CITY A.M.
BUSINESS WITH PERSONALITY

TOO LATE TO TURN BACK
WAS ASTON MARTIN'S FLOAT A TOTAL DISASTER? **DEBATE P15**

MARK KLEINMAN
THE INSIDE TRACK FROM OUR STAR COLUMNIST **P9**

FRIDAY 26 JULY 2019 | ISSUE 3,422 CITYAM.COM FREE

'COMBATIVE' BORIS TAKES FIGHT TO EU

OWEN BENNETT
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BORIS Johnson fired the first shots in a new Brexit battle with the EU yesterday, just hours into his first full day as Prime Minister. The EU's chief negotiator Michel Barnier branded Johnson's position "combative" and "unacceptable".

Barnier emailed EU leaders yesterday after the UK's new Prime Minister told MPs the Irish backstop protocol must be stripped out of the withdrawal agreement.

Outgoing EU commission president Jean-Claude Juncker flagged Brussels' concerns with Johnson directly, using a telephone call yesterday to reiterate the deal negotiated by his predecessor is the "best and only agreement possible".

In his first appearance in the Commons since taking over at 10 Downing Street, Johnson held nothing back as he lambasted the deal negotiated by his predecessor – despite having voted for it himself in March.

He said: "No country that values its independence and indeed its self-respect could agree to a treaty which signed away our economic independence and self-government as this backstop does."

Johnson poured scorn on May's EU deal, which he had earlier supported

He added: "A time limit is not enough. If an agreement is to be reached it must be clearly understood that the way to the deal goes by way of the abolition of the backstop."

His speech prompted Barnier to write to the bloc's 27 leaders, setting out his concerns about the UK's shift in negotiating position.

"This is of course unacceptable and not within the mandate of the European Council," he wrote, adding: "As suggested by his rather combative speech, we have to be ready for a situation where he gives priority to the planning for no deal, partly to heap pressure on the unity of the EU27."

Barnier urged member states to "remain calm" and show "solidarity and unity".

Johnson used his speech to MPs to confirm that former leadership rival Michael Gove was now responsible for no-deal planning, and repeated his pledge to withhold the £39bn the UK had agreed to pay the EU upon its exit.

In a bid to show he was serious about leaving the EU on 31 October "do or die", Johnson vowed to prepare an economic boost for the UK.

He said ministers will seek to change tax legislation to "provide extra incentives to invest in capital and research", and accelerate talks on free trade deals. An economic package will also be prepared to boost British business and encourage foreign investment.

NEED FOR SPEED Prime delivery race creates hurdles for Amazon

EMILY NICOLLE
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RETAIL giant Amazon disappointed investors and analysts alike late last night, reporting profit for its second quarter well below estimates and breaking its long-running record earnings streak.

Profit came in at $2.6bn (£2.1bn), or $5.22 per share, for the three months to the end of June. Analysts were expecting income of $5.57 per share.

Amazon also said earnings for the upcoming quarter would be between $2.1bn and $3.1bn, compared to $3.7bn a year ago. The slip was attributed to Amazon's focus on its cash-intensive one-day Prime delivery service, as operating costs jumped 21 per cent to $60.3bn.

Its money-making cloud computing division Amazon Web Services also missed estimates of $8.5bn, rising 37 per cent to reach $8.4bn.

The results come amid a strong period of competition for Amazon, as rivals ramp up spending in online delivery to challenge its stranglehold on the market. The firm is currently under scrutiny for anti-competitive practices by US and EU authorities.

Business groups cheer government's change of tune on migration target

HARRY ROBERTSON
@henrygrobertson

BRITAIN's biggest business groups yesterday welcomed signals from Downing Street that the new administration has all but abandoned the target to bring net migration to below 100,000.

Both the CBI and the Institute of Directors (IoD) said the government's turn away from one of Theresa May's flagship policies would boost the economy.

In his first Commons outing as Prime Minister, Boris Johnson said yesterday that "our immigration system must change".

A Number 10 spokesman later confirmed that Johnson "wasn't interested in a numbers game".

This signalled doom for the target for net migration – the difference between those arriving in the UK and those leaving, which was above 250,000 in 2018.

The CBI's UK policy director Matthew Fell said the move was "hugely welcome" and "sends a decisive signal to the world that the UK is open for business... A focus on need, not numbers, will ensure the UK can access vital skills and labour to grow the economy."

Edwin Morgan, interim director general of business leaders' body the IoD, said: "Our members would be delighted to see the back of this arbitrary and counterproductive target. It's crucial that our future migration system allows companies to fill skills gaps with a minimum of bureaucracy and delay."

Former PM May was doggedly committed to the numerical target, set in 2010, despite failing to hit it.

Johnson also told the Commons he could call an amnesty for the UK's estimated 500,000 illegal immigrants. "We need to look at our arrangements for people who have lived and worked here for a long time, unable to enter the economy and to participate properly or pay taxes," he said.

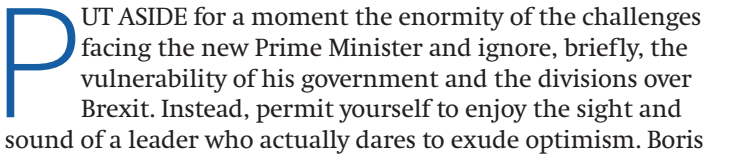
CITY A.M.

THE CITY VIEW

Johnson will need more than optimism

PUT ASIDE for a moment the enormity of the challenges facing the new Prime Minister and ignore, briefly, the vulnerability of his government and the divisions over Brexit. Instead, permit yourself to enjoy the sight and sound of a leader who actually dares to exude optimism. Boris Johnson has pledged to sweep away the "doomsters and gloomsters" and vows that "people who bet against Britain are going to lose their shirts". He claims we are on the cusp of "a new golden age," if only we "ping off the guy-ropes of self-doubt and negativity". You may not share his confidence, but you should at least recognise that to millions of people watching the six o'clock news the arrival of Johnson in Downing Street represents the first time in three years that they've seen someone at the top of government express a bit of positivity. This counts for something, and those keen to write-off Johnson's chances should reflect on it. However, just as the scorching summer weather gives way to thunderstorms, the Prime Minister's sunny disposition could come up against storm clouds sooner than he'd like. Warning lights are flashing on the economic dashboard. Surveys and datasets have for months told a familiar story. Business and domestic investor confidence is slipping, retail spending is down, manufacturing output is contracting, growth in services is lacklustre, finance chief surveys paint a gloomy scene and analysis of hiring intentions suggest employers are nervous. An optimist like Johnson may say the warning lights are amber, not red, and it's certainly possible to find examples that run counter to the narrative of decline. The employment rate is high, wages are rising, foreign investment is holding up and technically the economy is still growing. Confidence counts for a lot, but it is in short supply. A few months of brinkmanship with the EU could well see it evaporate. Some economists think the UK is already in recession. A successful Brexit deal would turn things around, but not overnight. All of this makes Sajid Javid the most important person in the room. The new chancellor cannot afford to wait for a Brexit resolution, let alone a no-deal emergency budget to keep the lights on. Johnson sings an uplifting tune, but the economic mood music sounds rather more sinister.

Boris sings an uplifting tune but the mood music is more sinister



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GAUKEWARD SQUAD Theresa May and fellow ousted ministers take a break from political drama with a relaxing day at Lord's

FORMER Prime Minister Theresa May was seen laughing and enjoying a few cold beverages at Lord's yesterday as England battled to avoid defeat to Ireland. Also watching the Test match were former Downing Street chief of staff Gavin Barwell (bottom right), former justice secretary David Gauke (top centre) and former business secretary Greg Clark (top left).

Baker in bid to replace Morgan

OWEN BENNETT

@owenjbennett

FORMER Brexit minister Steve Baker will stand for the vacant position of chair of the Treasury Select Committee (TSC) after turning down a return to government.

Baker last night rejected an offer from new Prime Minister Boris Johnson to return to the Brexit department, where he served for seven months before resigning in protest at Theresa May's Chequers plan.

After meeting Johnson in Downing Street, Baker tweeted: "With regret, I have turned down a ministerial job.

"I cannot repeat my experience of powerlessness as a junior [Brexit] minister with the work done in the Cabinet Office.

"I have total confidence in Boris Johnson to take us out of the EU by 31 [October]. Disaster awaits otherwise."

Baker confirmed to *City A.M.* he will be seeking the Treasury committee chair post. He already has the support of committee member Simon Clarke, who said: "[Baker] would be exceptional."

The committee vacancy arose when previous chair Nicky Morgan was appointed culture secretary by Johnson in his drastic shake-up of the government's top team.

Other Tory MPs considering a tilt at the position include former education secretary Justine Greening, ex-universities minister Sam Gyimah, and Mark Field, who served as an international trade minister for two years. Greening told *City A.M.* it was "highly likely" she would be putting her name forward for the role, while Gyimah said he was mulling it over.

Labour MP Alison McGovern, who serves on the TSC, said long-serving backbenchers have a good chance.

Shares dive as City uncertainty hits Metro Bank

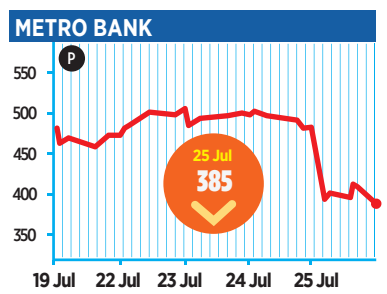
SEBASTIAN MCCARTHY

@SebMcCarthy

METRO Bank's share price crashed yesterday, as investors reacted to a slump in profits and the departure of its chair.

