8	1315.5	724.8
Glencore	256.8	2.1	400.4	250.7
Hochschild Mining	165.6	10.6	219.9	149.1
Kaz Minerals	511.8	2.0	1076.0	436.7
Polymetal Interna	861.0	11.0	894.0	597.2
Rio Tinto	4595.0	58.5	4776.0	3486.0

MOBILE TELECOMS

	Price	Chg	High	Low
Inmarsat	547.2	1.0	632.2	362.8
Vodafone Group	130.0	0.5	198.0	123.3

OIL & GAS PRODUCERS

	Price	Chg	High	Low
BP	544.0	3.9	598.3	485.9
Cairn Energy	151.9	-6.3	258.8	140.0
Energean Oil & Ga	788.0	-2.0	846.0	493.5
Premier Oil	77.8	-1.0	143.6	55.6
Royal Dutch Shell	2472.5	11.5	2694.5	2213.0
Royal Dutch Shell	2487.5	14.0	2780.5	2227.0
Tullow Oil	201.9	2.0	266.3	165.2

OIL EQUIPMENT & SERVICES

	Price	Chg	High	Low
Hunting	509.0	1.0	859.0	453.6
Petrofac Ltd.	413.5	-0.6	663.4	381.5
Wood Group (John)	389.9	-1.3	796.4	379.7

PERSONAL GOODS

	Price	Chg	High	Low
Burberry Group	1700.0	5.0	2325.0	1623.5
PZ Cussons	205.5	2.5	244.0	178.6

PHARMACEUTICALS & BIOTECH

	Price	Chg	High	Low
AstraZeneca	5944.0	111.0	6525.0	5182.0
BTG	834.5	1.0	853.0	475.0
Dechra Pharmaceut	2706.0	-22.0	3168.0	2014.0
Genus	2664.0	4.0	2992.0	2098.0
GlaxoSmithKline	1549.2	22.2	1621.6	1418.0
Hikma Pharmaceuti	1601.5	21.5	2025.0	1376.0
Indivior	44.7	-1.1	496.2	30.1

REAL ESTATE INVEST. & SERV.

	Price	Chg	High	Low
BMO Commercial Pr	121.0	-0.2	155.0	117.0
Capital & Countie	218.8	1.2	305.7	213.1
CLS Holdings	219.0	-4.5	255.0	195.4
Daejan Holdings	5600.0	100.0	6400.0	5500.0
Grainger	253.4	2.2	291.0	205.8
NewRiver REIT	205.0	-5.0	294.0	195.0
Safestore Holding	627.0	-7.5	658.5	499.4
Savills	852.5	5.5	975.5	678.5
St. Modwen Proper	427.0	-8.0	441.5	365.0
UK Commercial Pro	90.2	-1.2	92.7	81.0

REAL ESTATE INVEST. TRUSTS

	Price	Chg	High	Low
Big Yellow Group	1013.0	-5.0	1062.0	852.5
British Land Comp	528.6	-5.4	692.0	523.0
Civitas Social Ho	82.1	-2.2	114.0	82.1
Derwent London	3170.0	-46.0	3328.0	2761.0
Great Portland Es	719.0	0.0	773.6	652.3
Hammerson	270.5	-0.4	551.4	265.4
Intu Properties	91.0	-1.7	207.3	88.6
Land Securities G	830.4	1.8	965.1	791.8
LondonMetric Prop	204.8	0.6	209.2	172.7
Primary Health Pr	135.6	-1.2	137.2	106.4
SEGRO	698.2	0.6	719.0	585.2
Shaftesbury	826.0	3.0	968.0	812.0
Tritax Big Box Re	147.8	-0.4	155.7	129.0
Unite Group	941.5	-8.0	973.5	797.5
Workspace Group	895.0	13.0	1165.0	789.5

SOFTWARE & COMPUTER SERV.

	Price	Chg	High	Low
Avast	312.2	3.2	319.4	208.2
Aveva Group	3756.0	60.0	3758.0	2284.0
Computacenter	1258.0	7.0	1620.0	952.0
FDM Group (Holdin	955.0	-5.0	1128.0	734.0
Micro Focus Inter	1881.6	-35.2	2491.6	1427.2
Playtech	398.5	-6.8	811.8	361.8
Sage Group	750.8	3.8	772.0	525.6
Softcat	922.5	13.0	967.0	565.0
Sophos Group	398.4	-19.0	639.0	298.2

SUPPORT SERVICES

	Price	Chg	High	Low
Aggreko	776.6	2.2	882.0	641.8
Ashtead Group	1852.0	-13.0	2438.0	1586.5
BCA Marketplace	178.5	-2.5	242.0	176.7
Bunzl	2127.0	12.0	2551.0	2059.0
Capita	106.9	-5.3	169.1	102.3
DCC	6662.0	12.0	7390.0	5555.0
Diploma	1485.0	-1.0	1634.0	1150.0
Electrocomponents	598.2	-9.6	761.6	480.0
Equiniti Group	219.8	-0.2	266.0	186.2
Essentra	395.0	-9.8	507.0	325.4
Experian	2401.0	14.0	2409.0	1728.5
Ferguson	5072.0	-52.0	6556.0	4749.0
G4S	209.3	0.0	282.0	175.9
Grafton Group Uni	853.5	3.0	937.0	630.0
Hays	145.9	-2.5	212.0	135.7
Homeserve	1204.0	-2.0	1229.0	849.0
Howden Joinery Gr	500.0	-2.4	539.0	416.4
Intertek Group	5332.0	36.0	6014.0	4387.0
Pagegroup	507.5	-1.5	623.5	432.2
Rentokil Initial	373.3	-1.7	391.1	284.8
Robert Walters	650.0	8.0	475.0	814.0
Serco Group	130.7	-2.1	136.5	84.1
SIG	129.5	-0.1	153.0	102.2
Travis Perkins	1250.0	18.0	1475.5	970.0
Spirent Communica	150.0	-6.8	166.2	112.8

TOBACCO

	Price	Chg	High	Low
British American	2767.0	7.0	4222.5	2375.0
Imperial Brands	1871.0	-44.0	2987.5	1861.4

TRAVEL & LEISURE

	Price	Chg	High	Low
888 Holdings	132.1	0.7	300.2	129.3
Carnival	3898.0	-12.0	5000.0	3659.0
Cineworld Group	289.4	-6.9	323.6	245.0
Compass Group	1807.0	16.5	1825.0	1483.0
Domino's Pizza Gr	231.0	-4.1	386.9	224.4
easyJet	854.8	-16.4	1796.0	840.0
EI Group	209.4	-2.0	224.8	143.0
FirstGroup	109.9	-5.4	116.6	79.3
Flutter Entertain	5592.0	-36.0	9035.0	5525.0
Go-Ahead Group	1840.0	-29.0	2078.0	1388.0
Greene King	632.8	-5.4	704.4	472.8
GVC Holdings	586.0	-13.4	1170.0	507.5
InterContinental	5039.0	-66.0	5159.0	3958.4
International Con	449.1	-2.0	726.6	441.5
Merlin Entertainm	367.2	-11.9	410.5	307.1
Millennium & Copt	488.0	0.0	553.0	436.0
Mitchells & Butle	274.5	-2.5	291.4	238.0
National Express	399.2	2.0	433.2	361.4
Rank Group	150.6	-1.6	194.0	135.0
Restaurant Group	127.5	-3.0	228.9	111.9
Stagecoach Group	125.2	0.5	177.0	115.5
TUI AG Reg Shs (D	698.0	-32.0	1776.0	692.0
Wetherspoon (J.D.	1310.0	-21.0	1375.0	1066.0
Whitbread	4648.0	18.0	5114.0	3883.0
William Hill	132.7	-1.4	324.1	128.4
Wizz Air Holdings	3274.0	140.0	3797.0	2329.0

AIM 50

	Price	Chg	High	Low
Abcam	1444.0	19.0	1539.0	1017.0
Advanced Medical	338.5	-5.0	370.0	260.0
Alliance Pharma	78.0	-0.3	102.0	60.0
ASOS	3415.0	-25.0	6834.0	2128.0
Blue Prism Group	1768.0	-52.0	2575.0	1040.0
Camellia	10450.0	-100.0	12450.0	9100.0
CareTech Holding	372.0	-3.0	406.0	325.0
Central Asia Meta	221.5	3.0	294.0	203.0
Clinigen Group	1012.0	4.0	1069.0	721.0
CVS Group	626.0	-23.0	1163.0	395.0
Dart Group	893.0	-3.5	1017.0	740.0
Diversified Gas &	127.5	-2.5	134.0	92.0
Draper Esprit	487.0	12.0	645.0	458.0
Eland Oil & Gas	127.2	-1.4	137.5	97.0
EMIS Group	1180.0	-12.0	1206.0	860.0
Fevertree Drinks	2638.0	-16.0	3956.0	2131.0
First Derivatives	3330.0	-50.0	4680.0	2050.0
Frontier Develop	1070.0	-36.0	1825.0	740.0
Gamma Communicati	1165.0	-30.0	1250.0	688.0
GB Group	605.0	-16.0	631.0	410.5
Gooch & Housego	1350.0	-20.0	1880.0	1095.0
Hurricane Energy	58.7	0.7	60.8	39.0
Iomart Group	350.0	-7.5	475.0	308.0
IQE	73.0	-2.0	116.4	56.3
James Halstead	524.0	-6.0	532.0	367.0
Johnson Service G	160.0	0.0	160.8	113.6
Keywords Studios	1600.0	-113.0	2065.0	900.0
Learning Technolo	82.5	-3.4	166.5	62.2
M&C Saatchi	361.0	6.0	394.0	270.0
M. P. Evans Group	683.0	0.0	800.0	637.0
Majestic Wine	267.0	4.0	485.0	219.0
Midwich Group	600.0	-19.0	685.0	491.5
Mortgage Advice B	585.0	10.0	720.0	490.0
Next Fifteen Comm	575.0	-1.0	600.0	455.0
Nichols	1775.0	25.0	1840.0	1240.0
Numis Corporation	265.0	-4.0	438.5	221.5
Polar Capital Hol	570.0	0.0	732.0	448.0
Purplebricks Grou	106.4	2.4	377.4	90.0
Redde	105.4	-1.8	196.0	90.0
Renew Holdings	432.0	2.0	436.5	333.0
RWS Holdings	616.0	-4.0	628.0	365.0
Scapa Group	157.0	-137.0	473.4	145.0
Secure Income Rei	408.0	2.0	414.0	371.0
Serica Energy	125.4	-5.6	142.0	57.4
Smart Metering Sy	504.0	10.0	815.0	480.0
Staffline Group	252.5	-12.5	1340.0	243.7
Telford Homes	299.5	2.0	465.0	267.0
Thorpe (F.W.)	316.0	-2.0	340.0	248.0
Watkin Jones	213.0	-2.5	232.5	192.2
Young & Co's Brew	1765.0	-15.0	1885.0	1322.5
Young & Co's Brew	1150.0	-15.0	1325.0	1030.0

