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
Politicians should rise above Trump's taunts

Oday marks 30 years since China used brutal force against pro-democracy protestors 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 warmed 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 outraging 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.

T Console View

Tech breaks record with $4.8bn venture funding

THE CITY VIEW

WHAT THE OTHER PAPERS SAY THIS MORNING

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 three people familiar with the deal. The investment will value True Layer at $114m.

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

EMILY NICOLLE

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.

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 take-away 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.”

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EMILY NICOLLE

THE TIMES

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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 drought in bond yields and rising trade tensions are falling squarely on the shoulders of European banks. After a broad sell-off last week, European bank shares fell yesterday.

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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 month, 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.

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.

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.
**Government junk food ad ban plan called ‘irrelevant symbolic gesture’**

JAMES WARRINGTON

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**

Kier Group shares suffered a fresh blow yesterday, dropping more than a third as the troubled outsourcing giant 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 housing.

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

Shares plunged 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 outsourcing Carillion re-ars 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.”
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Retailers dented in May by biggest decline in sales since records began

SEBASTIAN MCCARTHY

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.

According to the industry’s health, falls of 5.7 per cent were seen in food sales in May, the fourth successive month.

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.

Weakness in Germany was once again a major drag on the overall Eurozone’s performance as it registered another marked contraction, with the sector contracting for the fourth successive month.

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.

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

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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.

HARRY ROBERTSON

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PAWNING THE GOODS

Lewis Chessman

A LONG-LOST medieval chess piece set to fetch up to £1m at an auction today, has been put up for sale 55 years after an eagle-eyed antiques dealer bought it for £6. 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

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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 9.3bn 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.

Macquarie tables £563m Kcom offer

JAMES WARRINGTON

Macquarie has tabled a £563m takeover bid from Australian investment bank Macquarie.

Kcom’s board has 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 Smidt, 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.

Blackstone doubles stake in Purplebricks

SEBASTIAN MCCARTHY

AXEL SPRINGER doubles its stake in Purplebricks 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

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

Research by the CII 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 CII 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.

Help make a change.
Do something meaningful with deep purpose.

Financial sector bosses most trusted by staff

CALLUM KEOWN

@CallumKeown

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 their employees through economic uncertainty.

Help make a change.
Do something meaningful with deep purpose.

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 mostpopular 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.”
Law firm DWF boosts revenue after £95m float

JAMES BOOTH

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 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 Leatherland 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

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 than £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

HUAWEI is set to sell its undersea telecoms cables 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 India slows

JAMES WARRINGTON

GERMAN chipmaker Infineon has signed a deal to snap up US rival Cypress Semiconductor for €9bn (EBT) 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 $14bn (€1.4bn) takeover of Mar-的地沟盖技术

“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 will grow 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 €18bn per year by 2022 and more than €1.5bn annually in revenue in the long-term as a result of the deal.

The move will bolster Infineon’s position in the electric vehicle 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 unattractive,” 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.

LEGAL AND PUBLIC NOTICES

NOTICE

Notice is hereby given that the Common Council of the City of London as traffic authority for the undersigned streets will make several Orders on 13 June 2019 under Section 14(1) of the Road Traffic Regulation Act 1991 as amended by the Road Traffic (Temporary Restrictions) Act 1991.

The effect of these Orders will be to prohibit vehicles (or pedestrians where stated) from entering the said roads:

1. Line Street (Fenchurch St to Leadenhall Pl) — Mobile Crane
   • 5am each Saturday to 6pm each Sunday from 6 to 14 July 2019. Alternative route: E/B Threadneedle St, Bishopsgate, Gracechurch St & Fenchurch St; W/B Fenchurch St, King William St & Lombard St, St Mary Axe, Cornhill St, Wren Lane, Old Broad St & Threadneedle St. Lane St will also be closed at this junction with Leadenhall Ave & Fenchurch St to be made temporary two way.

2. Crutched Friars (Northumberland Ave to Cable St Ave) & Rangcon Street (at the junction with Crutched Friars) — Mobile Crane
   • 7pm Friday to 11pm each Friday from 12 to 21 July 2019. Alternative route: Crutched Friars, Crosswall, Minories & India St. Crutched Friars between Crosswall & Northumberland Alley to be made temporary two way. Parking bays to be suspended.

3. Cannon Street (Brick St to Queen Victoria St) — Mobile Crane
   • 5am each Saturday to 6pm each Sunday from 6 to 14 July 2019. Alternative route: Cannon St, Friday St & Queen Victoria St.

