CITY A.M.

BUSINESS WITH PERSONALITY

PP.

STILL FAST & FURIOUS TOYOTA'S NEW SUPRA IS BACK IN THE RACE P21

BRIDGE TOO FAR IS LAMPARD THE RIGHT MAN FOR CHELSEA? P30-31

TUESDAY 18 JUNE 2019 | ISSUE 3,394 CITYAM.COM FREE

ART OF THE DEAL

FRENCH BILLIONAIRE AGREES £3BN DEAL TO BUY HISTORIC AUCTION HOUSE SOTHEBY'S

AUGUST GRAHAM
@AugustGraham

A FRENCH telecoms billionaire caught the auctioneer's eye yesterday, striking a deal to become the new owner of London-founded Sotheby's.

Patrick Drahi, the founder of telco Altice Europe, is set to buy the 275-year-old auction house in a deal valuing the business at $3.7bn (£2.9bn).

Drahi will become the latest in a long list of owners to take control of the business since it was founded in London in 1744.

His bid takes the company private after more than three decades on public markets in New York.

The $57 per share cash deal is a 61 per cent premium to Sotheby's closing price on Friday.

"It's a pretty high multiple," said Alex Maroccia, an analyst at Berenberg in New York. "It's fairly unlikely that anyone will bid more."

The offer comes five years after the auction house ended a long-running battle with activist investor Daniel Loeb.

Loeb joined the company's board in 2014 after months of accusing Sotheby's of wasting cash.

Yesterday, the hedge fund owner and art collector said the price "affirms the value we saw when we first invested in Sotheby's, and rewards long-term investors".

Through the years, the company's auctioneers have sold some of the world's most famous artworks.

Last year, Amedeo Modigliani's 1917 work Nu Couche fetched $157m at auction in New York. And in 2012 Edvard Munch's The Scream was sold for nearly $120m – a far cry from the company's first auction, a book sale in which it raised £826.

The company made its mark with book auctions in its early years, selling many famous collections including the one Napoleon took into exile on St Helena.

It took until 1917 for Sotheby's to make the move that would define it in the modern world: it relocated from Welling Street to New Bond Street, moving, as Sotheby's puts it, "from the heart of the book world to the hub of the art world".

Art-loving French-Israeli billionaire Drahi founded Altice in 2001, building it to one of France's biggest telecoms businesses.

FTSE 100 ▲ 7,357.31 +11.53 **FTSE 250** ▲ 19,157.61 +39.27 **DOW** ▲ 26,112.53 +22.92 **NASDAQ** ▲ 7,845.02 +48.37 **£/$** ▼ 1.254 -0.005 **£/€** ▼ 1.117 -0.007 **€/$** ▲ 1.122 +0.001

CITY A.M.

THE CITY VIEW

Tory race has reignited party's capitalist spirit

THE MAN most likely to be the next Prime Minister will this morning sit down with 25 leading City figures in a bid to mend relations with the business community. Boris Johnson reportedly said "f**k business" when confronted with industry groups' concerns over Brexit last year. The remarks have hung around his neck ever since and have even been lifted as the title for a forthcoming book on the Tory party's relationship with business by City lobbyist Iain Anderson. While Johnson's apparent ambivalence about a no-deal Brexit still spooks some in the Square Mile there is another, far greater fear that keeps most of the professional class awake at night: the threat of a Labour government. The main reason so many Tory MPs are flocking to the Johnson camp despite being well aware of his failings is that they've seen the polling that implies the former mayor of London is their party's best hope of defeating Jeremy Corbyn in an election. Self-preservation is a powerful force. Johnson's supposed winning credentials will be at the heart of his pitch to financiers this morning, but what of the other potential prime ministers? Sajid Javid, tipped to serve as chancellor in a Johnson cabinet, is a former banker who has spoken often (including at a *City A.M.* Awards night) of his admiration for the City's meritocracy and its role as the engine of the UK economy. Jeremy Hunt never misses an opportunity to reflect on his background as an entrepreneur and the wild card candidate Rory Stewart told this newspaper that we should be less defensive about the City's success as "it drives this country". Michael Gove, for his part, used an article in *City A.M.* on the day of the referendum to shower the Square Mile with praise and pledge that the City "will remain a world-beater" if the country voted to leave the EU. All good stuff, and though Johnson is likely to emerge wearing the crown, this collective enthusiasm for business, markets and the role of the City stands in stark contrast to the intensely hostile approach of Corbyn, who has said that the City is right to fear him. And fear him it does. The Tory leadership election is bringing out the capitalist spirit in the party and that's something, at least, for which we should be thankful.

> **This collective enthusiasm for the City is in stark contrast to Corbyn**

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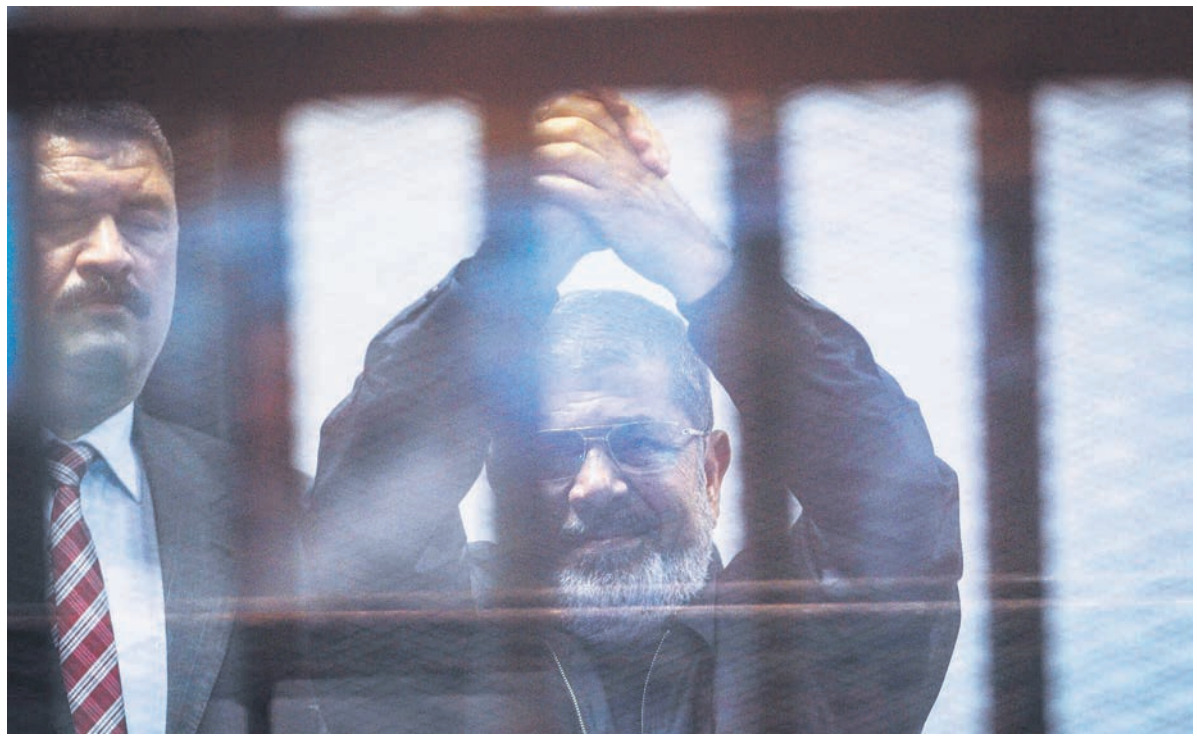
MORSI DIES Ousted former Egyptian President Mohamed Morsi collapses and dies in court six years after coup that toppled him



MOHAMED Morsi, who was elected President of Egypt in 2012, died yesterday after collapsing during a court hearing in Cairo. Morsi came to power as the chosen candidate of the Muslim Brotherhood religious organisation in Egypt's first and last free election. Following an uprising against his rule in 2013, the Egyptian army seized control of the country and imprisoned Morsi.

Johnson hides as rivals face press

OWEN BENNETT

@owenjbennett

CONSERVATIVE leadership hopefuls faced one of the trickiest audiences of the campaign yesterday: Westminster political journalists.

In a special hustings events, five of the six candidates submitted themselves to around 20 minutes of questions from a roomful of hacks – with Boris Johnson the only absentee.

Former Brexit secretary Dominic Raab promised to bring forward an early budget if he succeeded Theresa May as Prime Minster, but said there was a "question mark" over whether cutting corporation tax was the way to boost businesses.

He added: "I want to send the clearest message to business that we are going to back them through Brexit that we're going to see them through Brexit and actually we are going to make sure that we see as smooth a transition as possible given the inevitable uncertainty at any great moment of change."

Environment secretary Michael Gove was challenged by *City A.M.* over whether his nostalgia for his home town of Aberdeen would see him prioritise getting a Brexit deal on fishing above a good agreement for the City.

He replied: "It's not just the case that the good people of Aberdeen want out of the common fisheries policy, everyone in the United Kingdom wants us out."

International development secretary Rory Stewart, who has secured the backing of de facto deputy PM David Lidington and justice secretary David Gauke, faced a grilling over his plan to create a citizens' assembly to try to break the Brexit impasse if parliament rejects May's withdrawal agreement for a fourth time.

May tells China to respect Hong Kong's rights

OWEN BENNETT

@owenjbennett

THERESA May yesterday urged the Chinese vice premier to respect the rights of Hong Kong amid a row over a proposed extradition law affecting the former British colony.

Millions of protesters have taken to the streets in the city to oppose a new law which would allow extradition from Hong Kong to China.

In light of the opposition, Hong Kong leader Carrie Lam has suspended the plans, but there is still anger from many citizens who fear the bill could be reintroduced.

In a meeting with Chinese vice premier Hu Chunhua in No. 10, May raised the row amid fears of a power-grab over a territory which is supposed to have a large degree of autonomy from the Beijing.

A Downing Street spokesperson said May had stressed the need to respect "rights and freedoms".

WHAT THE OTHER PAPERS SAY THIS MORNING

FINANCIAL TIMES

HAMMOND REJECTS CALLS FOR HARD CHINA LINE

Chancellor Philip Hammond yesterday defied US pressure to take a tougher line with Beijing. Speaking after talks with Chinese vice premier Hu Chunhua, he described China as a "crucial bilateral partner" with a "vital role" in championing the rules-based multilateral order.

NEWPAPERS SAY NO LEGAL BASIS FOR SAUDI PROBE

The owners of the Independent and the Evening Standard newspapers have said there is no "proper legal basis" for an investigation into the sale of parts of the papers to a Saudi buyer, after the UK government last week said it was "minded" to intervene on public interest grounds. ESI Media, which publishes both newspapers, today said it had responded to the government's letter.

THE TIMES

MARKERS IN STRONG LAGER TO STOP STREET DRINKERS

Shops that sell "super-strength" lager to street drinkers will be identified by forensic tracking technology and could be fined in the first UK scheme of its kind. The programme in Bradford city centre involves shop owners tagging cans with invisible "Smart Water".

HEDGEHOGS GET A HELPING HAND TO CROSS BUSY ROADS

Hedgehogs will soon be able to cross Britain's highways with a smidgen more confidence as they become the first new animal in 25 years to get their own roadside warning sign. The creatures will be shown within a red warning triangle at blackspots.

THE DAILY TELEGRAPH

EIGHT NHS HOSPITALS HIT BY LISTERIA OUTBREAK

Eight NHS hospitals have been hit by the listeria outbreak which has killed five patients, the health secretary has revealed. Matt Hancock made the disclosures as he said he was keen to see the health service take NHS catering back in-house.

FITCH SOUNDS WARNING ON GLOBAL ECONOMY

The global slowdown will extend into next year as trade war uncertainty forces businesses to rein in spending and Chinese consumers turn cautious, Fitch Ratings has warned. The credit ratings agency trimmed its 2020 global growth forecast to 2.7 per cent.

THE WALL STREET JOURNAL

KPMG AGREES TO PAY $50M MISCONDUCT PENALTY

KPMG agreed to pay $50m (£40m) to settle allegations that former employees got an unlawful sneak peek at regulators' plans to inspect its work and auditors at the firm cheated on internal training exams. The firm's settlement wraps up a two-year probe.

RIPPLE TO INVEST UP TO $50M IN MONEYGRAM

Ripple, a startup behind the XRP cryptocurrency, agreed to invest up to $50m (£40m) in Money Gram, buying $30m of shares, in a deal that stands to rank among the first crypto-based company investments in a major US publicly-listed firm.

Kier falls as firm unveils plan to slash 1,200 jobs

CALLUM KEOWN

@CallumKeown1

STRUGGLING construction firm Kier yesterday revealed plans to cut 1,200 jobs and strip back its non-core businesses, causing its shares to continue a downward spiral.

The outsourcer said it would sell or "substantially exit" non-core activities, including its housebuilding and facilities management units.

Its property arm, which is one of the UK's largest developers, and its environmental services wing could also be sold.

Shares, which plunged 30 per cent on Friday, fell a further 17.4 per cent yesterday.

Kier expected the programme to deliver annual savings of around £55m.

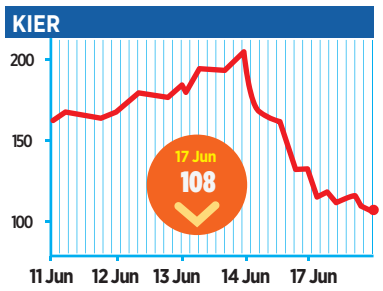
The company has also suspended dividend payments this year and also in the financial year 2020.

The turnaround programme, which follows a strategic review launched in April, will see the company focus on its infrastructure, utilities, highways and regional building divisions.

Chief executive Andrew Davies said: "These actions are focused on resetting the operational structure of Kier, simplifying the portfolio, and emphasising cash generation in order to structurally reduce debt.

"By making these changes, we will reinforce the foundations from which our core activities can flourish in the future, to the benefit of all of our stakeholders."

Despite turnaround efforts, Kier will report a net debt position at the end of this month, having previously forecast it would be in the black.



Huawei losing billions in sales as US allies push Washington to ease ban

CALLUM KEOWN

@CallumKeown1

INTERNATIONAL sales of Huawei smartphones dropped 40 per cent last month as the Chinese tech firm felt the immediate impact of the US ban.

Its chief executive, Ren Zhengfei, said sales were expected to drop to $100bn (£79.5bn) this year and in 2020, and that production would be reduced by $30bn in anticipation of the decline. The revised revenue would fall short of 2019 targets of $125bn and be drop from the $104.2bn it reported in 2018.

Ren, who said "no one will win" in the escalating battle between the firm and the US government, added he expected a revival in 2021.

US President Donald Trump signed an executive order effectively blocking American companies from working with Huawei in May.

Huawei's US chip suppliers, including Qualcomm and Intel, have been quietly pressing the US government to ease its ban on sales to the Chinese tech giant, even as Huawei itself avoids typical government lobbying, people familiar with the situation told Reuters yesterday.

Google has also advocated so it can keep selling to the firm, Huawei chair Liang Hua said earlier this month.

LIFT OFF Heathrow unveils plans for third runway as public consultation commences

THE MASTER PLAN for Heathrow's £14bn third runway will be shown to the public for the first time today, as its largest-ever consultation gets underway. Images reveal the airport's third runway, which is due to open in 2026, could be built over the M25.

Lufthansa profit warning sends airline shares into shallow dive

JAMES BOOTH AND JOE CURTIS

@Jamesdbooth1 @joe_r_curtis

A LUFTHANSA profit warning dragged down airline stocks across Europe yesterday as analysts warned investors have been "spooked".

The Frankfurt-listed flyer blamed overcapacity in the market and rival carrier competition for falling ticket prices in Europe.

Lowering its earnings margin forecast to between 5.5 per cent and 6.5 per cent, Lufthansa warned investors it would only rake in between €2bn (£1.8bn) and €2.4bn in profit for 2019.

Lufthansa's share price fell 11.5 per cent to €15.60.

The airline's woes hit its rivals as the profit warning scared off investors already wary of widespread problems besetting an ailing sector.

Easyjet dropped 4.3 per cent, while British Airways owner IAG fell 2.2 per cent.

"Shares in the airlines sector have been spooked by [Lufthansa's] profit warning," said Russ Mould, investment director at AJ Bell.

IN BRIEF

INTERSERVE CHAIRMAN PREPARES TO STEP DOWN

Interserve chairman Glyn Barker is preparing to step down following deal that saw the struggling outsourcing firm taken over by a consortium of its lenders. The company is working with recruitment search firm Heidrick & Struggles to appoint a successor, Sky News reported. Barker, who was appointed as Interserve chairman in March 2016, previously held several senior roles during his 35 year career at Pricewaterhousecoopers. He is currently a non-executive director at Aviva, Berkeley Group, Irwin Mitchell and is an adviser to Novalpina Capital. Interserve briefly collapsed into administration earlier this year after shareholders rejected a plan to alleviate most of its £630m debt pile.

SWEDBANK SUSPENDS CEO AND CFO OF ESTONIAN UNIT

Swedbank said yesterday it had suspended the chief executive (CEO) and chief financial officer (CFO) of its Estonian business with immediate effect following an investigation into compliance with money-laundering rules at the bank. Sweden's oldest bank has gone through a turbulent period since being linked to money laundering at Danske Bank , which has said its Estonia branch was used to move €200bn (£179bn) of suspicious funds between 2007 and 2015. Swedbank – whose boss and chairman both departed amid the turmoil – admitted in April to failings in combatting money laundering and said an internal probe was under way to review its current and historic customer relationships through its Baltic units.

PFIZER CLOSES $10.6BN DEAL FOR ARRAY BIOPHARMA

Pfizer yesterday said it would buy Array Biopharma for $10.6 bn (£8.5bn) in cash, a deal it hopes will help make it a leader in colon cancer and build up its pipeline of oncology drugs. The largest US drug maker agreed to pay a hefty premium of 62 per cent for Array, which sells the combination treatment Braftovi and Mektovi for melanoma. But those drugs appear poised to become part of a promising triple combination for advanced colorectal cancer. Pfizer executives said the company began actively pursuing Array last month after it released positive clinical data showing that Braftovi and Mektovi, in combination with Eli Lilly's Erbitux, helped reduce the risk of death from colorectal cancer by 48 per cent.

DADDY DOTCOM

Tesla billionaire Elon Musk rebrands himself on Twitter

ECCENTRIC entrepreneur Elon Musk yesterday morning said he had "deleted" his Twitter account, changing his handle on the social networking site to Daddy Dotcom. The short-lived change may have been a reference to Father's Day on Sunday. The Tesla chief's Twitter has since reverted back to his real name, though his profile picture remained blacked out.

UK households upbeat on future of their finances

CALLUM KEOWN

@CallumKeown1

UK HOUSEHOLDS have turned positive about their future finances for the first time since November last year, as wages continue to grow.

Financial health expectations for the next twelve months moved into the positive in June, according to the latest IHS Markit household finance index. But current financial health perceptions remained negative as Brexit uncertainty lingered in the forefront of people's minds.

Over the longer term, households were more buoyant as workplace activity and incomes from employment continue to rise. The future household finance index rose to 51.5 in June from 49.2 the previous month, and above the neutral score of 50 for the first time since last November.

"UK households were once again downbeat towards current finances during the latest survey run for June," said IHS Markit economist Joe Hayes.

"The unclear path towards Brexit still lingers in the background, while uncertainty has been brought about by the end of Theresa May's tenure as Prime Minister. If meaningful wage growth and a low and stable inflation environment can be sustained, this should support purchasing power gains for UK households."

"Indeed for the first time since November 2018, financial wellbeing expectations for the coming twelve months turned positive," he added.

Despite rising expectations, job security remained negative for an eleventh consecutive month and employment income growth eased for a second month in a row.

Households maintained the view that the Bank of England's next move would see a rate increase, with 69 per cent expecting the hike to come in the next twelve months and 43 per cent anticipating a rise by the end of 2019.

Those predicting a cut on the horizon rose to nine per cent from 8.3 per cent last month.

Samantha Seaton, chief executive officer of Moneyhub said: "Concerns about day-to-day finances are lessening as the continued period of wage growth starts to have an impact."

Next PM must drop Irish border Brexit backstop, says top Tory

JAMES BOOTH

@Jamesdbooth1

THE NEXT Prime Minister must drop the Brexit backstop as it threatens the Good Friday Agreement, Tory MP Sir Graham Brady said.

Removing the backstop is the only way the present Brexit deal can work, he argued.

He said the new Prime Minister "must recognise that the backstop is a threat to the Good Friday Agreement, rather than its guarantor".

"The election of a new leader now presents an opportunity to return to the negotiations and secure an agreement that is acceptable to both the House of Commons and the EU," he added.

Brady wrote in the foreword to a Policy Exchange paper which aims to set out how the border with Ireland could be governed.

The MP resigned as chair of the backbench 1922 Committee last month to explore a bid for the Tory leadership, but ultimately did not put himself forward.

Patient Capital Trust shares fall as Neil Woodford's troubles continue

JESS CLARK

@jclarkjourno

5.17%

SHARES in Neil Woodford's investment trust fell more than five per cent yesterday after it was revealed that it had sacked its adviser in a row over risky investment valuations.

The former star trader's troubles deepened as Woodford Patient Capital's stock dropped following reports that the listed trust sacked Duff & Phelps last year.

The advisory firm, which was appointed when the trust was launched in 2015, was fired following a row over fees and valuations.

The Sunday Times reported that the investment trust had demanded lower fees and seemed to be "cutting corners".

It was also revealed over the weekend that fund supermarket Hargreaves Lansdown had raised concerns over the performance of the now-suspended Woodford Equity Income fund more than two years ago. However, the investment adviser continued to recommend the fund to its customers.

Hargreaves Lansdown sold 12.4m units of Woodford stock in four of its multi-manager funds between March 2017 and March 2019.

BUTTERY BASE Patisserie Valerie vows to return butter to recipes amid overhaul

CAUSEWAY Capital, the new owners of Patisserie Valerie, are putting butter back into the bakery's pastry recipes after it was replaced by margarine as a cost-saving measure. Boss Matt Scaife said the move reflects Causeway's focus on quality.

Airtel Africa to float in London at up to £3.6bn

JAMES BOOTH

@Jamesdbooth1

ONE OF Africa's largest telecoms businesses said yesterday it would float in London at a value of £3bn to £3.6bn.

Airtel Africa announced the price range for its upcoming listing, setting its share price at 80p to 100p.

The offer is expected to comprise of between 595m and 744m new shares to raise gross proceeds of approximately £595m.

Excluding a 10 per cent over-allotment option, the offer is expected to raise approximately £541m.

The company expects to have a free float of at least 25 per cent of its issued share capital and said it expects to be eligible for inclusion in the FTSE indices.

The group is owned by Indian telecoms giant Bharti Airtel.

Airtel Africa said it intends to use the float proceeds to reduce net debt.

The company is also planning on listing its shares on the Nigerian Stock Exchange.

Final pricing is expected to be announced on or around 28 June, with conditional dealings in the shares expected to begin on the London Stock Exchange on the same day.