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EU SHARES

	Price	Chg	High	Low
AB INBEV	73.02	0.41	91.14	56.32
ADIDAS N	258.70	3.25	265.00	178.30
AIR LIQUIDE	112.85	1.35	119.10	101.85
AIRBUS BR	117.16	2.30	124.00	77.50
ALLIANZ	198.20	-0.42	216.20	170.38
AMADEUS IT GRP BR-A	68.16	-0.20	82.20	58.06
ASML HLDG	169.40	0.10	189.50	130.12
AXA	21.80	-0.28	23.90	18.40
BANCO SANTANDER	3.94	-0.01	4.86	3.80
BASF N	59.10	-0.20	88.89	57.26
BAYER N	53.37	0.52	102.74	52.00
BBVA	4.86	-0.01	6.44	4.48
BMW	61.35	-0.76	87.72	61.31
BNP PARIBAS BR-A	40.82	-0.06	56.94	38.14
CRH PLC	27.98	-0.45	34.87	26.53
DAIMLER N	46.60	0.25	63.53	44.54
DANONE	72.96	1.56	72.96	59.72
DEUTSCHE POST N	26.43	0.06	33.36	23.43
DEUTSCHE TELEKOM N	15.13	-0.01	15.88	13.09
ENEL N	5.61	0.04	5.82	4.22
ENGIE	12.52	0.07	14.28	11.31
ENI N	13.82	0.24	16.71	13.39
ESSILORLUXOTT	105.00	1.85	129.55	95.50
FRESENIUS	45.69	0.27	71.10	38.50
IBERDROLA	8.43	0.11	8.56	5.80
INDITEX	24.43	0.38	30.30	21.85
ING GROUP	9.60	-0.09	13.28	9.09
INTESA SANPAOLO N	1.83	-0.01	2.66	1.80
KERING	466.55	0.60	539.80	351.70
KON AH DEL BR	20.07	-0.07	24.01	18.60
L'OREAL	241.50	1.10	245.80	182.00
LINDE	164.30	2.00	0.00	0.00
LVMH	340.50	1.90	355.05	242.30
MUENCHENER RUECKV N	217.50	1.60	224.00	175.00
NOKIA	4.44	-0.06	5.76	4.17
ORANGE	14.15	0.11	15.25	13.15
ROY.PHILIPS	35.69	0.24	40.01	29.05
SAFRAN	119.05	1.35	130.00	97.08
SANOFI	73.75	1.51	80.44	64.87
SAP I	110.00	-0.46	117.02	84.02
SCHNEIDER EL	71.86	1.06	78.66	57.54
SIEMENS N	102.00	0.58	121.40	90.90
SOCIETE GENERALE	22.40	-0.07	35.23	21.45
TELEFONICA	7.20	0.02	8.06	6.59
TOTAL	46.71	0.07	55.39	44.23
UNILEVER CERT	53.78	-0.22	54.90	45.12
VINCI	88.94	0.48	90.48	69.98
VIVENDI	24.41	0.28	26.69	20.40
VOLKSWAGEN VZ I	140.00	1.20	165.88	131.02

COMMODITIES

Gold	1295.55	14.60
Silver	14.48	0.08
Brent Crude	66.87	-2.58
Krugerrand	1314.20	3.00
Palladium	1384.00	17.00
Platinum	911.00	118.00
Tin Cash Official	18850.00	5.00
Lead Cash Official	1782.00	-15.50
Zinc Cash Official	2679.00	0.00
Copper Cash Official	5822.00	-42.00
Aluminium Cash Official	1761.50	-1.50
Nickel Cash Official	11975.00	70.00
Aluminium Alloy Cash Official	1275.00	-44.00
Cocoa Futures	2406.00	-25.00
Coffee 'C' Futures	103.08	-1.52
Feed Wheat Futures	156.00	0.60
Soybeans Futures Continuation Contract	877.00	-0.60

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	-0.470	0.00
LIBOR Euro - 12 months	-0.225	0.00
LIBOR USD - overnight	2.355	0.00
LIBOR USD - 12 months	2.510	0.00
Halifax mortgage rate	3.990	0.00
Euro Base Rate	0.000	0.00
Finance house base rate	1.000	0.00
US Fed funds	1.91	0.00
US long bond yield	2.53	-0.05
Euro Euribor	-0.392	0.00
The vix index	18.86	0.15
The baltic dry index	1096.00	-1.00
Markit iBoxx EUR	238.51	0.28
Markit iBoxx GBP	342.00	1.19
Markit iBoxx USD	251.85	1.06

WORLD INDICES

	Price	Chg	%chg
FTSE 100	7184.80	23.09	0.32
FTSE 250	18877.17	-93.08	-0.49
FTSE All-Share	3931.10	7.23	0.18
FTSE AIM All-Share	949.66	-10.25	-1.07
S&P 500	2744.45	-7.61	-0.28
Dow Jones I.A.	24819.78	4.74	0.02
Nasdaq Composite	7333.02	-120.13	-1.61
Xetra DAX	11792.81	65.97	0.56
CAC 40	5241.46	33.83	0.65
Swiss Market Index	9602.73	78.75	0.83
ISEQ Overall Index	6083.04	3.41	0.06
FTSEurofirst 300	1459.45	6.25	0.43
Hang Seng	26893.86	-7.23	-0.03
Shanghai Composite	2890.08	-8.62	-0.30
STI Index	3121.07	3.31	0.11
ASX All Ordinaries	6410.80	-81.00	-1.25

US SHARES

	Price	Chg	High	Low
3M	160.04	0.29	219.75	159.32
ABBOTT LABORATOR	75.71	-0.42	80.74	60.32
ADOBE	259.03	-11.87	291.71	204.95
ALPHAB NON VTG-C	1036.23	-67.40	1289.27	970.11
ALPHABET-A	1038.74	-67.76	1296.98	977.66
AMAZON.COM	1692.69	-82.38	2050.50	1307.00
AMERICAN EXPRESS	114.62	-0.09	120.88	89.05
APPLE	173.30	-1.77	233.47	142.00
AT&T	31.09	0.51	34.53	26.80
BANK OF AMERICA	26.68	0.08	31.91	22.66
BERKSHIRE HATH RG-B	198.56	1.14	224.07	184.75
BOEING CO	338.89	-2.72	446.01	292.47
CATERPILLAR	120.65	0.84	159.37	112.06
CHEVRON	115.99	2.14	128.55	100.22
CISCO SYSTEMS	51.78	-0.25	57.53	40.25
CITIGROUP	62.61	0.46	75.24	48.42
COCA-COLA CO	49.98	0.85	50.84	42.96
COMCAST-A	40.96	-0.04	43.96	30.67
DOW	47.96	1.20	0.00	0.00
EXXON MOBIL	71.88	1.11	87.36	64.65
FACEBOOK-A	164.15	-13.32	218.62	123.02
GOLDMAN SACHS GR	183.19	0.70	245.08	151.70
HOME DEPOT	189.57	-0.28	215.43	158.09
IBM	128.27	1.28	154.36	105.94
INTEL	43.46	-0.58	59.59	42.36
JOHNSON & JOHNSO	131.44	0.29	148.99	119.97
JPMORGAN CHASE	106.46	0.50	119.24	91.11
MASTERCARD RG-A	242.26	-9.23	258.86	171.89
MCDONALD'S	198.78	0.51	201.15	153.13
MEDTRONIC	93.33	0.75	100.15	81.66
MERCK	80.26	1.05	83.85	59.62
MICROSOFT	119.84	-3.84	131.37	93.96
NETFLIX	336.63	-6.65	423.21	231.23
NIKE -B-	77.96	0.82	90.00	66.53
ORACLE	50.24	-0.36	55.53	42.40
PAYPAL HOLDINGS	105.52	-4.23	114.66	74.66
PEPSICO	118.61	0.56	119.74	101.06
PEPSICO	128.98	0.98	130.90	99.65
PFIZER	41.92	0.40	46.47	35.73
PHILIP MRRS INT	78.61	1.48	92.74	64.67
PROCTER&GAMBLE	103.80	0.89	108.68	72.86
TRAVELERS COS	146.79	1.22	148.85	111.08
TWITTER	34.43	-2.01	47.79	26.19
UNITEDHEALTH GRO	236.56	-5.24	287.94	208.07
UTD TECHS	126.86	0.56	144.40	100.48
VERIZON COMM	56.38	2.03	61.58	47.13
VISA RG-A	158.60	-2.73	165.77	121.60
WALGREENS BOOTS	49.91	0.57	86.31	49.31
WALMART	101.96	0.52	106.21	82.37
WALT DISNEY	132.47	0.43	142.37	99.20
WELLS FARGO	44.52	0.15	59.53	43.02

OFFICE POLITICS

Is too much talent bad for business?

Whether in football or finance, a team full of star players won't guarantee good results

Matt Clifford

LOOKING at the result of Saturday's Champions League final, you might be forgiven for thinking that the relationship between top talent and overall team performance is a linear one.

While Tottenham are by no means a talentless side, they were beaten on the night by a Liverpool team that arguably contains a higher proportion of top-class players. The trend, then, would seem to be that the more talent there is, the better the results will be.

However, according to a team of researchers from INSEAD, Columbia, and VU Amsterdam, this might not be the case. Their study of the performance of baseball and basketball teams – two sports where the level of teamwork required differs significantly – found that having more top performers in teams didn't always yield better results.