The troubled lender's share price hit an all-time low of 385p last night, closing down 19 per cent.

Pre-tax profits plunged to £3.4m in the first half of 2019, falling from £20.8m a year earlier.



WHAT THE OTHER PAPERS SAY THIS MORNING

FINANCIAL TIMES

US SANCTIONS STEPSONS OF VENEZUELA'S MADURO

The US has imposed sanctions on the three stepsons of Venezuelan President Nicolas Maduro for their alleged role in a vast international corruption network that profited from a government scheme to import food. The Treasury also imposed measures on seven other people including Colombian-born businessman, Alex Saab, who it said was the scheme's mastermind.

STARBUCKS BREWS UP BIG QUARTERLY SALES RISE

Starbucks has lifted its outlook for annual revenues and profits after the US coffee chain boosted quarterly sales by the most in three years, sending shares up six per cent in after-hours trading. Like-for-like sales in the 13 weeks to the end of June rose six per cent from a year ago, the highest quarterly figure since 2016.

THE TIMES

WALKOUT THREAT TO BANK COMPENSATION SCHEME

The viability of a new banking compensation service for small companies has been thrown into question after business representatives said they would withdraw their support unless it is overhauled.

GREAT EXPECTATIONS AT COMPASS BOOST APPETITE

A buoyant performance in North America has boosted Compass Group, the world's biggest catering company, prompting it to lift its revenue expectations for the year. Its shares rose three per cent after it said that it expected to post revenue growth at the upper end of its four to six per cent range.

THE DAILY TELEGRAPH

MPS TO PROBE FACEBOOK OVER CAMBRIDGE ANALYTICA

MPs will write to Facebook next week to demand answers over a US filing that said "a substantial quantity" of Facebook data was sold to Cambridge Analytica by a researcher.

FCA FEELS THE HEAT OVER PEER-TO-PEER FAILURES

The Financial Conduct Authority (FCA) has come under scrutiny from Lord Myners over its role in the collapse of peer-to-peer platforms Lendy and Collateral UK. Myners, a former City minister, has questioned the level of scrutiny the FCA gave to both firms, which fell into administration leaving investors' cash at risk.

THE WALL STREET JOURNAL

SUPPORT SOUGHT FOR T-MOBILE-SPRINT MERGER

The US Justice Department is pushing state officials to support a planned settlement that would allow T-Mobile US and Sprint to merge by selling assets to Dish Network.

HONG KONG POLICE BLOCK MARCH AGAINST MOB ATTACK

Police blocked a protest planned for this weekend in a district where a mob attacked protesters on Sunday, raising the prospect for further clashes as some activists promised to go despite the ban. The rare decision to ban the march on Saturday comes amid fears it could prompt further violence in the northwestern district of Yuen Long.

Google takes off as sales delight its shareholders

EMILY NICOLLE

@emilyjnicolle

GOOGLE parent firm Alphabet reported higher than expected second-quarter profit and revenue late last night, causing shares to jump more than nine per cent after-hours.

The healthy picture eased some concerns regarding the growth of Alphabet-owned companies such as Google, Youtube and its cloud computing division, following a heightened focus on competition in the tech sector.

Sales rose 19 per cent to reach $38.9bn (£31.2bn) in the three months to June, beating the average analyst estimate of $38.2bn.

Around 85 per cent of Alphabet's revenue stems from advertising, which benefited from several new tools developed by Google in the quarter across Youtube and Gmail.

Despite this, quarterly costs were near flat compared to the same period a year ago at $29.8bn.

Profit rose to $9.9bn, up from $3.2bn a year earlier when Google recorded the impact of a $5bn fine from EU antitrust regulators over its dominance in mobile software.

Analysts had anticipated earnings of just above $8bn.

Google is still said to be facing scrutiny from antitrust regulators elsewhere, thanks to a sector-wide investigation announced by the US Federal Trade Commission earlier this week.

Fellow tech giant Facebook confirmed its place in the probe on Wednesday, though Alphabet did not mention any investigations in its own results report.

"Alphabet continues to strike a good balance between investing for long-term growth and operating margins," said shareholder Christopher Rossbach, who is also information chief at London investment firm J Stern & Co.

"Alphabet's outlook remains very bright, with numerous growth options for the company that can provide significant upside."

SKY'S THE LIMIT Comcast profit grows as broadband boost offsets decline in TV

COMCAST has posted a rise in revenue and profit for the second quarter as an increase in broadband customers helped offset a decline in its TV business. The firm, which bought Sky for £30bn last year, is battling the rise of streaming services such as Netflix, which are drawing customers away from its cable TV offering. Sky posted a three per cent slip in revenue to $4.8bn (£2.8bn), as lower ad spend outweighed the success of shows such as Chernobyl.

Car crash: Jaguar Land Rover skids to £395m first-quarter loss

JAMES BOOTH

@Jamesdbooth1

JAGUAR Land Rover (JLR) skidded to a £395m pre-tax loss yesterday for the first quarter of its new financial year after sales fell nearly 12 per cent.

In the three months to 30 June, JLR sold 128,600 cars, down from 145,500 in the same period last year.

Revenue slid to £5.1bn, a fall of 2.8 per cent on the previous year. The loss comes after the Tata-owned firm posted pre-tax profit of £120m in the previous quarter following nine months of losses. JLR's full-year loss was a massive £3.6bn, which included a £3.1bn write down in the third quarter to cover falling demand for newer models, as well as for diesel-powered cars.

JLR boss Ralf Speth said: "We will build on our strong foundations and increased operating efficiency to return to profit this fiscal year."

In April, JLR said it would build its new generation Land Rover Defender at its plant in Slovakia. This month, JLR said it would invest almost £1bn in building electric cars in the UK.

Apple splashes $1bn on Intel modem chip arm

HARRY ROBERTSON

@henrygrobertson

APPLE last night snapped up the majority of Intel's smartphone modem chip business for $1bn (£800m) as it looks to secure its own supply of the vital iPhone part.

Around 2,200 Intel workers will move to Apple, which will also acquire intellectual property, equipment and leases relating to modems, the tiny pieces of technology that allow smartphones connect to mobile networks.

The deal will mean Apple holds more than 17,000 patents for wireless technologies, ranging from the "architecture" of chips to their operation.

Intel, which is based in Santa Clara, California, will keep making chips for PCs, self-driving vehicles and next-generation devices.

Mothercare to offload stores

HARRY ROBERTSON

@henrygrobertson

MOTHERCARE is set to sell or separate its 79 UK stores as part of the struggling retailer's move towards an international franchising model.

The retailer for parents and young children is in conversations with prospective groups about the deal, according to Sky News.

Details will reportedly be announced in an update today.

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Google

Minister says PM rejects building on green belt

JESS CLARK

@jclarkjourno

HOUSING secretary Robert Jenrick yesterday appeared to rule out building new homes on the green belt after Prime Minister Boris Johnson opposed the idea during the Tory leadership campaign.

Jenrick's comments on his first day in the role come in the same week that his government colleague Jacob Rees-Mogg, the new leader of the House of Commons, co-authored a report calling for green belt land to be "selectively re-classified" to help solve the housing crisis.

Jenrick, the MP for Newark, told *City A.M*: "Boris Johnson has been clear that he doesn't believe that we should be building on the green belt", adding he was "interested in ways in which we can further liberalise and improve the planning system".

"I will certainly be looking at a whole range of options in the days and weeks ahead so we can... turbocharge this agenda," he said.

In an Institute of Economic Affairs (IEA) report this week, Rees-Mogg wrote: "Where green belt land achieves none of its official purposes, it can be selectively re-classified, with a presumed right to development.

"Most green belt land should remain, however. This proposal should apply in particular to derelict or already-developed sites."

The IEA said just 3.9 per cent of London's green belt would be needed to build 1m homes. "Any government that is serious about delivering more homes would consider building on undesirable parts of the green belt," said Kate Andrews, IEA associate director.

"The planning system is protecting derelict land, dump sites and intensely-farmed agricultural land, all of which could be used to build homes close to transport hubs and in areas where people want to live."

LOSS LEADER Rees-Mogg resigns from Somerset Capital role after appointment

JACOB Rees-Mogg has quit his investment capital group following his appointment to Boris Johnson's cabinet. He resigned from running Somerset Capital Management, which he co-founded, after being made leader of the House of Commons.

Crossing the pond: US hedge fund makes London its new HQ

SEBASTIAN MCCARTHY

@SebMcCarthy

ONE OF the world's most established hedge funds has moved its headquarters from New York to London, in a major endorsement of the capital's financial sector ahead of the UK's exit from the European Union.

Caxton Associates, which was set up by US veteran investor Bruce Kovner in 1983, has chosen its Mayfair office as the firm's global HQ following a drop in the pound and a recent hiring spree in London.

A letter from the firm seen by the Financial Times, which first reported the move, said: "Investors do now generally consider us to be London-headquartered."

Mixed outlook for investors in new Brexit poll

SEBASTIAN MCCARTHY

@SebMcCarthy

BRITAIN's departure from the EU is viewed as "short-term pain for long-term gain" by more than half of UK investors, a poll has found.