JP Morgan Securities, BofA Merrill Lynch, Citigroup, JP Morgan Cazenove, Absa, Barclays Bank, BNP Paribas, Goldman Sachs, HSBC and Standard Bank have been engaged to advise on the offer.

Chief executive Raghunath Mandava said: "We have built Airtel Africa into the second largest mobile operator in Africa and our clear strategy and efficient business model make us well positioned to capture the growth opportunities across our markets, in voice, data and mobile money.

"Our leadership position, positive track record and the exciting growth opportunities in the markets where we operate, have resulted in significant interest in our business."

Staffline shares plunge on £33m hit over minimum wage failures

JESS CLARK

@jclarkjourno

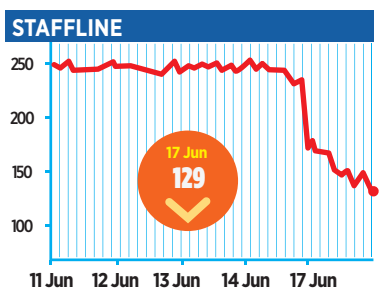
SHARES in recruitment firm Staffline plummeted more than 40 per cent yesterday as it revealed it took a £32.6m hit for failing to comply with national minimum wage regulations for a five-year period.

Staffline said liabilities from the historical non-compliance had risen from £7.9m to £15.1m including £500,000 of advisory charges.

Additional exceptional costs connected to audit procedures will reach £1.8m, taking exceptional charges for the year to £32.6m.

The flexible recruitment provider said it was in talks with investors to raise £37m from a share issue aimed at cutting its debt levels.

The non-compliance, which took place between 2013 and 2018, was related to "food production facilities and payment for preparation time".



Goldman plots $140bn private investing arm

JESS CLARK

@jclarkjourno

GOLDMAN Sachs is merging four separate units to create a $140bn (£111.6bn) private investing business, according to reports.

The investment bank is planning to combine units that invest in private companies, property and other "hard-to-access" deals, the Wall Street Journal reported.

Goldman Sachs' existing merchant-banking unit, which has £100bn invested in private assets, will be central to the new division.

Its strategic investing group, which makes smaller investments in fintech companies, and "special situations group", which is an "opportunistic" portfolio of about $30bn, will also join the unit.

Both groups are part of the company's trading division and invest Goldman Sachs' own money.

The unit will also include the bank's private equity and property divisions, which currently sit within the investment bank's asset management division.

Those groups invest client money.

Citing sources close to the matter, The Wall Street Journal said the bank is planning to raise new funds, with a focus on property, and is poised to launch a fundraising round this year for a real estate equity fund.

The fundraise would mark Goldman Sachs' first since the financial crisis.

Goldman Sachs is hoping that the changes will help to boost the bank's stagnant share price.

In April, Goldman Sachs chief executive David Solomon said there is a "very significant alternatives asset manager inside Goldman Sachs".

"We see opportunities to expand what we're doing for clients in that business and be a little more focused on growing our client franchise around those activities," he told Bloomberg.

MINISTER MONEYBAGS Tory donor said to be lined up for top trade ministerial role

SIMON Blagden (right), Conservative donor and former UK chair of Fujitsu, is in talks with the government about receiving a seat in the Lords to become a trade minister, according to Sky News.

New funding gives coffee chain a kick as store expansion looms

SEBASTIAN MCCARTHY

@SebMcCarthy

INDEPENDENT coffee shop chain Black Sheep has secured a £13m funding injection as it sets its sights on global expansion.

The London-based barista group revealed yesterday that it is looking to ramp up its global footprint from 34 sites to 70 by the end of this year, as it eyes overseas growth in regions including the US, Europe, UAE and Asia.

Among the private investors involved in the funding are Tellef Thorleifsson, the first investor in Spotify, and Bill Shultz, president of Coca-Cola Canada and a board member at Coca-Cola Global.

ENRC hits out at SFO in long-running probe

AUGUST GRAHAM

@AugustGraham

MINER ENRC has called on the Serious Fraud Office (SFO) to be "candid" about its mistakes in a corruption probe into the miner.

On Sunday, it was revealed that the SFO had dropped an inquiry into its own handling of an investigation into the firm.

ENRC, which has been under scrutiny since 2013, yesterday said it was worried investigators had halted the probe, headed by Sir David Calbert-Smith. It voiced concerns "that it will expose serious wrongdoings by the SFO and its officers".

"It is regrettable and troubling that now, when Sir David was finally close to calling witnesses, the SFO is prepared to dump the review in blatant disregard of the public interest and significant implications for the legitimacy of the ongoing criminal investigation," a spokesperson said.

The SFO did not respond to request for comment. It is thought to have dropped the probe after concluding that a separate case brought by ENRC would cover most of the same ground as the inquiry.

Babcock: Rebuffed Serco takeover proposal had 'no strategic merit'

JOE CURTIS

@joe_r_curtis

1.46%

BABCOCK has confirmed it rejected a takeover approach from its smaller rival Serco in January.

Serco had proposed an "all-share combination" between the two industrials companies but Babcock's board unanimously rejected it, the defence giant said yesterday.

Board members concluded that "a combination of the two companies had no strategic merit and was not in the best interests of Babcock's shareholders, customers or wider stakeholders," it said.

Reports of the potential merger first emerged in the Sunday Times. If passed, the bid would have created a £4bn company.

Serco made a first approach late last year, the newspaper reported, after chairman Roy Gardner got in touch with his Babcock counterpart Mike Turner.

Turner rejected the offer out of hand before Serco returned with a more detailed bid on 23 January, which Babcock rejected.

The takeover target yesterday dismissed the January offer as "an unsolicited and highly preliminary proposal".

"No further proposal has been received," Babcock added.

Babcock, a major supplier to the Ministry of Defence, has seen its shares suffer over the last year, falling from 847p in June 2018 to close at 471p yesterday.

The engineering outsourcer vowed it will increase profit by three to four per cent in the next five years, in a strategy it laid out to investors recently.

Its shares have also been battling against an anonymous analyst's gloomy notes.

A shadowy analyst outfit called Boatman Capital, an anonymous and unregistered entity, has called Babcock's corporate structure "opaque" and "needlessly complex". Babcock defended its operations and dismissed the comments as a "malicious attack".

"We feel it is right to, once again, refute their allegations publicly as we are unable to engage with them directly," Babcock said in response to a second note last month.

Airbus takes off at Paris air show with new deals

ALEXANDRA ROGERS

@city_amrogers

AIRBUS picked up a number of orders at the Paris air show yesterday, capitalising on the troubles suffered by Boeing over the 737 jet crisis.

Airbus won a $4.1bn (£3.2bn) order from Virgin Atlantic for 14 of its A330-900 Neo models, with an additional six as options, which it claims are the cleanest and greenest fleet on offer.

The new planes, which replace the A330-300, are more carbon-efficient and less noisy. The aircraft is powered by the Rolls Royce Trent 7000 engine, which entered service last November.

Shai Weiss, boss of Virgin Atlantic, said: "The acquisition of 14 A330 Neos will play a pivotal role in our fleet transformation and it is testament to our sustainability commitment; by 2024, we will have improved the fuel efficiency of our aircraft by 32 per cent."

Airbus also launched its A321XLR jet at the show, a model that has been picked up by aircraft leasing giant Air Lease. The firm said it had bought 100 planes from Airbus, including 27 of the new jets.

Rival Boeing's troubles were compounded at the air show after its engine supplier revealed a delay to its 777X jet.

GE Aviation said it had found a fault in a component for the engine it is making for the 777X, forcing to conducts tests and redesigns.

Boeing has struggled after all of its 737 jets were grounded in March

Boeing is still hurting from the grounding of its 737 Max jets following fatal crashes in Indonesia and Ethiopia. Last month, Boeing completed the development of a software update for its 737 Max planes as it tries to get them back in the air.

The Paris air show is the aerospace industry's biggest annual event along with Farnborough in the UK, in which Airbus and Boeing traditionally compete for the middle market.

"

FORUM

Would Rory Stewart be a good Prime Minister to lead the UK through Brexit?

OLIVIA UTLEY SAYS YES, ALEX DEANE SAYS NO

PAGE 19

CITY A.M.

Saudi bank deal hands RBS fresh boost in capital

CALLUM KEOWN

@CallumKeown1

ROYAL Bank of Scotland shares jumped early yesterday after the bank said a merger between two Saudi banks would boost its capital and reduce its risk weighted assets by £4.7bn.

Saudi Arabia's Alawwal Bank and rival Saudi British Bank (SABB) completed a merger on Sunday, creating the third-biggest lender in the Kingdom.

RBS, through its Dutch subsidiary Natwest Markets NV, said it was part of consortium owning a 40 per cent stake in Alawwal bank, with RBS also holding an interest to the equivalent of a 15.3 per cent stake in the bank.

Shares in RBS jumped early in the morning following the completion of the merger, but shed their gains later in the day to close up 0.85 per cent.

The UK bank said the merger had left the consortium with a 10.8 per cent stake in the newly-merged SABB, and RBS with a 4.1 per cent equivalent interest.

It said it would receive £400m from the disposal of those shares, as well as the £4.7bn reduction in its risk weighted assets.

Chief executive Ross McEwan said: "We are pleased that this merger has now concluded; it will help facilitate the future exit of our shareholding as we continue to focus on our key target markets.

"The release of capital will also have a positive and material financial impact for RBS."

A further £300m of legacy liabilities would also be extinguished, the bank said, as a result of the deal.

Following its £45.5bn government bailout during the financial crisis, RBS has been disposing of its overseas operations to focus on its UK lending.

McEwan said the merger would also help RBS to focus on its target markets.

London's West End was second in the world rankings for office rent prices

London's West End in world's top most expensive office spots

SEBASTIAN MCCARTHY

@SebMcCarthy

LONDON's West End held onto its title as one of the world's most expensive office markets during the first quarter of 2019, as buoyant demand and limited space underpinned high commercial rents in the capital.

Central Hong Kong kept its crown as the priciest office location at a cost of $322 per square foot (sq ft), while the West End came in second at $220 per sq ft.

The research, carried out by CBRE, also found that midtown Manhattan in New York was the biggest gainer in the top 10, climbing two spots to become the fourth-most-expensive market this year, while two quarters of Beijing also ranked in the top 10.

UK lags US for diversity in ads, warns Adobe

JAMES WARRINGTON

@j_a-warrington

THE UK is lagging behind the US for diversity and representation in advertising, leaving brands vulnerable to a decline in trust and revenue, according to a report to be published today.

A survey by Adobe, which will be unveiled at Cannes Lions festival this afternoon, revealed just 20 per cent of black and Asian Brits perceived their ethnicity as being adequately portrayed in ads, compared to 40 per cent in the US.

The research found the UK's lack of diversity could impact trust, as a third of consumers were more likely to trust a brand that shows diversity in its ads, rising to 50 per cent of LGBTQ respondents.

In addition, brands that fail to create diverse campaigns could suffer damage to their bottom line, the report said.

Just under half of black respondents said they stopped supporting a brand that did not represent their identity.

"Ignoring diversity in advertising today comes at a big cost," Toccara Baker, product marketing lead at Adobe Advertising Cloud in Europe, told *City A.M.*

Justice Committee criticises government over 'foreseeable' magistrates shortage

JAMES BOOTH

@Jamesdbooth1

FAILURES in government planning have left England and Wales short of magistrates, according to a Justice Committee report published today.

The shortfall in magistrate numbers is "as frustrating as it was foreseeable" and it has taken a near-crisis to prompt government action, the report said.

It is calling on the government to develop an overarching strategy to recruit and train sufficient magistrates and fund the system adequately.

In October 2016, the committee published a report identifying serious recruitment and training problems and calling for the development of a national strategy.

Magistrates are volunteers who sit in court in panels of three, and may sentence offenders to up to six months in prison.

Their numbers have fallen from more than 25,000 in 2012 to around 15,000 last year.

Committee chair Bob Neill said: "Magistrates and the criminal justice system as a whole have been badly let down by the failure of the government to take action and provide appropriate funding."

A Ministry of Justice spokesperson said: "We will carefully consider the findings of the report and respond fully in due course."

WPP plugs into new audio tie-up with iHeartmedia

JAMES WARRINGTON

@j_a_warrington

WPP HAS launched a new partnership with US audio giant iHeartmedia as it looks to cash in on the rise of on-demand listening.

The ad firm said it has set up Project Listen to help brands better engage with consumers across audio platforms including radio, podcasts, smart speakers and live events, which are growing in popularity.

The partnership, which was unveiled at the Cannes Lions festival, will see iHeartmedia, a spin-off of outdoor advertising firm Clear Channel, integrate its audio insights tools with WPP subsidiary Group M.

Group M will set up a new audio studio at its New York headquarters for use by clients from across WPP.

"Consumers are listening more than ever, and we already know the power of music, voice and sound to create engaging and emotional human connections," said WPP chief executive Mark Read.

Square Mile to get electric charging hub by end of year as part of mayoral push

ALEXANDRA ROGERS

@city_amrogers

THE SQUARE Mile is to get a new electric charging hub by the end of this year as part of mayor Sadiq Khan's push to expand London's electric vehicle infrastructure.

The London mayor has today set out plans to deliver five flagship charging points over the next few years, with the first one installed in the City by the end of this year.

The rollout follows Khan's electric vehicle taskforce, which is made up of about 140 public and private sector bodies and was launched last year.

The mayor, who has praised the protests of climate change activist group Extinction Rebellion, said London needed to "reject the fossil fuels of the past and embrace an electric revolution in London's transport".

Launching the plan, Khan said: "London's air is so dirty and polluted that it amounts to nothing less than a serious public health crisis.

"It breaches legal limits and blights the lives of Londoners, resulting in thousands of premature deaths every year. We are also facing a climate emergency that threatens the long-term security and wellbeing of every Londoner.

"I want London to lead the world in this ambition, with all new cars and vans on London roads to meeting these standards by 2030, not 2040 as the government is proposing."

Caroline Pidgeon, deputy chair of the London Assembly's transport committee, said London's electric bus fleet trailed behind many other cities.

She said: "We cannot escape the fact that on the issue of electric buses London is lagging behind many other cities." She added it was "misleading" for Khan to claim London had the "largest fleet of double electric buses in Europe", with Dublin the only other city to have double decker buses.

RED LIGHT South Western Railway strike to affect Royal Ascot attendees this week

THOUSANDS of commuters heading to Royal Ascot this week could be hit by a major railway strike. Five days of industrial action on South Western Railway starting today will coincide with the opening day of the horse racing event on Saturday.

Ad industry 'faces brain drain' as creativity falls

JAMES WARRINGTON

@j_a_warrington

THE ADVERTISING industry could face a brain drain as employees increasingly look outside adland for their fill of creative work, according to a report published today.

Research by ad agency Impero revealed 62 per cent of people in the industry have interviewed for a job in another sector over the last 12 months, while the majority of employees only plan to stay in advertising for two to five years.

While advertising is known for attracting creative talent, the report showed the industry may be suffering a crisis of creativity.

When asked to name one thing they would change about the industry, almost a quarter of respondents said they would change the work and that creativity "needs saving".

"In order to avoid a brain drain of the best talent to other, sexier industries like tech, we need to drastically increase our focus on making great work people care about," said Michael Scantlebury, Impero founder and creative director.

"We need to make funny work, effective work, work that really reaches people, rather than getting lost in a programmatic bubble."

The findings highlight the troubles of an industry in flux, as companies try to foster new, technology-driven approaches while retaining their creative spirit.

The report also highlighted the need for cultural change within the advertising industry, which has been plagued by concerns over burnout, mental health and sexism.

Just under a quarter of those surveyed agreed the industry needed to create a culture that was fairer and more reflective of the outside world.

Sexism remains a deep-seated problem in adland, with 36 per cent of industry talent admitting they knew someone who has been on the receiving end of sexist behaviour. However, 25 per cent of respondents said sexism in advertising had reduced since they started working in the industry.

There was also a positive response to the question of diversity, with almost half of respondents stating their agency culture was gradually changing to reflect the outside world.

"As an industry, our single most important asset is the quality of our creative talent – our very survival depends on it," said Chris Hirst, chief executive of marketing firm Havas' creative network.

Sexism remains a prevalent issue

"This means creating a culture which attracts them, as well as laying out clear career paths to hold onto them."

It comes after Nigel Vaz, newly-elected president of the Institute of Practitioners in Advertising, warned advertising firms were missing out on top talent. He urged the industry to act more like startups to match the deep pockets and attractive corporate cultures of top tech firms.

Israeli tech firm Hi Sky receives backing from UK Space Agency

EMILY NICOLLE

@emilyjnicolle

AN ISRAELI space tech firm is set to create more than 100 high-skilled jobs in London and Oxfordshire, as it expands to the UK.

Hi Sky will open an office in London, and has received £9m from the UK Space Agency to establish a research and development centre in the Harwell Space Cluster.

The company, which aims to be a low-cost satellite network operator, joins firms such as Oneweb and Virgin Orbit in choosing the UK as a popular spacecraft destination.

The project will integrate and develop high-speed 5G connectivity into its satellite receiving terminal in order to help roll out the next generation of Internet of Things technology.

Internet of Things allows objects and infrastructure, such as vehicles or wind turbines, to be connected to networks for remote monitoring and innovation.

The UK's space tech industry has grown dramatically, as exports rose 212 per cent in the last year alone to reach £282.9m.

The Harwell Space Cluster in Oxfordshire has grown 19 per cent in the last 12 months, employing 950 people across 89 organisations including Oxford Space Systems and the Satellite Applications Catapult.

BRITAIN'S SCIENCE MINISTER ON UK SPACE EXPLORATION PLANS: P19

Pay-as-you-go insurer Zego nets $42m fundraise

CALLUM KEOWN

@CallumKeown1

PAY-AS-YOU-GO insurance fintech Zego has raised $42m (£33.4m) to accelerate its European expansion and double the size of its workforce.

The startup, which provides flexible insurance for the gig economy, has become popular among delivery drivers and couriers as it offers minute-by-minute cover.

Specialist fintech investment firm Target Global led the series B funding, which will be used to enhance its platform and launch in new European countries, adding to its presence in the UK, Ireland and Spain.

It will also increase its workforce from 75 to 150 by hiring engineers, data scientists and specialists in operations and pricing.

Angling Direct reels in higher profit as expansion plan gets underway

JESS CLARK

@jclarkjourno

ANGLING Direct has opened a new store as the fishing equipment retailer pushes forward with its expansion plan.

The store opening is part of the retailer's growth plans, which were revealed in its recent results.

Last month, Angling Direct boosted sales by 39 per cent to £42m. However, the company denied investors a dividend, in order to reinvest cash to grow the business.

"As we seek to cater for all anglers across the UK with a new and modern retail offering, we are continuing to strategically expand our store footprint, as well as enhance our online offering in terms of products, experience and education in order to help raise the profile of angling," chief executive Darren Bailey said.

"While parts of the retail sector are experiencing difficulties, we are delighted that our strategic focus on customer experience and service has paid off and delivered a strong start to the year."

The new store is located out-of-town in Sutton in Ashfield, Nottinghamshire, at a site previously occupied by discount shoe shop Brantano.

It is a popular fishing area, said the retailer – which claims it "carefully selects" store locations to drive "growth and brand value".

The opening will create five full and three part-time jobs.

Last month, Angling Direct boosted sales by 39 per cent to £42m

Failure to clamp down on fashion waste slammed

SEBASTIAN MCCARTHY

@SebMcCarthy

THE HEAD of an influential parliamentary committee has slammed the government for rejecting recent proposals aimed at tackling consumer waste within the fashion industry.

Environmental Audit Committee (EAC) chair Mary Creagh has today accused the government of "demonstrating that it is content to tolerate practices that trash the environment and exploit workers" after a number of key recommendations made by her panel of MPs were rejected or not accepted.

Plans to "end the era of throwaway fashion", which included a penny tax on new clothes and mandatory environmental targets for fashion retailers with a turnover above £36m, were put forward by the committee earlier this year.

Creagh has today criticised the government for rejecting a number of the committee's calls, accusing ministers of "failing to recognise that urgent action must be taken to change the fast fashion business model which produces cheap clothes that cost the earth".

Among the recommendations rejected was a proposed ban on incinerating or landfilling unsold stock that can be reused or recycled.

The government said it believed "positive approaches are required to find outlets for waste textiles rather than simply imposing a landfill ban".

Responding to the decision, Labour MP Creagh added this morning: "The government is out of step with the public, who are shocked by the fact that we are sending 300,000 tonnes of clothes a year to incineration or landfill. Ministers have failed to recognise that urgent action must be taken to change the fast fashion business model which produces cheap clothes that cost the earth."

According to the report, which was released in February, retailers in the UK create 1m tonnes of waste every year, marking a higher level than any other country in Europe.

As well as urging retailers to take more responsibility for the environmental consequences of their fast-fashion clothes, the committee also called for schools in the UK to teach children sewing skills so they can mend outfits rather than purchase new ones.

Lord Deben chairs Sancroft, an environmental consultancy

Environment champion Lord Deben cleared in House probe

AUGUST GRAHAM

@AugustGraham

THE GOVERNMENT's climate adviser Lord Deben has been cleared of wrongdoing after accusations his advice to government benefitted companies which were clients of a family-run business.

Sancroft, an environmental consultancy which Lord Deben chairs, was paid £600,000 by clients which "stood to make millions from his advice to ministers", the Mail on Sunday alleged in February.

After the article was published, a group of MPs reported Lord Deben to the House of Lords.

However, the Lords commissioner for standards yesterday said she had found no evidence of wrongdoing.

Lord Deben never denied Sancroft had consulted for the companies, including Johnson Matthey, which supplies materials for electric vehicle batteries.

The commissioner found allegations that the firm had benefitted when Lord Deben spoke in the Lords were unfounded.

London named top city for EU 'tech for good'

EMILY NICOLLE

@emilyjnicolle

LONDON's burgeoning socially-responsible tech sector has made it the top city in Europe for so-called tech for good, thanks to stellar support for entrepreneurs and small businesses.

The European Digital Social Innovation Index (EDSII) by Nesta, published for the first time this year, found London came out on top in a ranking of 60 EU cities on indicators such as funding, skills, infrastructure and diversity.

London had a significant lead over Amsterdam, which came in second place. Copenhagen, Stockholm and Paris rounded out the top five.

The index followed research in April by Tech Nation, which found tech for good startups were worth £2.3bn in 2018.

Examples of support in London for socially responsible companies highlighted by the index included the mayor of London's Civic Innovation Challenge and dedicated tech for good venture firms, such as Bethnal Green Ventures.

London's chief digital officer Theo Blackwell said: "Technology is playing a critical role in meeting some of the big challenges facing our city and at City Hall we've worked hard to ensure this potential is being realised for the benefit of all Londoners."