While more talent was always better in baseball (the sport which requires less intra-team coordination), overall performance actually began to suffer in basketball once there were too many talented individuals on the team.

The problems arose when a team of talented individuals failed to properly coordinate with each other.

When you consider this principle in relation to business, it throws up some interesting perspectives.

Let's look at London. Home to many of the best financial companies in the world, prestigious roles in trading and investment banking attract many of the world's elite to the City.

While teamwork isn't absent in the world of high finance, success often relies on the individual brilliance of star traders or dealmakers. With the lure of becoming one of those superstars, London's financial sector continues to be a magnet for top talent.

There is, however, another model for not only attracting stars, but also enabling exceptional individuals to be more than the sum of their parts.

In Silicon Valley, the dominant high-prestige career option is in founding a tech company. While these success stories have traditionally been driven by the vision and performance of their founders (at least in the early stages), these startups also clearly require high levels of coordination between teams to succeed.

Success in the City often relies on the brilliance of star traders and dealmakers

This is particularly the case at scale – which raises the question of why the West Coast's winners haven't been held back by the supposed too-much-talent effect?

The answer lies in the culture often associated with high-growth startups, which is often flat and non-hierarchical. There also tends to be a strong focus on a mission, with less formal decision-making.

Ultimately, this culture supports rather than stifles individual talent, and it may therefore be the optimal mechanism for coordinating the kind of high-performance, high-ego individuals that tend to create globally important companies.

It also helps to explain the spinout tendency of top talent from high-growth companies – look at the "PayPal Mafia", for example, whose members went on to found the likes of YouTube, LinkedIn, and Tesla.

London and Silicon Valley are two of the world's most important and influential talent communities. But when it comes to enabling that talent to innovate freely and create global companies, the UK has traditionally been behind.

The good news is that this is changing with the injection of more capital and expertise into startups.

It's crucial now that London, and indeed the wider UK, looks at how to develop the entire innovation ecosystem, so that we're not only acquiring talent, but investing in managers to support them in order to make the most of their expertise.

With a coordinated team, the most ambitious talent is able to thrive – and this applies as much in business as on the football field.

Matt Clifford is chief executive and co-founder Entrepreneur First.

EYE ON THE BALL

Onefootball
Free

Whether you're mad for Mo Salah, crazy about Chelsea, or still drunk from celebrating Liverpool's win, you can get content from all your favourite football players and clubs. As well as expert analysis, you can predict the match results, and vote for the best player. And remember, it takes more than just star players to win big.

COFFEE BREAK

SUDOKU

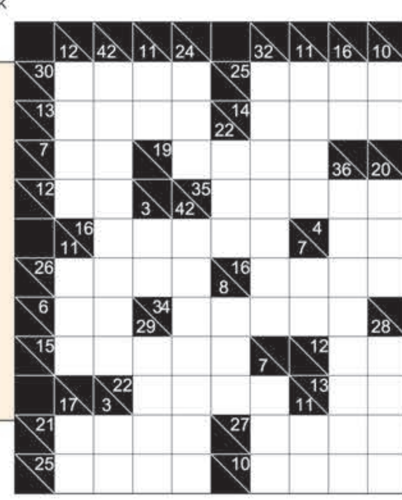
Place the numbers from 1 to 9 in each empty cell so that each row, each column and each 3x3 block contains all the numbers from 1 to 9 to solve this tricky Sudoku puzzle.

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

KAKURO

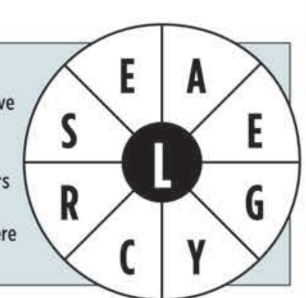
Fill the grid so that each block adds up to the total in the box above or to the left of it.

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.

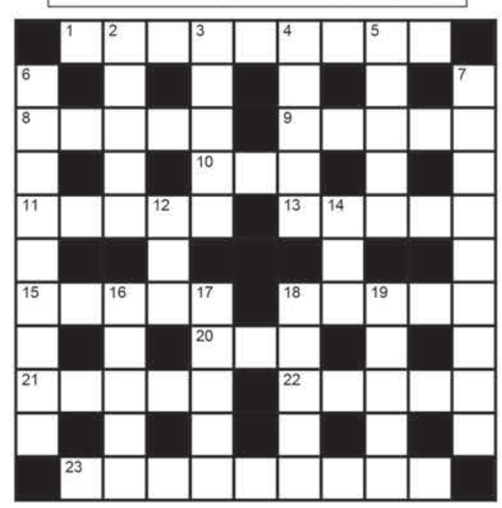


WORDWHEEL

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 Deserted settlement (5,4)
8 Make parallel (5)
9 Large black bird of the crow family (5)
10 Vehicle from another world (inits) (3)
11 Counters used to represent money when gambling (5)
13 Appreciation (5)
15 Popped (5)
18 Plague, annoy continually (5)
20 That girl (3)
21 Taxi-driver, colloquially (5)
22 Spring month (5)
23 Opponent (9)

DOWN

2 Country, capital Port-au-Prince (5)
3 Air cavity in the skull (5)
4 Fortune-teller's pack of cards (5)
5 Undulations, ripples (5)
6 Car having a sloping rear door that lifts open (9)
7 Not capable of producing offspring (9)
12 Ballet sequence involving two dancers, ___ de deux (3)
14 Top card (3)
16 Fanatical (5)
17 Herb (5)
18 Section of an orchestra (5)
19 More certain (5)

LAST ISSUE'S SOLUTIONS

QUICK CROSSWORD

H	I	J	A	B	■	T	O	R	C	H
A	■	O	■	E	V	E	■	E	■	E
B	O	G	U	S	■	M	■	P	O	D
I	■	■	S	T	E	P	■	L	■	G
T	A	P	A	S	■	E	L	I	D	E
■	■	L	■	E	■	R	■	C	■	■
S	M	A	L	L	■	A	G	A	T	E
C	■	C	■	L	U	T	E	■	■	X
R	Y	E	■	I	■	U	L	T	R	A
E	■	B	■	N	O	R	■	O	■	C
W	R	O	N	G	■	E	G	Y	P	T

KAKURO

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

SUDOKU

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

WORDWHEEL

The nine-letter word was VEGETABLE

FORUM

EDITED BY LUKE GRAHAM

Hammond's virtue signalling on low wages is hypocritical

Harry Phibbs

PHILIP Hammond may soon be out of a job. In fact, I would be very surprised if he remains chancellor of the Exchequer for more than a day or two after our new Prime Minister is chosen.

Hammond is fond of reminding his critics that his demise has been predicted before. Yet while the Tory leadership contenders may differ as to the merits of a no-deal Brexit, there is a consensus from them that we need lower taxes.

For example, Jeremy Hunt promises that he would cut corporation tax to 12.5 per cent – the same level as in Ireland, where setting the rate so low has proven a great spur to economic growth. Similarly, Dominic Raab wants to cut the basic rate by a penny a year, and Matt Hancock proposes £5bn of tax cuts for small firms.

All of this has Hammond reaching for the smelling salts, so he will have to go. Perhaps he senses that this time it really will be the end. Thus, he is on a last minute scramble for a "legacy". Tricky, as he hasn't really done very much.

So, he is attempting a bit of virtue signalling and claiming that he is helping the poor by using state regulation to require that they be paid more. "The Low Pay Commission will deliver on its remit for the national living wage to reach 60 per cent of median earnings by 2020," Hammond says. "But later this year, we will need to set a new remit beyond 2020."

In the real world, pay is determined by a competitive labour market. Businessmen take natural pride in expanding their companies and taking on more staff. But they need confidence that it will make financial sense to do so. The same goes for the person taking the job. It is about voluntary contract, not "exploitation".

Government meddling in setting pay rates just gets in the way. It makes it harder to take the risk of employing a new member of staff.

One way to mitigate that risk might be to take someone on with low basic pay but offer them a bonus or commission, or for them to start on low pay for a trial period with the prospect of a higher-paid permanent job if it works out.

Some workers might prefer lower pay in return for being able to choose their hours – this might suit working mothers looking for part-time work.

Currently, the national living wage is £8.21 an hour. It could be argued that the economy has managed to absorb it pretty well. But there are two caveats.

First of all, that is the rate for those aged 25 and older. If it was applied to teenagers as well it would be far more damaging.

Secondly, we don't know the counterfactual. Unemployment has fallen, but it might have fallen further without a minimum wage.

Overall, it's quite possible that the national living wage simply hasn't made much difference on employment. However, if it was sharply increased, then it could start to bite. Instead of being merely a gimmick, it would become a serious job destruction mechanism.

Government meddling in setting pay rates just gets in the way. It makes it harder to take the risk of employing a new member of staff

Even the Institute for Fiscal Studies – hardly an outfit of free market purists – has warned politicians against a "bidding war" over the minimum wage, on the grounds that pushing up labour costs would hasten automation and a switch to capital-intensive production.

There are alternatives the government could take that would help the low paid, and would also help reduce unemployment, rather than endangering jobs.

The first priority should be a sharp rise in the threshold for national insurance contributions.

Employees have to hand over 12 per cent of their earnings to the government on anything over £166 a week, so somebody on the national living wage working a 40-hour week has a significant tax bill.

Raising the threshold would require the chancellor to find some savings in state spending. That's more challenging than just imposing a requirement on someone else and claiming the credit for it. But it would not be impossible to achieve.

Another priority to address is the Universal Credit earnings taper rate. Changing this would help make it more rewarding to be in work, rather than on welfare.

Before the Universal Credit reforms, people who accepted work really did end up with less money. This is no longer the case, but the taper rate means that for each £1 earned, 63p in benefits is lost. That is simply too steep for a "taper". After all, the Laffer Curve applies to the poor as well as the rich, so reducing the taper would reward work just as tax cuts do.

There is something awfully hypocritical about Philip Hammond and the government decrying "unacceptable" low levels of pay by employers, then grabbing a chunk of a salary so that it is even lower when it finally gets to the employee.