4. Blackfriars Passage (Entire length) — Mobile Crane
   • 7pm Monday 8 to 9am Tuesday & 9pm Friday 12 to 5am Sunday 13 July 2019. Alternative route: Blackfriars Bridge A201 southbound, right turn into the slip to go onto A201 northbound and right onto Queen Victoria St.

5. Basinghall Street (Basinghall Ave to Gresham St) — Building Maintenance
   • 5am each Saturday to 6pm each Sunday from 14 to 21 July 2019. Alternative route: E/B King St, Cheapside, Poultry, Mansion House St & Prince St, W/B via Threadneedle St, Mansion House St, Poultry, Cheapside & King St.

6. Montague Street (Little Britain to Albion Way) — Mobile Crane
   • 7am to 7pm each Saturday from 6 to 13 July 2019. Alternative route: Angel St, St Martin’s Le Grand, Cheapside, Gresham, St John St, London Wall & Aldgate Rotunda. Little Britain (east/west leg) to be made temporary two way. Buses & Taxi only sign at Angel St will be suspended to facilitate diversion. Coach bays in Angel St to be suspended.

7. London Wall (Circus Pk to Moorgate) — Mobile Crane
   • 5am each Saturday to 6pm Sunday 7 July 2019. Alternative routes: E/B Moorgate, St Paul St, Eldon St, Bloomsbury St, Finsbury Circus & Circus Pl, W/B Circus Place, Finsbury Circus, Bloomsbury St, London Wall, Old Broad St, Threadneedle St, Bartholomew Le, Lothbury & Moorgate. The No Right Turn restriction from London Wall to Old Broad St will be suspended to facilitate the diversion.

8. Fetter Lane (Fleet St to Norwich St) — Mobile Crane
   • Fetter Lane (Fleet St to Lochlain) — Bartlett Court (New Fetter Le to New Street Sq), New Street Square (Thurles Inn to Little New St), Breame’s Building (junction with Fetter Le) & Bails Buildings (junction with Fetter Le) — Mobile Crane
   • 7pm Friday to 5am each Monday from 12 to 22 July 2019. Alternative routes: N/B Fleet St, Strand, Aldwych, Kingsway, High Holborn, New Oxford St, Bloomsbury Way, Verey Pk, Theobalds Rd, Devon St, Poxter St, High Holborn & Holborn Circus or Fleet St, Ludgate Circus, Farringdon St, Chartridge St & Aldgate Circus.

Enquiries to Traffic Management Services on 020 7732 1551

Carolyn Dwyer Bling (Hon.), DMS, CMILT, FCIBT
Director of the Built Environment
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 CO2 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 CO2 emissions by airlines have not succeeded.

Glencore’s oil boss to retire amid US probes

AUGUST GRAHAM

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

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 £17.5m in the financial year to the end of March. Revenue jumped 12.9 per cent to £175.5m.

Assets under management also rose by 24.5 per cent and adjusted earnings per share were up 9.9 per cent to 11.4p.

“Tatton’s broad-based performance is clearly the result of the two new contracts,” said chief executive Lothar Mentel. “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.”

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

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

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

HS2: TORIES FIGHT NEW BATTLEFIELD

THE RESA 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 eyes 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 2028.

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 measuring 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 jockeying 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.

MICHAEL GOVE 7/2

Environment secretary and Brexiteer 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.

ROBY 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 Penrhyn 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.

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. Raab said if he 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.”

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.

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

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 203 and spend an additional €38bn 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 fractions, 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. @city_amrogers

Rail review head told to prioritise reform of fares

ALEXANDRA ROGERS

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 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 Pummer, chief executive at the RDG said: “Passengers across the country want to see the wheels turning on fares reform. Work around lutions 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 flexibil enough to cater to how people work and travel today.”

“Making it easier for 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.

Beancounter Deloitte bolsters UK partner numbers in bumper round

JAMES BOOTH

DELOITE 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 colleagues.”

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

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Kremlin says US investor under house arrest could be released

JESS CLARK

THE KREMLIN said it hopes US investor Michael Calvey will be able to see information about his 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 for the rest of his 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.

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

Pension veteran to lead redesign of dashboard

ALEX DANIEL

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 Cheryl 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.

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Kremlin says US investor under house arrest could be released
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 said he would support US-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 May 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 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. 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.

Investors were also reaping the benefits of the relatively high dividend yield of blue-chip shares. National Westminster Bank (LSE:WBA) and Lloyds Banking Group (LSE:LBC) were among those that pay out some of the highest annual dividends to investors.