Reabold invests in global oil and gas projects

Reabold's shares take off after it discovers Britain's biggest gas field

AUGUST GRAHAM

@AugustGraham

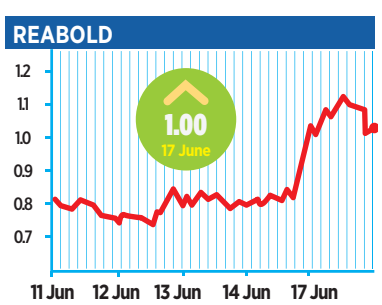
REABOLD Resources has found what could be Britain's largest onshore gas field, it said yesterday, sending shares shotting upwards.

The small London-listed explorer said it estimates the West Newton site near Hull could contain 189bn cubic feet of gas.

This would make it the biggest discovery of hydrocarbons onshore since 1973, the company said.

"The results of the well have exceeded our expectations and have also shown a significant liquid hydrocarbon volume which has increased our excitement and the future value of the field materially," co-chief executive Sachin Oza said.

Shares jumped as much as 40 per cent on the news. Reabold owns a 24 per cent stake in the field.



Interest in UK banking jobs from abroad has dropped by 12 per cent since 2015

Foreign workers lose interest in UK finance roles as Brexit woes drag

HARRY ROBERTSON

@henrygrobertson

FOREIGN talent is turning its back on the UK financial sector, new analysis has revealed, raising the possibility of staffing problems at City firms.

According to job site Indeed, interest in UK banking jobs from abroad has dropped 12 per cent since 2015. Indeed said Brexit was largely to blame for the falling foreign interest in City jobs.

"Our data suggests that warnings of Brexit interrupting that flow of people were not just idle scaremongering," said Pawel Adrjan, UK economist at Indeed.

Following the calling of the Brexit referendum at the end of 2015, interest in UK financial jobs fell most sharply among candidates from Europe.

However, while interest from EU countries has stopped falling, non-EU candidate interest has dropped since the middle of 2018.

"A fall in Europeans' interest in working in the UK might have been expected," Adrjan said, but non-EU candidate interest also falling "could leave Britain's financial sector exposed in the future", he added.

However the UK financial sector remains the star performer in its ability to attract employees from abroad. For the average UK vacancy advertised on Indeed, three per cent of interest comes from foreign-based candidates.

For financial sector jobs, 12.9 per cent of interest comes from abroad.

Oil prices fall as economic fears fan Iran tensions

STEPHANIE KELLY

OIL PRICES fell more than one per cent yesterday after more poor Chinese economic figures fanned fears of lower worldwide oil demand.

Brent crude futures lost $1.07 to settle at $60.94 a barrel, a 1.73 per cent loss. US West Texas Intermediate (WTI) crude futures fell 58 cents to settle at $51.93 a barrel, a 1.10 per cent loss.

Prices have fallen around 20 per cent since a 2019 high reached in April, in part due to concerns about the US-China trade war and disappointing economic data.

China's industrial output growth unexpectedly slowed to a more than 17-year low, data from the National Bureau of Statistics showed on Friday. It grew five per cent in May from a year earlier, missing analysts' expectations of 5.5 per cent and well below April's 5.4 per cent.

US President Donald Trump and China's President Xi Jinping could meet at the G20 summit in Japan later this month. Trump has said he would meet with Xi at the summit, although China has not confirmed the meeting.

"All the major reporting agencies are reporting that demand is going to be weaker," said Phil Flynn, an analyst at Price Futures Group in Chicago.

"That has played into the market malaise. Things we would normally rally off of, we're not."

Bank of America Merrill Lynch lowered its Brent price forecast to $63 per barrel from $68 a barrel for the second half of 2019 on faltering demand.

Worries remained about increased tensions in the Middle East following last week's attacks on two oil tankers in the Gulf of Oman. The United States blamed the attacks on Iran but Tehran denied involvement.

Saudi Arabian energy minister Khalid al-Falih said yesterday that countries need to cooperate on keeping shipping lanes open for oil and other energy supplies to ensure stable supplies.

Market participants also await a meeting between Opec and other producers including Russia, a group known as Opec+, to decide whether to extend a production cut agreement that ends this month.

The group has been considering since last month moving the date of their policy meeting in Vienna up to 25 June to 26 June. *Reuters*

The City of London Solicitors' Company became a livery company in 1944

Ex-CMA inquiry chair becomes new Solicitors' Company master

HARRY ROBERTSON

@henrygrobertson

FORMER Allen & Overy solicitor John Wotton has been installed as the new master of the City of London Solicitors' Company after the organisation's annual general meeting yesterday.

Wotton was until last month inquiry chair at the Competition and Markets Authority (CMA), overseeing a range of reforms to the investment consultancy and fiduciary management sector.

He has taken over from Rupert Jones of Weil, Gotshal & Manges, who was master from June 2018 until yesterday.

A master receives a one-year term.

The Company is the livery company – a type of trade association or guild – for City solicitors.

Wotton said: "It is a very great honour to be serving as master of this company, and I look forward to an interesting, worthwhile, and enjoyable year."

Wotton's City-based practice at Allen & Overy covered corporate and commercial law, with a focus on the EU and competition.

Tech firm Unily secures $68m for expansion

JESS CLARK

@jclarkjourno

DIGITAL workplace platform Unily has secured $68m (£53.9m) in growth investment from Silversmith Capital Partners and Farview Equity Partners.

The British tech firm is targeting international growth and will also continue to invest in artificial intelligence.

Silversmith and London-based Farview will hold a significant minority stake in the business following the investment, which was announced yesterday.

Unily co-founder Will Saville said: "This investment will provide Unily with the potential to disrupt the global digital experiences marketplace at greater pace and with broader reach than ever before.

"We have invested in and developed a platform already used and recognised by global brands as providing answers to some of the toughest questions for multinationals around productivity, employee engagement and organisational culture."

Todd MacLean, Silversmith Capital Partners managing partner, added: "Our business model is pretty simple, we partner with exceptional entrepreneurs in important markets and support them however we can to help realise their long-term vision."

The average price for a property in the south stands at £323,910

Third of homes in southern England in areas where prices are dropping

SEBASTIAN MCCARTHY

@SebMcCarthy

MORE than one in three homes across the south of England are in property markets experiencing house price falls, according to new data that suggests a slowdown in London has caused "a rippling effect" into other regions.

Research from Zoopla found over a third of markets (36 per cent) across southern England are experiencing house price falls, although in the vast majority of cases the level of decline is less than 2.5 per cent.

The average price for a property in the south stands at £323,910, which has crept up by 0.6 per cent over the last year.

"The current slowdown in southern England which has extended out from London is a result of weaker housing demand after a period of high price rises," said Richard Donnell, research and insight director at Zoopla.

He added: "The trends in London and southern England are all part and parcel of the unfolding housing cycle.

"There remains plenty of demand for housing in southern England but there are fewer buyers who are more cautious, seeking out value for money."

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LONDON REPORT

Banks support FTSE as airlines hit by Lufthansa

THE MAIN index inched up yesterday as rises in banking shares outweighed the impact of a profit alert from Germany's **Lufthansa** on airlines, while UK contractor **Kier Group** skidded to an all-time low.

Both the FTSE 100 index and the FTSE 250 midcap index ended 0.2 per cent higher.

With the spotlight on tomorrow's US Federal Reserve policy decision, the banking index broke a four-day losing streak with a 0.9 per cent rise, led by Asia-exposed banks including **HSBC** and **Prudential** after Hong Kong's leader backed down over an extradition bill that has sparked mass protests.

The Bank of England also meets this week, with little expected. All eyes are on central bank policymaking globally, after two weeks in which hopes of policy easing have driven a stock market recovery from losses in May.

Easyjet and British Airways owner **IAG** gave up 4.4 per cent and 2.2 per cent respectively on the main bourse after Lufthansa cut its 2019 profit outlook due to competition from low-cost rivals in Europe.

Mid-cap component **Wizz Air** also dipped 2.6 per cent.

Kier, whose shares have plunged this month due to a report of a discounted sale of its unit and a profit warning, lost another 17.4 per cent, reaching a new all-time low, after the builder suspended dividend, and announced divestment plans and 1,200 job cuts.

DS Smith slipped 5.1 per cent on its worst day in over four months after Exane BNP Paribas downgraded the stock to "underperform" on worries about the plastic packaging firm's spending and costs.

Kier Group's shares plummeted after unveiling 1,200 job cuts

Energy provider **Centrica** also tumbled to more than a decade low, ending 2.4 per cent lower after Macquarie initiated coverage with an "underperform" rating.

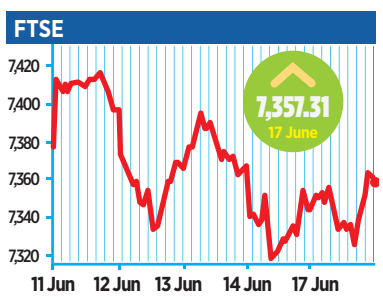
Huatai Securities' GDR ended 3.7 per cent higher on its first day of trading in what is the UK's first listing via the long-awaited London-Shanghai stock connect project.

TOP RISERS

1. **Hikma** Up 3.34 per cent
2. **Evraz** Up 1.93 per cent
3. **Standard Chartered** Up 1.89 per cent

TOP FALLERS

1. **DS Smith** Down 5.11 per cent
2. **Easyjet** Down 4.37 per cent
3. **Centrica** Down 2.45 per cent



BEST OF THE BROKERS

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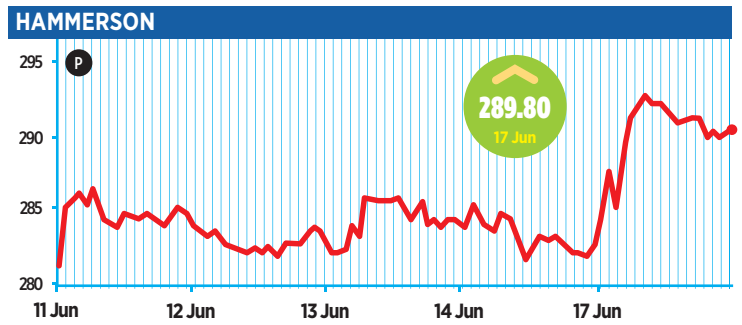
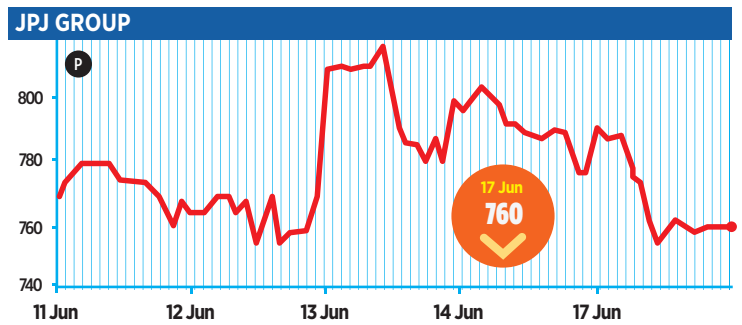
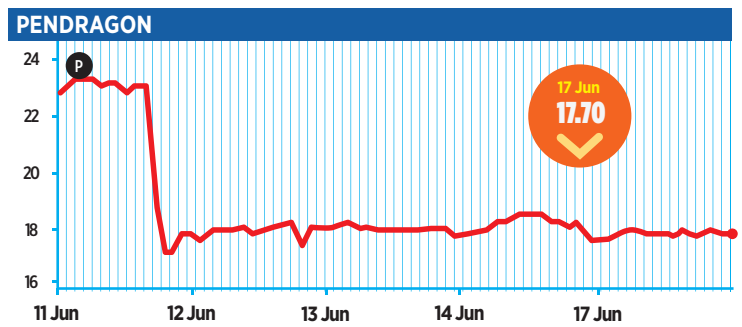


Shopping mall operators have had a year to forget, with retail income taking a hit from the growing number of industry closures and insolvencies. Like its fellow landlord Intu, Hammerson has suffered a sharp downturn in the value of its shares in recent years, and the Bullring owner has had to commit to selling off more of its assets as it tries to slash its debt burden. Yet while Peel Hunt analysts share the overall caution towards landlords within the retail sector, they have nonetheless upgraded Hammerson's rating from "Hold" to "Add" with a target price of 350p.



Gambling operating giant JPJ Group has spun the wheel after buying bingo software developer Gamesys for almost £500m. But while the move is seen as a relatively unusual one, Peel Hunt has said the acquisition will reduce execution risk and put an experienced management team in charge, making JPJ "much better placed to thrive" in the coming years ahead. The broker has therefore upgraded its recommendation from a "Hold" to a "Buy" rating, with a target price raised from 725p to 1,000p.



Pendragon might be one of the world's leading automotive retailers, but its drive towards profits is likely to take longer than had previously been anticipated. Shares in the car dealer plunged last week after the firm said that it would remain in the red this year. Analysts at Liberum have said that the new management team "faces an uphill battle", with its problems looking "multiple and deep-rooted". The broker has therefore downgraded its rating from "Hold" to "Sell" with a target price of 10p, down from 22p.

NEW YORK REPORT

Faith in the Fed nudges Wall St higher

WALL Street edged higher yesterday, supported by **Facebook**, **Amazon** and **Apple**, as investors awaited a key Federal Reserve meeting that is expected to lay the groundwork for an interest rate cut later this year.

The US central bank is expected to leave borrowing costs unchanged at its two-day policy meeting starting today, but its statement will provide insight into the impact of the US-China trade war, US President Donald Trump's calls for a rate cut and weaker economic data.

With investors expecting a rate cut as early as July, the S&P 500 index has risen five per cent this month after tumbling in May due to fears about the US-China trade war.

Buttressing expectations of a rate cut this year, the New York Federal Reserve said its Empire State gauge of business growth in New York state posted a record fall this month to its weakest level in more than two-and-a-half years, suggesting an abrupt contraction in regional activity.

The S&P banks index, which tend to benefit from a rising interest rate environment, dropped one per cent, while the broader S&P 500 financial sector fell 0.93 per cent.

Volatile investor favourites Facebook, Apple, Amazon, **Microsoft** and **Netflix** pushed the Nasdaq higher. The S&P 500 was up as much as 0.36 per cent during the session before giving up most of its gain in the final few minutes of trade.

The Dow Jones Industrial Average ended 0.09 per cent higher at 26,112.53 points, while the S&P 500 also gained 0.09 per cent to close at 2,889.67. The Nasdaq Composite added 0.62 per cent to 7,845.02.

Keeping the gains in check for the blue-chip Dow index was a 3.5 per cent decline in **Dow** after BMO Capital Markets downgraded the chemicals maker's stock to "market perform" on rising macro uncertainty.

Array Biopharma surged nearly 57 per cent after **Pfizer** agreed to buy the drugmaker for $10.6bn (£8.5bn) to beef up its cancer portfolio. Pfizer was mostly unchanged.

CITY MOVES WHO'S SWITCHING JOBS

KEYWORDS STUDIOS

Keywords Studios has announced that its chief financial officer, David Broderick, will be standing down from his role, and leaving the group, for personal reasons. Following an extensive search, Keywords has appointed Jon Hauck (inset), currently group financial controller and treasurer at FTSE 100 business services group Rentokil Initial, to join the firm by 1 November 2019 as its new chief financial officer. David has agreed to remain in his current role and as a member of the board of directors to ensure an orderly transition. Jon, 46, has a wealth of finance, change management and M&A experience, having held his role at Rentokil since 2015. He joined Rentokil in 2008 and prior to taking up his current position, held several roles including programme director in North America. He subsequently became chief financial officer of the North America operations.

DELOITTE

Deloitte has named Anne-Marie Malley as managing partner for consulting in the UK, taking over from Richard Houston following his election to senior partner and chief executive of Deloitte NSE and UK. Effective from 1 June, Anne-Marie is the first woman to hold the position at the firm, having led Deloitte's human capital consulting practice since 2011. In this role, she worked with some of the firm's largest clients to implement business transformation projects and develop strategies for the future of work. Anne-Marie has over 20 years' experience within the consulting industry and started her career in the financial services sector, spending three years at the Royal Bank of Scotland in the operations functions. She joined Arthur Andersen in 1996 before transitioning to Deloitte in 2001. Anne-Marie became a partner at Deloitte in 2005.

CAPITA

Capita has appointed Andy Start as its new executive officer for government services. Andy Start, who joins Capita in August, will sit on the executive committee and report to chief executive Jon Lewis. Andy has spent the last 20 years at senior leadership level in FTSE and S&P 500 international technology businesses. He ran the military space business for Airbus, was managing director of BAE Systems Avionics, and worked at a senior level at Harris Corporation, the American company specialising in tactical and public safety communications and IT systems. Most recently, he was president of global government at FTSE-listed Inmarsat. Andy has spent the last year on sabbatical as one of two industry attendees at the Royal College of Defence Studies, the UK government's most senior strategy programme for business, government and military leaders.

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Index	Value	Chg
FTSE 100	7357.31	11.53
FTSE 250	19157.61	39.27
FTSE ALL SHARE	4016.96	6.16
DOW JONES	26112.53	22.92
NASDAQ	7845.02	48.37
S&P 500	2889.67	2.69

£/€	1.1170	0.0059	€/$	1.1219	0.0010
£/$	1.2536	0.0057	€/£	0.8950	0.0049
£/¥	136.06	0.6542	€/¥	121.78	0.0953

GILTS

	Price	Chg	High	Low
Tsy 3.750 19	100.68	-0.02	103.8	100.7
Tsy 2.000 20	101.43	-0.02	102.7	101.4
Tsy 4.750 20	102.91	-0.04	107.1	102.9
Tsy 3.750 20	103.73	-0.04	106.8	103.7
Tsy 2.500 20	355.82	-0.03	361.4	355.7
Tsy 8.000 21	114.58	-0.08	121.4	114.2
Tsy 4.000 22	109.31	-0.06	111.7	109.0
Tsy 0.500 22	99.81	-0.04	100.0	97.7
Tsy 1.875 22	117.02	-0.13	118.5	115.5
Tsy 2.250 23	106.89	-0.07	107.2	104.7
Tsy 2.500 24	369.84	-0.03	370.8	358.7
Tsy 0.125 24	114.21	-0.16	114.8	110.9
Tsy 5.000 25	124.45	-0.08	125.5	122.1
Tsy 4.250 27	128.86	-0.09	129.3	122.6
Tsy 1.250 27	136.43	-0.23	137.4	128.4
Tsy 6.000 28	147.24	-0.09	147.8	140.5
Tsy 0.125 29	128.66	-0.27	129.7	118.8
Tsy 4.750 30	141.43	-0.10	142.0	132.1
Tsy 4.125 30	383.54	-0.21	386.2	355.2
Tsy 4.250 32	138.60	-0.06	139.3	128.5
Tsy 1.250 32	157.82	-0.18	159.1	144.1
Tsy 0.125 36	149.85	-0.15	151.5	133.4
Tsy 4.250 36	145.34	-0.06	146.3	133.1
Tsy 4.750 38	159.05	-0.08	160.3	144.9
Tsy 0.625 40	170.62	-0.12	173.5	152.8
Tsy 4.500 42	161.82	-0.09	163.4	145.9
Tsy 3.500 45	143.82	-0.09	145.4	128.0
Tsy 4.250 46	163.30	-0.09	165.1	145.7
Tsy 4.025 49	169.51	-0.11	171.6	150.0
Tsy 0.500 50	199.76	-0.01	207.7	173.7
Tsy 0.250 52	196.14	0.05	204.9	168.8

AEROSPACE & DEFENCE

	Price	Chg	High	Low
BAE Systems	488.4	3.7	676.4	443.9
Cobham	106.1	2.5	131.7	96.8
Meggitt	513.0	1.8	572.0	458.0
QinetiQ Group	290.8	0.6	312.4	256.6
Rolls-Royce Holdi	907.0	15.2	1094.0	759.2
Senior	227.2	-3.8	334.4	185.4
Ultra Electronics	1584.0	-7.0	1743.0	1232.0

BANKS

	Price	Chg	High	Low
Bank of Georgia G	1630.0	8.0	1938.2	1310.0
Barclays	150.7	1.7	195.0	146.1
Close Brothers Gr	1416.0	28.0	1660.0	1374.0
CYBG	181.8	2.4	364.2	173.9
HSBC Holdings	651.1	5.5	731.4	600.8
Lloyds Banking Gr	57.9	0.2	66.6	50.0
Metro Bank	565.0	-19.0	3422.0	475.0
Royal Bank of Sco	214.2	1.8	270.4	203.0
Standard Chartere	689.2	12.8	715.1	519.8
TBC Bank Group	1622.0	12.0	1774.0	1290.0

BEVERAGES

	Price	Chg	High	Low
Barr (A.G.)	922.0	2.0	975.0	666.0
Britvic	891.0	2.5	956.0	745.0
Coca-Cola HBC AG	2912.0	6.0	2941.0	2244.0
Diageo	3400.5	-18.0	3430.0	2523.5

CHEMICALS

	Price	Chg	High	Low
Croda Internation	5235.0	-5.0	5447.7	4576.0
Elementis	136.3	-1.4	270.9	135.4
Johnson Matthey	3078.0	-15.0	3781.0	2620.0
Sirius Minerals	14.7	-0.7	38.5	14.7
Synthomer	365.0	0.0	575.5	347.4
Victrex plc	2102.0	2.0	3408.0	1950.0

CONSTRUCTION & MATERIALS

	Price	Chg	High	Low
Balfour Beatty	238.2	-0.2	297.2	223.4
CRH	2531.0	7.0	2812.0	1971.5
Galliford Try	640.5	-3.5	1104.0	512.0
Ibstock	246.8	0.8	299.2	193.1
Kier Group	108.0	-22.8	1022.0	105.5
Marshalls	648.0	6.0	669.0	399.8
Polypipe Group	438.6	4.6	439.6	307.8

ELECTRICITY

	Price	Chg	High	Low
Contour Global	197.0	0.8	250.0	150.1
Drax Group	283.4	-4.8	427.2	281.2
SSE	1105.5	-16.5	1400.0	1008.0

ELECTRONIC & ELECTRICAL EQ.

	Price	Chg	High	Low
Halma	1992.5	3.0	2004.0	1237.0
Morgan Advanced M	265.0	1.2	363.0	237.0
Renishaw	3762.0	-92.0	5650.0	3670.0
Spectris	2618.0	-14.0	2848.0	1966.5

EQUITY INVESTMENT INSTRUM.