A report from UBS Global Wealth Management said half the UK's high-net-worth individuals think Brexit will have a negative impact on the economy in the next year.

However 55 per cent also said that it will have a positive impact over the course of the next decade.

"With Brexit yet to be concluded and Boris Johnson yet to get his feet under the table, this survey shows that investors are concerned about the short-term impact Brexit will have on the UK economy," said Mark Goddard, head of the high-net-worth London segment at UBS Global Wealth Management.

He added: "Despite this, investors and business owners are taking a long-term view when assessing their financial objectives and economic outlook."

UBS also found sentiment among investors has been improving, rising from 68 per cent in the first quarter of the year to 77 per cent in the second.

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EU central bank is preparing for new stimulus

HARRY ROBERTSON

@henrygrobertson

THE EUROPEAN Central Bank (ECB) kept interest rates on hold yesterday but signalled it will ease policy to kickstart the Eurozone economy unless the picture brightens.

It said it now expects its main interest rates will stay "at their present or lower levels at least through the first half of 2020". This ditched a pledge to keep them only at "present levels" and opened the door to cuts in the near future.

The ECB said it was "determined to act" if price inflation continued to stay low across the euro area.

This statement came after a closely-watched gauge of confidence in the German economy yesterday hit its lowest level in six years. The Ifo Institute's business climate index for Europe's biggest economy dropped to 95.7, well below expectations of 97.1.

"In manufacturing, the business climate indicator is in free fall," said Clemens Fuest, the head of the German think tank.

Mario Draghi, the ECB's outgoing president, said at a press conference that the outlook for the Eurozone is "getting worse and worse", particularly in "countries where manufacturing is very important".

In this environment, inflation has stayed stubbornly low at around 1.2 per cent. Draghi said the ECB would now tolerate inflation overshooting the two per cent mark.

Action could take the form of rate cuts and so-called quantitative easing bond purchases, but it could also mean "tiering", the bank said. This means the current minus 0.4 per cent deposit interest rate – under which banks pay the ECB to keep money saved there – would not affect all of a bank's reserves.

Draghi cautioned on the Eurozone's outlook

Oliver Blackbourn, a portfolio manager at Janus Henderson, said that "expectations are high" for a cut to the deposit rate in September. "There is also broad anticipation of renewed quantitative easing, though the make-up of any purchases is less certain."

MAXED OUT American Airlines takes a $400m hit from Boeing 737 Max problems

AMERICAN Airlines shares dropped yesterday after it said the Boeing 737 Max groundings would likely dent its 2019 pre-tax earnings by around $400m (£320m). Yet in its second-quarter results, American said its revenue grew by 2.7 per cent year on year.

Carmaker Nissan to cut 12,000 jobs as its profits go in reverse

JOSH MARTIN

@JoshMartinNZ

WORKERS at Nissan's Sunderland vehicle factory are braced to find out if they are part of the more than 12,000 employees to be laid off globally by the embattled carmaker.

Nissan has said it will slash around 12,500 jobs globally as it looks to rein in costs and reduce its output.

It was previously thought only around 4,500 jobs would go.

The Japanese car giant assembles some of its Qashqai SUV models in a plant in Sunderland.

However, Nissan's UK spokesperson could not say whether the axe will fall on jobs in the UK.

The UK office pointed out that the next generation Qashqai will be built at the Sunderland plant, and the new Juke crossover model starts production "imminently".

Earnings rise as Anglo American unveils buyback

SEBASTIAN MCCARTHY

@SebMcCarthy

ANGLO American put a smile on the face of investors yesterday after posting a better-than-expected rise in earnings and launching a $1bn ($800m) buyback.

It raised its dividend payout by almost 30 per cent, with underlying earnings before interest, tax, depreciation and amortisation rising 19 per cent to $5.45bn in the first half of 2019. Higher iron ore prices boosted the firm's performance in the six months to June.

Johnson urged: Drop opposition to third runway

ALEXANDRA ROGERS

@city_amrogers

BUSINESS groups have urged Prime Minister Boris Johnson, to drop his apparent opposition to Heathrow's third runway.

In a letter to Johnson, business firms including the CBI and British Chamber of Commerce warned that a failure to support the £14bn scheme would "prevent us all from successfully building a global Britain".

IN BRIEF

LONDONERS SUPPORT TFL CONTROL OF COMMUTER RAIL

Research by Populus for the Rail Delivery Group (RDG) which represents train firms and Network Rail, found that nearly 60 per cent of Londoners want decision making to be devolved locally. London mayor Sadiq Khan has repeatedly called for TfL to be given control of suburban rail. The proposals put forward by the RDG support the introduction of more London Overground-style concession models, in which TfL would appoint an operator to provide a specified service for a specified sum, alongside incentives for good performance. TfL would retain ticket revenue and would carry the bulk of the risk if revenue expectations are not realised. This model already exists on the Overground, in which Arriva Rail London operates the service on behalf of TfL.

CREDIT AGRICOLE EXECUTIVE JOINS CLEARING HOUSE LCH

Global clearing house LCH has drafted in a former top boss of Credit Agricole as its new chief executive. Isabelle Girolami is set to take on the role of chief executive in November, taking over from Martin Pluves as he begins a new role as head of the Fixed Income, Currency and Commodities Markets Standards Board. Girolami, who recently served as deputy chief executive of France's Credit Agricole's Corporate and Investment Banking Business, has held roles at BNP Paribas, Bear Stearns and Standard Chartered. In her role, she will be responsible for driving continued expansion across LCH's services, with a focus on continued growth, innovation and operational excellence, the clearing house said yesterday.

RETAIL FALLS IN LONGEST STRETCH FOR EIGHT YEARS

Retail sales have fallen for the longest period in eight years, new research has revealed, in the latest sign of gloom on the high street. Sales volumes fell for the third consecutive month in the year to July, marking the longest decline since 2011, according to the latest CBI monthly Distributive Trades Survey. In total, 26 per cent of retailers surveyed by the CBI said sales volumes were up in July compared to a year a go, while 42 per cent said they were down, giving a balance of minus 16 per cent. The fall is slower than the minus 27 per cent reported in May and the minus 42 per cent figure given in June. However, the CBI's June survey was weaker than the Office for National Statistics retail sales figures that showed growth of one per cent month-on-month.

Cobham agrees a £4bn deal to escape public eye

JOE CURTIS

@joe_r_curtis

34.54%

ENGINEERING firm Cobham's shares rocketed yesterday as it agreed to a £4bn take-private deal by private equity giant Advent International.

David Lockwood, the chief executive of the defence and aerospace engineering firm, has set about bolstering Cobham's performance in the last two-and-a-half years after repeated profit warnings crippled its stock.

The firm took a £160m charge in February to settle a row with Boeing over a delayed aerial refuelling programme.

"This offer reflects the potential for future growth and improving performance, and is an endorsement of our turnaround strategy and our hard working people," he said.

Shares closed at 165.15p.

EDITOR'S NOTES

News and views from the City, Westminster & beyond

CHRISTIAN MAY @CHRISTIANJMAY

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Johnson's critics will be confounded by the new PM's liberalism

THERE's a good chance that things will go badly for Boris. He barely has a majority, his party is divided and MPs from across the house are priming their parliamentary grenades to thwart and disrupt him. On the other hand, it is at least possible that he gets a Brexit deal passed and triggers what even Philip Hammond used to call an economic "deal dividend" – where dormant investment decisions are unlocked and the end of uncertainty allows businesses to breathe a sigh of relief. In such circumstances, the smart money will be on Johnson to beat Jeremy Corbyn in an election. While all this is unknown, his political opponents are currently road-testing their attack lines and Labour is desperate to paint Johnson as an extreme right-winger. Johnson may be many things, but hard-right isn't one of them. He's a liberal, and it's his liberalism that helped him win London (a Labour city) twice. His first act appears to have been dropping David Cameron and Theresa May's obsession with cutting migration to the tens of thousands – a thoroughly welcome move and early evidence of a proper 'global Britain' strategy. He was the first senior Tory to back equal marriage (back in 2004) and has championed an amnesty for illegal immigrants in the UK. His opponents are going to have to try harder if they want to land a blow.

● A good week for former advisers to Michael Gove. Dom Cummings, the eccentric yet brilliant brains behind Gove's education reforms and the successful Vote Leave campaign, is notoriously contemptuous of civil servants – and most politicians. Expect things to kick off. Meanwhile, another former member of Gove's Praetorian guard, Henry de Zoete, has just sold his energy bills switching service (of Dragons' Den fame) to the group behind Go Compare – for around £10m.

ROAD TRIPPING

I managed to get my hands on a McLaren 600LT last weekend and, with a friend acting as navigator/DJ, we shot off to the Cotswolds. I've only ever driven a car like this on the track and it's a different kettle of fish zipping between villages or parking in a town square. It is, of course, a magnificent machine and an utter joy to drive. But fun as it was to be behind the wheel the real pleasure came in starting the engine for a gathering of excited children in Malmesbury. I'd better start saving up.

● Speaking of Gove, I bumped into him on Tuesday. He'd opted for a nice lunch over witnessing the result of the Tory leadership election in Westminster. He suggested (rightly) that we'll miss our political reporter Owen Bennett when he leaves for the Telegraph. Owen broke the story of Gove's past cocaine use. The new de facto deputy prime minister had the good grace to chuckle when I suggested Owen was "leaving on a high". He's been brilliant, and we wish him well.