Best of the Brokers

A regulatory crackdown has some investors feeling gloomy about the funeral market. According to Peel Hunt, “the rise that is 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 a “sell” rating and a target price of 600p.

New York Report

Tech giants’ antitrust woes hurt Nasdaq

The Nasdaq tumbled 1.6 per cent yesterday, confirming a correction as it was driven 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 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 EY 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 8.5 per cent after an investor led by investor Paul Tudor Jones bought into a technology fund that makes long-short bets on tech stocks.

Libra, the Facebook-backed cryptocurrency, has been under pressure from regulator warnings against launching without approval from global financial regulatory bodies. The Federal Trade Commission has been preparing to investigate if the Google parent broke antitrust laws.

The US Department of Justice is reportedly preparing to file charges in its antitrust investigation of Tech giants, with Google and Facebook under scrutiny.

City Moves

WHO’S SWITCHING JOBS

CQS’s chief executive officer, 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 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 Wework division in Europe. Prior to that he was a director at Caviashields where he managed the company’s joint venture development division with Taylor Wimpey over a 10-year period.

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 said he would support US-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 May 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. 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.

Investors were also reaping the benefits of the relatively high dividend yield of blue-chip shares. National Westminster Bank (LSE:WBA) and Lloyds Banking Group (LSE:LBC) were among those that pay out some of the highest annual dividends to investors.

Best of the Brokers

A regulatory crackdown has some investors feeling gloomy about the funeral market. According to Peel Hunt, “the rise that is 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 a “sell” rating and a target price of 600p.

New York Report

Tech giants’ antitrust woes hurt Nasdaq

The Nasdaq tumbled 1.6 per cent yesterday, confirming a correction as it was driven 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 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 EY 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 8.5 per cent after an investor led by investor Paul Tudor Jones bought into a technology fund that makes long-short bets on tech stocks.

Libra, the Facebook-backed cryptocurrency, has been under pressure from regulator warnings against launching without approval from global financial regulatory bodies. The Federal Trade Commission has been preparing to investigate if the Google parent broke antitrust laws.

The US Department of Justice is reportedly preparing to file charges in its antitrust investigation of Tech giants, with Google and Facebook under scrutiny.

City Moves

WHO’S SWITCHING JOBS

CQS has announced that Serge Harry has joined CQS as group chief financial officer. He will report to Xavier Roboam, 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 Bluenet, 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 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 Wework division in Europe. Prior to that he was a director at Caviashields where he managed the company’s joint venture development division with Taylor Wimpey over a 10-year period.

To appear in CITYMOVES please email your career updates and pictures to citymoves@cityam.com
### Main Changes UK 350

#### Risers

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### Credit & Rates

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<tr>
<td>BBB</td>
<td>6.50%</td>
<td>0.10%</td>
<td>18/06</td>
</tr>
<tr>
<td>CCC</td>
<td>9.00%</td>
<td>0.15%</td>
<td>21/06</td>
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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.

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.
Hammond's virtue signalling on low wages is hypocritical

Harry Phibbs

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

ies – 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 something Hammond might be looking at given Libor’s checkered history, regulating it remains useful. It should be replaced by something that acts as a yield curve. The market requires a benchmark against which banks can price against each other. It was defined as the interest rate at which banks would lend to each other in a “Libor” bazaar. As it is, Libor offers something these alternatives do not. They suffer from sector-specific major vulnerabilities. Some ended up in financial melting pots. One or two examples of potential disruptors. 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. They should be sure that any bugs or risk national systems failures for the sake of breaking new ground.

Hammond’s virtue signalling on low wages is hypocritical

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

Oonagh McDonald

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. 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 IBA and the Financial Conduct Authority. The IBA itself has an oversight committee, composed of independent members. Given Libor’s checkered history, regulators have tried to create new benchmarks, such as the Secured Overnight Financing Rate (SOFR) or the Bank of England’s Sterling Overnight Index Average, and...
We must shine a light on those using the City to hide dirty cash

John Penrose

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 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 6.8bn 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. 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 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.
What could change the fortunes for value investors?

Katherine Denham finds out

W

E BRITs might love a good bargain, but the same doesn’t always apply to stocks. With growth stocks like Facebook, Amazon, and Apple soaring beyond belief over the past decade, their under-valued 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 under-valued, 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 T. Rowe Price’s 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 stock 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 sever 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 downward 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 undervalued companies instead.

You’d expect that with passive investing pushing share prices higher, it would be easier to find undervalued stocks. Irnaka Surenkova, emerging market specialist at T. Rowe Price, says the popularity of passive investments has resulted in large index stocks getting even larger, which has led to 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.”