Harry Phibbs is a journalist at Conservative Home.

Bankers may wish to sweep Libor under the carpet, but it isn't going anywhere

Oonagh McDonald

THE LONDON Interbank Offered Rate (Libor) was once arguably the most important number in the world. It was the reference rate that banks used for variable rate mortgages, car loans, credit card debt, and much more besides.

It was defined as the interest rate at which banks would lend to each other. Global banks reported the rate to the British Bankers Association every day for publication at 11am, and derivative traders relied on the rate for settling contracts worth trillions of dollars.

But Libor's reputation was severely damaged in 2008 when it was discovered that a group of traders in a few leading banks colluded with each other via email and electronic chat to try to manipulate the rate each day so that their derivative contracts would close at a rate which benefited them – and their bonuses.

Once regulators' suspicions were aroused, collusion was easily established. Traders lost their jobs and reputations. Some ended up in prison. Banks paid huge fines.

Since then, Libor has undergone a radical transformation. It is now defined as a "wholesale funding rate anchored in Libor panel banks' unsecured wholesale transactions to the greatest extent possible".

This definition provides a much wider base for estimating Libor. It is based on funding from central banks, multilateral development banks, and non-bank financial institutions such as money managers or sovereign wealth funds – a much longer list than the days of submissions based on unsecured interbank lending. Since the latter has declined following the financial crisis, the range provides a sound basis for the daily calculation of the Libor benchmark.

The whole process is now supervised by the ICE Benchmark Administration (IBA) and the Financial Conduct Authority. The IBA itself has an oversight committee, composed of independent members.

All of this is a far cry from the days when banks estimated the rate at which they would borrow from each other, and traders shouted the interest rate they wanted across the room they shared with the submitters who actually report the daily rate.

Submitters are now required to be separate from the traders. Since each bank does not know what rate the other has submitted for three months, that alone makes collusion virtually impossible – no one trader could be sure that a trader in another bank had submitted the agreed rate, even if the submitters were persuaded to do their bidding.

Despite all these reforms, and given Libor's checkered history, regulators have tried to create new benchmarks, such as the Secured Overnight Funding Rate, and the Bank of England's Sterling Overnight Index Average. Work on similar "risk-free rates" is in progress for the euro, Swiss franc, and the yen.

But Libor offers something these alternatives do not. They suffer from one major disadvantage: the lack of a yield curve. The market requires a yield curve for contracts ranging from one day to one year.

The overnight rates cannot offer that. To date, there are over three trillion dollars of new contracts linked to Libor just for that reason.

While some may wish to sweep Libor under the carpet because of its past sins, it remains useful. It should not be buried, but should remain as one benchmark among others.

Dr Oonagh McDonald is a consultant and the author of "Holding Bankers to Account", Manchester University Press.

LETTERS
TO THE EDITOR

5G is not just technobabble

[Re: Should we really be that excited about the launch of 5G?]

The ongoing Huawei debate and EE's recent launch of the UK's first commercially available 5G service have dominated the 5G conversation.

While the prospect of a faster network is an exciting development for both customers and providers, many people have seemingly not paused to take stock of the many operational challenges posed by the transition to a 5G network.

5G is not simply 4G but faster. For one, it uniquely depends on the use of millimetre wave frequencies. These allow for faster data speeds, but require much shorter distances of communication, and therefore create more base stations and more points of vulnerability when it comes to systems failures.

5G is also highly susceptible to atmospheric interference, meaning that outdoor signals are at the mercy of Mother Nature herself, with foliage and high temperatures just two examples of potential disruptors.

And all these changes are set to come on top of a necessary cloud migration for the IT of most mobile network providers.

Ultimately, what this means for telecoms providers is that their IT estates are about to get a whole lot bigger and more complex. While faster network speeds are a natural and positive evolution for the UK, firms need to assess risks and carefully monitor this change at every step of the transition, making sure not to rush things and risk national systems failures for the sake of breaking new ground.

Fredrik Akerstrom, managing director, ITRS Group

Good riddance to Theresa May

This country is meant to be governed by a cabinet, but the recent May hegemony has made it clear that we are not.

As we saw, under the present system we can have a Prime Minister with rigid red lines and a total inability to compromise, who can select cabinet members to support her own narrow views.

We live in a czardom – how do the Conservatives intend to correct this situation?

John F Davenport, Kenley, Surrey

BEST OF TWITTER

Just arrived in the United Kingdom. The only problem is that @CNN is the primary source of news available from the U.S. After watching it for a short while, I turned it off. All negative & so much Fake News, very bad for U.S. Big ratings drop. Why doesn't owner @ATT do something?
@realDonaldTrump

An hour in and and he's launched racially-motivated abuse at his hosts and gone to watch TV.
Worst house guest ever.
@BarristerSecret

It is clear Donald Trump wants Brexit to happen. He is a true friend to Britain.
@Nigel_Farage

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

We must shine a light on those using the City to hide dirty cash


John Penrose

THE OECD ranks Britain as one of the best places to start and grow a business. We're home to five of the top 10 fastest-growing businesses in Europe because people know we're an open, liberal, free-trading economy where new businesses can be created easily, and where startups are treated fairly, even when they take on much bigger, established rival firms.

Add in a world-class financial system, high corporate standards, a reliably fair and independent legal system, and top-quality professional services firms, and it's a heady business cocktail.

Plus there's the financial businesses in the City of London – our trade surplus in financial services is more than the next two countries (USA and Switzerland) combined. That's a two-power standard to be proud of. Other countries would give their eye teeth to be in our shoes.

But a dynamic and exciting business ecology creates a few risks as well.

Organised criminals, drug lords, and kleptocrats who've stolen billions know that even bigger amounts of cash slosh through the City every day. That makes it a perfect place for them to hide dirty money and invest it into legitimate firms.

It only takes a tiny fraction of one per cent of the City's daily trading to be dirty to tarnish Britain's reputation for integrity and fairness. Reputations take years to earn and moments to lose. We can't afford our bright, exciting, dynamic business ecology to start looking louche and seedy instead.

So, what should we do? How do we stay clean, so that dirty money knows it isn't welcome here?

One of the simplest and most important weapons is transparency.

Most UK and global companies and trusts are perfectly respectable, but a few are fronts for criminals to move ill-gotten gains around the world. The simplest way to stop them is to publish the details of who owns and controls them. That way we shine a pitiless spotlight into any dark and murky corners, so that the kleptocrats and oligarchs have nowhere safe to hide anymore.

We've made a decent start already. Britain was the first country in the G20 to introduce an open, free-to-access register of everyone who owns and controls UK companies. Since then, we've broadened it to include Scottish Limited Partnerships. And because it's both free and online, it was accessed 6.5bn times in 2018/19 alone. That's quite some level of scrutiny. British real estate will be next.

But we're not stopping there. In May, we launched proposals to go even further, improving the quality and accuracy of the information on the register, so that it's even easier to know who is setting up, managing, and controlling our companies. If you're an entrepreneur or an investor who wants to do business in the UK, your life will also get a whole lot easier as a result.

> **We want open, transparent company registers to become a global standard**

This all sounds lovely, but what's the point if criminals can still find plenty of dark and shady corners in other parts of the world? Are we solving the problem, or just moving it to other countries instead?

To address this, we want open, transparent company registers to become a global standard which any respectable country will want to apply. It's early days, but we're forming a group of vanguard countries to get the ball rolling.

Last week at the Open Government Partnership Summit in Ottawa, Britain launched the Beneficial Ownership Leadership Group to push this new approach, driven by a set of principles. Now 22 countries, from Armenia to Nigeria, are considering or are underway with reforms, and others like Denmark and Ukraine have got public, open registers already.

Open registers are popular because they're simple, easy, and cheap to introduce, and because they're fundamentally the right thing to do.

If we can make the world a less murky, more transparent place, with fewer corners for criminals to hide their dirty loot, then Britain will have achieved something important and good. That is worth fighting for.

John Penrose MP is the Prime Minister's anti-corruption champion.

DEBATE

As people protest Donald Trump's state visit, is it possible to separate the man from the office?

YES


OLIVIA UTLEY

Heads of state and prime ministers, as their name tags at international conferences suggest, represent their states, not themselves.

International relations, particularly in a complex multi-polar world, require that we relate to and sustain good relationships with other states. The unpalatable fact is that sometimes it is necessary to put national interest first – and to accept the unpleasantness of associating with unpleasant characters who strut on the global stage.

As private individuals, we have every right to protest at the personal and public conduct of Donald Trump, who is on a state visit to the UK this week. But we ought to think about the reason for our protest and its likely effectiveness, especially considering the high cost of policing and security.

And we, as private citizens, should also think about the national interest: he may not be our cup of tea, but Donald Trump is nonetheless the democratically-elected President of the United States, one of Britain's most important international allies.

Olivia Utley is deputy editor at TheArticle.

NO


HARINI IYENGAR

By welcoming Trump with a state visit, our government is signalling that it will not stand up to racism and misogyny.

Trump has bragged about groping women and supported men accused of sexual abuse. He declared that women who receive abortions should be punished and has separated children from their parents at the border.

To claim that this visit recognises the fact of Trump's presidency without condoning his personal views is simply untrue. Only three of the 12 US presidents who have served during the Queen's reign have been honoured with an official state visit.

A royal reception is not required in recognition of Trump's office, nor is it necessary for diplomacy. Moreover, it is a waste of money – money that our schools, NHS, and social care desperately need.

As a man, Trump is degrading the office of President and our Prime Minister should call this out rather than sweeping it under the red carpet.

Harini Iyengar is the Women's Equality Party spokesperson for equal representation and a candidate for the 2020 London Assembly election.

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TRADING & INVESTMENT

THE BARGAIN BUCKET

What could change the fortunes for value investors? **Katherine Denham** finds out

WE BRITS might love a good bargain, but the same doesn't always apply to stocks. With growth stocks like Facebook, Amazon, and Apple surging beyond belief over the past decade, their undervalued cousins have been left behind.

Value investors select stocks that are trading below what they are worth, on the premise that the markets will eventually recognise that they are undervalued, prompting the share prices to rise. It's a strategy used by investment guru Warren Buffett.