● I know times are tough in investment banking but there's no need for the comms teams to start tweeting like Donald Trump. Swiss giant UBS picked up on an honest mistake in an earnings story by an FT journalist and lashed out on Twitter, accusing the author of "embarrassing reporting" and of pushing an "agenda". The online error was quickly edited. Michael Steen, head of media relations at the ECB, joined the online row and said the UBS response was "not a good look for criticism".

CAN I QUOTE YOU ON THAT?

I love Iran

Boris Johnson's father, Stanley, on Iran's Press TV yesterday, moments after Johnson Jnr slammed Jeremy Corbyn for appearing on... Iran's Press TV

● It isn't easy to pivot this page from jovial to somber, but I must share some desperately sad news. You will, I hope, be familiar with Rob Colvile's columns in this paper and with his wider work as one of Westminster's brightest thinkers. His wife, Andrea, died earlier this month after a six-month battle with auto-immune disease. She leaves two little boys, Edward and Alexander, both of whom will one day be proud of the way their father has responded to this tragedy by launching a fundraising campaign to better understand this complex and relatively neglected disease. Within a very short space of time, Rob and his family have raised nearly £50,000 to start an annual prize in Andrea's name for research into the condition. Few of us can imagine the distress or heartache that descends at a time like this, and few would match Rob's dignity and determination to find something positive in the darkness. Please support the appeal. Search: Just Giving and Andrea Colvile.

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Background to the Issuer

Urban Exposure Finance Plc (the "Issuer") is a special purpose company established by its ultimate parent company, Urban Exposure Plc, for the purposes of issuing the Notes. Urban Exposure Plc's group (the "Group") is a specialist real estate development finance and asset management provider focussing on two principal revenue streams – interest and fees generated in principal lending to UK development companies from the Group's own balance sheet, and asset management income generated from managing and servicing real estate development loans financed by third parties.

Key features of the Notes

The Notes described in this summary are debt securities to be issued under the £500,000,000 Euro Medium Term Note Programme of the Issuer pursuant to the final terms related to the Notes dated 15 July 2019 (the "Final Terms") and the Terms and Conditions of the Notes contained in the base prospectus dated 15 July 2019 (the "Base Prospectus").

The Notes pay interest of 6.50% per annum, payable semi-annually in arrear on 6 February and 6 August (each an "Interest Payment Date") in each year until and including 6 August 2026 (the "Maturity Date") unless the Notes have previously been redeemed or purchased and cancelled. Accordingly, the amount of interest payable on each Interest Payment Date will be £3.25 per £100 in principal amount of the Notes.

The Notes will be secured by a floating charge on the assets of the Issuer, which will include the Issuer's rights in relation to real estate development loans financed by it.

The minimum initial investment in the Notes is £2,000, and any purchases of greater than £2,000 must be in integral multiples of £100. The Notes are offered for sale by the Issuer from 15 July 2019 to 12 noon (UK time) on 30 July 2019 unless otherwise ended earlier by the Issuer (the "Offer Period"). After the Offer Period Notes may be bought and sold in integral multiples of £100 (although the price paid or received may be higher or lower depending on the market price of the Notes at the time). The Notes are expected to be admitted to trading on the Order Book for Fixed Income Securities from 7 August 2019, following which investors will be able to check the current trading price on the London Stock Exchange website and buy and sell their Notes in the open market at any time during market hours (subject to normal market conditions).

Full details of the Notes are set out in the Base Prospectus and Final Terms at **www.urbanexposureplc.com/bonds.**

Important information

This is an advertisement and not a prospectus. The contents of this advertisement are indicative and are subject to change without notice. **This advertisement should not be relied on for making any investment decision in relation to the purchase of Notes**. Any decision to purchase or sell the Notes should be made by you solely on the basis of a careful review of the Base Prospectus and Final Terms which are available to view at www.urbanexposureplc.com/bonds. Please therefore read the Base Prospectus and Final Terms carefully before you invest. Before buying and selling any Notes you should ensure that you fully understand and accept the risks relating to an investment in the Notes. You are recommended to seek professional independent advice.

The contents of this advertisement, which have been prepared by Urban Exposure Finance Plc, has been approved solely for the purposes of section 21(2)(b) of the Financial Services and Markets Act 2000 by Peel Hunt LLP (the "Lead Manager"). The Lead Manager, whose registered office is at 120 London Wall, London EC2Y 5ET, is authorised and regulated by the Financial Conduct Authority. Peel Hunt LLP does not provide legal, tax, accounting or investment advice in relation to the Notes and is not responsible for any advice you may receive from any third party.

The Notes have not been and will not be registered under the United States Securities Act of 1933 (the "Securities Act"). The Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in the Securities Act). The Notes are being sold outside the United States in reliance on Regulation S of the Securities Act.

Key Risks

You should seek your own independent professional investment, legal and tax advice as to whether an investment in the Notes is suitable for you. You should be aware that you could get back less than you invest or lose your entire initial investment.

Full details regarding the risk factors relating to Urban Exposure Finance Plc, Urban Exposure Plc and the Notes are set out in the section headed "Risk Factors" on pages 22 to 35 of the Base Prospectus at **www.urbanexposureplc.com/bonds**. Please read them carefully.

- The Notes are not protected by the UK Financial Services Compensation Scheme ("FSCS") or any equivalent scheme in another jurisdiction. Neither the FSCS nor anyone else will pay compensation to investors on the failure of the Issuer, the guarantor of the Notes or the Group as a whole
- The Notes may have no established trading market when issued, and one may never develop, or may develop and be illiquid. Investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market

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IN BRIEF

BURFORD CAPITAL POSTS PROFIT BUMP TO $225M

London-listed litigation funder Burford Capital yesterday announced that its profit after tax grew 36 per cent to $225m (£180m) in the first half of 2019. The funder said litigation investment income in the six months to 30 June hit $264m, up 36 per cent from the same period the previous year. Burford said investment returns increased to a 98 per cent return on invested capital (ROIC) net of losses, up from 85 per cent at the same period the previous year. During the first half Burford pledged $751m in new investment commitments, a 36 per cent increase on the same period last year. The largest commitment in the period was a $130m portfolio financing deal "with a major global business".

SAGE WARNS OF SLIPPING LICENCE SOFTWARE SALES

Sage's share price fell 10.4 per cent yesterday after the British IT firm revealed traditional software sales fell over the first nine months of the year. Sage's core software revenue dropped 15.5 per cent year-on-year to £195m, it said, blaming underperforming sales for old models as it transitions to its cloud-based accounting software. As a result, Sage expects its profit margin to fall to the lower end of guidance at 23 to 25 per cent. "We remain encouraged by the progress made in recurring revenue in the first nine months of FY19," finance boss Jonathan Howell said. "[This reflects] Sage's focus on high-quality subscription and recurring revenue as we continue the transition to becoming a great software-as-a-service company."

PAYMENTS STARTUP CLOSES £8.5M SERIES B ROUND

Fintech firm Paysend today announced the close of an £8.5m funding round, led by GVA Capital and a crowdfunding campaign on Seedrs. Silicon Valley-based GVA invested £3.95m in the round, while Revolut and Paypal-backers Plug and Play and Digital Space Ventures led the funding on Seedrs. More than 900 investors joined the crowdfunding effort, which raised over £4.6m. Paysend, which operates its own digital currency and also allows customers to pay their friends using just their debit cards, said it will use the funding to support global expansion. The startup has more than 900,000 users, and facilitates 2m transactions per month to the tune of over $55m (£44m). Before the funding, Paysend was valued at £124.9m.

COMIC BLIP Shares in publisher Relx take a hit as growth falls short of expectations

SHARES in academic analytics firm Relx dropped 3.69 per cent yesterday after it missed expectations for the half year. Relx, which also runs Comic Con, posted a three per cent rise in revenue to £3.9bn, while pre-tax profit increased to £1.1bn.

Ice cream sales freeze Unilever in cool weather

JESS CLARK

@jclarkjourno

UNILEVER reported a slump in turnover in the first half of 2019 as cooler weather impacted ice cream sales in Europe and the US.

Turnover fell 0.9 per cent to €26.1bn (£23.3bn) in the first half, the company said as it reported its half-year and second-quarter results yesterday.

Second-quarter underlying sales growth was 3.5 per cent, missing analyst expectations of a 3.7 per cent rise.

Operating profit was up from €4.52bn in June 2018 to €4.58bn.

Closing net debt was €24.2bn, compared to €22.6bn at 31 December last year.

Earnings per share increased 3.4 per cent to €1.14. Unilever announced a quarterly dividend of €0.4104 a share.

The Ben & Jerry's owner said ice cream sales in Europe and North America had been affected by rainy spring weather following "two years of very strong summers".

However, the company saw growth in emerging markets, particularly China and south east Asia.

Alan Jope, chief executive of Unilever, said: "We have delivered consistent growth within our guided range for 2019, led by our emerging markets.

"Accelerating growth remains our top priority and we continue to evolve our portfolio and seek out fast growth channel and geographical opportunities, as well as address those performance hotspots where growth is falling short of our aspirations.

"For the full year, we continue to expect underlying sales growth to be in the lower half of our multi-year three to five per cent range, an improvement in underlying operating margin that keeps us on track for the 2020 target and another year of strong free cash flow."

He added: "Our sustainable business model and portfolio of purpose-led brands are key to delivering superior long-term financial performance."