	Price	Chg	High	Low
Aberforth Smaller	1234.0	-6.0	1426.0	1120.0
Alliance Trust	781.0	3.0	789.0	672.0
Apax Global Alpha	146.0	0.5	153.0	127.0
AVI Global Trust	740.0	-5.0	767.0	660.0
Baillie Gifford J	789.0	4.0	869.0	663.0
Bankers Inv Trust	916.0	5.0	917.0	766.0
BBGI SICAV S.A. (	160.5	2.0	168.0	133.0
BlackRock Smaller	1466.0	-16.0	1600.0	1160.0
BMO Global Smalle	1340.0	4.0	1495.0	1220.0
Caledonia Investm	3050.0	0.0	3070.0	2650.0
City of London In	419.0	0.0	436.0	376.0
Edinburgh Inv Tru	592.0	2.0	701.0	588.0
F&C Investment Tr	698.0	2.0	741.0	616.0
Fidelity China Sp	209.5	1.0	262.5	182.4
Fidelity European	243.5	1.0	245.5	202.0
Fidelity Special	257.0	1.5	278.0	220.0
Finsbury Growth &	894.0	6.0	899.0	740.0
GCP Infrastructur	127.4	0.4	130.8	119.0
Genesis Emerging	731.0	7.0	739.0	615.0
Greencoat UK Wind	139.8	0.2	143.2	122.6
HarbourVest Globa	1592.0	0.0	1628.0	1240.0
Herald Investment	1330.0	8.0	1364.0	1055.0
HGCapital Trust	217.0	0.0	219.0	175.0
HICL Infrastructu	161.4	2.8	170.1	140.0
International Pub	151.6	3.0	163.4	141.4
JPMorgan American	459.0	5.5	472.0	386.5
JPMorgan Emerging	963.0	3.0	972.0	759.0
JPMorgan Indian I	745.0	-5.0	776.0	566.0
JPMorgan Japanese	432.0	0.0	472.0	367.0
Jupiter European	859.0	5.0	895.0	666.0
Law Debenture Cor	594.0	-2.0	636.0	534.0
Mercantile Invest	205.0	0.5	224.2	168.0
Monks Inv Trust	889.0	5.0	891.0	710.0
Murray Internatio	1150.0	-2.0	1208.0	1056.0
NB Global Floatin	89.6	0.3	94.5	87.6
NextEnergy Solar	120.0	1.0	124.5	107.5
Pantheon Internat	2155.0	0.0	2225.0	1955.0
Perpetual Income	306.0	0.5	365.5	301.5
Pershing Square H	1372.0	38.0	1398.0	990.0
Personal Assets T	41650.0	0.0	41750.0	38900.0
Polar Capital Tec	1314.0	8.0	1386.0	1066.0
RIT Capital Partn	2070.0	25.0	2130.0	1892.0
Riverstone Energy	851.0	6.0	1282.0	840.0
Schroder Asia Pac	432.5	-2.0	473.0	379.0
Scottish Inv Trus	809.0	4.0	902.0	748.0
Scottish Mortgage	521.5	8.0	568.3	441.4
Sequoia Economic	111.4	-0.6	114.2	106.0
Smithson Investme	1218.0	4.0	1222.0	1000.2
Syncona Limited N	240.0	5.0	302.5	223.0
Temple Bar Inv Tr	1220.0	-4.0	1366.0	1116.0
Templeton Emergin	760.0	4.0	792.0	649.0
The Renewables In	127.2	-0.4	128.4	106.9
TR Property Inv T	415.5	3.5	433.5	353.5
Vietnam Enterpris	440.0	0.0	472.0	390.0
VinaCapital Vietn	339.5	-1.0	350.0	306.0
Witan Inv Trust	211.5	1.5	227.6	189.6
Woodford Patient	55.0	-3.0	91.0	52.8
Worldwide Healthc	2650.0	20.0	2915.0	2325.0

FINANCIAL SERVICES

	Price	Chg	High	Low
3i Group	1027.0	2.0	1088.5	756.2
3i Infrastructure	286.5	3.5	292.0	221.0
AJ Bell	376.0	4.0	477.0	220.0
Allied Minds	76.3	-2.3	110.8	37.3
Amigo Holdings	250.0	-26.0	310.0	154.5
Arrow Global Grou	230.0	7.0	267.0	167.2
ASA International	370.0	-11.0	510.0	336.0
Ashmore Group	485.8	3.4	490.4	337.0
Brewin Dolphin Ho	299.8	-2.4	366.0	295.4
Charter Court Fin	317.5	0.0	375.0	228.8
City of London In	410.5	0.0	430.0	360.0
CMC Markets	87.4	0.0	206.0	77.4
Coats Group	77.5	-0.8	91.3	69.8
Georgia Capital	1026.0	6.0	1260.0	941.0
Hargreaves Lansdo	1898.5	28.5	2433.0	1633.0
IG Group Holdings	573.8	3.8	954.5	474.8
IntegraFin Holdin	376.1	0.6	406.1	269.0
Intermediate Capi	1332.0	7.0	1360.0	899.0
International Per	161.0	-2.6	248.8	157.6
Investec	476.0	0.0	568.0	423.4
IP Group	72.6	0.1	138.0	70.1
John Laing Group	372.4	-1.2	402.0	264.2
JTC	375.0	13.0	440.0	287.0
Jupiter Fund Mana	394.5	8.4	465.6	287.6
Liontrust Asset M	736.0	26.0	740.0	532.0
LMS Capital	52.8	-0.3	53.5	44.0
London Finance &	39.5	0.0	45.5	38.1
London Stock Exch	5454.0	8.0	5476.0	3867.0
Man Group	143.1	-1.0	187.2	126.8
OneSavings Bank	388.0	2.0	449.6	330.0
Paragon Banking G	445.6	5.8	524.0	379.2
Plus500 Ltd (DI)	589.8	-9.8	2040.0	495.0
Provident Financi	434.9	-10.1	692.6	434.9
Quilter	138.3	1.1	156.6	110.6
Rathbone Brothers	2130.0	20.0	2652.0	2085.0
Real Estate Credi	171.0	-1.0	175.5	163.0
Record	34.2	-0.6	47.0	27.3
River and Mercant	262.0	2.0	330.0	212.0
S&U	2400.0	20.0	2660.0	1767.5
Sanne Group	685.0	-5.0	724.0	450.0
Schroders	2949.0	20.0	3268.0	2334.0
Standard Life Abe	274.6	2.7	397.3	224.9
TP ICAP	285.0	3.5	426.2	259.7
VPC Specialty Len	70.4	-0.6	84.4	67.0
Walker Crips Grou	27.0	0.0	39.0	24.0
XPS Pensions Grou	160.0	-4.5	192.0	132.0

FIXED LINE TELECOMS

	Price	Chg	High	Low
BT Group	207.1	0.8	264.7	193.8
TalkTalk Telecom	108.2	-0.8	137.0	96.6
Telecom Plus	1462.0	-26.0	1528.0	1010.0

FOOD & DRUG RETAILERS

	Price	Chg	High	Low
Greggs	2260.0	14.0	2292.0	942.0
Morrison (Wm) Sup	196.9	-1.0	269.4	195.3
Ocado Group	1137.5	-22.0	1435.0	749.8
Sainsbury (J)	193.8	-0.2	341.5	193.0
SSP Group	648.0	-2.0	744.4	615.1
Tesco	227.0	2.6	266.2	189.6
UDG Healthcare Pu	745.0	13.0	878.0	551.0

FOOD PRODUCERS

	Price	Chg	High	Low
Associated Britis	2423.0	-40.0	2836.0	2041.0
Bakkavor Group	128.0	0.0	193.0	113.0
Cranswick	2580.0	-10.0	3454.0	2472.0
Greencore Group	209.7	-2.7	230.0	162.9
Hilton Food Group	974.0	5.0	1088.0	884.0
Tate & Lyle	752.0	-2.2	800.4	622.6
Unilever	4967.0	-6.5	4987.5	3931.0

FORESTRY & PAPER

	Price	Chg	High	Low
Mondi	1708.5	-18.0	2236.0	1584.0

GAS, WATER & MULTIUTILITIES

	Price	Chg	High	Low
Centrica	89.3	-2.2	163.7	89.0
National Grid	829.2	-4.2	889.2	748.7
Pennon Group	757.0	-2.0	812.4	684.2
Severn Trent	2057.0	17.0	2091.0	1770.0
United Utilities	823.8	-0.4	873.6	682.4

GENERAL INDUSTRIALS

	Price	Chg	High	Low
RPC Group	791.8	0.2	834.8	632.2
Smith (DS)	332.2	-17.9	524.6	292.2
Smiths Group	1483.0	-0.5	1763.5	1279.5
Smurfit Kappa Gro	2369.0	-5.0	3292.0	1934.0
Vesuvius	516.0	-3.5	662.0	473.2

GENERAL RETAILERS

	Price	Chg	High	Low
Auto Trader Group	564.8	3.4	606.0	388.5
B&M European Valu	333.6	3.8	426.3	278.6
Card Factory	178.0	2.5	212.4	162.6
Dixons Carphone	121.9	1.0	199.9	113.9
Dunelm Group	916.0	12.0	928.5	482.8
Inchcape	618.5	1.5	799.0	486.6
JD Sports Fashion	591.0	-0.6	635.6	318.5
Just Eat	632.4	5.4	883.4	533.8
Kingfisher	0.0	0.0	0.0	0.0
Marks & Spencer G	218.7	2.7	300.8	215.0
Next	5542.0	28.0	6136.0	3991.0
Pets at Home Grou	176.5	4.4	187.3	110.0
Saga	36.9	1.1	138.7	35.8
Sports Direct Int	284.0	0.2	436.1	233.2
Ted Baker	894.5	-11.0	2378.0	880.0
Vivo Energy	137.4	-0.6	156.3	96.0
WH Smith	1952.0	-7.0	2186.0	1697.0

MAIN CHANGES UK 350

Risers	%	Fallers	%
Hikma Pharmaceutic 1700.5	3.3	Kingfisher 0.0	0.0
Saga 36.9	3.0	Kier Group 108.0	-17.4
Pershing Square Ho 1372.0	2.9	Amigo Holdings 250.0	-9.4
IWG 347.0	2.8	Woodford Patient C 55.0	-5.2
Hammerson 289.8	2.6	Smith (DS) 332.2	-5.1
Pets at Home Group 176.5	2.6	Sirius Minerals 14.7	-4.8
NewRiver REIT 193.4	2.6	easyJet 888.4	-4.4
Cobham 106.1	2.4	Centamin (DI) 105.0	-4.0
Domino's Pizza Gro 251.8	2.4	Just Group 53.0	-3.6
Cineworld Group 285.8	2.3	Stobart Group Ltd. 102.2	-3.4

HEALTH CARE EQUIPMETN & S.

	Price	Chg	High	Low
Assura	64.0	0.3	64.5	52.4
Convatec Group	141.8	0.5	239.0	118.6
Mediclinic Intern	293.9	-5.9	547.0	293.5
NMC Health	2319.0	20.0	4120.0	2192.0
Smith & Nephew	1721.5	18.0	1721.5	1258.0

HHOLD GDS & HOME CONSTR.

	Price	Chg	High	Low
Barratt Developme	565.0	3.4	625.8	434.0
Bellway	2754.0	-3.0	3281.0	2419.0
Berkeley Group Ho	3533.0	3.0	4220.0	3226.0
Bovis Homes Group	1022.0	4.0	1238.0	828.0
Countryside Prope	292.6	3.0	360.8	270.0
Crest Nicholson H	360.2	3.8	419.4	296.4
McCarthy & Stone	138.5	1.6	142.4	97.5
Persimmon	1936.5	-9.0	2701.0	1859.5
Reckitt Benckiser	6547.0	21.0	7155.0	5593.0
Redrow	547.0	2.0	674.6	460.8
Taylor Wimpey	156.6	1.0	192.3	129.3

INDUSTRIAL ENGINEERING

	Price	Chg	High	Low
Bodycote	789.5	8.5	1055.0	676.0
Hill & Smith Hold	1200.0	-15.0	1523.0	902.5
IMI	972.6	3.6	1242.0	870.0
Melrose Industrie	168.4	-1.2	235.7	146.3
RHI Magnesita N.V	4596.0	56.0	5085.0	3318.0
Rotork	302.5	-0.9	361.4	235.7
Spirax-Sarco Engi	8720.0	20.0	8870.0	5900.0
Weir Group	1450.5	-23.0	2022.0	1240.0

INDUSTRIAL METALS & MINING

	Price	Chg	High	Low
Evraz	709.4	13.4	710.2	442.1
Ferrexpo	260.9	-1.9	301.3	143.5

INDUSTRIAL TRANSPORTATION

	Price	Chg	High	Low
BBA Aviation	263.0	0.0	350.0	207.0
Clarkson	2440.0	15.0	2900.0	1878.0
Fisher (James) &	1900.0	20.0	2260.0	1600.0
Royal Mail	203.2	3.3	512.4	194.5
Stobart Group Ltd	102.2	-3.6	258.0	101.8

NON LIFE INSURANCE

	Price	Chg	High	Low
Admiral Group	2095.0	17.0	2281.0	1870.0
Beazley	567.0	0.5	599.0	492.6
Direct Line Insur	324.5	1.2	366.5	304.9
Hastings Group Ho	181.2	0.0	274.2	174.0
Hiscox Limited (D	1712.0	24.0	1721.0	1418.0
Lancashire Holdin	709.0	0.5	724.5	530.0
RSA Insurance Gro	571.4	2.4	681.8	496.6
Sabre Insurance G	262.5	2.5	294.0	249.0

LIFE INSURANCE

	Price	Chg	High	Low
Aviva	409.7	1.1	514.8	364.6
Just Group	53.0	-2.0	143.0	44.6
Legal & General G	268.6	1.9	291.2	223.7
Phoenix Group Hol	686.4	0.0	724.8	544.0
Prudential	1618.5	17.0	1837.5	1340.0
St James's Place	1050.0	7.5	1216.5	914.0

MEDIA

	Price	Chg	High	Low
4Imprint Group	2600.0	0.0	2700.0	1715.0
Ascential	370.4	1.0	465.0	337.2
Bloomsbury Publis	230.0	-1.0	247.0	190.5
Centaur Media	47.9	-0.1	56.5	34.7
Entertainment One	385.6	1.6	483.4	336.4
Euromoney Institu	1236.0	-10.0	1434.0	1132.0
Goco Group	82.3	-0.4	139.0	64.6
Haynes Publishing	226.0	0.0	246.0	160.0
Huntsworth	101.5	-0.5	139.0	81.0
Informa	808.0	8.0	859.0	605.8
ITE Group	73.2	-0.4	90.0	56.3
ITV	107.0	1.8	180.4	105.1
Moneysupermarket.	393.8	8.4	394.4	264.0
Pearson	808.2	9.6	1027.5	769.2
Reach	77.3	-0.1	83.2	54.6
Relx plc	1926.0	17.5	1928.5	1491.5
Rightmove	579.7	6.6	585.1	420.9
STV Group	364.5	-5.5	458.0	318.0
Tarsus Group	431.0	0.0	433.0	243.0
WPP	973.8	13.4	1301.0	800.4

MINING

	Price	Chg	High	Low
Acacia Mining	170.5	0.4	256.6	96.1
Anglo American	2108.5	-2.0	2226.0	1464.6
Antofagasta	860.0	1.0	1028.5	727.2
BHP Group	1917.2	7.2	1944.2	1490.6
Centamin (DI)	105.0	-4.4	136.2	79.8
Fresnillo	825.8	-14.0	1173.0	724.8
Glencore	270.0	-2.1	387.2	254.7
Hochschild Mining	178.5	-1.2	208.4	149.1
Kaz Minerals	560.4	-4.8	914.2	436.7
Polymetal Interna	895.0	-1.0	901.2	597.2
Rio Tinto	4773.0	3.0	4806.0	3486.0

MOBILE TELECOMS

	Price	Chg	High	Low
Inmarsat	549.4	3.0	632.2	362.8
Vodafone Group	127.5	-0.6	191.0	123.3

OIL & GAS PRODUCERS

	Price	Chg	High	Low
BP	536.0	-2.9	598.3	485.9
Cairn Energy	146.3	0.6	258.8	140.0
Energean Oil & Ga	836.0	13.0	846.0	493.5
Premier Oil	69.6	-0.8	143.6	55.6
Royal Dutch Shell	2517.0	2.0	2694.5	2213.0
Royal Dutch Shell	2522.5	6.0	2780.5	2227.0
Tullow Oil	198.6	2.6	266.3	165.2

OIL EQUIPMENT & SERVICES

	Price	Chg	High	Low
Hunting	495.6	0.6	849.0	453.6
Petrofac Ltd.	423.1	-0.4	663.4	381.5
Wood Group (John)	395.3	-2.5	796.4	389.5

PERSONAL GOODS

	Price	Chg	High	Low
Burberry Group	1753.0	11.5	2325.0	1623.5
PZ Cussons	211.0	1.5	244.0	178.6

PHARMACEUTICALS & BIOTECH

	Price	Chg	High	Low
AstraZeneca	6250.0	35.0	6525.0	5182.0
BTG	835.0	0.5	853.0	475.0
Dechra Pharmaceut	2726.0	-56.0	3168.0	2014.0
Genus	2636.0	28.0	2992.0	2098.0
GlaxoSmithKline	1588.4	4.0	1621.6	1418.0
Hikma Pharmaceuti	1700.5	55.0	2025.0	1376.0
Indivior	43.8	-1.2	385.1	30.1

REAL ESTATE INVEST. & SERV.

	Price	Chg	High	Low
BMO Commercial Pr	111.8	-0.6	155.0	111.4
Capital & Countie	209.5	-3.0	296.5	208.8
CLS Holdings	219.0	2.0	255.0	195.4
Daejan Holdings	5570.0	60.0	6400.0	5500.0
Grainger	241.0	0.2	290.5	205.8
NewRiver REIT	193.4	4.8	284.5	188.5
Safestore Holding	653.5	-3.0	661.0	499.4
Savills	854.0	-4.0	949.5	678.5
St. Modwen Proper	425.0	-0.5	441.5	365.0
UK Commercial Pro	90.0	0.2	92.7	81.0

REAL ESTATE INVEST. TRUSTS

	Price	Chg	High	Low
Big Yellow Group	1027.0	4.0	1062.0	852.5
British Land Comp	535.8	-3.4	691.0	523.0
Civitas Social Ho	76.8	0.1	114.0	76.3
Derwent London	3190.0	-14.0	3328.0	2761.0
Great Portland Es	714.0	1.2	773.6	652.3
Hammerson	289.8	7.3	547.6	266.9
Intu Properties	87.4	1.5	201.5	84.7
Land Securities G	842.6	1.0	965.1	791.8
LondonMetric Prop	206.8	1.2	209.2	172.7
Primary Health Pr	139.0	0.2	139.0	106.4
SEGRO	730.8	11.8	733.4	585.2
Shaftesbury	820.0	1.5	946.0	812.5
Tritax Big Box Re	149.8	-0.3	155.7	129.0
Unite Group	960.5	10.5	973.5	797.5
Workspace Group	852.0	-18.0	1151.0	789.5

SOFTWARE & COMPUTER SERV.

	Price	Chg	High	Low
Avast	309.4	5.0	319.4	208.2
Aveva Group	3862.0	-68.0	3956.0	2284.0
Computacenter	1271.0	-12.0	1620.0	952.0
FDM Group (Holdin	915.0	-15.0	1128.0	734.0
Funding Circle Ho	245.0	2.5	440.0	221.5
Micro Focus Inter	2009.0	34.6	2491.6	1427.2
Playtech	416.8	-5.6	777.0	361.8
Sage Group	770.8	10.4	774.8	525.6
Softcat	917.0	-24.0	967.0	565.0

SUPPORT SERVICES

	Price	Chg	High	Low
Sophos Group	381.1	-5.3	639.0	298.2
Aggreko	780.2	-0.6	882.0	641.8
Ashtead Group	1961.5	12.5	2438.0	1586.5
BCA Marketplace	190.0	1.7	242.0	178.5
Bunzl	2155.0	-10.0	2551.0	2059.0
Capita	99.9	-0.6	169.1	98.7
DCC	7014.0	70.0	7390.0	5555.0
Diploma	1592.0	14.0	1634.0	1150.0
Electrocomponents	613.8	-1.2	761.6	480.0
Equiniti Group	215.0	-0.8	266.0	186.2
Essentra	415.4	-0.6	507.0	325.4
Experian	2420.0	12.0	2423.5	1728.5
Ferguson	5576.0	10.0	6556.0	4749.0
G4S	213.7	2.1	282.0	175.9
Grafton Group Uni	889.5	-7.5	937.0	630.0
Hays	155.8	2.4	212.0	135.7
Homeserve	1262.0	3.0	1268.0	849.0
Howden Joinery Gr	505.4	6.3	539.0	416.4
Intertek Group	5564.0	30.0	6014.0	4387.0
Pagegroup	516.0	5.5	623.5	432.2
Rentokil Initial	391.2	1.4	392.0	284.8
Robert Walters	666.0	4.0	475.0	814.0
Serco Group	136.9	0.8	137.5	84.1
SIG	134.7	0.3	153.0	102.2
Travis Perkins	1324.5	10.0	1465.0	970.0
Spirent Communica	151.0	-0.2	166.2	112.8

TOBACCO

	Price	Chg	High	Low
British American	2840.0	-45.5	4222.5	2375.0
Imperial Brands	1951.4	-25.2	2987.5	1871.0

TRAVEL & LEISURE

	Price	Chg	High	Low
888 Holdings	154.0	-2.3	284.2	129.3
Carnival	4058.0	25.0	5000.0	3659.0
Cineworld Group	285.8	6.5	323.6	247.4
Compass Group	1901.0	-10.5	1918.5	1483.0
Domino's Pizza Gr	251.8	5.9	357.7	224.4
easyJet	888.4	-40.6	1796.0	854.8
EI Group	202.8	1.0	224.8	145.0
FirstGroup	99.6	-0.1	116.6	79.3
Flutter Entertain	5810.0	-78.0	8510.0	5525.0
Go-Ahead Group	1980.0	6.0	2080.0	1388.0
Greene King	607.2	-3.2	704.4	472.8
GVC Holdings	623.6	-0.8	1170.0	507.5
InterContinental	5281.0	52.0	5282.0	3958.4
International Con	450.6	-10.1	726.6	444.3
Merlin Entertainm	379.5	1.7	410.5	307.1
Millennium & Copt	685.0	5.0	685.0	436.0
Mitchells & Butle	282.0	3.5	291.4	238.0
National Express	394.2	1.4	433.2	361.4
Rank Group	155.8	-3.0	194.0	135.0
Restaurant Group	124.2	0.0	221.9	111.9
Stagecoach Group	125.4	1.1	177.0	115.5
TUI AG Reg Shs (D	741.2	-9.0	1742.5	698.0
Wetherspoon (J.D.	1405.0	6.0	1410.0	1066.0
Whitbread	4670.0	-45.0	5114.0	3883.0
William Hill	139.2	-1.3	312.6	132.3
Wizz Air Holdings	3531.0	-94.0	3797.0	2329.0