And yet, since the financial crisis, value investors have had a tough time.

Tony Yarrow, co-portfolio manager on the TB Wise Multi-Asset Income Fund, says that – compared to the market average – the past 10 years has been the most sustained period of underperformance for the value style since at least the mid-1950s.

The cause of this is largely related to ultra-loose monetary policy (in the form of very low interest rates and quantitative easing), which tends to favour growth-style investing.

According to Jason Hollands from Tilney, this has encouraged risk-taking, while cutting financing costs, prompting a strong run for growth investing over the last decade.

"In recent years, many tech companies have been using cheap debt financing to buy back their own shares, which supports their share prices."

Hollands also points to the significant growth of passive investing as a reason for the outperformance of growth, because index investing only takes into account the market cap of companies, rather than underlying fundamentals.

So what could prompt a comeback?

Of course, it's impossible to accurately predict the timing of market movements, but it is possible to look at factors which might be the catalyst for change.

It's thought that a slowdown in global growth could reverse the market fortunes in favour of value stocks. For example, while GDP growth in the US economy is nearly at record levels, forecasts have been revised down since President Trump escalated the trade war with China.

"Periods of slowing growth, when the future outlook is less certain and investors become more defensive, are typically perceived to be periods that are favourable to value investment strategies," Hollands explains. "That's because doubt creeps in about the pace at which companies can continue to grow their revenues, and so there is a greater focus on whether company valuations are fair today."

A slowdown will hit the overpriced companies first, as they have further to fall. Meanwhile, Yarrow says disillusionment with disappointing growth stocks could also act as a trigger, leaving investors seeking out unloved companies instead.

You'd expect that with passive investing pushing share prices higher, it would be easier to find undervalued stocks.

Irmak Surenkok, emerging market specialist at T.Rowe Price, says the popularity of passive investments has resulted in large index stocks getting even larger, which has left the mid-cap bucket behind. "This has created a fertile hunting ground in the mid-cap space, where we still see an abundance of fundamentally-sound 'forgotten' companies."

> As humans, we typically dislike holding opinions that are contrary to the dominant view

But while Morningstar's Dan Kemp agrees that passive funds create more mis-priced opportunities for value investors, it can also cause additional pressure to conform.

In fact, value investing can also be a difficult strategy to deploy, because – as Kemp points out – you need to be able to act differently from the herd in order to side with stocks that are unloved by the rest of the market.

"In practice, it is difficult to do this consistently because, as humans, we typically dislike holding opinions that are contrary to the dominant view."

It might not be the easiest strategy, but it's one that can produce large rewards if you're patient. And while value stocks may performed poorly over the past decade, it's only a matter of time before the tables turn.

Italy's political feuds and falling bond prices

CNBC COMMENT

Willem Marx

DURING the recent European parliamentary elections, Italy saw a significant reframing of its government's political dynamics.

Even if you discount the fact that EU elections typically attract a significantly lower turnout than national polls, it was still striking that the government's junior coalition partner, the eurosceptic Lega party, saw its support double from the 17 per cent of voters it attracted in Italy's General Election last year.

Meanwhile, the anti-establishment Five Star Movement (M5S), which had won roughly a third of all votes in those elections last March, watched its support crumble by half.

Italian political stability has long been an oxymoronic punchline, with the current government under Giuseppe Conte being the 66th to form since the Second World War.

But after a year of partnership, the two deputy prime ministers, Lega chief Matteo Salvini and Luigi di Maio of M5S, appear to be even less simpatico than was the case when they announced their surprising tie-up in May last year.

The past 12 months have provided no end of drama, gossip and intrigue for political observers in Rome. Cabinet ministers have been fired amid corruption allegations, and insults have been hurled publicly at senior European Commission officials during disputes over Italy's finances. But for investors – and particularly the owners of Italian government debt – this continued instability has become less of a genteel spectator sport and more of a gut-wrenching rollercoaster ride.

In an interview last week, the governor of the Banca d'Italia, Ignazio Visco, told me that the yield on Italian government debt was "too high". But he was at pains to point out that the country's household and corporate debt levels are lower than the European average.

Visco said that Italy has to be "credible in its ability to reduce the burden of debt," to avoid the possibility that businesses and consumers start feeling the impact of the state's high borrowing costs – a prospect which is now "close to a razor edge".

According to Visco, one way to reignite Italy's sluggish growth is to "harmonise and recompose" the country's disjointed tax code.

This suggestion was seized on last week by Salvini, who has tried but so far failed to prioritise lower taxes. Indeed, Lorenzo Codogno, former chief economist at the Italian treasury department, warned that "the Lega may soon enter a collision course with its ally".

Ahead of the European elections, Salvini told me that he had no plans to call it a day with his M5S coalition partners. But after a strongly-worded public statement last night, it is clear that Conte is no longer prepared to wait any longer for these two parties to end their public feuding.

However, for investors concerned about a fresh set of national elections or another battle royale with Brussels, there are those who continue to counsel calm.

In a recent research note, Wolfango Piccoli, the co-president of political intelligence consultancy Teneo Intelligence, wrote: "The base case remains that Italy will not return to the polls." Piccoli also said that it was doubtful that a newly-installed European Commission will take a hard line on Italy and try to initiate an excessive deficit procedure that would further damage confidence.

Last year, Banca d'Italia's Visco published a book about Italy's challenges as it emerged from the 2008 financial crash and the European sovereign debt crisis, entitled "Difficult Years". When I asked him how his country's current set of circumstances stacked up in the context of that era, he responded with a smile and the laconic understatement that you often expect from a central banker. "This year is difficult."

Willem Marx is a reporter for CNBC.

MOTORING

BY MOTORINGRESEARCH.COM FOR CITY A.M.

RISING SON

A modified Ferrari is a red rag to traditional classic car fans. Tim Pitt drives the 300hp Dino Evo

Ferraris are works of automotive art, says conventional wisdom; modifying one is like daubing Dulux on the Sistine Chapel. Not that Kevin O'Rourke seems concerned. His Ferrari Dino 'Evo' will be among the star cars at London Concours tomorrow and Thursday, while another Dino built by his company, Mototechnique – the 400hp, F40-engined 'Monza' – earned a thumbs-up from Jay Leno and made the cover of Octane magazine. Is nothing sacred?

Launched in 1968, the Dino was named after Enzo Ferrari's beloved son, Alfredo (known as 'Alfredino'), who died of muscular dystrophy aged 24. It was Maranello's first mid-engined road car, although it never wore the prancing horse badge (many owners added them subsequently). It was also the first 'junior' Ferrari, a since-unbroken bloodline that leads to the new F8 Tributo.

The original Dino 206 GT had a 2.0-litre 180hp V6, swiftly upgraded to 2.4 litres and 195hp in the 246 GT. The Evo, as you'd expect, packs a somewhat bigger punch. Its 3.2-litre V8 hails from a Ferrari 328 and uses Bosch electronic fuel injection from an F355, along with uprated driveshafts and a hydraulic clutch conversion. The result is 300hp and vastly improved reliability. "I've driven the car to Austria for skiing holidays and competed in three European road rallies," confirms O'Rourke.

The Dino's voluptuous lines remain intact, and rightly so. The only additions are a roll cage to boost rigidity, a bespoke 'Evo' badge in the same angular script as Dino's signature, plus a set of gold Ferrari 360 alloys to accommodate the 360 brake discs and calipers. "Most people don't like the wheels," Kevin admits. The paint is a lustrous candy-flip, created by layering dark metallic red over a silver base.

I tug a delicate chrome latch and open the dainty door. The Dino's cabin is snug and driver-focused, with simple white-on-black Veglia gauges, an evocative open-gate manual gearbox and a dashboard swathed in race car-style flock by O'Rourke Coachtrimmers, owned by Kevin's son. Concessions to comfort aren't immediately obvious, but include power steering (which can be dialled-down for track days), air conditioning and a power socket for a mobile phone.

FERRARI DINO 'EVO'	
PRICE:	£300,000+
0-62MPH:	5.8 SECS
TOP SPEED:	160MPH
HORSEPOWER:	300
WEIGHT:	1,180KG

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

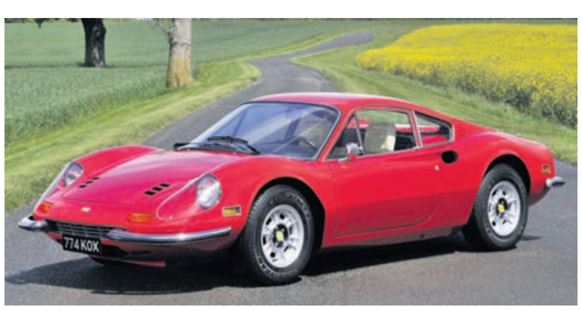
The engine fires with a brusque bark and I ease gingerly into West London traffic. The pedals are skewed towards the centre and the gear lever needs a firm hand, but the Dino's manners are reassuringly refined. It idles steadily and pulls strongly from low revs, allowing me to short-shift from first to third, while the brakes feel powerful and progressive. Ride quality, on fully adjustable suspension with Koni dampers, is firm without being brittle. Thankfully, the electric power steering still belongs to the old-school: it jostles with incessant feedback.

I follow the old A3 through Esher and finally arrive at some open roads. With the lift-out Spyder roof removed, the V8 sounds magnificent. It's multi-layered and richly mechanical, gurgles and gasps of induction augmented by zingy rasps from the exhausts. The Evo is quick enough to worry hot hatchbacks, but it's more about sensation than raw speed. You drive it via the seat of your pants, measuring your inputs and feeling it react to road. It amplifies where most modern cars smother.

I finish the day with a tour of Mototechnique in West Molesey. Alongside numerous Ferraris, a Lamborghini Miura and a rare Porsche 356, I watch as aluminium panels are hand-beaten and a carbon fibre clamshell for an F40 is moulded from scratch. The contrast of old artistry and new technology is fascinating. Kevin concedes that demand for modified Dinos will be limited, particularly given the £250,000 cost of a donor car. However, his latest project – tucked in the corner of the workshop – starts from around a fifth of the price. The 400hp 308 GTB Evo is, for now, a work in progress. But I can't wait to see the finished result.