Jefferies analyst Martin Deboo said the challenge for Jope was "to articulate how his reformist agenda around marketing is going to deal with investor preoccupations around slow top-line growth".

National Express posts record profit of £113m in the first half

ALEXANDRA ROGERS

@city_amrogers

NATIONAL Express yesterday posted a 15.3 per cent rise in operating profit for the first half of this year to a record £113.1m thanks to growth in all its divisions.

Statutory profit before tax grew from £98.1m in the first half of 2018 to £113.1m in the same period this year. The coach travel provider saw revenue growth in all of its core divisions to reach £1.34bn, 7.8 per cent up on last year.

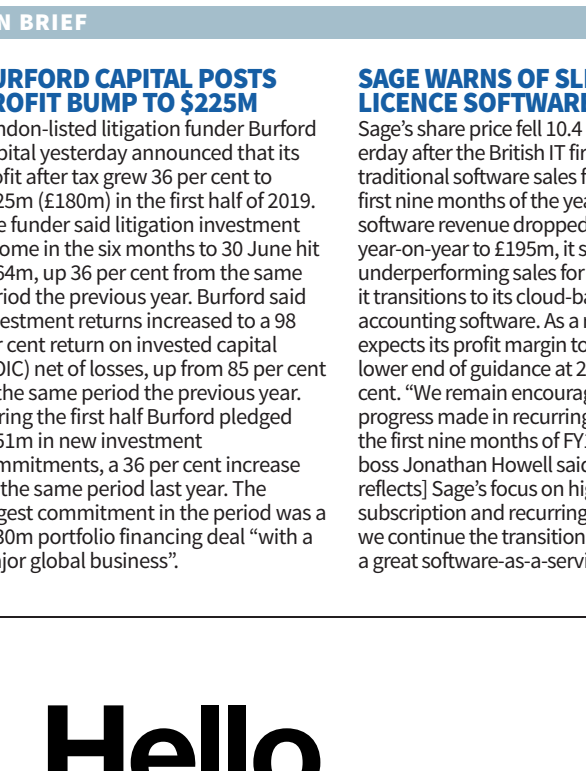
Net debt soared, however, rising £354.2m to £1.28bn on the cost of buying Silicon Valley shuttle service We Drive U.

Chief executive Dean Finch said: "I am delighted to report another record set of results, primarily driven by organic revenue, profit and margin growth in every division.

"Group free cash also grew strongly.

"We are currently trading ahead of expectations despite the impact of unprecedented bad weather in North America."

Hello 5G future



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Lloyds' win puts target on Skeoch

A SCORE draw? For Standard Life Aberdeen, that's probably an overly generous classified check after the final whistle on its £109bn fund management dispute with Lloyds Banking Group. It's hard not to look at the result as anything other than a come-from-behind victory for Britain's biggest high street lender instead.

The £140m cash sum it is paying is less than expected, while SLA retaining stewardship of £35bn of assets for three years is neither here nor there to Lloyds.

For SLA, keeping one-third of the mandate terminated in 2018 represents a modicum of positive news after two years of post-merger turmoil, but as analysts pointed out yesterday, what it's retaining for that period will inevitably flow away at the end of it.

Next month's half-year results are hugely significant for Keith Skeoch, SLA's chief executive, and his job prospects. Any suggestion that outflows have extended to more of the group's funds would be terminal.

The logic of the £11bn deal that created the company was loudly trumpeted in both boardrooms, but it always looked like a better outcome for Martin Gilbert, the Aberdeen Asset Management chief.

Having been shunted to one side as vice-chairman Gilbert now looks likely to leave the SLA board, although the company insisted this week his departure has not been finalised.

The pace of fund outflows at SLA has been further exposed by the sale of its insurance arm to Phoenix.

A strategic review of its wealth division, which I understand has been taking place in recent months, underlines the impression of a company without a clear strategy.

Douglas Flint, the new chairman, isn't known for kneejerk decision-making, but without a rapid improvement in SLA's performance, showing Skeoch the door will become an obligation.

CLARK'S FAREWELL GIFT

Theresa May wasn't the only one scrambling to find a legacy to bequeath to her successor during the final days of her administration. The recent flurry of announcements from the Department for Business, Energy and Industrial Strategy underlined just how busy the departing Greg Clark was while trying to do the same.

In the midst of efforts to find a buyer for British Steel, Clark's other priority was audit reform, appointing both the chairman and chief executive of the Financial Reporting Council (and its replacement).

The choice of Simon Dingemans, former Goldman Sachs partner and Glaxosmithkline finance chief, reflects the shift in focus from the conventional grandee traditionally used to populate such roles.

Picking Sir Jonathan Thompson, boss of HM Revenue & Customs, as the FRC's final chief executive, just a day after Dingemans' pre-appointment hearing with MPs also made a statement: that this was Clark's choice.

City insiders tell me the headhunter, Odgers Berndtson, made a concerted effort to encourage senior figures in finance to apply for the top role.

Several were deterred by the £330,000 salary, a figure which fails to heed Sir John Kingman's recommendation that the new audit regulator should be on a par with the Financial Conduct Authority and Ofcom (whose respective chief executives Andrew Bailey and Sharon White are paid significantly more).

It will now be down to Andrea Leadsom, Clark's successor, to decide whether proposals such as mandatory joint audits, which have received a withering verdict from all corners of British business and the regulator's new chairman, should follow Clark into backbench anonymity.

> SLA's review of its wealth arm gives the impression of a company with no clear strategy

METRO BANK'S DOG'S DINNER

Vernon Hill's departure as chairman of Metro Bank was as inevitable as its insistence on describing itself as "the revolution in British banking" is tedious.

The company's recent travails have made it more challenged than challenger, and this week's half-year results underline why an independent future for the bank is far from certain.

For that reason, Hill's determination to remain on the board resembles an unwelcome fudge. Metro Bank's ability to recruit a heavyweight independent chair may be impaired by the scepticism of candidates about a hands-on founder's ability to take their hands off the tiller.

This week's results, the share price's reaction to the succession plan and the lender's embattled state all make that unwise.

Mark Kleinman is the City Editor of Sky News. @MarkKleinmanSky

O2 revenue rises as it unveils 5G launch date

JOE CURTIS AND JAMES WARRINGTON

@joe_r_curtis @j_a_warrington

O2 HAS posted a rise in revenue and customer numbers in the first half, as it unveiled plans to roll out 5G later this year.

Total revenue rose 5.1 per cent to £2.9bn in the first six months of the year, while operating income before depreciation and amortisation climbed 6.4 per cent to £919m.

The operator, whose network also carries users of giffgaff, Tesco Mobile, Sky Mobile and Lycamobile, boosted its total customer base to 33.3m.

O2 also cut its churn rate to just 0.9 per cent, and added 41,000 new contract customers over the period.

"We continue to deliver further customer, top-line and bottom-line growth underpinned by our award-winning network and market-leading loyalty," said chief executive Mark Evans.

O2 also announced plans to switch on its 5G network in October, aiming to go live in 20 towns and cities by the end of the year, including London, Leeds, Edinburgh and Cardiff.

Vodafone – with whom O2 will share some network equipment – began its own 5G rollout in July, while EE was the first UK network to launch 5G in late May.

O2 is aiming to bring 5G to 50 UK locations by summer 2020

It came as O2's parent company Telefonica posted flat revenue for the second quarter, with strong growth in handset sales offsetting the negative impact of exchange rates.

The Spanish telecoms giant posted revenue of €12.1bn (£10.8bn) in the quarter, while net profit fell 4.5 per cent to €862m.

Telefonica said its results had been hampered by currency headwinds, which it said reduced revenue growth by 4.1 percentage points.

Revenue growth from the firm's mobile services ticked up just over two per cent, but the rise was fuelled largely by handset sales, which surged 16.7 per cent.

Chairman and chief executive Jose Maria Alvarez-Pallete Lopez said: "We have demonstrated the consistency of our transformation strategy towards a technology company, backed by our results. We are back to a sustainable and profitable growth."

Mother's ruin? Gin helps boost Diageo earnings

JESS CLARK

@jclarkjourno

3.37%

GUINNESS owner Diageo saw profit rise last year driven by sales of its Gordon's and Tanqueray gin.

Net sales increased 5.8 per cent to £12.9bn and operating profit soared 9.5 per cent to £4bn, driven by organic growth.

Net cash from operating activities was £3.2bn, up £164m.

Earnings per share increased by 7.4 per cent to 130.7p and the final dividend increased five per cent bringing the full-year dividend to 68.57p per share.

The board approved plans for an additional return to shareholders of up to £4.5bn.

Gin sales boosted the global spirits group's full-year sales. Both Gordon's and Tanqueray saw double digit sales growth, and ready to drink premix can sales grew 17 per cent.

Ivan Menezes, Diageo chief executive said: "Organic volume and net sales growth was broad based across regions and categories, with new product innovation being a strong contributor. We expanded organic operating margin ahead of our guidance and increased investment behind our brands ahead of organic net sales growth."

Diageo shares fell 113p to close at 3,240.50p.

MAKE MINE A DOUBLE Fuller's toasts to full-year sales growth

LONDON pub chain Fuller's has reported strong revenue growth in its first full-year results following the sale of its beer business to Asahi earlier this year. Revenue was up seven per cent to £431.1m from £403.6m in 2018, the company said. There has also been an uplift in non-alcoholic drinks sales and vegan and vegetarian meal options, as customers seek a healthier lifestyle.