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 undervalued 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 can offer large rewards if you’re patient. While value stocks may performed poorly in the short term, they can do well in the long term, as they are unfashionable and out of favor.

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Italy’s political feuds and falling bond prices

URING the recent European parliamentary elections, Italy saw a significant reshuffling of its political dynamics. 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 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 reinitiate 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, Lorenzod 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 royal with Brussels, there are those who continue to counsel calm.

In a recent research note, Wollango 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 different.”
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, F4-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 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-litre 205hp 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 upgraded drive-shafts and a hydraulic clutch conversion. The result is 360hp 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, withsimple white-on-black Veglia gauges, an evocative open-gate manual gearbox and a dashboard swathed in race car-inspired leather, canonical in West Molesey. Alongside numerous Ferraris, a Lamborghini Miura and a rare Porsche 356, I watch the old-school: it jostles with incessant feedback.

I follow the old A3 through Esher and wait to see the finished result. 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
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, 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 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 tainting scandals, verification of supply chain and spend tracking has had high priority – with the solutions offered by recent significant investment in blockchain and distributed ledger technology (DLT) are the perfect answers to tackling these problems.

French President Emmanuel Macron’s administration reform tour – 39 year old Thomas Cazenave - told Reuters that “The State... must not fall behind, get ‘obstinate’ and shirk up” the former number two human resources executive at Orange continued to say that “like me, the citizens feel 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 overcharging budgetary requirements. The opportunities offered by blockchain to run live, auditable reporting and

The linkage between a tradeable-security and utility token satisfies regulators and owners alike Apple stores globally, we are at the intersection of these two worlds. We have partnered with GFM, 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 broker which will be listed on major exchanges with a credit rating. The linkage between a tradeable-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.
A blockchain ledger is just data. Ensuring that any attempt to read, write or amend that data is authorised. Let’s look at security against unauthorised writes and amendments 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 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 gain access to the blockchain 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. Blockchain 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.

**The benefits offered by blockchain technology cannot be ignored**

from the likes of IBM (Hyperledger), the #TechCRIB 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 Bawdon, CEO and Founder of Nodal Labs in conversation with Tom Blouwett,

Oliver is an English entrepreneur and Nodal Labs a London based blockchain-powered freelance recruitment platform, see www.nodal.com

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

**How Secure is Blockchain?**

Troy Norcross, Co-Founder Blockchain Rookie

**CryptoCompare Market View**

Facebook Talks With CFTC About Their ‘GlobalCoin’ Cryptocurrency

Social media giant Facebook has opened discussions with the US 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 Q2 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 30 May. At the time of writing bitcoin is trading at $8,503 and ethereum at $242.12.

A $55 million ‘DefendCrypto’ crowdfunding initiative has been set up by the Ken Foundation to support a (potential) court battle with the US Securities and Exchange Commission (SEC). The Ken Foundation was set up to steward the development of the Ken blockchain protocol after its $1.0 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 difficulty on the bitcoin network - an indication of the investment in bitcoins security - has recently hit a new all-time high. This 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 smartphone seemed far fetched, and yet here we are now looking at the viability of phones with cryptocurrency wallets built in.

There are two main players in this space right now; Sirin Labs with their Finney phone and HTC with the Exodus. But then Sirin Labs, though there are strong rumours of others looking to push into this arena with Samsung and Galaxy S10 reported to be going to have a cryptocurrency wallet built in.

Now, for me anyway, the idea of having a private key and carrying around my crypto holdings with me seemed like a great idea. I have a Finney and worked with 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 somewhat of a 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 wallets to accept cryptos. There are many factors that will play a part in this too, there are currently too many different 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 your 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 offers the slick user experience, something that is lacking hugely in the entire industry, will win.

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

One area that certainly needs to be addressed is the cost of all of 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 conversational starter, but I want a better camera and more 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.
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 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 stumping chance from wicket-keeper Sarfaraz the one ball 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 Shadah 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 target 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 knockout semi-finals.

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

STRENGTH IN DEPTH
The pep talk worked, as Cantlay 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 decried for their lack of athleticism, were sharper, with a missed catch and misfielded to allow extra runs while early in his innings, several players ran out of gas.

England conceded four in overthrows.

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Golf Comment

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

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

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 fourth tier last season, missing 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.”

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

Stevenage FC has launched an innovative share offering, aiming to raise £1.2 million over the next two years in the hope of player transfers and wages over the intended to boost the budget for

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

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