AIM 50

	Price	Chg	High	Low
Abcam	1445.0	22.0	1539.0	1017.0
Advanced Medical	328.0	2.5	370.0	260.0
Alliance Pharma	75.4	-0.7	101.0	60.0
ASOS	3093.0	-32.0	6700.0	2128.0
Blue Prism Group	1846.0	-4.0	2575.0	1040.0
Camellia	10300.0	-500.0	12000.0	9100.0
CareTech Holding	374.0	6.0	406.0	325.0
Central Asia Meta	218.5	2.0	269.5	203.0
Clinigen Group	1012.0	-18.0	1069.0	721.0
CVS Group	623.5	-13.5	1163.0	395.0
Dart Group	886.0	-7.5	1017.0	740.0
Diversified Gas &	108.0	1.0	134.0	96.0
Draper Esprit	524.0	-16.0	645.0	458.0
Eland Oil & Gas	123.0	4.0	137.5	97.0
EMIS Group	1188.0	12.0	1206.0	860.0
Fevertree Drinks	2426.0	2.0	3956.0	2131.0
First Derivatives	3460.0	60.0	4680.0	2050.0
Frontier Developm	1104.0	4.0	1780.0	740.0
Gamma Communicati	1165.0	5.0	1195.0	688.0
GB Group	541.0	-3.0	631.0	410.5
Gooch & Housego	1050.0	5.0	1880.0	954.0
Hurricane Energy	55.7	2.3	60.8	39.0
Iomart Group	326.0	-9.0	475.0	308.0
IQE	73.3	-2.1	113.4	56.3
James Halstead	510.0	4.0	532.0	367.0
Johnson Service G	162.6	-5.8	170.0	113.6
Keywords Studios	1581.0	-31.0	2065.0	900.0
Learning Technolo	88.0	2.7	166.5	62.2
M&C Saatchi	362.0	-1.0	394.0	270.0
M. P. Evans Group	693.0	3.0	800.0	637.0
Majestic Wine	275.0	-8.5	485.0	219.0
Midwich Group	596.0	-4.0	685.0	491.5
Mortgage Advice B	582.0	2.0	720.0	490.0
Next Fifteen Comm	620.0	-2.0	626.6	455.0
Nichols	1800.0	10.0	1840.0	1240.0
Numis Corporation	262.0	3.5	438.5	221.5
Polar Capital Hol	566.0	8.0	732.0	448.0
Purplebricks Grou	103.0	-3.0	356.4	90.0
Redde	101.8	-2.2	196.0	90.0
Renew Holdings	425.0	9.0	436.5	333.0
RWS Holdings	628.0	10.0	642.0	389.5
Scapa Group	194.6	-9.4	473.4	157.0
Secure Income Rei	403.0	0.0	414.0	371.0
Serica Energy	127.6	-0.4	142.0	57.4
Smart Metering Sy	500.0	0.0	778.0	480.0
Staffline Group	129.0	-110.0	1340.0	128.8
Telford Homes	306.5	-2.5	439.0	267.0
Thorpe (F.W.)	320.0	0.0	340.0	248.0
Watkin Jones	207.5	1.0	232.5	192.2
Young & Co's Brew	1787.5	20.0	1885.0	1322.5
Young & Co's Brew	1070.0	-10.0	1325.0	1030.0

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EU SHARES

	Price	Chg	High	Low
AB INBEV	74.93	-0.45	91.14	56.32
ADIDAS N	262.95	2.35	267.25	178.30
AIR LIQUIDE	118.35	-0.40	119.10	101.85
AIRBUS BR	125.00	2.58	125.14	77.50
ALLIANZ	208.25	1.20	216.20	170.38
AMADEUS IT GRP BR-A	67.28	-0.82	82.20	58.06
ASML HLDG	170.40	-0.64	189.50	130.12
AXA	22.93	0.32	23.90	18.40
BANCO SANTANDER	3.96	0.01	4.82	3.80
BASF N	59.98	-0.61	88.74	57.26
BAYER N	52.53	-0.32	101.40	52.00
BBVA	4.87	-0.01	6.44	4.48
BMW	62.19	-0.28	86.80	61.31
BNP PARIBAS BR-A	40.76	-0.11	56.94	38.14
CRH PLC	28.21	-0.15	34.87	26.53
DAIMLER N	47.37	-0.06	63.53	44.54
DANONE	72.84	0.32	73.08	59.72
DEUTSCHE POST N	27.43	0.00	32.20	23.43
DEUTSCHE TELEKOM N	15.37	0.01	15.88	13.09
ENEL N	6.08	0.01	6.09	4.22
ENGIE	12.83	-0.13	14.28	11.31
ENI N	13.87	-0.07	16.71	13.39
ESSILORLUXOTT	106.75	0.35	129.55	95.50
FRESENIUS	46.52	0.32	71.10	38.50
IBERDROLA	8.90	-0.06	8.96	5.81
INDITEX	24.88	-0.12	30.30	21.85
ING GROUP	9.87	0.05	13.28	9.09
INTESA SANPAOLO N	1.83	-0.01	2.66	1.80
KERING	494.25	7.80	539.80	351.70
KON AH DEL BR	20.57	-0.01	24.01	18.60
L'OREAL	249.30	1.30	250.20	182.00
LINDE	181.10	0.50	0.00	0.00
LVMH	358.30	4.30	363.70	242.30
MUENCHENER RUECKV N	223.00	1.40	224.00	175.00
NOKIA	4.40	-0.00	5.76	4.17
ORANGE	13.79	-0.04	15.25	13.15
ROY.PHILIPS	37.06	0.40	40.01	29.05
SAFRAN	124.90	2.00	130.00	97.08
SANOFI	75.47	-0.51	80.44	67.39
SAP I	114.88	1.10	117.02	84.02
SCHNEIDER EL	75.04	-0.02	78.66	57.54
SIEMENS N	103.22	-0.80	121.40	90.90
SOCIETE GENERALE	21.13	-0.11	35.06	21.02
TELEFONICA	7.38	-0.06	8.06	6.59
TOTAL	47.15	-0.10	55.39	44.23
UNILEVER CERT	54.42	-0.17	55.01	45.12
VINCI	89.90	0.32	90.88	69.98
VIVENDI	24.63	0.15	26.69	20.40
VOLKSWAGEN VZ I	140.90	-0.14	165.88	131.02

COMMODITIES

Gold	1351.25	15.35
Silver	15.02	0.23
Brent Crude	62.01	0.70
Krugerrand	1355.05	-9.45
Palladium	1422.00	45.00
Platinum	818.00	6.00
Tin Cash Official	19300.00	0.00
Lead Cash Official	1902.50	1.00
Zinc Cash Official	2595.00	6.00
Copper Cash Official	5797.50	7.50
Aluminium Cash Official	1756.00	-11.00
Nickel Cash Official	11740.00	150.00
Aluminium Alloy Cash Official	1260.00	14.00
Cocoa Futures	2471.00	-56.00
Coffee 'C' Futures	98.03	-0.02
Feed Wheat Futures	156.50	5.00
Soybeans Futures Continuation Contract	910.00	13.20

CREDIT & RATES

BoE IR Overnight	0.750	0.00
BoE IR 7 days	0.750	0.00
BoE IR 1 month	0.750	0.00
BoE IR 3 months	0.750	0.00
BoE IR 6 months	0.750	0.00
LIBOR Euro - overnight	-0.469	0.00
LIBOR Euro - 12 months	-0.255	0.00
LIBOR USD - overnight	2.347	0.00
LIBOR USD - 12 months	2.246	0.00
Halifax mortgage rate	3.990	0.00
Euro Base Rate	0.000	0.00
Finance house base rate	1.000	0.00
US Fed funds	1.91	0.00
US long bond yield	2.58	-0.01
Euro Euribor	-0.393	0.00
The vix index	15.35	0.07
The baltic dry index	1085.00	23.00
Markit iBoxx EUR	240.55	-0.13
Markit iBoxx GBP	342.63	-0.51
Markit iBoxx USD	253.05	-0.06

WORLD INDICES

	Price	Chg	%chg
FTSE 100	7357.31	11.53	0.16
FTSE 250	19157.61	39.27	0.21
FTSE All-Share	4016.96	6.16	0.15
FTSE AIM All-Share	937.46	0.25	0.03
S&P 500	2889.67	2.69	0.09
Dow Jones I.A.	26112.53	22.92	0.09
Nasdaq Composite	7845.02	48.37	0.62
Xetra DAX	12085.82	-10.58	-0.09
CAC 40	5390.95	23.33	0.43
Swiss Market Index	9851.57	3.96	0.04
ISEQ Overall Index	6120.59	-33.94	-0.55
FTSEurofirst 300	1489.82	-1.02	-0.07
Hang Seng	27227.16	108.81	0.40
Shanghai Composite	2887.62	-23.12	-0.79
STI Index	3211.64	-3.21	-0.10
ASX All Ordinaries	6609.40	-24.20	-0.36

US SHARES

	Price	Chg	High	Low
3M	166.78	0.09	219.75	159.32
ABBOTT LABORATOR	82.05	-0.17	82.86	60.32
ADOBE	275.60	1.32	291.71	204.95
ALPHAB NON VTG-C	1092.50	7.15	1289.27	970.11
ALPHABET-A	1093.89	7.59	1296.98	977.66
AMAZON.COM	1886.03	16.36	2050.50	1307.00
AMERICAN EXPRESS	121.45	-0.55	124.74	89.05
APPLE	193.89	1.15	233.47	142.00
AT&T	32.30	-0.05	34.30	26.80
BANK OF AMERICA	27.93	-0.11	31.91	22.66
BERKSHIRE HATH RG-B	203.48	-1.68	224.07	184.75
BOEING CO	354.90	7.74	446.01	292.47
CATERPILLAR	127.32	0.09	159.37	112.06
CHEVRON	121.39	0.58	128.55	100.22
CISCO SYSTEMS	55.40	0.65	57.56	40.25
CITIGROUP	66.54	-0.94	75.24	48.42
COCA-COLA CO	50.87	-0.44	52.19	42.96
COMCAST-A	42.56	0.25	43.96	32.08
DOW	49.35	-1.80	0.00	0.00
EXXON MOBIL	75.09	0.74	87.36	64.65
FACEBOOK-A	189.01	7.68	218.62	123.02
GOLDMAN SACHS GR	190.83	-0.83	245.08	151.70
HOME DEPOT	206.98	1.21	215.43	158.09
HONEYWELL INTL	172.36	-0.45	174.34	123.48
IBM	134.95	-0.20	154.36	105.94
INTEL	46.13	-0.06	59.59	42.36
JOHNSON & JOHNSO	139.44	-0.65	148.99	120.11
JPMORGAN CHASE	109.22	-0.60	119.24	91.11
MASTERCARD RG-A	259.20	-0.90	269.85	171.89
MCDONALD'S	203.81	-1.48	206.39	153.13
MEDTRONIC	97.32	-0.18	100.15	81.66
MERCK	83.30	0.52	84.27	59.80
MICROSOFT	132.85	0.40	134.24	93.96
NETFLIX	350.62	10.89	423.21	231.23
NIKE -B-	82.11	-1.33	90.00	66.53
ORACLE	53.13	-0.15	55.53	42.40
PAYPAL HOLDINGS	117.16	0.99	117.45	74.66
PEPSICO	132.52	-0.21	134.71	104.43
PEPSICO	118.61	0.56	119.74	101.06
PFIZER	42.88	0.12	46.47	35.73
PROCTER&GAMBLE	110.99	-0.21	111.75	75.39
TRAVELERS COS	149.92	-0.19	150.64	111.08
TWITTER	36.44	0.29	47.79	26.19
UNITEDHEALTH GRO	245.97	0.60	287.94	208.07
UTD TECHS	124.23	-1.07	144.40	100.48
VERIZON COMM	57.63	-0.65	61.58	47.13
VISA RG-A	169.56	-0.10	172.20	121.60
WALGREENS BOOTS	52.81	0.24	86.31	49.31
WALMART	109.16	0.09	109.59	82.37
WALT DISNEY	140.97	-0.68	142.95	100.35
WELLS FARGO	45.27	-0.32	59.53	43.02

OFFICE POLITICS

Beware the rising threat of 'onlyness' in the office

It's Loneliness Awareness Week – do your staff feel able to speak their minds at work?

COUNTLESS times at work, I've thought to myself "is it just me?", "am I invisible?", or "surely that's not right?". And I'm not the only one who has wanted to raise a concern in the office but didn't – in fact, there are millions of us in the same boat.

Rungway's market research recently found that almost half of workers have something to tell their managers but don't feel like they can.

While this figure is too high, you can understand it – because workers need to feel psychologically safe in order to speak up.

The feeling of "onlyness", which is based on a false sense that you are the only one thinking a certain way, is a common occurrence at work.

Julie Chakraverty

Many of us wear armour at work, and to ask too many questions can highlight the fact that we don't know everything we might be expected to.

That is the wrong mindset to have.

Letting onlyness thrive in the workplace is damaging for organisations because it can lead to unfounded assumptions and lack of collaboration, as well as loss of talent.

Talking through a concern takes you out of your inner dialogue and gives perspective

Instead, we should be creating an environment and communication framework where people can speak up and feel safe.

IN YOUR SHOES

Employers should show their staff that they have been in their shoes in order to humanise the dialogue.

Finding someone who understands your challenge or has been through a similar situation is not only a huge relief, but makes tasks seem more manageable. Talking through a concern takes you out of your inner dialogue, and gives much-needed perspective.

Ultimately, this creates a healthier and more effective work culture.

But it's not something that you can create overnight, and managers should take the lead by showing a bit of vulnerability.

A LITTLE MORE CONVERSATION

If you want employees to feel able to speak their minds, you need to create a workplace where people feel psychologically safe, where they have the ability to challenge and raise their hand, without feeling judged.

People should also be given the ability to communicate anonymously on any topic. Without this, what happens? Some staff members will leave, while others will take their issues to the outside world, which can hurt the organisation's reputation.

Just look at Google's recent saga, with employees staging a walkout over the way the company handled complaints. Staff saw no other option but to voice their concerns externally, fearing retaliation or inaction if they spoke out internally. The resulting media coverage didn't paint Google in a good light as an inclusive employer.

Leaders must also realise that once people are able to speak up, you need to be ready to listen.

High-performing leaders today are those who see their staff as extended family. And with that comes the natural desire to want to see them happy and thriving in an environment, where discussion is encouraged and knowledge is shared freely.

The workplace has transformed over the years, and outdated "broadcast" communication methods need a radical rethink, as employees cry out for better and honest conversations.

Julie Chakraverty is founder of mentoring platform Rungway.

NEVER TALK ALONE

TalkLife
Free

You know the old saying "a problem shared is a problem halved"? Well, that's essentially this app's USP. It's an online community of thousands of people, giving everyone an opportunity to talk. You can talk anonymously or personally with users you find common ground with. After all, sometimes you need a stranger to give you perspective. And ultimately, we'd all feel a little better if we just felt heard.

COFFEE BREAK

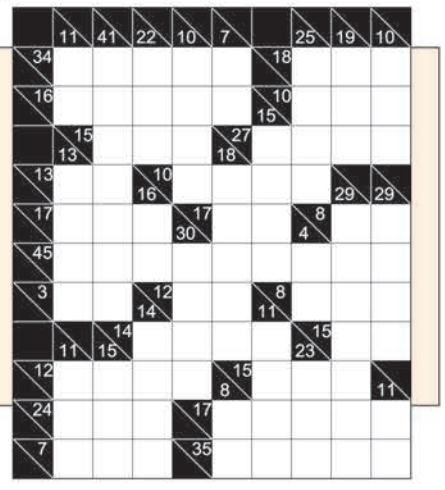
SUDOKU

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

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

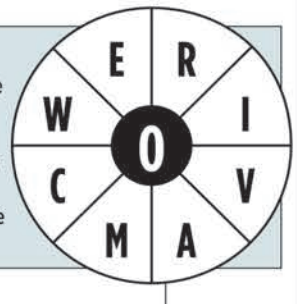
KAKURO

Fill the grid so that each block adds up to the total in the box above or to the left of it.
You can only use the digits 1-9 and you must not use the same digit twice in a block. The same digit may occur more than once in a row or column, but it must be in a separate block.

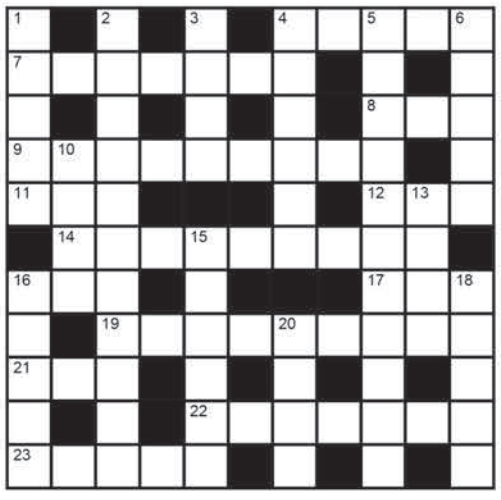


WORDWHEEL

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



QUICK CROSSWORD



ACROSS

4 Divide (5)
7 At no particular moment (7)
8 Tiny (3)
9 Foodstuffs and household supplies (9)
11 Monopolise (3)
12 Placed (3)
14 Long flexible snout (9)
16 Green vegetable (3)
17 Flushed (3)
19 Chemical used to kill rodents or insects (9)
21 Group that released the album *Islands* in 2018 (3)
22 Subject matter (7)
23 White heron (5)

DOWN

1 Express amusement (5)
2 Compositor (11)
3 Belonging to me (4)
4 Chain (6)
5 Filled with melancholy and despondency (3-8)
6 Burglary (5)
10 Strong cord (4)
13 Second-hand (4)
15 Divide into two equal parts (6)
16 Point in the time of a cycle (5)
18 Demise (5)
20 Hostelries (4)

LAST ISSUE'S SOLUTIONS

QUICK CROSSWORD

KAKURO

SUDOKU

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

WORDWHEEL

The nine-letter word was **FACECLOTH**

FORUM

EDITED BY RACHEL CUNLIFFE

Chuka failed – but the centre isn't as empty as you'd think

Robert Colvile

IT'S BEEN a sad, strange journey for Chuka Umunna. Only a few short years ago, he was being touted as Britain's Barack Obama, the telegenic answer to Labour's prayers – at a time when their then leader couldn't even eat a bacon sandwich without looking like his face was pulling in three different directions.

But even before Jeremy Corbyn and his cronies took over the Labour party completely and exiled the Blairites to the outer darkness, there was a sense that Chuka was out of step with the times.

In 2016, after Chuka and his allies had completed the hat-trick of losing a General Election, the Labour leadership and the EU referendum, I went to hear him speak on the future of politics, and Labour.

The recipe for the party's salvation, he insisted, was to "find a position on immigration that brings everyone together" – which as best I can recall involved young people going to talk to their grandparents and tell them not to be so racist.

Oh, and he also thought that we should introduce proportional representation.

In the discussion that followed, I suggested to him that – given how incredibly irritated quite a lot of voters were about quite a lot of things – the party would do better to learn from Nigel Farage than disinter the corpse of Tony Blair. It's fair to say that he got a bit narky with me.

So Chuka did it his way. And what a way it was. The new party he helped start has been a political Hindenburg, launched with all the pomp and majesty Westminster could muster before crashing into flaming ruin.

In a few short months, it's been through more reinventions than Snoop Dogg – first The Independent Group, then Change UK, occasionally For Change Now, and currently split between rival factions The Independent Group and The Independent Group for Change (People's Front of Judea Branch).

A chastened Chuka has now sought refuge with the Liberal Democrats, pursued by mocking reminders of all the various unflattering things he has said about them over the years. But even that party's recent surge feels more like a negative phenomenon than a positive one – driven by an inflow of Remainers angry about Brexit and despairing of Corbyn.

It all seems to point to an environment in which centrism is dead and extremism and polarisation are surging. Poor Chuka stands as the metrosexual embodiment of the world we have lost. Certainly, that's the argument you generally hear in the media.

But the weird thing is, centrism isn't dead at all.

In the current Conservative leadership race, you'd expect the candidates – given that they're trying to appeal first to Tory MPs, and then to Tory members – to be competing to be the furthest to the right: the toughest on immigrants, the most scornful of modernity.

Instead, as Fraser Nelson pointed out last week, pretty much all of them are campaigning as modern, moderate, compassionate Conservatives. Yes, they want to cut taxes and help business. But they're also keen on tackling climate change, investing in education, preserving Our Precious NHS.

Pretty much all the candidates are campaigning as modern, moderate, compassionate Conservatives

Dominic Raab is the most orthodox free-marketeer – but even he is talking about improving maternity pay and protection for working mothers, and stressing the need to focus tax cuts on the low-paid.

And now that the deficit has at last been brought under control, all the candidates are likely to ease the fiscal rules to prioritise higher spending or lower taxes over swifter debt reduction.

This phenomenon is particularly apparent when it comes to the frontrunner. I pointed out on Twitter this week that much of the left seems to have fallen victim to what you might call Boris Derangement Syndrome – condemning him as a bigoted, racist fascist, the British counterpart of the despised Donald Trump.

Which makes it all the stranger that Boris Johnson is campaigning unequivocally as a One Nation Conservative. Yes, he's talking about the importance of wealth creation and galvanising power of tax cuts. But he also wants to increase funding for hard-done-by schools, hand more money to the police, and invest heavily in infrastructure.

This is a platform that's an awful lot closer to David Cameron than Margaret Thatcher, let alone Farage.

The exception, of course, is Brexit. But again, promising to actually deliver the thing that more than half of the voting population ordered our politicians to deliver is hardly an extremist position, pretty much by definition.

And again, Boris isn't standing on stage telling the Europeans to screw themselves. His launch speech made it clear that he'd very strongly prefer deal to no-deal, and wants Britain to be the closest of friends and allies to the EU nations once we've left.

These are, in other words, turbulent times. And whoever becomes Prime Minister, the storms are likely to continue.

But the remarkable thing, certainly compared to many of our European neighbours, isn't how far the ruling party has drifted from the centre – but how stubbornly it still clings to it.

Robert Colvile is director of the Centre for Policy Studies.

For the good of the whole country, let London take back control of its finances

Alexander Jan

AS MANY a *City A.M.* reader will know, London is different from the rest of the UK in a variety of ways – and not just in terms of how it votes, its cultural mix, or its size and complexity.

There is also the amount of tax that London's citizens and businesses pay. Recent figures put together by the Office for National Statistics highlight that the capital produces that rarest of economic entities: a fiscal surplus.

For 2017/18, some £34bn of revenue raised in London was spent elsewhere in the country. That's around £4,000 for every man, woman and child in the city.

Without that transfer, public expenditure in London could have been as much as a third higher.

London is one of only three regions where revenues raised locally are greater than public spending received, along with the South East and the East of England. London and the South East have recorded surpluses in 18 out of the last 19 years. With few exceptions, all other parts of the UK were in deficit for the whole of that period.

Despite the popular conception that the capital's citizens are disproportionately wealthy and can afford this multi-billion fiscal transfer, the case for rebalancing and giving Londoners' money back to London is compelling.

The charitable foundation Trust for London found that four in 10 Londoners have income levels below what is required for a decent standard of living.

Some 27 per cent are in poverty after housing costs, compared to 21 per cent for the rest of England. And there has been a 50 per cent increase in the number working families suffering from poverty.