ADVERTISEMENT FEATURE

Uncertainty fuels an active rental market

COMMENT

Asks Kate Eales
National Head of Lettings

When it comes to the property market in London right now, the only thing we can be sure of is continued uncertainty. This often feeds an active rental market as lettings offers people to make more short term decisions. Indeed this is what seems to be happening in the London rental market at the moment as we are seeing a high demand from renters at every level of the market. This high demand alongside a decline in supply as Landlords have exited the market in response to changes in tax and regulation means that rental levels are remaining steady. Combining this with the challenging London Sales market may mean that now is a good time to invest.

Where you invest can make all the difference: while a certain borough or micro location may have experienced house price drops in the last year or two, rental prices may not have changed, making rental yields immediately better. View this as short-term if you wish but the more long-term investor is also back - keen to pick up a bargain and able to take a chance to ride out any blips, hiccups or volatility.

We are working in a fragmented market to so it does pay to do your research. Know your market – or find an agent that does – because house price performance, and the related rental yields, vary wildly from borough to borough. If you are in the market to invest, take the opportunity to consider new builds too. We are seeing a significant shift towards new properties, which are highly attractive to tenants as well as landlords. Of particular interest and value are the developments that offer lots in terms of lifestyle, wellbeing and community. Everything from gyms, communal spaces, concierge services and even curated experiences are becoming commonplace. Just take a look at Television Centre in White City, which is a great example of everything you could possibly want as a tenant – restaurants, great architecture, heritage – in an easily accessible London postcode.

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(Age 57 from 2028)

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

LONDON REPORT

FTSE 100 dragged by Unilever as Astrazeneca rises

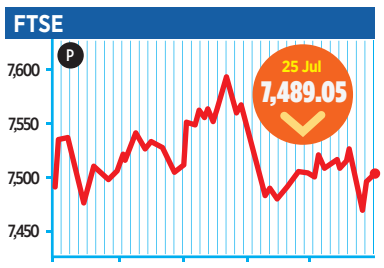
THE FTSE 100 lost ground yesterday with a slew of negative earnings readings from blue-chips, including spirits firm **Diageo**, while **Astrazeneca** was a stand-out performer after raising its 2019 product sales forecast.

The main stock market index inched lower by 0.2 per cent 7,489.05 points, while the mid-cap FTSE 250 was up 0.2 per cent – to 19,820.35 – with gains led by aerospace firm **Cobham** that surged after a buyout offer.

Diageo slumped 3.4 per cent after its capital return plans were less than what some analysts had expected, though the company reported higher annual profit helped by the popularity of its Game of Thrones inspired scotch.

Software firm **Sage** slumped 10.4 per cent, after a downbeat update, while consumer goods giant **Unilever** fell as cool weather hit ice cream sales.

Helping contain the losses was Astrazeneca, which jumped nearly eight per cent to an all-time high after raising its annual product sales forecast, as cancer drugs helped its second-quarter results beat analysts' estimates.



BEST OF THE BROKERS

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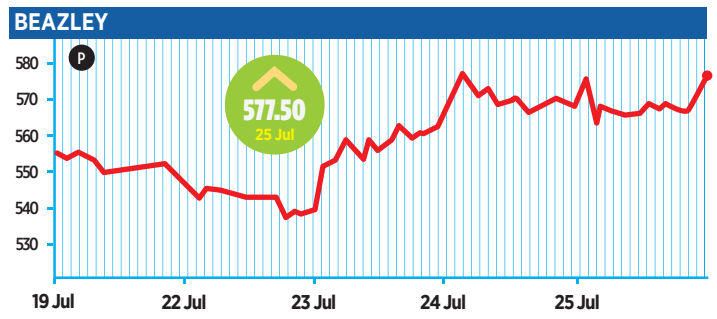
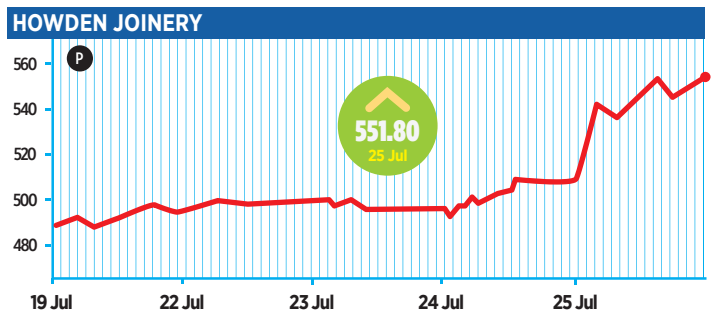


UK insurance group Beazley's first-half earnings were certainly not measly – they tripled year-on-year. But broker Peel Hunt says it didn't generate any underwriting profit in the half, while hurricane season could take a toll. Peel Hunt says insure yourself with a "Reduce" rating and a lower target price of 460p.



Howden Joinery supplies kitchens to the Queen, don't you know, and regal first-half results saw pre-tax profit grow 13.5 per cent. Brokers Canaccord Genuity said it was "pleasing" to see margins improve after Howden hiked prices. A high share price makes them give a "Hold" rating with an unchanged target price of 515p.

NEW YORK REPORT

Ford driving Wall St lower

WALL Street fell from record highs yesterday following a flurry of downbeat quarterly results from **Ford** and other companies and after European Central Bank chief Mario Draghi's comments disappointed investors hoping for a more dovish stance on monetary policy.

The Dow Jones Industrial Average dipped 0.47 per cent to end at 27,141.05 points, while the S&P 500 lost 0.53 per cent to 3,003.7. Nasdaq tumbled one per cent to 8,238.54.

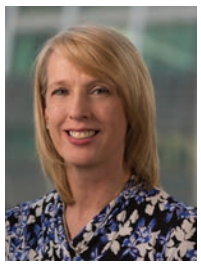
Ford declined 7.45 per cent after the carmaker reported a lower-than-expected profit and gave a disappointing full-year earnings forecast.

Facebook dropped 1.9 per cent after the social media giant said new rules and product changes aimed at protecting user privacy would slow its revenue growth into next year. After the bell, **Amazon** fell two per cent as its quarterly operating income forecast missed analysts' expectations.

Align Technology plunged 27 per cent and was the biggest decliner on the S&P 500 after the orthodontic device maker's current-quarter forecast came in below estimates.

CITY MOVES WHO'S SWITCHING JOBS

INVESTEC



Investec Corporate and Investment Banking as announced the appointment of Ajeeth Narayan as global head of Investec Aviation Finance. Mike Francis will be executive lead of the Aviation Finance franchise, and Celia Britt (pictured) will become chief operating officer. Ajeeth and Mike were two of the four founders of the Investec Aviation Finance franchise in 2002, and have been with Investec ever since. Celia joined Investec in 2005, and most recently managed the aviation portfolio. Investec Aviation Finance has grown to $6bn (£4.8bn) of aircraft assets under management and in 2018 launched a new aircraft leasing equity fund. Investec has also pioneered the aviation debt fund product, attracting over $1.2bn of investment from third party financial institutions including pensions and insurance companies.

FMSB

The FICC Markets Standards Board (FMSB) has announced the appointment of Martin Pluves as its new chief executive officer. Martin joins FMSB from LCH Group, where he was CEO since 2015. During his tenure there, the company has delivered record growth in revenues and volumes across its clearing services, including at Swapclear, the largest OTC rates liquidity pool. Martin's responsibilities included operations in London as well as in Australia, Japan and North America. Before joining LCH, Martin spent 14 years at PA Consulting where he was elected a partner in the financial services practice and was a member of the management group.

SMITHS GROUP

Pam Cheng has been appointed an independent non-executive director at Smiths Group, which will take effect from 1 March 2020. On joining the board, Pam will become a member of the nomination & governance, audit & risk, and remuneration committees. Pam joined Astrazeneca in June 2015 after having spent 18 years in global manufacturing, supply chain and commercial roles at Merck/MSD. Before that she was president of MSD China. She was the head of global supply chain management & logistics for Merck from 2006 to 2011 and led the transformation of Merck supply chains across the global supply network. Prior to joining Merck, she held various engineering and project management positions at Universal Oil Products, Union Carbide Corporation and GAF Chemicals. Pam is also an independent non-executive director of the US listed company Codexis. She holds bachelor's and master's degrees in chemical engineering from Stevens Institute of Technology in New Jersey and an MBA in marketing from Pace University in New York.

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NEWS

Smooth landing for Wizz Air as its profits soar on passenger growth

JOSH MARTIN

@JoshMartinNZ

3.80%

BUDGET airline Wizz Air carried more passengers and squeezed more money from them, its first-quarter results showed.

Profit for the three months to 30 June was €72.4m (£66.22m), boosted by passenger growth of 20.1 per cent to just over 10m people flying with the airline.

Ancillary revenue – which accounts for extras paid for alongside boarding tickets, from baggage and priority boarding, to snacks and seat reservations – jumped 41.1 per cent to €311.4m.

That nearly matched ticket revenue, which increased 14.8 per cent to €379.3m. Load factor, a measure of how full the average Wizz Air flight is, increased to 93.7 per cent from 92.1 per cent for the same period last year.

Airline boss Jozsef Varadi was pleased with the stats and said: "This performance was achieved in the face of higher fuel prices through our continued and rigorous cost management and strength in both Easter trading and ancillary revenue generation.