Photos by Jayson Fong. Tim Pitt works for motoringresearch.com

NOT CONVINCED? CHECK OUT THESE ALTERNATIVES...



FERRARI DINO 246 GT

		THE VERDICT:	
PRICE:	£250,000+	DESIGN	★★★★★
0-62MPH:	7.1 SECS	PERFORMANCE	★★★☆☆
TOP SPEED:	146MPH	PRACTICALITY	★★☆☆☆
HORSEPOWER:	195	VALUE	★★★☆☆
WEIGHT:	1,080KG		

FERRARI 308 GT4

		THE VERDICT:	
PRICE:	£50,000+	DESIGN	★★★☆☆
0-62MPH:	6.9 SECS	PERFORMANCE	★★★★☆
TOP SPEED:	155MPH	PRACTICALITY	★★☆☆☆
HORSEPOWER:	255	VALUE	★★★★☆
WEIGHT:	1,150KG		

FERRARI 308 GTS

		THE VERDICT:	
PRICE:	£45,000+	DESIGN	★★★★☆
0-62MPH:	6.7 SECS	PERFORMANCE	★★★★☆
TOP SPEED:	157MPH	PRACTICALITY	★★☆☆☆
HORSEPOWER:	255	VALUE	★★★★☆
WEIGHT:	1,090KG		

CRYPTO A.M.

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

PARTNER CONTENT

CITY A.M.'S CRYPTO INSIDER

JAMES BOWATER

President Donald Trump landed for his State Visit yesterday with his trade war with China in full swing, driving markets insane with the S&P 500 stock market delivering its worst May performance for seven years and yet May saw Bitcoin (BTC) grow 76%. Since last week's Crypto AM, BTC hit a new 2019 all time high of US$9,065 before dropping sharply and, at the time of writing, is trading at US$8,522.48; Ethereum (ETH) at US$262.52; Ripple (XRP) at US$0.4468; Binance (BNB) at US$32.18 and Cardano (ADA) at US$0.09335. Overall Market Cap is at US$272.01bn (data source: www.CryptoCompare.com

With conference season underway, I have noticed a shift in the seriousness of people's attitudes in the space. Last week Crypto AM attended three small but high quality events. Security Tokens Realised held their C-Level 100% Capital Markets, Financial Services and Investment Summit in the Gherkin. The theme of the day was Digitising Capital Markets given that Institutional Digital Securities are poised to have a major impact on Capital Markets. This sixty person enjoyable interactive workshop brought together leaders from companies such as Citi, Societe Generale, ING Bank, US Capital Global, Barclays, Albion VC, FBG Capital and Nomura.

Whilst I spent Friday attending the Monaco Blockchain Conference Crypto AM writer, Ollie Leech, attended Desmond Kam's The Block Adventure: Fintech Disruption event which, Ollie reports, was an incredibly insightful evening of great panel discussion and saw representatives from leading crypto VCs funds explore the challenges of early-stage crypto investing, as well as address highly contentious topics within the wider crypto industry. Some of the key questions discussed during the evening included, 'will cryptocurrencies, namely stablecoins, ever replace fiat currency as a mainstream electronic cash system', 'does crypto speculation and trading inhibit the technological development of the space' and 'how does crypto venture capital impact the growth of the industry'.

From the VC's themselves, not only did we hear about how they identify exceptional startups emerging in the space, but we also learned about how they manage the growth of these companies and the importance of exiting out of these companies ethically once they've successful reached the marketplace.

In Monaco, I was impressed with the quality of speakers and projects. The goal of the event was always to put quality above quantity and it certainly let delivered. With UHNWI's in attendance, soft seven figure investment commitments were made on the day. I was particularly impressed by the AmaZix.com team Dr Jeppe Stokholm and Jose Macedo with their vision to become a full service funding agency in the space.

The Block Events, organizers of the conference also hold 'FiveAtFive' - a HNW Invite only event taking place every 6 weeks alternating between Monaco and Zurich, for more information on this get in touch with alastair@theblock.events

BLOCKCHAIN WILL SLASH GOVERNMENT PROCUREMENT

Designed by Phill Snelling, Bowater Media

Blockchain has the potential to revolutionise the way government agencies acquire services and solutions, in the same way that it has changed the way the World's banks handle the international exchange of currencies.

The significant power of blockchain lies in its ability to accelerate verification processes using large, decentralised networks of connected computers (called "nodes") to store blocks of information. The system itself is transparent by design, which allows data to be shared and transferred easily between parties. Within the procurement process, for example - blockchain embeds multiple layers of trust by using an immutable ledger of historical data to validate the authenticity of vendors, supply chains and deliverables.

A recent report from the Institute of Government revealed that the UK Government spends £284bn - almost a third of its total expenditure - with external suppliers. The same report also noted that four government departments - the Ministry of Justice (MoJ), the Department for Transport (DfT), the Department for International Trade (DIT) and the Department for Environment, Food and Rural Affairs (DEFRA) spent over half of their entire annual budgets with external suppliers.

Government departments rely on their ability to secure the necessary skill, talent and technical resources required to deliver, manage and maintain huge infrastructure projects. Many departmental networks are already highly distributed, with hosted on-premises, hybrid infrastructures currently the norm across many projects. However, this gives rise to a massive need for huge teams to monitor data as it passes between different services and layers to help ensure that the networks are operating efficiently, and that the data is shared and maintained accurately.

Cost and time-efficiency savings are massive targets for government agencies and politicians alike, with the complexity of government digital transformation and international trade deals shining a spotlight on the urgent requirement to streamline processes and enhance transparency of vendor management. In the wake of both the 2013 horse meat and tagging scandals, verification of supply chain and spend tracking has had high publicity - whilst the solutions offered by recent significant investment in blockchain and distributed ledger technology (DLT) are the perfect answers to eradicating these problems.

French President Emmanuel Macrons' administration reform tsar - 39 year old Thomas Cazenave - told Reuters that "The State… must not fall behind, get 'uberized' and shrivel up" the former number two human resources executive at Orange continued to say that "like me, the President feels very deeply that these are no longer times where public services can be reformed with small tweaks. Major transformations are needed". The result came in the form of a £700 million fund to help invest in IT projects over the next five years, to help modernise administration in one of the most highly-centralised states, as well as automate bureaucratic activity.

Rather than simply cutting jobs and budgets, maybe it's time our government looked towards solving the issues that affect the people in those jobs - and the departments which become pressured by lack of resources as a result of ever-changing budgetary requirements. The opportunities offered by blockchain to run live, auditable reporting and

Crypto A.M. shines its Spotlight on White Rhino

I recently met with Matthew Joynes, the founder and CEO of White Rhino a fully tradable multi-game token for the gaming and entertainment industries and his co-founder and CTO, Kaspar Strandskov.

THERE ARE SEVERAL NEW INITIATIVES IN THE SPACE OF GAMING AND ENTERTAINMENT. WHAT SETS YOU APART?

"White Rhino is launching with the aim of disrupting the gaming industry's payment processes,'' says Matthew Joynes "we see White Rhino as the future PayPal of our industry. It is a payment processing system saving publishers and gamers money. We do this by allowing gamers to purchase White Rhino gaming tokens in one game, and then trade and use the tokens in another or even immediately redeem for cash on a regulated exchange significantly enhancing the possibility of winning tokens in game play and cashing out. An all-in-one seamless, legal process.

AS A PUBLISHER, WHY WOULDN'T YOU SIMPLY USE BITCOIN OR ETHEREUM AS AN IN-GAME PAYMENT?

"Although Bitcoin has been an immensely influential breakthrough," says Kaspar Strandskov, "we have to think of Bitcoin as blockchain 1.0. It is simply a store of value and Ethereum is not a tool to create high volume micro transactions on. We chose the Tron blockchain as our technology path as it offers least resistance in terms of achieving our key milestones efficiently and rapidly."

"The big benefit to publishers," adds Matthew Joynes, "is not only enhanced settlement speeds, lower payment processing costs but the ability to create innovative loyalty programs and importantly create in game "prize" money earned through skill. White Rhino allows prizes to be won as in-game tokens which are then immediately be redeemed through a regulated exchange. Simply put a White Rhino can be traded for cash or other tokens and used in a multi game environment. A true game change!"

Matthew Joynes, Founder & CEO with Kaspar Strandskov, Co-Founder & CTO of White Rhino

WHAT DO YOU BRING TO THE PARTY THAT'S UNIQUE?

Kaspar continues, "I met Matthew 20 years ago and we built a very successful money transmitter business so with myself steeped in blockchain and Matthew being the founder and inventor of "Gamevice", the leading console and mobile crossover gaming controller in all Apple stores globally, we are at the intersection of these two worlds.

> "The linkage between a trade-able security and utility token satisfies regulators and owners alike

We have partnered with GFXM, a money transmitter, to do the issuance and KYC so market participants can trade with confidence. We will announce further partnerships with major exchanges including prime brokers so our token will be very accessible to the gaming world of blue chip companies and players, says Matthew.

SO, WHEN CAN WE EXPECT MORE FROM YOUR PROJECT?

We are issuing a £200 million bond in September with Linear Investments, a UK global prime brokerage which will be listed on major exchanges with a credit rating. The linkage between a trade-able security and a utility token satisfies regulators and owners alike. We will be the largest venture ever to be launched here in the UK and perhaps a template many will follow.

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

spend tracking - as well as automation and verification of time and cost-heavy tasks such as payroll, PAYE, IR35 and timesheets - gives enhanced trust and accountability to the recipients of outsourced contracts, and allows increased internal efficiency at a lesser burden. Additionally, transfer of data and identity management between those internal departments can be maintained without a single point of failure.

A huge part of this lies in contractor and freelance management. As the way that people work and interact with each other changes, so too must the infrastructure that underpins the labour force. The rise of freelance or contract-based workers brings with it the need for serious investment in the trust economy. There is a need to put the recipients of government-funded contracts under accountability for their deliverables, if the UK is to effectively harness the power of it's outsource spending.

Whilst the commercial and social use-cases for blockchain in government and beyond are clear - successful implementation however - is heavily reliant on comprehensive network management and support, with diligent attention placed towards both the technical and human interfaces involved in each step. Clear visibility across nodes and network performance levels are two critical factors towards making this transformation possible.