Giving London more control over its own finances isn't just about fairness – it's an opportunity for the next government to incentivise growth and prosperity in all parts of the country.

No one disagrees that our major cities are in urgent need of more housing and transport infrastructure. But it is much harder to persuade residents to back new homes or offices when they can't see a direct link between development and the public services they receive.

To make that connection much stronger, the next chancellor should commit to reforming local property taxes in London and across England.

We need a radical plan to return the lion's share of local revenues for public services and investment back to local councils and city-wide authorities – as is the case in most western democracies.

Local governments would then be free to raise more funds to deliver investment – or, if they wish, to offer tax breaks to stimulate growth and employment by the private sector.

Over the last 20 years, there has been some progress in devolving powers to cities, while Scotland, Wales and Northern Ireland have also seen reform.

With the prospect of many more years of political disruption and uncertainty in a Brexit-obsessed Westminster, there is a golden opportunity to let leaders of London and our other major urban areas get on with the business of delivering on the big challenges of the day – housing, climate change, air quality, and transport.

Sorting out local taxes and rebalancing London's fiscal transfer would be a fine first step.

Alexander Jan is a director and chief economist at Arup.

LETTERS
TO THE EDITOR

Anti-social

[Re: Is social media's bad reputation retrievable?]

There's no doubt about it: social media is facing a near existential crisis. From data harvesting to negative effects on children's mental health, the credibility of today's social networks is shot.

Despite this reputational flatline, social media isn't going away – since 2013, the average number of social media accounts per person has doubled from four to eight, with each platform being used for a different purpose.

The job now is to take the positive power of social networking and make it work for the next generation of internet users: a generation who care about social and environmental issues; who care if their employer is taking action on things like climate, sustainability and diversity; and who will buy sustainably sourced products over cheaper, unsustainable, alternatives.

While Twitter, Facebook and Instagram are too far through the looking glass, that doesn't mean that social media as a concept is dead. The time is perfect to create something new to fill the socially responsible gap left by the old guard and to empower people to come together to address today's pressing challenges.

Simon Puleston Jones, founder and chief executive, WokenUp, London

BEST OF TWITTER

Rory Stewart tells the #LobbyHustings he did not work for MI6
@HannahAlOthman

Future biographer: That was not true was it?
Rory: They worked for me.....hahaha. *arches eyebrow*
@Hallowed_Be

"Someone suggested to me that hustings without @BorisJohnson is like Hamlet without the prince. But it was Fortinbras who was king at the end of the play" says @michaelgove. Pretty much everyone else dead too
@Peston

Owen Bennett, Gove biographer who broke cocaine story, called to ask a question.
Gove: "Congratulations."
Bennett: "I couldn't have done it without you."
@MattChorley

UPDATE: One candidate in the race has taken Phil's Pledge – @RoryStewartUK. If supposedly the most left-wing candidate in the contest can commit to fiscal responsibility, why can't the others...?
@GuidoFawkes

It's because I'm actually a Conservative
@RoryStewartUK

Every older person should die with dignity and respect.
@Jeremy_Hunt

"Every older person should die with dignity and respect", says Jeremy Hunt. Ideally before the government has to pay their winter fuel bills.
@haveigotnews

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Small steps to giant leaps: The new space age is just beginning


Chris Skidmore

NEXT month marks the fiftieth anniversary of the moon landings, possibly one of the most important moments in human history.

That one small step was not only a giant leap for mankind, it also became a giant leap for technological innovation, as President John F. Kennedy's mission to put a man on the moon, announced in 1961, sparked a sea change in research and development to meet the challenge.

Today, the space industry retains its ability to generate huge returns on investment. Every £1 of public spending on space research generates up to £4, with additional benefits to the UK economy.

Of course, while space exploration remains vitally important, it is here on Earth that the impact of space research is greatest. The explosion in satellite technologies, combined with a reduction in manufacturing costs, is seeing a revolution in communications activities and Earth observation.

For a government that is committed to its global leadership on climate change, this provides a host of exciting opportunities.

Though people often don't consider it as part of tackling this challenge, we have the space industry to thank for a range of green technologies that help to measure factors like temperature and sea levels, while providing vital data that leads to greater crop yields and new agricultural interventions.

Already, the space industry is an important emerging market – employing 42,000 people across the UK, generating £15bn worth of income and supporting £300bn of wider economic activity.

We want to increase our activities in space even further, which is why we have set an ambition of 10 per cent of commercial market activity in space by 2030. It's an ambitious target, but there are clear signs of continued investment. Today, the UK Space Agency has announced that Israeli space tech firm hiSky is making a significant commitment to the UK, establishing a new HQ in London and R&D centre at Harwell.

Here, engineers will develop technology that can integrate satellite telecoms with 5G networks, making satellite communications more accessible and affordable while creating more than 100 jobs.

This is the government's modern industrial strategy in action, and just one of the ways we are supporting one of the most exciting industries of the future.

Last year, we announced our support for the UK's first vertical launch site in Sutherland. I am delighted that we will now also seek to build Europe's first horizontal launch site at Spaceport Cornwall, thanks to a £20m investment from the UK Space Agency, Cornwall Council, and the Local Enterprise Partnership, together with Virgin Orbit.

Since becoming science minister, I've had the fantastic opportunity of seeing first-hand the transformative power of space. But it has also become increasingly apparent that we must take a whole of government approach.

This is why I have also announced our intention to create the UK's first National Space Council, just as the US has done. This recognises the importance of linking the defence and security aspects of space, together with its potential for communications, the environment, transport, and many other facets of our society.

Just as we have made a long-term commitment to increase our R&D spend to 2.4 per cent of GDP by 2027, with our modern industrial strategy investing over £7bn extra in research by 2022, so we also need to ensure that we have a long-term plan for space.

We are at the beginning of a new space age and the UK is determined to play its full part. Who knows what we can achieve in the next 50 years? From small steps to giant leaps, there is a universe of opportunities.

The explosion in satellite technologies is seeing a revolution in communications activities and Earth observation

Chris Skidmore MP is minister of state for universities, science, research and innovation.

DEBATE

Would Rory Stewart be a good Prime Minister to lead the UK through Brexit?

YES


OLIVIA UTLEY

To make a success of Brexit at this late stage in the game, our new Prime Minister will have to do more than negotiate a good deal with the EU. He must – and this is the even tougher part of the challenge – provide a vision to unite and excite our bitterly divided country.

Rory Stewart – a politician who speaks not of the pros and cons of throwing milkshakes, but the importance of love and listening – is the man for the job.

His intelligence, charisma and confidence would, of course, go down a treat in any negotiating room, but as his sterling performance in the first TV debate on Sunday made clear, he also has the potential to become a figure around whom Brits can rally.

Most importantly, his fantastic social media campaign shows that he is capable not only of talking, but of listening too.

And at a time when many feel that democracy itself is under threat, a listening Prime Minister is precisely what we need.

Olivia Utley is deputy editor at TheArticle.

NO


ALEX DEANE

Trust Rory Stewart to take us through Brexit? We'd likely end up not leaving – which, as his campaign seems to hint, is sort of his aim anyway. Never mind democracy: it all seems a bit difficult, so let's jack it in. What a view.

The slavish and uniform feting of Stewart by our media class is unsurprising, as he lobs the bombs they want lobbed. He's so in tune with our bien-pensant Remainiac establishment (politicians who won't deliver on what we voted for, the BBC, The Guardian, oddballs who fund lawsuits against politicians) that he's exempt from scrutiny for high office.

He's catnip to the anti-Tories, guaranteed airtime as he trashes the party brand.

But if, having asked the crocodile to eat him last, he succeeded in aiding and abetting the killing off of real Tories, the lefty media would turn on him – for his appeal is to people who praise "centrism" but vote for the left. And nobody prefers the ersatz to the real.

Alex Deane is a Conservative commentator.

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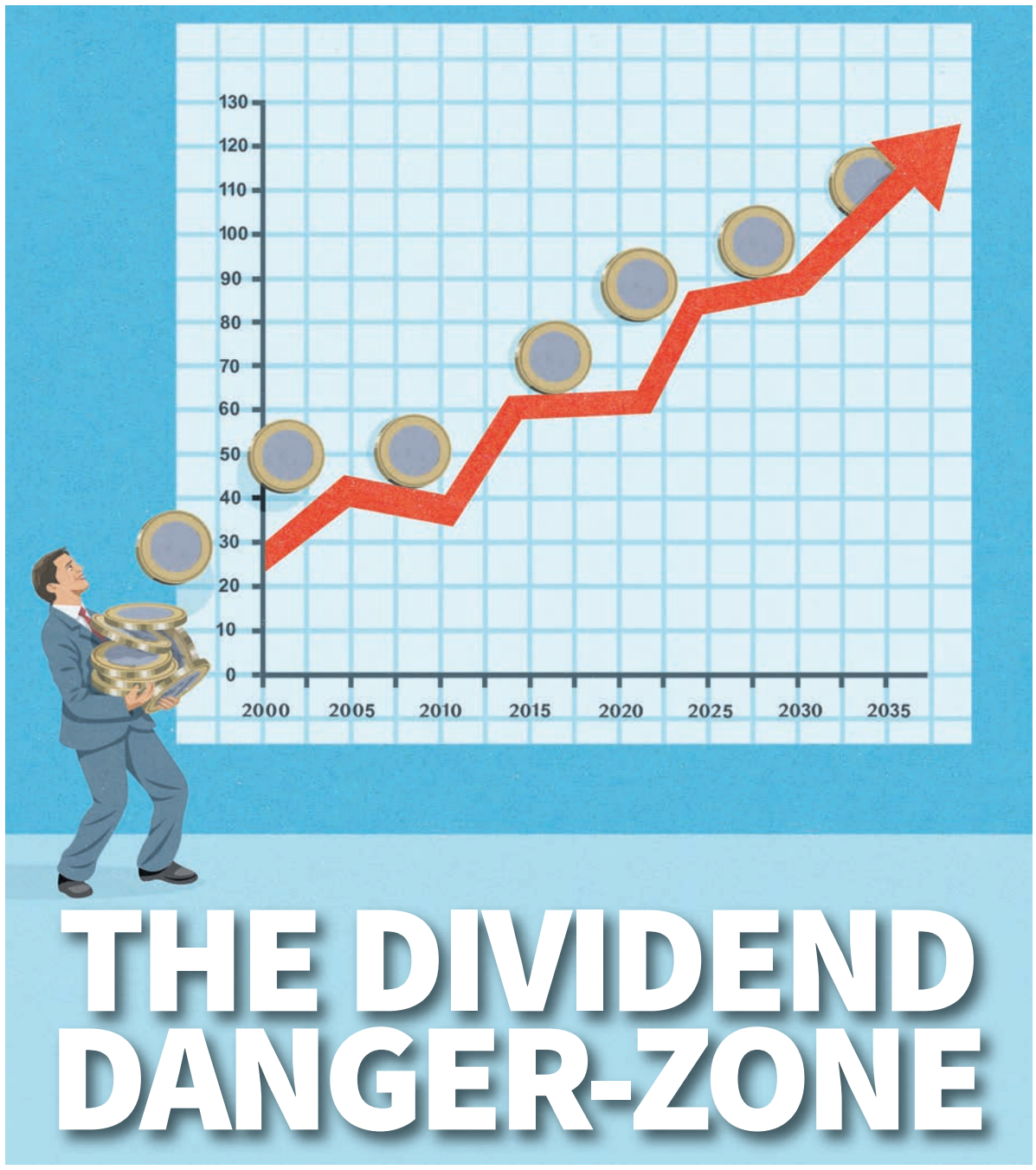

THE DIVIDEND DANGER-ZONE

Despite record payouts, cover is getting worryingly thin, warns **Katherine Denham**

DIVIDENDS are one of the perks of the stock markets. While investors can opt to take dividends as cash, reinvesting them can have a powerful impact on your portfolio.

According to analysis from Fidelity, if you'd invested £100 a month in the FTSE All Share index over the past 30 years and reinvested all of your dividends back into your investments, you would be sitting on a portfolio worth £130,140. By comparison, if you'd taken the income, your portfolio would be worth £66,069 over the same period.

UK companies have been dishing out record levels of dividends recently, reaching £19.7bn in the first quarter of this year, according to Link Asset Services. That's up by a whopping 15.7 per cent compared to the same period in 2018.

While Simon McGarry, senior equity analyst at Canaccord Genuity Wealth Management, points out that a large proportion of this record total was due to a £2.6bn special dividend from FTSE 100 miner BHP Group, after it disposed of its US onshore oil and gas assets for $10.8bn, he says that the bull market is benefitting from an era of rock bottom interest rates.

"Some companies are also benefiting from the currency effect, as low sterling means that dividends paid in dollars are worth more in equity terms," he says.

You can see how investors could get used to this impressive level of dividends, but you would be mistaken for thinking that it's always going to be rosy. Indeed, there are growing warnings that dividend cover is getting thin on the ground, which could put pressure on firms to cut payouts.

"With the peaks, come the invariable troughs, and some have suggested that a number of companies might struggle to maintain their current dividend payouts at these levels," McGarry warns. "For a start, we are in the depths of a period of unprecedented uncertainty."

Indeed, Brexit and the escalating US-China trade war makes the future particularly difficult to predict.

And if companies are overly-focused on paying dividends to investors, the risk is that they aren't injecting enough capital back into their business to protect future dividends, which could pose a problem if issues start to arise in the wider economy.

For example, McGarry points out that Centrica has a dividend cover of 0.9, meaning that its profits only cover 90 per cent of its dividend. Investors usually consider a comfortable dividend to be at 1.5 or above, which means that profits cover the dividend one and a half times over.

Dividend cover of less than one is worrying because it indicates that the company isn't earning enough in the way of profits to pay shareholders, meaning firms are borrowing money to maintain dividend payments.

This gets particularly worrying when you bear in mind that interest rates are expected to rise, which Mark Carney alluded to last month. This would make it more expensive for companies to borrow.

"Interest rates have been at a record low for years, but if they start rising, as Warren Buffett famously said 'when the tide goes out, we will all see who has been swimming naked'," says McGarry. "In other words, it could become evident which companies are over-leveraged and may have to cut their dividend as a result."

So which companies look particularly troubling right now?

According to Canaccord, Vodafone has a low dividend cover of just 0.8. And unsurprisingly, it has been the first to fall, having announced a huge €7.6bn annual loss, compared to a profit of €2.8bn in the previous financial year. Despite a pledge made by chief executive Nick Read back in November to maintain the payout, Vodafone cut its dividend payout for the first time from 15.07 cents per share to nine cents last month.

Canaccord research also shows that Stobart Group has the lowest dividend cover on the list, at 0.5. This isn't that surprising given that the infrastructure company's pre-tax profit plunged 144 per cent to a loss of £58.2m in the last financial year.

Much of this loss was down to a long legal battle against former boss, Andrew Tinkler. Interestingly, shares surged on news that it had made a loss, and it was thought that with the courtroom drama now behind it, Stobart Group would now be free to focus on its long-term plans.

While definitely not the worst on Canaccord's list, Hammerson has a dividend cover of 1.1, meaning that its profits only just about cover its payouts to investors. The property business is grappling with headwinds in the retail property space, including a decline in UK rents, and suffered a 2.4 per cent fall in profits last year. However it's looking to sell some of its non-core assets in order to raise some cash, so it's not all doom and gloom.

Finally, with unusual weather patterns and increasing regulatory pressure on pricing, the energy sector has been having a tough time recently. Big Six energy company SSE has been finding it particularly difficult, having cut its earnings forecast for the year. While the company plans to deliver a full-year dividend of 97.5p per share, its dividend cover of 1.2 puts it on slightly shaky ground.

However, the group is embarking on a massive restructuring project, and SSE chief executive Alistair Phillips-Davies is confident that the company will be able to deliver its dividend plan in the years to come.

McGarry adds that while dividend cuts are not a massive risk at the moment, he advises investors to stay vigilant, particularly given the decline that we have seen in dividend cover ratios in recent years.

Is Angela Merkel to blame for Europe's woes?

SAKRILEG: the German word for sacrilege – that is, the violation or misuse of what is regarded as sacred. And yes, I'm about to go there by asking if the German Chancellor, Angela Merkel, been a disaster for Europe.

I've been wondering if Merkel's prolonged tenure at the Federal Chancellery has been extending the region's problems. And it's a question that has been nagging at me for a while now, as I watch the dystopian nightmare that the EU has become during the nearly 14 years of her undisputed reign as Europe's "numero uno" politician.

"Mutti", as the Germans affectionately call her, is only the fourth German Chancellor of the last 45 years, after Helmut Schmidt, Helmut Kohl, and Gerhard Schroder.

The Germans like longevity in their leaders, but she has presided over a tumultuous recent period, which for many, has left Europe on the brink.

The question that I am daring to ask is whether Europe has become a mess in spite of her best efforts, or because of her inaction?

Let's look at some of the facts about Europe.

Britain was a natural ally for Germany within the European Union. But Brexit means that Germany will lose a net-contributing, like-minded northern colleague, which is surely an enormous blow for the future of the EU.

You have to question whether the ham-fisted build-up to the Brexit referendum really was just David Cameron's fault?

And it's not just Brexit that is the problem, because there has been a clear break down of the Franco-German axis.

Paris and Berlin don't appear to have a clue as to how to move forward with the quagmire that the EU has become.

Differing visions seem to be on hold as Frau Merkel continues her long goodbye, and all the while Europe lacks a way forward.

Look at the bloc's cohesion. Yep, what cohesion?

The Italian problem, with its ludicrously high debts, may have preceded Merkel's accession in 2005, but it has only got worse on her watch – and that €2 trillion nightmare just keeps threatening to blow up the whole project.

How can Germany not take a fair share of the blame for this omnipresent existential threat?

And what about Germany itself? Yes, its mouth-watering trade surpluses keep grabbing President Donald Trump's attention. However, these surpluses are failing to disguise the huge structural issue facing Germany – from the horrendous woes of its banking heavyweights, to an automobile sector which is having to belatedly spend hundreds of billions of euros reinventing itself.

And let's not forget Germany's low carbon transformation, which seems to be based on dragging out coal consumption for as long as possible.

Is it that all of these issues are no fault of a brilliant and honest politician who has done her best for the country and the continent, despite everything? Or will history be harsher on the continent's most preeminent politician?

Steve Sedgwick is co-anchor of CNBC's flagship programme Squawk Box Europe.

MOTORING

BY MOTORINGRESEARCH.COM FOR CITY A.M.

SUPRA HERO

Toyota's new sports car has been 17 years in the making. **Tim Pitt** drives the GR Supra

Land Rover CEO Ralf Speth recently admitted that the new Defender "won't be an easy launch". Speaking to German magazine Automobilwoche, he noted: "A successor to an icon faces an exceptionally high bar."

It's a problem Toyota is acutely aware of. The Supra name has lain dormant since 2002, but gained cult fame in the intervening years thanks to Gran Turismo video games and The Fast & The Furious movies, where it is elevated to the status of supercar-slayer. Frankly, unless the new Supra debuted with 1,000hp, nitrous injection and Paul Walker in the passenger seat, forum fanboys were destined for disappointment.

So, the 2019 GR Supra has 340hp and – spoiler alert – it can't smoke a Ferrari in a beachside drag race. Nonetheless, there's plenty to get excited about. For starters, the 'GR' prefix stands for Gazoo Racing, the Toyota team that has won Le Mans, the Dakar Rally and the World Rally Championship. Gazoo also honed the Yaris GRMN hot hatch, and the Supra's chief engineer, Tetsuya Tada, is the man behind the brilliant GT86. At the press conference in Madrid, he talks of a "pure sports car" and "Porsche killer", with perfect 50:50 weight distribution, a low centre of gravity and a super-stiff chassis.

The Supra's 3.0-litre turbocharged straight-six is shared with the BMW Z4 and drives the rear wheels via an eight-speed paddleshift gearbox. As for the Porsche in its crosshairs, that's the 718 Cayman S, and Toyota claims first blood with two extra cylinders and swifter acceleration (0-62mph in 4.3sec versus 4.6sec). The Supra also outguns the much-lauded Alpine A110. Still, as Tada-San sagely observes: "Numbers are one thing, it's feeling that matters".

My plan is to spend the morning on mountain roads, then the afternoon on-track at Jarama – former home of the Spanish Grand Prix. First, though, I need to collect the keys and sign my life away. Make up your own mind on the Supra's styling (and there's a lot of styling going on), but the two-seat cabin will feel instantly familiar if you drive a BMW. Steering wheel and digital dials aside, it's identical to the Z4 – even the iDrive media system is carried over. After the old-tech GT86, that's probably a good thing.

The Supra's light steering and supple suspension make light work of Madrid rush-hour. And the locals clearly like it, pointing phones and gesticulating with ebullient Latin brío. Once I finally escape the city, however, pressing the huge SPORT button delivers a much-needed adrenalin hit, transforming the car's character from calm to combative.

Drive 'enthusiastically' and you'll notice a momentary delay from the gearbox between shifts (a dual-clutcher was ruled out on weight grounds, and there's no manual option), but the engine feels big-lunged and ballsy. Aurally, its cultured snarl is also way more appealing than the Cayman's coarse growl. Nonetheless, it's the Supra's chassis that steals the show. It turns in eagerly, then punches hard out of corners, staying neutral and seeming to pivot around its own axis.

On the blind crests and double apices of Jarama, the Supra is riotous fun. There's ample grip from the sticky Michelin Pilot Super Sport tyres, so it only slides if deliberately provoked (yes, I tried). Poised and predictable, it's in a different league to the Z4. Nonetheless, that pesky Porsche is more malleable still, partly due to its mid-engined layout.

Does that make the Cayman our winner? Possibly, but the Alpine is arguably the best driver's car in this class, and the Supra counters with its unique styling and heritage, plus that creamy big six. Me? I'm holding out for the harder, faster Supra GRMN, a car that could cause sleepless nights in Stuttgart. Haters gonna hate, but even the keyboard warriors may be won over by then.

Tim Pitt works for motoringresearch.com

TOYOTA GR SUPRA

PRICE:	£52,695
0-62MPH:	4.3 SECS
TOP SPEED:	155MPH
CO2 G/KM:	170G/KM
MPG COMBINED:	34.5MPG

THE VERDICT

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

NOT CONVINCED? CHECK OUT THESE ALTERNATIVES...

ALPINE A110

PRICE:	£46,910	THE VERDICT:	
0-62MPH:	4.5 SECS	DESIGN	★★★★★
TOP SPEED:	155MPH	PERFORMANCE	★★★★★
CO2 G/KM:	144G/KM	PRACTICALITY	★★★☆☆
MPG COMBINED:	45.6MPG	VALUE	★★★★☆

BMW Z4 M40I

PRICE:	£49,065	THE VERDICT:	
0-62MPH:	4.5 SECS	DESIGN	★★★☆☆
TOP SPEED:	155MPH	PERFORMANCE	★★★★☆
CO2 G/KM:	165G/KM	PRACTICALITY	★★★☆☆
MPG COMBINED:	38.7MPG	VALUE	★★★★☆

PORSCHE 718 CAYMAN S

PRICE:	£53,030	THE VERDICT:	
0-62MPH:	4.6 SECS	DESIGN	★★★★☆
TOP SPEED:	177MPH	PERFORMANCE	★★★★★
CO2 G/KM:	210G/KM	PRACTICALITY	★★★☆☆
MPG COMBINED:	33.2MPG	VALUE	★★★☆☆

CRYPTO A.M.