"We are seeing some overall capacity decline in the marketplace. There is a strategic opportunity for us to step up and fill the vacuum in the market. The combination of that capacity situation and our own financial strengths made us decide to up our capacity plan."

For the full year, Wizz Air is forecasting net profit in the range of €320m to €350m.

Budapest-based Wizz competes with Lufthansa's Eurowings brand at central European airports such as Vienna. Poor margins at Eurowings were a major reason for Lufthansa's June profit warning, with boss Carsten Spohr saying zero growth for the brand was "absolutely rational" in the current market.

DMGT on track as Mail Online revenue grows

JAMES WARRINGTON

@j_a_warrington

1.42%

DAILY Mail and General Trust (DMGT) has said it is on track for full-year trading in line with expectations, as strong growth for Mail Online offset a decline in business to business revenue.

The publishing group posted a two per cent fall in revenue in the nine months to June after a mixed performance across its portfolio of titles.

Revenue from DMGT's consumer division, which includes the Daily Mail and Mail Online, grew three per cent over the period, boosted by a rise in advertising income.

Revenue from the Daily Mail declined two per cent, mitigated by an increase in the cover price of the weekday edition from 65p to 70p last year.

DMGT said the strong trading from its consumer titles meant it now expected consumer revenue to be stable for the year, rather than the single-digit decline previously forecast. The firm also increased its profit margin forecast to roughly 10 per cent.

Chief executive Paul Zwillenberg said the firm had delivered a "robust performance" over the period, adding the full-year outlook was unchanged and in line with expectations.

FTSE 100	FTSE 250	FTSE ALL SHARE	DOW JONES	NASDAQ	S&P 500
7489.05	19820.35	4096.03	27140.98	8238.54	3003.67
12.41	32.57	4.33	128.99	82.96	15.89

£/€	1.1171	0.0030	€/$	1.1146	0.0004
£/$	1.2451	0.0031	€/£	0.8950	0.0026
£/¥	135.26	0.2894	€/¥	121.08	0.5993

	Price	Chg	High	Low
GILTS				
Tsy 3.750 19	100.37	0.00	103.4	100.4
Tsy 2.000 20	101.42	0.00	102.5	101.4
Tsy 4.750 20	102.59	-0.01	106.5	102.6
Tsy 3.750 20	103.57	0.00	106.4	103.6
Tsy 2.500 20	356.28	-0.01	361.4	355.8
Tsy 8.000 21	114.03	-0.01	120.6	113.7
Tsy 4.000 22	109.26	0.00	111.3	109.0
Tsy 0.500 22	100.15	0.01	100.3	97.7
Tsy 1.875 22	116.60	-0.01	118.3	115.5
Tsy 2.250 23	107.28	0.01	107.4	104.7
Tsy 2.500 24	372.58	0.00	373.6	358.7
Tsy 0.125 24	114.16	-0.01	114.8	110.9
Tsy 5.000 25	124.87	0.00	125.3	122.1
Tsy 4.250 27	129.74	0.04	130.3	122.6
Tsy 1.250 27	136.61	-0.02	137.4	128.4
Tsy 6.000 28	148.30	0.04	149.1	140.5
Tsy 0.125 29	129.02	-0.02	130.0	118.8
Tsy 4.750 30	142.74	0.05	143.6	132.1
Tsy 4.125 30	387.15	-0.05	390.2	355.2
Tsy 4.250 32	139.90	-0.01	140.9	128.5
Tsy 1.250 32	157.41	-0.16	159.1	144.1
Tsy 0.125 36	149.23	-0.26	151.7	133.4
Tsy 4.250 36	146.90	-0.04	148.0	133.1
Tsy 4.750 38	160.82	-0.10	162.2	144.9
Tsy 0.625 40	169.47	-0.41	173.5	152.8
Tsy 4.500 42	163.93	-0.12	165.6	145.9
Tsy 3.500 45	146.21	-0.14	147.8	128.0
Tsy 4.250 46	166.01	-0.14	168.0	145.7
Tsy 4.025 49	172.32	-0.16	174.2	150.0
Tsy 0.500 50	198.17	-0.31	207.7	173.7
Tsy 0.250 52	194.20	-0.32	204.9	168.8
AEROSPACE & DEFENCE				
BAE Systems	532.0	-0.8	656.0	443.9
Cobham	165.2	42.4	167.1	96.8
Meggitt	577.0	4.2	593.4	458.0
QinetiQ Group	289.6	4.2	312.4	264.3
Rolls-Royce Holdi	868.0	-5.8	1094.0	759.2
Senior	203.6	3.2	334.4	185.4
Ultra Electronics	1889.0	17.0	1919.0	1232.
BANKS				
Bank of Georgia G	1486.0	-30.0	1878.8	1310.0
Barclays	159.5	-0.4	194.0	146.1
Close Brothers Gr	1358.0	-8.0	1660.0	1348.0
CYBG	201.4	-0.9	364.2	173.9
HSBC Holdings	655.1	-1.3	730.5	600.8
Lloyds Banking Gr	56.8	-0.2	66.6	50.0
Metro Bank	385.0	-91.4	3402.0	380.0
Royal Bank of Sco	228.1	-0.1	270.4	203.0
Standard Chartere	687.2	4.8	736.8	519.8
TBC Bank Group	1260.0	-54.0	1774.0	1255.0
BEVERAGES				
Barr (A.G.)	650.0	24.0	975.0	610.0
Britvic	897.0	7.0	956.0	745.0
Coca-Cola HBC AG	2793.0	52.0	3074.0	2244.0
Diageo	3240.5	-113.0	3482.5	2523.5
CHEMICALS				
Croda Internation	4616.0	-46.0	5447.7	4576.0
Elementis	138.6	2.3	247.8	129.8
Johnson Matthey	3202.0	18.0	3760.0	2620.0
Sirius Minerals	14.9	-0.2	38.5	13.5
Synthomer	327.8	-0.2	537.2	324.3
Victrex plc	2032.0	-34.0	3408.0	1944.0
CONSTRUCTION & MATERIALS				
Balfour Beatty	220.2	-0.8	296.5	218.8
CRH	2674.0	46.0	2720.0	1971.5
Galliford Try	631.0	-6.0	1104.0	512.0
Ibstock	233.8	-0.8	278.6	193.1
Marshalls	650.0	-3.0	690.0	412.2
Polypipe Group	418.6	-2.2	453.8	307.8
ELECTRICITY				
Contour Global	178.0	-0.6	246.0	150.1
Drax Group	298.8	-4.8	427.2	260.2
SSE	1079.5	-85.5	1338.5	1008.0
ELECTRONIC & ELECTRICAL EQ.				
Halma	1981.5	-23.5	2094.0	1237.0
Morgan Advanced M	261.8	4.0	363.0	237.0
Oxford Instrument	1338.0	-24.0	1424.0	842.0
Renishaw	3834.0	44.0	5650.0	3670.0
Spectris	2720.0	-17.0	2898.0	1966.5
EQUITY INVESTMENT INSTRUM.				
Aberforth Smaller	1182.0	-8.0	1394.0	1120.0
Alliance Trust	823.0	4.0	827.2	672.0
Apax Global Alpha	157.5	0.0	159.0	127.0
AVI Global Trust	771.0	-1.0	782.0	660.0
Baillie Gifford J	810.0	2.0	869.0	663.0
Bankers Inv Trust	952.0	-8.0	966.0	766.0
BBGI SICAV S.A. (	155.5	0.5	168.0	142.5
BlackRock Smaller	1400.0	2.0	1600.0	1160.0
BMO Global Smalle	1362.0	0.0	1495.0	1220.0
Caledonia Investm	3055.0	0.0	3110.0	2650.0
City of London In	423.5	-4.5	434.0	376.0
Edinburgh Inv Tru	598.0	1.0	699.0	571.0
F&C Investment Tr	716.0	2.0	741.0	616.0
Fidelity China Sp	224.0	1.5	250.0	182.4
Fidelity European	254.0	0.0	257.5	202.0
Fidelity Special	261.0	-1.5	278.0	220.0
Finsbury Growth &	915.0	-17.0	940.0	740.0
GCP Infrastructur	126.2	-1.8	130.8	122.2
Genesis Emerging	776.0	-4.0	782.0	615.0
Greencoat UK Wind	139.2	-0.6	143.2	122.8
HarbourVest Globa	1720.0	22.0	1724.0	1288.0
Herald Investment	1312.0	12.0	1364.0	1055.0
HGCapital Trust	215.5	-1.0	220.0	175.0
HICL Infrastructu	160.0	2.0	170.1	149.9
International Pub	157.8	0.8	163.4	146.8
JPMorgan American	485.0	2.0	486.1	386.5
JPMorgan Emerging	1034.0	-6.0	1050.0	759.0
JPMorgan Indian I	737.0	-2.0	790.0	566.0
JPMorgan Japanese	443.5	1.0	470.0	367.0
Jupiter European	843.0	3.0	895.0	666.0
Law Debenture Cor	592.0	0.0	636.0	534.0
Mercantile Invest	203.0	1.0	219.6	168.0
Monks Inv Trust	944.0	3.0	951.0	710.0
Murray Internatio	1182.0	4.0	1208.0	1056.0
NB Global Floatin	89.6	0.0	93.3	87.6
NextEnergy Solar	120.5	-0.5	124.5	108.0
Pantheon Internat	2310.0	-15.0	2330.0	1955.0
Perpetual Income	316.5	0.5	365.0	301.5
Pershing Square H	1436.0	-6.0	1470.0	990.0
Personal Assets T	42400.0	-150.0	42600.0	38900.0
Polar Capital Tec	1432.0	4.0	1440.0	1066.0
RIT Capital Partn	2135.0	5.0	2140.0	1892.0
Riverstone Energy	851.0	1.0	1282.0	840.0
Schroder Asia Pac	463.5	-2.0	469.5	379.0
Scottish Inv Trus	833.0	0.0	902.0	748.0
Scottish Mortgage	551.5	-0.5	568.3	441.4
Sequoia Economic	113.4	-1.6	115.2	106.0
Smithson Investme	1258.0	4.0	1274.0	1000.2
Syncona Limited N	254.5	1.5	302.5	213.5
Temple Bar Inv Tr	1254.0	-6.0	1366.0	1116.0
Templeton Emergin	810.0	-2.0	818.0	649.0
The Renewables In	127.0	-0.4	133.2	109.1
TR Property Inv T	423.0	1.0	433.5	353.5
Vietnam Enterpris	467.5	4.5	472.0	420.0
VinaCapital Vietn	342.0	0.5	350.0	318.0
Witan Inv Trust	221.5	0.5	227.6	189.6
Woodford Patient	53.3	-0.3	91.0	53.1
Worldwide Healthc	2740.0	-5.0	2915.0	2325.0
FINANCIAL SERVICES				
3i Group	1111.0	-23.0	1164.5	756.2
3i Infrastructure	284.0	3.0	303.0	232.5
AJ Bell	435.0	6.8	477.0	220.0
Allied Minds	71.9	-0.1	87.1	37.3
Amigo Holdings	161.0	0.4	297.5	153.6
Arrow Global Grou	273.0	5.0	278.0	167.2
ASA International	361.5	3.5	510.0	320.0
Ashmore Group	521.5	-1.5	529.0	337.0
Brewin Dolphin Ho	316.8	1.8	366.0	295.4
Charter Court Fin	316.0	2.5	375.0	228.8
City of London In	435.0	-1.0	447.2	360.0
CMC Markets	99.0	2.9	197.0	77.4
Coats Group	81.4	-0.1	91.3	69.8
Georgia Capital	981.0	-17.0	1260.0	941.0
Hargreaves Lansdo	2080.0	-20.0	2433.0	1633.0
IG Group Holdings	574.0	-1.4	954.5	474.8
IntegraFin Holdin	381.0	-5.0	406.1	269.0
Intermediate Capi	1420.0	8.0	1433.5	899.0
International Per	110.8	3.8	248.8	107.0
Investec	489.2	-22.2	561.0	423.4
IP Group	68.9	-1.7	131.2	67.4
John Laing Group	381.6	-1.2	402.0	283.2
JTC	368.0	14.0	440.0	287.0
Jupiter Fund Mana	377.0	-1.5	450.2	287.6
Liontrust Asset M	790.0	4.0	808.0	532.0
LMS Capital	49.6	-0.2	53.5	44.0
London Finance &	38.5	0.0	44.5	37.5
London Stock Exch	5626.0	-2.0	5784.0	3867.0
Man Group	167.7	-0.3	184.9	126.8
OneSavings Bank	386.4	2.4	447.4	330.0
Paragon Banking G	441.2	-6.8	503.5	379.2
Plus500 Ltd (DI)	647.0	-2.0	2040.0	495.0
Provident Financi	411.0	-4.4	692.6	394.9
Quilter	149.9	-2.4	156.6	110.6
Rathbone Brothers	2225.0	20.0	2634.0	2085.0
Real Estate Credi	168.0	-0.5	175.5	163.0
Record	32.2	0.2	42.1	27.3
River and Mercant	270.0	7.0	330.0	212.0
S&U	2300.0	-10.0	2605.0	1767.5
Sanne Group	746.0	14.0	747.0	450.0
Schroders	2995.0	-23.0	3222.0	2334.0
Standard Life Abe	304.0	-6.4	378.9	224.9
TP ICAP	317.6	-0.5	324.5	267.2
Walker Crips Grou	27.0	0.0	39.0	24.0
XPS Pensions Grou	119.0	4.0	180.0	95.0
FIXED LINE TELECOMS				
BT Group	189.3	-0.6	264.7	187.0
TalkTalk Telecom	107.5	-1.1	137.0	96.6
Telecom Plus	1350.0	0.0	1528.0	1010.0
FOOD & DRUG RETAILERS				
Greggs	2392.0	2.0	2476.0	946.0
Morrison (Wm) Sup	198.5	-2.9	269.4	195.3
Ocado Group	1209.5	-1.5	1435.0	749.8
Sainsbury (J)	201.1	-2.1	341.5	187.9
SSP Group	689.0	-2.0	744.4	615.1
Tesco	226.9	-1.1	266.2	189.6
UDG Healthcare Pu	790.5	2.0	850.0	551.0
FOOD PRODUCERS				
Associated Britis	2374.0	-19.0	2638.0	2041.0
Bakkavor Group	111.2	0.8	192.0	107.0
Cranswick	2584.0	4.0	3454.0	2472.0
Greencore Group	225.0	0.3	230.0	162.9
Hilton Food Group	950.0	-7.0	1088.0	884.0
Tate & Lyle	753.6	-4.0	800.4	624.0
Unilever	4896.0	-102.0	5091.0	3931.0
FORESTRY & PAPER				
Mondi	1828.0	-17.5	2236.0	1584.0
GAS, WATER & MULTIUTILITIES				
Centrica	86.3	-2.7	155.6	86.3
National Grid	840.3	-0.4	889.2	748.7
Pennon Group	719.4	-31.4	792.8	684.2
Severn Trent	2028.0	-12.0	2153.0	1770.0
United Utilities	785.0	-4.6	873.6	682.4
GENERAL INDUSTRIALS				
Smith (DS)	375.0	-8.6	513.4	292.2
Smiths Group	1630.5	4.5	1655.0	1279.5
Smurfit Kappa Gro	2666.0	-20.0	3292.0	1934.0
Vesuvius	532.0	2.5	662.0	473.2
GENERAL RETAILERS				
Auto Trader Group	529.4	-6.2	606.0	388.5
B&M European Valu	377.6	2.3	426.3	278.6
Card Factory	172.2	0.8	212.4	162.6
Dixons Carphone	123.3	1.0	179.8	107.6
Dunelm Group	920.5	-13.5	981.0	482.8
Inchcape	598.5	-10.5	787.0	486.6
JD Sports Fashion	617.6	3.0	635.6	318.5
Just Eat	622.8	-1.0	883.4	533.8
Kingfisher	221.0	-0.7	311.7	202.2
Marks & Spencer G	208.5	-3.2	299.1	204.2