According to IT ProPortal, 57% of large corporations are actively considering or are in the process of implementing blockchain technology. However, 97% of Fortune 500 executives planning on deploying the same technology also reported that they anticipate trouble finding the talent they need for those projects. Therefore, there is a hold-up in deploying the tech, because the skills are in short supply.

As blockchain moves from relative obscurity and a niche technical audience to broader adoption within business, enterprise-grade applications and research

> The benefits offered by blockchain technology cannot be ignored

from the likes of IBM (Hyperledger), the #TechCBRE initiative and Deloitte's Blockchain Lab - mainstream adoption is becoming more apparent.

Regardless of this though, the benefits and change offered by blockchain technology cannot be ignored as the leader of significant digital transformation within a sector plagued by inefficiencies and red tape.

Oliver Hibbs-Brockway, CEO and Founder of Nodal Labs in conversation with James Bowater.
Oliver is an English entrepreneur and Nodal Labs a London based blockchain-powered freelance recruitment platform, see www.nodal.com

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CRYPTOCOMPARE MARKET VIEW

Facebook Talks With CFTC About Their 'GlobalCoin' Cryptocurrency

Social media giant Facebook has opened discussions with the U.S. Commodity and Futures Trading Commission (CFTC) over their cryptocurrency stablecoin initiative - 'GlobalCoin'. Facebook has said that they are aiming to launch 'GlobalCoin' in "a dozen countries" by Q1 2020. According to the Financial Times the CFTC chairman Christopher Giancarlo stated that they had had the "very early stages of conversations" with Facebook.

After an impressive month for bitcoin which is currently up 47% in the last 30 days, the flagship cryptocurrency has been consolidating in the $8,000 to $9,000 range. Last week bitcoin was characteristically volatile with the price dropping from a yearly high of $9,065 to $8,213 in only 6 hours on Friday 31 May. At the time of writing bitcoin is trading at $8,503 and ethereum at $262.12.

A $5 million 'DefendCrypto' crowdfunding initiative has been setup by the Kin Foundation to support a (potential) court battle with the U.S. Securities and Exchange Commission (SEC). The Kin Foundation was setup to steward the development of the Kin blockchain protocol after its $100 million initial coin offering in 2017. Their funding page claims that "The SEC has been shaping the future of crypto behind the scenes with settlements that set a dangerous precedent and stifle innovation."

The mining difficulty on the Bitcoin network - an indication of the investment in bitcoins security - has recently hit a new all-time high. This is significant for investors as mining difficulty on the bitcoin network is historically correlated with price.

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

CRYPTO A.M. INDUSTRY VOICES

"Blockchain" Phones - All hype or a must have?

Once upon a time the entire notion of even having internet on your mobile phone seemed far fetched, and yet here we are now looking at the viability of phones with cryptocurrency wallets built it!

There are two main players in this space right now; Sirin Labs with their Finney phone and HTC with the Exodus, though there are strong rumours of others looking to push into this arena with Samsung's Galaxy S-10 reportedly going to have a cryptocurrency wallet built in.

Now, for me anyway, the idea of having private keys and carrying around my crypto holdings with me seemed like a great idea (I have a Finney and worked a short contract for Sirin Labs, for full disclosure) and in theory it is, but the process of spending crypto right now isn't quite up to speed with where it should be. In my opinion all of this is someone's vanity project. But then Sirin did raise $150m in their ICO, so what do I know?

With more players coming into the market this should increase adoption, and therefore demand for retailers to accept cryptos. There are many factors that will play a part in this too, there are currently too many different to keep track of which makes choosing the right ones to support or accept as payment very difficult.

If you refer back to the start of this piece, you will notice that I didn't refer to these phones as blockchain phones. This is for good reason. Despite the marketing around them referring to these devices as "blockchain phones" they are not. They don't play a part in support a decentralised network and still rely on mobile networks to function as a phone. They do, however, allow you to store you tokens (or cryptocurrency, if you will) on them "securely". That said Pundi X have announced they will be launching the XPhone, and each of the devices will act as a node on the network and could do away with traditional mobile carriers. I will be watching this project very closely.

Having only had the chance to play with the Finney I am trying to be fair to all of the products we have here. For me, a phone needs to perform as a phone very well and also excel in the other areas we have become accustomed to over the years such as a good camera and as a smart device. Those who can provide the ability to store your crypto in a way that has a slick user experience, something that is lacking hugely in the entire industry, will win.

Samsung has long been revered for their handsets intuitive functionalities, and if the reports that even their budget handsets are going to feature cryptocurrency storage then this can only mean good things for the industry as a whole. Samsung are even reported to be working with companies to be assist them in working with blockchain based identity solutions, pretty cool.

One area that certainly needs to be looked into is the security aspect of all these endeavours. As far as I can tell, only the Finney actually has cold storage that is completely offline. You would be pretty silly to be storing millions of dollars on a mobile device, that you carry everywhere with you, but it should still be an area of concern as to how secure these storage solutions really are.

In conclusion, I'm on the fence with all of this. My Finney is cool and conversation starter, but I want a better camera and never the cold storage due the UI (my Ledger Nano is much better). I've been toying with the idea of the HTC Exodus but, for now, I'm going back to an iPhone

Alastair Band, Founder of Verum Ventures
alastair@verum.ventures

BLOCKCHAIN ROOKIES

HOW SECURE IS BLOCKCHAIN?

Troy Norcross, Co-Founder Blockchain Rookies

A blockchain ledger is just data. Securing that data requires ensuring that any attempt to read, write or amend that data is authorised. Let's look at security against unauthorised writes and amends first.

In order to write something new onto the ledger the new information must be properly signed and the transaction must be considered valid by the network. Comparing to when you write a cheque, the signature must be valid and you must have sufficient funds for the cheque to clear. For blockchain, instead of the bank making both of those decisions, the network of computers running the blockchain protocol makes those decisions.

You may have also heard that blockchain data is immutable - unable to be changed. Unlike a traditional database, blockchain information is created such that it cannot be changed once written. Because copies of the blockchain exist on multiple computers, even if you were able to change your own copy of the ledger, it would no longer match the other copies of the ledger and your changes would be rejected. While the bitcoin blockchain has thousands of nodes making the corruption of the network near impossible, smaller blockchains could be hijacked by hacking into a majority of the computers holding a copy of the ledger.

Blocking read access is more difficult. Public blockchains are intended to be accessible to anyone. Private or permissioned blockchains apply restrictions for read access using traditional means of firewalls and access control lists. Even so, a hacker only needs to compromise a few computers to get full access to data in a ledger. Reports that blockchain makes data safe from hackers should be qualified - safe from hackers writing or amending data.

Blocking write or amend access to blockchains is prevented through the power of cryptography and a large decentralised number of computers ensuring the security and integrity of the data

Get in touch with us
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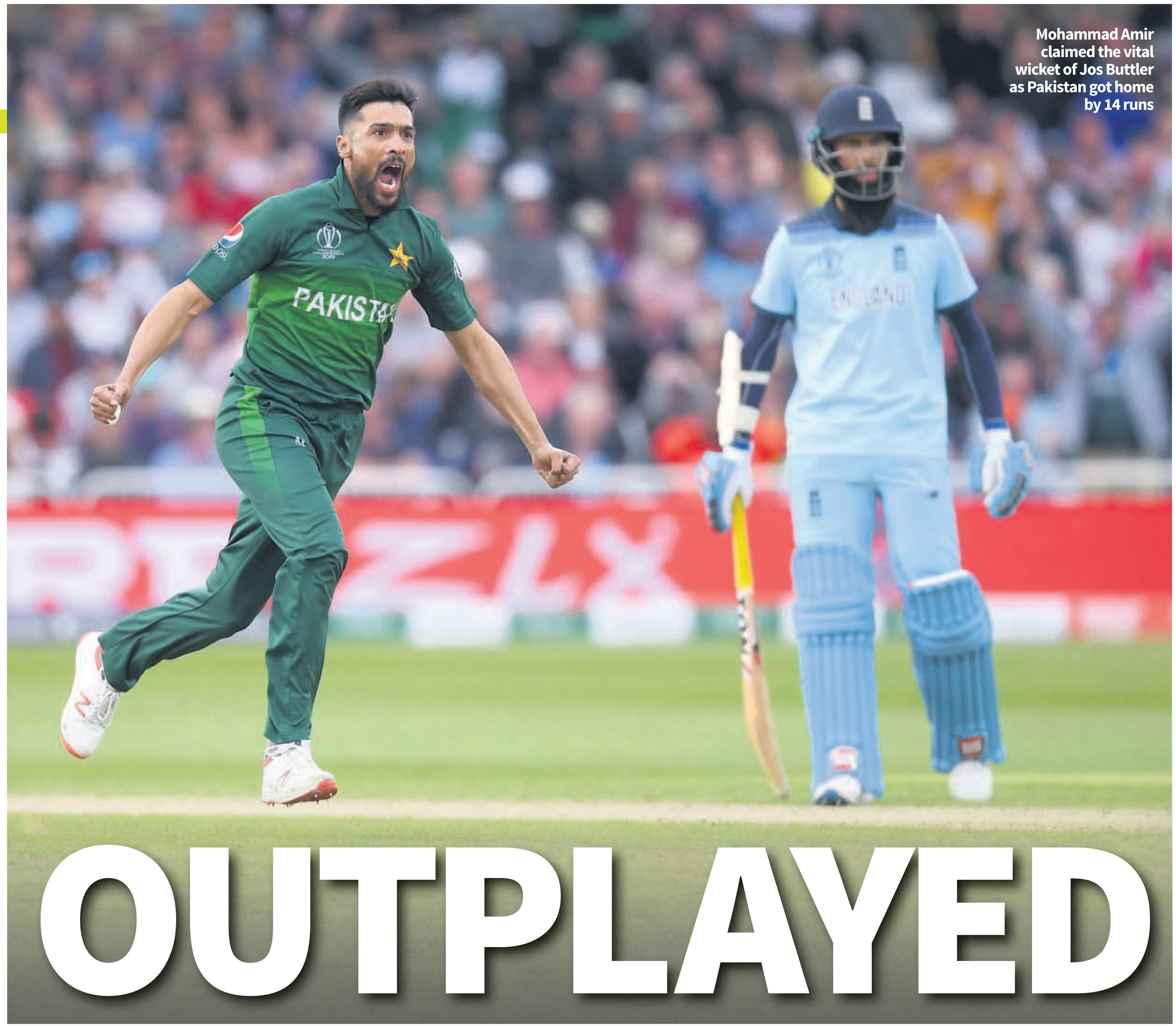
SPORT



Mohammad Amir claimed the vital wicket of Jos Buttler as Pakistan got home by 14 runs

OUTPLAYED

England second-best in all aspects against impressive Pakistan, says **Felix Keith**

THERE are plenty of cliches when it comes to Pakistan and cricket. Unpredictable. Mercurial. Temperamental. They may be simplistic, but all of them are true.