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

PARTNER CONTENT

CITY A.M.'S CRYPTO INSIDER

JAMES BOWATER

Greetings from Monaco! A fitting location to celebrate today's first birthday edition of Crypto A.M. - I'm attending the Global Family Office Summit where Over 450 Elite Family Offices, Sovereign Wealth Funds and industry professionals from around the globe are scheduled to attend, representing over $4 trillion in investor wealth. Among the event sponsors from London I noticed Hambro Perks who backed 'What 3 Words' and I noted too Chainstarter Ventures run by Crypto AM contributor Nick Ayton. He is also giving a keynote on Deep Tech which I will find out more about and report!

Since last week's Crypto AM, the Crypto Markets have been in a seriously revved up bullish state as the price of Bitcoin (BTC) has been testing, breaching, falling back and punching through the $9,000 resistance mark and, at the time of writing, is trading at US$9,289.03. In fact the whole top ten excluding Tether (USDT) is in healthy green candle territory - Ethereum (ETH) is at US$272.65; Ripple (XRP) is at US$0.4323; Binance (BNB) is at US$33.51 and Cardano (ADA) is at US$0.09321. Overall Market Cap is up circa 14% at US$289.65bn (data source: www.CryptoCompare.com)

It's difficult to single any one particular reason for this positivity but more, I think a collection of events and anticipation. For example the ongoing trade war between the USA and China, the heightened tensions in the Straits of Hormuz, the S&P500's continuing to perform badly, the protests in Hong Kong have seen a spike in local Bitcoin activity, the fact that Facebook is scheduled today to announce its Libra Project (also known as GlobalCoin) are all collectively turning investor attention towards alternative assets and the more Crypto features in headlines, the more their appetite grows.

Something else, 'Scarcity' , caught my eye in a tweet of Crypto AM's friend Anthony Pompliano (aka Pomp) who noted "There have only been 661,862 BTC mined in the last 12 months, but there were 1 million daily active addresses yesterday, that is less than 1 BTC per daily active address per year. Scarcity is a beautiful thing." I found this interesting as it does show that whilst the 'big whale wallets' are absolutely out there and wielding their authority, there is a wide user base but I think for long term 'pension hold' rather than what Bitcoin was originally created for - a peer to peer electronic payment system - scarcity is indeed a good thing for a store of value.

Finally, given its Crypto AM's first birthday I wanted to say a massive thank you to the team at City AM - Lawson Muncaster, Jens Torpe, Harry Owen, Bridie Wilson, Taylor Campbell, Linda Telemaque and Lillian Swatton. I could not do any of this without you!

STABLECOINS: BEST INVENTIONS DON'T REINVENT THE WHEEL

Designed by Phill Snelling, Bowater Media

Stablecoins are the brown brogues of crypto assets: practical, sensible, versatile. One thing they are not is exciting. Ask anyone their thoughts on stablecoins and you'll get a response ranging from "What?" to "Meh". It's hard to muster enthusiasm for a digital token that replicates the role fiat currencies have faithfully performed for centuries.

The majority of the world's monetary supply is already digital, so stablecoins – crypto assets pegged to the dollar, pound or a basket of currencies – aren't even the first to claim that mantle. Besides living on a blockchain instead of a central bank ledger, it's hard to see what stablecoins offer that's so novel.

And therein lies their beauty.

Within the fast-paced and volatile world of cryptocurrencies, stablecoins provide a safe haven. They are a sanctuary in times of turbulence, a bridge between crypto networks, and a reliable internal currency for decentralised platforms, bringing the benefits of fiat currency to the blockchain. Within the world of traditional finance, meanwhile, stablecoins facilitate instantaneous payments between organisations, or, in the case of JPM Coin, between institutional accounts.

This isn't cutting-edge tech, but it is very handy. But if stablecoins are the brown brogues of cryptocurrencies, why is everyone losing their minds over Facebook's foray into the field? GlobalCoin, according to some of the more hyperbolic headlines, will destroy Ripple, kill Bitcoin and cost $10 million per node. That's a lot of brouhaha over a stablecoin.

To dismiss Facebook's token as just another stablecoin, of course, is disingenuous. While it's true that GlobalCoin (or Libra coin as it's also known) is technically unimpressive, it's the name – not the nodes – that has made the fiat-collateralised token such a talking point. If GlobalCoin succeeds (and given the might, money and retinue of lawyers and lobbyists behind it, that seems likely) it could mark the biggest evolution of money since Bitcoin itself.

Google wasn't the first search engine. The iPhone wasn't the first smartphone. And Facebook wasn't the first social network. Despite being late to the game and lacking any innovative features, GlobalCoin will reach more users in its first month than Bitcoin has in its first decade. Despite boasting network effects that other cryptocurrencies can only dream of, however, GlobalCoin is not about to "kill" anything – this isn't a zero sum game.

Facebook effectively ended MySpace and Bebo, but GlobalCoin won't lay a glove on Bitcoin. In fact, it is my belief that the reverse will happen, with GlobalCoin serving as a trojan horse for cryptocurrency adoption. When the world's largest social network rolls out a blockchain-based coin to 2.4 billion people, things start to get very interesting very fast.

Pretty soon you'll have Apple, Google and all the rest weighing in with their own dollar-pegged tokens, be it due to institutional FOMO or the more pragmatic desire to reduce fees and improve settlement times. By that point, the generation who were raised on touch-

Crypto A.M. shines its Spotlight on Trippki Travel Club

With certain well-known companies announcing their move into the Crypto space, it is refreshing to see a UK company already arrived and seeking to achieve mass adoption in a mainstream business sector. Since its launch only last month, Trippki has already established itself as the world's leading, crypto-friendly hotel booking site. Its booking platform has over 1.6 million hotels across the world, from the biggest brands to small B&B's, available to book, mostly with one of 8 leading crypto currencies. Already, bookings are rising exponentially. It is partnering with a number of Blockchain and Crypto events worldwide and is looking at growth in both the Fintech and wider business and leisure travel communities as Crypto moves towards mass adoption.

Soon will see the launch of its own Crypto reward token TRIP and then a blockchain-enabled trusted review system powered by the sites own Proof of Stay protocol. They have also signed a deal with CommerceBlock to develop a security token on a Bitcoin sidechain and will be raising funding with CrowdforAngels.

Our aim at Trippki is to innovate and bring benefits to Crypto users that will help mass adoption across the sector."

Hotel booking sites have been telling us for some time that we can get better hotel room prices through them or via so called hotel "price comparison" sites. The truth is that it is very difficult for the general public to access discounted hotel rates as they are protected through what are known as rate parity agreements. These legal bindings stop the hotel selling cheaper rooms to the customer direct, as this would impact the business model of the traditional booking sites, and their gargantuan spends on SEO and advertising. Room prices are therefore very similar across the board whichever booking site you use. That is until now.

> "Trippki estimate that booking 12 room nights will justify the membership alone

Edward Cunningham, Founder & CEO of Trippki

This week sees the launch of the Trippki Travel Club, the world's first crypto friendly travel booking club. For a small monthly or annual fee, payable in Crypto or fiat, members get access to the discounted rates that the hotels aren't allowed to show to the general public. Those discounts can be as high as 70%, again payable in crypto or fiat, so for any form of regular traveller the membership pays for itself very quickly. Trippki estimate that anyone booking 12 standard room nights a year will justify the membership cost alone. Membership also gives other benefits such as Best Price Promise and Trippki will soon be adding other features such as airport lounge access, concierge services and more. Say's Trippki CEO Ed Cunningham: "The Trippki Travel Club is a very exciting addition to our existing hotel booking platform and we already have a high volume of member requests from our existing community. We expect good adoption as these are wide ranging and significant room discounts not available on any other existing platform. Our aim at Trippki is to innovate and bring benefits to Crypto users that will help mass adoption across the sector."

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

screens will be gaining their financial literacy just as everything they intersect with is on blockchains. You don't have to be bullish on Bitcoin or GlobalCoin to ascribe to this narrative.

It doesn't matter whether you believe blockchains are inefficient databases or the best invention since sliced bread (which is technically a distributed loaf, and thus a forerunner to blockchain). What matters is that the rails on which the financial world has run for decades are about to change tracks. Stablecoins won't render SWIFT redundant. What they will do is upend the assumption that money should be issued on a top down and permissioned basis. Ironically, centralised stablecoins such as Facebook's will provide an on-ramp to decentralised finance (defi), a movement centred around crypto-powered lending systems and protocols that promise universal access to open source tools.

In the future, the notion that government should control our currency will seem as quaint as it dictating our religious or sexual preferences. Just as we no longer refer to "camera phones" because every device now sports this functionality, soon we'll stop referring to "digital currencies" and just call them what they are – currencies. It's too early to tell whether GlobalCoin will mark the tipping point that sends us over that Rubicon. What's clear is that for an unexciting financial instrument, stablecoins are surprisingly useful. Let's just call them what they are: able coins.

In August 1902, the Washington Post dismissed bicycles as a fad, predicting "the popularity of the wheel is doomed." This suggestion wasn't so outlandish at the time, since roads were bumpy, bicycle tyres poor and accidents prevalent. Of course bicycles didn't die: we simply built better wheels and smoother roads.

> The majority of the world's monetary supply is already digital

At AmaZix, we believe that iteration is just as important as innovation. That's why we're focused on helping businesses incorporate blockchain-based networks and tokenised assets, including stablecoins, into their existing systems. Not to tokenise the world or force a crypto revolution, but because this is the way things are heading. You can protest on the sidelines, or you can roll up your sleeves and build a better bicycle.

Luke Saunders, Founding Partner of AmaZix, in conversation with James Bowater. For more information see www.amazix.com

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

CRYPTOCOMPARE MARKET VIEW

Details Emerge of Facebook's Libra Blockchain

Last week saw details revealed about the highly-anticipated cryptocurrency and blockchain from Facebook. Documents sent to several major publications revealed that the "Libra Blockchain" will likely be announced today (Jun 18), and will be backed by "a reserve of real assets," to provide a stablecoin that will offer "stability, low inflation, global acceptance, and fungibility." Companies reported to be in the governing consortium include Visa, MasterCard and PayPal and crypto exchange Coinbase.

Bitcoin began the week by pushing past the $8,000 mark, steadily climbing throughout the week before seeing a major surge over the weekend to push to new yearly highs just below the $9,400 mark - levels not seen May 2018. Bitcoin's surge largely eclipsed those of altcoins, although many did see reasonable gains - with Ethereum trading at the time of writing at $271.

Leading crypto exchange Binance announced that it will begin blocking US customers from trading on its global website Binance.com from September, as it moves towards greater US regulatory compliance. The restriction will accompany the launch of a new dedicated Binance platform catering to US customers, in cooperation with BAM Trading Services, a San Francisco-based company registered as a money services business (MSB).

Bakkt, the long-awaited Bitcoin futures exchange from NYSE parent company Intercontinental Exchange (ICE), announced last week that it is moving into its testing phase in July. The new platform - which will be the first to settle contracts in Bitcoin as opposed to cash - is considered by many to be a significant step forward for the crypto industry as it hopes to usher in a new influx of institutional money.

CRYPTO A.M. INDUSTRY VOICES

Stablecoins: A solution to Venezuela's economic woes?

With Venezuela facing a hyperinflationary economic collapse and a relentless weakening in the bolivar currency, economists are wondering how the country can return to stability.

One of the first recommendations was the introduction of the state-backed cryptocurrency Petro. Launched in 2018, this cryptocurrency was introduced to stem the bleed of the boliver, with the country's president, Nicolas Maduro, claiming the Petro would allow Venezuela to "advance in issues of monetary sovereignty". While grand claims were made, an investigation found little evidence that the coin was being used in mainstream society, and it has since been widely criticised for its lack of transparency and centralisation by the Venezuelan government. With some critics calling it a fraud, unsurprisingly the Petro quickly failed.

More recently, another digital asset, stablecoins, have become part of the conversation with many claiming these could solve Venezuela's economic woes. Stablecoin start-up Reserve announced in May that in the coming weeks Android users in Venezuela will be able to download the latest cryptocurrency payment app. Anchored to the market price of the U.S. dollar, individuals and companies can swap fiat to the firm's stablecoin, the Reserve Dollar (RSD). With the firm noting that hyperinflation is the exact problem Reserve was built to fix,

we take a look at whether stablecoins can provide a solution to some of Venezuela's problems.

Stablecoins are a cryptoasset pegged in value to fiat currency or other assets, designed to avoid the volatility inherent in other cryptocurrencies whose price is entirely market driven. Whilst some might see stablecoins as the new tech alternative, in reality, there is no economic difference between stablecoins and the underlying fiat currencies. In the past, citizens of countries suffering an economic crisis used to stuff dollars under the mattress, and some tried to obtain foreign currency, usually the US dollar, in other ways. Now that we are in the digital age, unsurprisingly, we are now seeing the emergence of a crypto solution.

While the tech-savvy might prefer this alternative way to preserve their wealth, the major hurdle stablecoins need to overcome is digital literacy; similar to the problem the wider cryptocurrency industry is experiencing. If the average citizen cannot fully grasp the technology and, more importantly, have confidence in the solution, then stablecoins will quickly fail like the previous Petro cryptocurrency offering. The average citizen will always use the solution that is most easily accessible, and for Venezuela, this is going to be accessing foreign currency. However, as people become more familiar with the cryptocurrency industry, then yes, stablecoins could become an attractive alternative.

We also need to consider how regulation and government policy could impact stablecoins. Venezuelans looking at this form of alternative are suffering from an unstable political situation, caused by an oppressive regime. Taking this into account, can citizens be 100% certain that the government won't enforce a cryptocurrency ban in order to reign back control? This could significantly impact citizens' ability to access their savings, causing further issues in a time of crisis. Although this is an extreme scenario, it is definitely food for thought for those looking for financial security.

For those that believe stablecoins can be a new form of global currency which solves global economic problems, unfortunately, this is not the case. Stablecoins are not a global currency and can never be. As long as they are pegged to fiat, they will always be affected by the negative aspects of traditional currency like inflation, deflation and poor fiscal policy. Quite simply, stablecoins are just another form of fiat currency governed by another nation-state.

Barry Topf, Former Bank of Israel monetary policy committee member, now Chief Economist at the Saga Foundation.

BLOCKCHAIN ROOKIES

GOVERNANCE FOR BLOCKCHAIN

Troy Norcross, Co-Founder Blockchain Rookies

Corporate Governance. Love it or hate it, good governance provides the structure necessary to ensure that an organisation functions properly. Good governance is equally important in blockchain projects.

Effective blockchain projects are established not for a single organisation, but between multiple parties for the benefit of the collection of stakeholders. When organisations collaborate with their competition it is called coopetition. Blockchain provides a platform for coopetition. One reason coopetition works is because the blockchain and the participants are managed through good governance.

In the context of a foundation, consortia or working group, Blockchain governance defines who can participate in the blockchain, what data and will be stored, how will consensus be achieved, how will the infrastructure be distributed and how will value created through the blockchain be apportioned back to the participants.

A pair of opposing challenges in blockchain projects are two key areas where governance adds unique value: defining equality amongst participants to ensure the broadest possible adoption, whilst not falling afoul of laws relating to competition and collusion. Establishing a fair and balanced method of reaching consensus and assuring corporate privacy make it possible for both large and small enterprises to participate. By defining participation in a fair and open way, regulators can be assured there are no unfair business practices taking place. Whereas public blockchains benefit from openness and transparency, private blockchains need to add special governance related to engaging and providing access to regulators.

Just like good corporate governance ensures the smooth operation of the business, good blockchain governance ensures the long-term success of the blockchain project including the value both contributed and received by its members.

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

THE PUNTER

RACING TRADER

BILL ESDAILE'S KING'S STAND STAKES 1-2-3

Brilliant Battaash and claim King's

DESPITE all the rain that has fallen at Ascot over the last seven days, there will still be no hanging about when the stalls open for this afternoon's King's Stand Stakes (3.40pm) over five furlongs.

This time last year I was extremely confident that Charlie Hills' **BATTAASH** would land this Group One prize, only to watch him boil over in the preliminaries and lose all chance.

Temperament has been an issue throughout the five-year-old's racing career and last year's contest wasn't the first time he has spoilt his prospects in the build-up to a race on the big occasion.

In fact, the only time he tasted defeat in 2017 was when things got the better of him in the Nunthorpe at York and the lid came off again at that same venue 12 months ago.

In the build-up to both last year's King's Stand and Prix de l'Abbaye, he was again massively on edge and ran similar races on both occasions.

Almost too fast out of the stalls, he cantered into the lead before curling up late on when his pre-race exertions finally caught up with him.

Of course, there is a danger that he may repeat that particular trick once more, but the Battaash that reappeared at Haydock last month looks like one who has matured and is ready to re-establish himself as Europe's top sprinter.

There was an air of professionalism about the way he handled himself before heading into the stalls and his jockey was allowed to ride him with restraint – something of an impossibility in recent seasons.

He showed a devastating turn of foot late on and connections look sure to attempt similar tactics this afternoon.

At 2/1 with Ladbrokes he looks the best bet on the opening day of the meeting for me.

Allowing him to blitz from the stalls 12 months ago simply gave **BLUE POINT** a lead right the way down to the furlong pole where he could pounce on Battaash when his energy reserves were at their lowest.

Blue Point himself has been in scintillating form in Dubai this year, rattling off three valuable prizes including the Group One Al Quoz Sprint In March.

He lines up here after a little break and will once again be the one most likely to pick up the pieces if Battaash misbehaves.

However, one interesting consideration is that the two have been drawn away from each other on opposing flanks, making it far harder for Blue Point to track his old adversary.

I'm convinced that this will play to Battaash's strengths as both are likely to be restrained and I fancy Charlie Hills' runner to outsprint any of these in a dash to the line.

MABS CROSS finished third in this 12 months ago and there is a very good chance that she will be the one to fill that spot again ensuring the first three home are the same three horses once more.

Battaash (middle) and Blue Point (right) clash again at Ascot today

to keep his cool Stand crown

TODAY'S BIG RACE AT ROYAL ASCOT RACING POST

Going: GOOD

3.40 **KING'S STAND STAKES (GROUP 1) (BCS) (1)** **ITV**
5f 3yo plus £283,550 12 dec.

1 2144-1 ●**BATTAASH** (24) (D)
(12) C Hills 5 9-4 **J Crowley** ★139
Runs: 16 Wins: 8 GD,GF,SFT Places: 3 Prize Money: £883,482

2 73-111 **BLUE POINT** (80) (CD)
(1) C Appleby 5 9-4 **James Doyle** 133
Runs: 18 Wins: 9 GF,GD,GS Places: 4 Prize Money: £2,007,523

3 17-179 **ENZO'S LAD** (51) (B) (D)
(9) M Pitman (NZ) 7 9-4 **David Egan** 125
Runs: 29 Wins: 7 GD Places: 0 Prize Money: £206,404

4 44-342 **EQUILATERAL** (45) (D)
(5) C Hills 4 9-4 **J McDonald** 122
Runs: 11 Wins: 3 GS,GF Places: 2 Prize Money: £41,675

5 614-11 **IMPRIMIS** (73) (D)
(3) J Orseno (USA) 5 9-4 **L Dettori** 127
Runs: 9 Wins: 7 FM,SFT Places: 0 Prize Money: £291,021

6 1105-7 **JUDICIAL** (45) (H) (D)
(6) J Camacho 7 9-4 **P J McDonald** 123
Runs: 29 Wins: 11 GD,GF,STD Places: 3 Prize Money: £157,759

7 2561-0 **HOUTZEN** (157) (TB) (D,BF)
(11) T Edmonds (AUS) 5 9-1 **K McEvoy** 120
Runs: 18 Wins: 7 GD,GS Places: 2 Prize Money: £1,168,37

8 321-13 **MABS CROSS** (24) (D)
(4) M Dods 5 9-1 **P Mulrennan** 130
Runs: 15 Wins: 7 STD,GF,GS,GD Places: 4 Pr Money: £444,50

9 718-14 **SERGEI PROKOFIEV** (45) (D,BF)
(7) A P O'Brien (IRE) 3 8-12 **R L Moore** 123
Runs: 10 Wins: 4 Y/SFT,GF,GD Places: 2 Prize Money: £136,50

10 1136-3 **SOLDIER'S CALL** (33) (CD,BF)
(8) A Watson 3 8-12 **D Tudhope** 126
Runs: 9 Wins: 4 GF,GS,GD Places: 3 Prize Money: £190,74

11 311-56 **FAIRYLAND** (23)
(10) A P O'Brien (IRE) 3 8-9 **W M Lordan** 127
Runs: 7 Wins: 4 GD/Y,GF Places: 1 Prize Money: £370,77

12 120-47 **SIGNORA CABELLO** (24) (B^{1}) (CD)
(2) J J Quinn 3 8-9 **O Murphy** 125
Runs: 9 Wins: 4 GF,GD Places: 1 Prize Money: £236,16

2018: Blue Point (IRE) 4 9 4, W Buick 6/1 (C Appleby), 14 ran.

BETTING: 2 Battaash, 3 Blue Point, 7 Sergei Prokofiev, 8 Mabs Cross, 10 Imprimis, 14 Soldier's Call, 16 Equilateral, 20 Others

She was unlucky not to win the Nunthorpe last August when only a nose behind Alpha Delphini, but gained compensation by landing the Group One Prix de l'Abbaye at Longchamp.

Even though she defied a monster penalty to win at Newmarket on her reappearance, she was well and truly put in her place by Battaash at Haydock last time.

Ascot's stiff finish will help her bridge that gap, but she may find this a little too hot.

Looking at the others and Sergei Prokofiev will be fancied by many to be a leading player from off the pace if this turns into a speed duel.

As a three-year-old, he gets a handy allowance but in my opinion may just struggle to match the speed of some of these rivals.

Charlie Hills also saddles Equilateral who certainly doesn't want any more rain.

He has plenty of speed and could run well at a huge price if the ground dries out.

American raider Imprimis has form on soft ground so could be interesting if the heavens open, but definitely needs to step up, as does Australian sprinter Houtzen.

THE PUNTER

Bill Esdaile previews the rest of the action from Royal Ascot

RACING TRADER

@BillEsdaile

Dettori to prove Too Darn Hot at Ascot once again

PATIENCE is one of the most important traits for any trainer to have and it is something John Gosden has always been blessed with.

He doesn't rush his horses, always trying to think long term rather than quick win, but even he can make mistakes.

The two-time champion trainer has been self-critical of his handling of **TOO DARN HOT** this season, who reappeared in the Dante Stakes at York and then ran in the Irish 2000 Guineas just nine days later.

Everything went so smoothly for the champion two-year-old last year who was unbeaten in four starts, capping off his campaign with an impressive win in the Dewhurst Stakes in October.

A red-hot ante-post favourite for the 2000 Guineas all winter, the son of Dubawi had to miss his intended starting point in the Greenham Stakes because of a splint bone injury and Gosden then ran out of time to get him ready for the Guineas.

It wasn't an ideal start and the trainer then admitted the colt was only 80 per cent fit when finishing second to Telecaster in the Dante.

A short gap before the Curragh proved too tough an ask for him where he was runner-up again, this time to Phoenix Of Spain who he had beaten in the Champagne Stakes last autumn.

Charlie Hills' son of Lope De Vega was hugely impressive in Ireland and will be a tough nut to crack in this, but Gosden has said that Too Darn Hot is in the best form he's been all year.

I cannot erase the memory of how good he looked last season and even though things haven't gone to plan so far this term, today could be the day he gets his mojo back.

Too Darn Hot was a brilliant two-year-old and can get his season back on track today

There shouldn't be much between the top two in the betting and I would rather back Too Darn Hot at 5/2 with Star Sports than Phoenix Of Spain at 15/8.

It is said every year but it is still very difficult to understand why the Coventry Stakes (3.05pm) isn't a Group One race.

Some brilliant horses have landed this contest over the years and 12 months ago Calyx was a breathtaking winner.

The obvious place to start is Aidan O'Brien who has won it a record eight times and saddles four this afternoon.

Arizona, the mount of Ryan Moore, is likely to go off favourite having bolted up by eight lengths in a Curragh maiden last month.

I'm not convinced by the form of that race, though, so will take on the Ballydoyle battalion with Richard Hannon's **THREAT**.

His father won this race in 2009 and 2010 with Canford Cliffs and Strong Suit and I think 'Junior' can bag his first this afternoon.

The son of Footstepsinthesand was very impressive when winning a five-furlong maiden at Newmarket on Guineas weekend and he looks certain to appreciate the step up to six.

The yard know when they've got a good juvenile and with a handy draw in stall 13, he looks the play at 10/3 with Ladbrokes.

Elarqam is the obvious one in the closing Wolferton Stakes (5.35pm) having a won a 1m2f Listed race at Goodwood last time.

However, **WILLIE JOHN**, who was second to him off level weights that day may be able to get a bit closer receiving 3lbs today.

He has always been well regarded and looks a fair each-way price at 10/1 with Star Sports.

POINTERS

Threat 3.05pm	Royal Ascot
Too Darn Hot 4.20pm	Royal Ascot
Willie John e/w 5.35pm	Royal Ascot

Take on the top ones with Olmedo and Accidental Agent

FRANKEL, Goldikova, Canford Cliffs, Paco Boy; the list of top class horses who have won Royal Ascot's opening Queen Anne Stakes (2.30pm) is quite staggering.

That period from 2009 to 2012 really was a golden generation for the milers, and it's fair to say that the current crop isn't anything like as strong.

Aidan O'Brien's Le Brivido is as short as 5/1, but if he was trained by anyone else he would be more like 10/1.

His form simply isn't strong enough to justify such a short price, while Barney Roy has to step up on what he has achieved since returning to the track after proving a failure at stud.

Mustashry is the most solid at the top of the market having won the Group One Lockinge Stakes last month.

That was a big step forward for him and typical of his trainer Sir Michael Stoute who does so well with older horses.

He wouldn't be the worst bet in the world at 11/2, but I would rather throw a couple of darts each-way as it looks a wide-open race and plenty of firms are offering four places.

First up is 16/1 shot **OLMEDO** for Jean-Claude Rouget who doesn't bring them over here for the fun of it.

The son of Declaration Of War, who won this race in 2013, bagged the French 2000 Guineas last year and was beaten just a neck in a Group Two race at Saint-Cloud last time.

I'm also going to back last year's shock winner **ACCIDENTAL AGENT** who absolutely loves Ascot.

Things went a little downhill after his success in this, but he was a good third in the Lockinge on his reappearance and looks a nice each-way bet at 12/1 with Star Sports.

POINTERS

Accidental Agent e/w 2.30pm	Royal Ascot
Olmedo e/w 2.30pm	Royal Ascot

Charlie Robertson previews today's Cricket World Cup match between England and Afghanistan

CRICKET TRADER

@crobertson95

Jonny B good against average Afghan seamers

COACH Trevor Bayliss and captain Eoin Morgan must be relatively happy with where their side are after four games of the World Cup.

Granted, they've played some of the weaker sides in the competition (four of the bottom five in the points table), with even South Africa proving a fairly simple nut to crack.

Bar a disappointing defeat to Pakistan, where in truth, they didn't do too much wrong, they've been impressive and have disposed of potential stumbling blocks like Bangladesh and West Indies with the minimum of fuss.

They were particularly dominant against the Windies, with the seam attack bowling with pace and aggression, while the batsman knocked off the modest target of 213 with consummate ease.

The total was reached in just 33.1 overs, as Joe Root continued his fine spell with another 100 and Bayliss and Morgan will be banking on the Yorkshireman continuing his form throughout the rest of the tournament.

It wasn't all good news for England though, with both Jason Roy (torn hamstring) and Morgan (back spasms) coming off injured.

Morgan's prognosis looks more hopeful, though Roy looks set for a longer spell on the sidelines with the opener ruled out of the next two matches.

Roy's absence is a definite blow and his swashbuckling style at the top of the order will be missed, though with bigger fish to fry later, England will be grateful that it's easier matches against Afghanistan and Sri Lanka that he'll miss.

They take on an Afghan side today, who have lost all four of their matches so far.

Jonny Bairstow can get his first big score of the tournament today

The World Cup minnows looked massively out of their depth in the 2015 World Cup with just a solitary win against Scotland, but since then they have taken giant strides on the international stage and are now more than deserving of their full-member status.

They have recorded victories over Bangladesh, Sri Lanka and West Indies, so certainly shouldn't be taken lightly, particularly with the plethora of dangerous spinners they have at their disposal.

Leg-spinner Rashid Khan has become a national superstar with his array of variations often unsettling the world's best and he is well-supported by all-rounder Mohammad Nabi and Mujeeb Ur Rahman, both of whom have become regulars in the big competitions around the world.

Given this is the best side in the competition against the worst, it's no surprise to see England are the overwhelming favourites.

Those wins over Bangladesh, Sri Lanka and West Indies, as well as their warm-up victory over Pakistan show the ability Afghanistan have, but it would take a seriously brave man to go against England here.

The tournament hosts should win this one comfortably, but there is little value in backing them at a general 1/20, so instead I'm going to take a chance on buying Jonny Bairstow's performance with spread betting firm, Sporting Index.

England's opener hasn't really got going so far, with a first ball duck against South Africa followed by a slightly scratchy 32 against Pakistan.

He looked better for his 51 versus Bangladesh before getting out and it was the same story against West Indies for 45.

With his usual opening partner out, Bairstow will be keen to take his chance at the top of the order and get his side off to a flyer.

Given Afghanistan's average seam attack, I fancy the 29-year-old for a big one and advise buying his runs at 65.

POINTERS

Buy Jonny Bairstow Performance
65 Sporting Index

Runs to flow for England's openers despite Roy's absence

England fans will have feared the worst after seeing Jason Roy clutch his hamstring on Friday.

His brutal 153 against Bangladesh earlier in the tournament was a reminder of his ability to win games on his own and his opening partnership with Jonny Bairstow has been one of the major reasons for England's rise in the ODI rankings.

The initial diagnosis didn't look good for Roy, but serious long-term fears were eased soon after, with him ruled out of the next two matches against Afghanistan and Sri Lanka.

Roy's injury will provide another welcome opportunity for James Vince.

The Hampshire captain has struggled to cement his place in the England side, guilty of giving his wicket away after making several promising starts.

There aren't many prettier sights than Vince in full flow, though his effortless cover drive has often proved his downfall, with opposition bowlers feeling he'll always give you a chance.

He averages just over 28 in ODIs and has only passed 50 once in his 10 matches, a modest record for someone of his talent.

Although the two have not opened together often, Vince and Bairstow have a decent record alongside each other.

In their last three innings, they average 63.6 runs for the first wicket, with two 50 partnerships.

Afghanistan have struggled to make an impression with the ball so far and England will be hoping their openers can continue their destructive approach in Roy's absence.

They've conceded an average of 68.6 runs for the opening wicket and I fancy Vince and Bairstow to continue the trend at Old Trafford today.

Sporting Index offer a spread of 56-61 on the fall of England's first wicket and there are plenty of reasons to suggest buying at 61 looks the way to go.

POINTERS

Buy Fall of 1st England Wicket
61 Sporting Index

Afghans looking for spin to win it

Used pitch and Rashid Khan magic may trouble hosts, writes **Felix Keith**

ON THE face of it England's World Cup game against Afghanistan today comes at an opportune moment. With opener Jason Roy sidelined by a torn hamstring for a few games at least and captain Eoin Morgan recovering from a back spasm, it appears the perfect time to play the side bottom of the group table and without a win.

But Afghanistan have never been a side to second guess; unpredictable is their modus operandi. And with the game taking place at Old Trafford on the same pitch used for India's 89-run win over Pakistan on Sunday, conditions are set up to favour by far their strongest suit.

According to analytics app CricViz, over the past 10 years Old Trafford has offered an average of 3.57 degrees of spin – more than any other venue in England.

So far Afghanistan's World Cup campaign has been defined by their batting failures, rather than their spin bowling. But on a wicket which saw India's Kuldeep Yadav find sharp turn and with a bowling attack capable of springing a surprise they will be hopeful of causing an upset.

Winning the toss is crucial. Afghanistan have managed that in half of their four games, but in three of them have folded to post a sub-par score batting first, failing to bat their allotted 50 overs on each occasion.

There have been just two individual fifties, with a top score of 59, in 40 innings. Collapses have lurked around every corner, resulting in an average score of 176 which simply hasn't given their bowlers anything substantial to defend.

If skipper Gulbadin Naib can strike lucky, win the toss and bowl first, however, he has the bowlers to trouble England's rejigged batting line-up.

UNFAMILIARITY

Rashid Khan may have had a quiet tournament so far, picking up just three wickets at an average of 38, but he is a brilliant leg-spinner ranked second in the world as a one-day international all-rounder and third as a bowler.

He has the temperament, skill and variations to trouble England, as evidenced by him dismissing England star Jos Buttler four times from just 10 attempts in the Indian Premier League and Big Bash. Rashid's strike rate of 25.8 since the 2017 Champions Trophy is better than India's Kuldeep (27.4) and Yuzvendra Chahal (29.8) and England's Adil Rashid (31.9).


Rashid has taken 128 ODI wickets at an average of 15.86

When you factor in the guile of Mohammad Nabi, whose off-spin took 4-30 against Sri Lanka, and potentially Mujeeb Ur Rahman's mystery spin then you have a recipe for potential destruction.

Afghanistan also have another aspect in their favour: unfamiliarity.

England have played them just once in an ODI – a comfortable nine-wicket win at the 2015 World Cup – and although they faced them in a warm-up match last month, the loss of just one wicket that day means that of today's side only Jonny Bairstow and Joe Root have experience of facing their bowling in an international 50-over game.

They have been hugely disappointing in the World Cup so far, full of ill-advised shots, farcical run-outs and sloppy fielding, but if it all clicks Afghanistan have the raw ability to cause an upset.

At the beginning of a week when they can solidify their top-four position with wins over Afghanistan and Sri Lanka, England are in no mood to suffer a tournament defeat reminiscent of their famous losses at the hands of Holland and Ireland.

But if Old Trafford's pitch turns and Rashid gets his tail up you just never know.

WOODLAND CAN PROVE US OPEN IS NO ONE-OFF

GOLF COMMENT

Sam Torrance

IT TOOK Gary Woodland a while to make his mark at the highest level, winning just twice in his first nine years on the PGA Tour and failing to make the top 10 in 27 Major appearances.

But his fortunes have improved in the last 18 months. Last year's Phoenix Open ended a five-year spell without a title in which he also had to overcome personal tragedy, and he followed that with a share of sixth at the US PGA Championship.

Now, 12 years on from turning professional, the 35-year-old is a Major winner, having claimed the US Open in authoritive fashion at Pebble Beach on Sunday. It's quite a turnaround.

Woodland had to fight off opponents of the highest quality to break his Major duck, and they don't come much tougher than his fellow American Brooks Koepka. The defending champion underlined his status as the man to fear on the biggest occasions by emerging from the chasing pack with four birdies in the first five holes of his final round.

Woodland had previously failed to convert seven overnight leads into wins but here he refused to be hauled in, making birdies at the second and third to stay in front of Koepka and Justin Rose.

Koepka, winner of four of his previous eight Majors, got to within one with a birdie at 11, but Woodland re-established a two-shot cushion after a booming second shot at 14 and he added further sheen to his breakthrough triumph by draining a 30-foot birdie putt at the 18th.

I've written before that Woodland has a great swing and a similar swagger to Dustin Johnson. Both are supremely powerful hitters and exemplify the athletic modern golfer.

Woodland's improvement has coincided with an upturn in his short game, however, which he credits to his coach Pete Cowen. He didn't three-putt all week at Pebble Beach, was second in strokes gained: putting, and his four bogeys in 72 holes was a record low for the US Open.

It was also fitting that his biggest win came on Father's Day. Woodland became a dad in 2017 but son Jaxson spent his first six weeks in intensive care after the miscarriage of his twin caused complications.

Happiness at home can have a huge bearing on a player's performance and Woodland's have got better since his family's health settled down.

TAKE THE POSITIVES

Rose looked poised to challenge for a second US Open crown when he began the day one behind Woodland and then birdied the first to join the top of the leaderboard.

It just didn't happen for the Englishman after that – his 74 left him in a four-way share of third – but he will take the positives from yet another strong Major showing.

Rory McIlroy arrived at Pebble Beach with high hopes and was still in contention on Sunday morning, but two double bogeys proved costly and he wasn't able to keep pace.

This was Woodland's day, though, and who knows where it could lead? He has now been top 10 in his last three Majors and has all the attributes needed to prove that this was not a one-off.

ONE TO WATCH

Of the other Europeans, Jon Rahm finished strongly with a 68 to share third place on seven under par. The big Spaniard has now been top five at three of the four Majors.

> "Woodland has a similar swagger to Dustin Johnson. They exemplify the modern golfer

Former Open champion Henrik Stenson finished tied for ninth, his fourth top 10 at the US Open, while current Claret Jug holder Francesco Molinari threatened to make a final-day charge before fading.

Joining Molinari in a share of 16th was 2010 champion Graeme McDowell, who warmed up for next month's Open at his native Portrush by recording his best Major finish for five years.

Lastly, well done to Norwegian rising star Viktor Hovland, who followed up winning the prestigious US Amateur last year and being low amateur at the Masters two months ago by repeating that feat here. Still only 21, he is certainly one to watch.

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

SPORT

TO BE FRANK?

Chelsea look to be lining up Frank Lampard for a return to Stamford Bridge as manager. But is it the right move? Our writers wade into the debate

YES

FRANK DALLERES SAYS IT'S A GAMBLE WORTH TAKING

TALK of Chelsea calling on Frank Lampard to return as manager just one year into his dugout career might seem premature in normal circumstances. But these are anything but and the very real prospect of a transfer ban preventing the Blues from making any signings until next summer changes everything.

The likelihood is that some managers who might ordinarily be in Chelsea's crosshairs will not want to join a club where they cannot make any signings – especially one whose squad is a very mixed bag and has just been shorn of its outstanding player in Eden Hazard. Chelsea's options are, therefore, restricted.

In that context it makes sense – and is at the very least a terrific short-term PR move – for them to consider more leftfield options such as Lampard and task him with incorporating some of the talent from the enviable production line at Cobham, thereby also answering long-standing calls from supporters to promote youth to the first team.

We don't know much about Lampard the manager but what we have learned from his one season in management is that he has the appetite and ability to work with young players. At Derby he leaned heavily on loanees Harry Wilson, Mason Mount and Fikayo Tomori – the latter two borrowed from Chelsea.

A huge argument in favour of choosing Lampard is his No2 Jody Morris, the former Blues midfielder and youth team coach who knows the club's production line of talent better than anyone. Morris would need to accompany his old team-mate back to south-west London if this is to have the most realistic chance of working out.

There are side-benefits to appointing Lampard. His legend status with supporters should buy the new project the longer period of grace that it may need, as well as reviving terrace goodwill sapped by the Maurizio Sarri era. Lampard is also likely to be cheaper than some more experienced alternatives and therefore easier to cast aside if it all goes sour.

> "His legend status with supporters should buy the new project the longer period of grace it may need

It's true that appointing a former player can be an emotional decision that ends up looking foolish, but for the reasons listed above there is sound logic to trying Lampard. He is worth a punt and if it doesn't work out then Chelsea can return to old ways and hire a big hitter next summer. A bit of a long shot it may be, but Lampard has a habit of making those work.

NO

FELIX KEITH ARGUES IT'S A HEART-OVER-HEAD MOVE

FRANK Lampard might be a good manager. He might have the requisite people skills, tactical acumen, coaching ability, motivational qualities and countless other attributes needed to lead a top-six Premier League side. But we simply can't make that judgement yet. We know exactly what Lampard the player was because he made around 1,000 appearances for club and country over a distinguished 21-year career. But Lampard the manager has barely had the time to show us his

characteristics, taking charge of just 57 games for Derby County.

He oversaw some morale-boosting, headline-writing cup wins over Manchester United and Southampton on penalties, but ultimately failed in delivering the Rams' main goal.

The 40-year-old accrued one point fewer than his predecessor, Gary Rowett, and lost the play-off final to Aston Villa to miss out on promotion.

That is the extent of his CV as a manager. It's not a bad one, but neither is it worthy of a prize job at the eighth richest club in the world.

No matter which way you look at it – whether through a neutral, dispassionate lens, or blue-tinted spectacles – Chelsea are taking a gamble.

So why would the club's brains trust – owner Roman Abramovich, chairman Bruce Buck and director Marina Granovskaia – be happy to push its chips across the table and go all in on an under-qualified manager?

The answer may lie partly in their current position – looming transfer ban, departure of Eden Hazard and Maurizio Sarri hangover – and partly in what Lampard means to Chelsea: inspirational midfielder, record goalscorer and a driving force behind their halcyon days. There is understandably a nostalgic, emotional hankering for the prodigal son to return to the Bridge and fulfil his destiny.

The sole season under Sarri may have ended with a third-place finish and a Europa League trophy, but it was a frustrating period for fans, with a hardline tactical doctrine and frequently baffling selections undermining the Italian's results.

Appointing the man they call Super Frank, who is inextricably associated with success, represents an easy PR win, not a rational decision.

History suggests those short-term gains often turn sour quickly. Former players don't tend to make the best managers – at least not straight away. Zinedine Zidane and Real Madrid are a huge exception to the rule, not a case study in favour of the practise.

Chelsea would be appointing Lampard for romantic reasons, not objective ones.

CV

FRANK LAMPARD

PLAYING CAREER
Clubs: West Ham, Swansea (loan), Chelsea, New York City, Man City (loan)
Career stats (games/goals): Chelsea 648/211; overall 984/258
Trophies won: Premier League (3); FA Cup (4); League Cup (2); Champions League; Europa League
Other achievements: Chelsea's all-time record goalscorer

MANAGERIAL CAREER
Clubs: Derby County
Record: P57, W26, D15, L16
Average points per game: 1.63
Achievements: Led Derby to sixth place and the Championship play-offs, where they lost in the final to Aston Villa; beat Premier League sides Manchester United and Southampton in domestic cups

WARD BOWS OUT Qualifier takes first set against Simon before following Norrie in first round defeat on opening day of Queen's

Britain's James Ward was edged out by Gilles Simon in the first round of the Fever-Tree Championships at Queen's Club last night. Ward, the world No204 who won two games to qualify for the tournament, took the first set but eventually lost 3-6, 6-3, 7-6 to the Frenchman in two hours and 30 minutes. Earlier, British No2 Cameron Norrie was beaten 4-6, 7-6, 6-4 by world No8 Kevin Anderson.

SPORT DIGEST

SHAKIB STARS AS BANGLADESH CHASE 322 TO BEAT WINDIES

Shakib Al Hasan struck a brilliant unbeaten century as Bangladesh pulled off the second highest chase in World Cup history to beat West Indies in Taunton yesterday. Shakib (124 not out) put on 189 with Liton Das (94 not out) as the Tigers chased 322 for the loss of three wickets in just 41.3 overs. Earlier Shai Hope (96) and Evin Lewis (70) top-scored for West Indies, but it was their loose bowling which saw their hopes of reaching the semi-finals slip away in a third defeat from five matches.

VAR HELPS HOSTS FRANCE REACH WORLD CUP LAST 16

France booked their place in the World Cup last 16 last night after benefiting from a video assistant referee call to beat Nigeria 1-0. Wendie Renard scored her penalty at the second attempt after Nigeria's goalkeeper Chiamaka Nnadozie moved off her line early first time. Norway secured second in Group A with a 2-1 win over South Korea, while Germany thrashed South Africa 4-0 to top Group B.

KONTA WINS IN BIRMINGHAM BUT WATSON KNOCKED OUT

British No1 Johanna Konta beat Estonia's Anett Kontaveit to reach the second round of the Nature Valley Classic in Birmingham yesterday. Konta, world No18 and the seventh seed, triumphed 6-4, 6-2 in her first match since losing the French Open semi-final. However, compatriot Heather Watson lost in three sets to Czech Barbora Strycova.

US OPEN NEAR MISS MAKES ME EVEN HUNGRIER, SAYS ROSE

Justin Rose says he's even hungrier to win next month's Open after finishing third in the US Open on Sunday. Rose teed off a shot behind Gary Woodland but shot a three-over-par final round of 74 to fade at Pebble Beach. "I'm getting closer and I'm getting hungrier," the 38-year-old said. "I didn't have my A-game this week and to contend in a Major with no game, really, I take the positive from that."

CHARLTON FAIL TO AGREE NEW DEAL WITH MANAGER BOWYER

Lee Bowyer looks set to leave Charlton Athletic after the club announced yesterday they have failed to reach an agreement over a contract extension. Bowyer's deal expires on 30 June, meaning he could leave the Addicks despite leading them to Championship promotion via the League One play-off final. A statement said the 42-year-old had been offered a one-year deal, but "the fact the club is for sale has not helped", and added it would not be "good business practice" to offer him a long-term contract.

MIDDLESEX ON TOP AFTER 138 FROM STIRLING AT RADLETT

Paul Stirling hit a Championship-best innings of 138 to help Middlesex into a strong position on day two against Glamorgan yesterday. Stirling struck 14 fours in his knock as the hosts posted 410 at Radlett following Sam Robson's 107. Glamorgan closed on 112-3, needing 261 runs to avoid the follow-on, after a wicket each for Tim Murtagh and Steven Finn.