Coming into their match against home favourites England at Trent Bridge yesterday Pakistan had lost 11 one-day internationals in a row – including four against England – had been bowled out for 105 three days ago on the same ground and had raised eyebrows by changing their squad on the eve of the tournament.

Yet on the biggest stage those factors were rendered irrelevant as Pakistan out-performed their opponents across all three aspects to light up the World Cup with a thrilling 14-run victory.

Form, conditions and the toss may have been against them, but they kept their heads to post 348-8, restrict England to 334-9 and register a sizeable shock in Nottingham.

BOUNCER THEORY

The theory appeared sound. After the West Indies had bounced out Pakistan in their opener, England brought in Mark Wood for Liam Plunkett and aimed for a repeat.

Trent Bridge has a flat wicket, short boundaries and a rapid outfield, so a targeted plan is not a bad thing. But, in truth, it didn't work.

England bowled 88 short balls out of 300, taking two wickets for the concession of 102 runs. Pakistan had learnt their lesson, worked on their deficiencies and countered.

Babar Azam (63), Mohammad Hafeez (84) and Sarfaraz Ahmed (55) all cashed in to leave England needing to produce a World Cup record run-chase.

SLOPPY FIELDING

England pride themselves on their fielding. They typically save runs with their reflexes in the inner ring and commitment on the boundary, while catches like Ben Stokes's blockbuster against South Africa are becoming more frequent.

However, from the first ball they were poor yesterday. Jason Roy dropped a simple chance off Hafeez early in his innings, several players misfielded to allow extra runs while Joe Root's wayward shy at the stumps conceded four in overthrows.

Pakistan, who are often unfairly derided for their lack of athleticism, were sharper, with a missed catch and stumping chance from wicket-keeper Sarfaraz the one blot on their copy book.

"We were out-fielded and that was the difference," said a disappointed England captain Eoin Morgan.

"Our performance will go up and down but our fielding was below par. That should remain constant."

HUNDREDS NOT ENOUGH

At the halfway stage, though, all was not lost. England are supremely confident in their ability to chase down big scores and their self-belief is well founded.

Before yesterday England had won 21 successive matches when batting second at home in ODI cricket – a streak going back to September 2015.

Root (107 from 104 balls) and Jos Buttler (103 from 76) batted superbly in their own styles to give the hosts hope, but ultimately their wickets, from clever bowling by Shadab Khan and Mohammad Amir respectively, sealed the game.

A sixth consecutive ODI score of over 300 was passed to draw level with Australia's record set in 2007, but the chasing succession was broken, leaving another statistical quirk: England are the first side in 29 instances to lose a World Cup match after two batsmen made centuries.

FRIENDLY FORMAT

The good news for England and their fans is that one defeat should not prove decisive in their quest for a first World Cup.

While there were plenty of areas for improvement, the positives – namely Moeen Ali's spell of 3-50, Wood's 2-53 and the innings of Root and Buttler – and demeanour of the team mean the defeat may prove a learning curve rather than a stumbling block.

The elongated group stage format in which each side plays nine games means consistency is rewarded and time is afforded to reach your peak before the crunch time of the knock-out semi-finals.

England will now hope to address their failures and rediscover their form against Bangladesh in Cardiff on Saturday.

Nicklaus helps protege Cantlay find winning touch

GOLF COMMENT

Sam Torrance

PATRICK Cantlay and Jack Nicklaus go back a long way, to when a young Cantlay earned the award named after the great man for the best player on the American college circuit eight years ago.

Nicklaus has continued to look out for his protege, watching as Cantlay set a new record for the most weeks as world amateur No1, earned his first professional win in 2013 and then, two years ago, claimed a maiden PGA Tour title.

He had been through a little bit of a lull since then; sometimes players can find it difficult to get over the line after that first one even if, like Cantlay, they have a great swing, good temperament and all the attributes needed to succeed.

So when Nicklaus caught up with Cantlay at his own event, the Memorial Tournament at Muirfield Village, on Friday morning he gave him some advice. It was to go out and enjoy golf – similar to Walter Hagen's famous line about remembering to "stop and smell the flowers".

The pep talk worked, as Cantlay emerged from a high-quality field to win on Sunday, carding a magnificent 64 for a two-shot victory.

I felt sorry for Martin Kaymer, who started the final day with a two-shot lead and extended his advantage with a good start.

The German former US PGA and US Open champion hasn't won for almost five years but I don't think that had any bearing on the result. Kaymer didn't really put a foot wrong and when someone else shoots 64 on a course as difficult as that it is very hard to beat them.

Kaymer looks on course to end his drought sooner rather than later, though. He is such a strong player with a very repetitive action who now seems to be swinging very well again. I thought he was one to watch at the US PGA last month and he will be at the US Open next week too.

The day belonged to Cantlay, however, who became the only man other than Tiger Woods to win the Jack Nicklaus Award and the Memorial Tournament.

STRENGTH IN DEPTH

One man stringing wins together this season is 22-year-old Italian Guido Migliozzi, who added his second European Tour title of the year at the Belgian Knockout.

Migliozzi is strong, hits it a mile and clearly loves playing. This event, which combines strokeplay and match play, involves more golf than most tournaments and more pressure, but he won it well.

His emergence owes something to Francesco Molinari's success. When someone like him starts winning Majors it lifts other players from the country, especially the younger ones.

Migliozzi came through qualifying school, having played mostly on the Alps and Challenge Tours last year, while all three other semi-finalists are members of the Challenge Tour and playing in Belgium as guests. It's testament to the depth of quality at that level.

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

Stevenage launch innovative share offering as they seek £1.2m boost to promotion goals

Fourth-tier club to use crowdfunding platform, writes **Frank Dalleres**

JIM STEELE PHOTOGRAPHY

FOR CLUBS scrambling to scale the ultra-competitive English football pyramid it can pay to go against the grain. Ambitious Stevenage FC are doing just that with an innovative equity offering designed to give them a leg up into League One and, later, the Championship.

Chairman and owner Phil Wallace hopes to raise £1.2m by selling 12 per cent of the club, which, uniquely, is being made available online via sports crowdfunding platform Tifosy. "I like doing things that are different," Wallace tells *City A.M.*

Stevenage, who only reached the English Football League for the first time nine years ago, finished 10th in the fourth tier last season, missing out on a place in the promotion play-offs by one point. The share issue is intended to boost the budget for player transfers and wages over the next two years in the hope of achieving a return to League One, where the Hertfordshire outfit spent three seasons until 2014.

"I think [£1.2m] is just enough. Any less and you probably won't make a difference; any more and you're starting to eat into my shareholding," adds Wallace, who owns 98 per cent of the club.

While that investment may only be enough for one promotion, Wallace says the impact of improved results on attendances and player trading can create a virtuous cycle that increases income. "What you'll have is momentum. It's a self-generating thing."

The potential rewards for investors are significant. Promotion to League One would trigger a 25 per cent dividend, with a further 75 per cent dividend if they were to reach the Championship, meaning shares will pay for themselves if Stevenage realise their ambitions. With an entry point of £1,000 for 40 shares, however, Wallace says the offering is aimed more at "City people, financially astute people" than the club's supporters. "There will be a degree of fan interest in share ownership, but that's not who it's aimed at," he adds. "I think the money will come from high net worth individuals or companies that see a high-risk, high-return bet."

Wallace, who has overseen Stevenage's rise since saving them from liquidation in 1999, worked with Tifosy to raise £600,000 for stadium improvements through English football's first online bond in 2017. The platform, co-founded by former Chelsea and Italy striker Gianluca Vialli, has since helped Norwich to generate £5m for a new academy via a mini-bond scheme.

Former stockbroker Wallace, now boss of food importer and exporter Lamex, decided to partner with Tifosy again after the company created a secondary market on which Stevenage's new shares could be traded. He adds: "No one's ever done this before – to be able to get such a high return in a high-risk investment, to trade shares between a willing buyer and a willing seller – and we want to get as many people knowing about it as possible."

SPORT DIGEST

MURRAY TO MAKE DOUBLES COMEBACK AT QUEEN'S

Andy Murray will make his return to tennis by competing in the doubles at the Fever-Tree Championship at Queen's Club this month. Murray has not played since the Australian Open and underwent a hip resurfacing operation in January. The 32-year-old will partner Spain's Feliciano Lopez at Queen's, which starts on 17 June. "I'm not yet ready to return to the singles court, but I've been pain-free for a few months now," Murray said.

SEMENYA FREE TO RUN 800M AFTER SWISS COURT RULING

Caster Semenya can run the 800m without having to take medication to suppress her testosterone levels following a Swiss court ruling. Athletics' governing body, the IAAF, has been ordered to suspend its regulations for athletes with differences in sexual development until 25 June after Semenya took her case to the Federal Supreme Court of Switzerland. "I hope that following my appeal I will once again be able to run free," she said.

LIVERPOOL TO COMPETE IN QATAR'S CLUB WORLD CUP

Liverpool will travel to Qatar in December to compete in the Club World Cup after Fifa awarded the gulf state the next two tournaments as tests for the 2022 World Cup. The Reds will join the annual tournament, which sees the champions of six continents face off, at the semi-final stage. The World Cup organising committee said it was "extremely proud of the progress made over the past year" in Qatar.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