MAIN CHANGES UK 350

Risers	%
Cobham 165.2	34.5
Howden Joinery Gro 551.8	9.0
AstraZeneca 6850.0	7.7
NewRiver REIT 178.6	4.6
Barr (A.G.) 650.0	3.8
Wizz Air Holdings 3742.0	3.8
Travis Perkins 1359.0	3.4
National Express G 438.4	3.3
Softcat 949.0	3.2
PayPoint 947.0	2.9

Fallers	%
Metro Bank 385.0	-19.2
Aston Martin Lagon 630.6	-17.8
Sage Group 732.0	-10.4
SSE 1079.5	-7.3
Royal Mail 208.4	-7.0
Sports Direct Inte 239.2	-6.1
Investec 489.2	-4.3
Pennon Group 719.4	-4.2
TBC Bank Group 1260.0	-4.1
Relx plc 1867.5	-3.7

	Price	Chg	High	Low
Next	5668.0	10.0	5944.0	3991.0
Pets at Home Grou	207.2	3.6	208.0	110.0
Sports Direct Int	239.2	-15.4	419.1	226.8
Ted Baker	902.0	-3.0	2378.0	800.0
Vivo Energy	122.8	0.6	156.0	96.0
WH Smith	2140.0	-2.0	2186.0	1697.0
HEALTH CARE EQUIPMETN & S.				
Assura	66.4	0.2	67.1	52.4
Convatec Group	149.7	1.1	239.0	118.6
Mediclinic Intern	339.3	-2.7	522.2	293.4
NMC Health	2507.0	28.0	4120.0	2192.0
Smith & Nephew	1771.5	12.0	1775.5	1258.0
HHOLD GDS & HOME CONSTR.				
Barratt Developme	655.4	1.6	657.6	434.0
Bellway	2976.0	-9.0	3226.0	2419.0
Berkeley Group Ho	3850.0	-5.0	3981.0	3226.0
Bovis Homes Group	1091.0	-2.0	1177.0	828.0
Countryside Prope	301.6	3.0	353.2	270.0
Crest Nicholson H	361.2	-5.8	404.8	296.4
McCarthy & Stone	140.5	0.1	142.7	104.0
Persimmon	2071.0	6.0	2501.0	1859.5
Reckitt Benckiser	6431.0	-44.0	7155.0	5593.0
Redrow	566.0	-3.0	674.6	460.8
Taylor Wimpey	172.6	-0.9	192.3	129.3
INDUSTRIAL ENGINEERING				
Bodycote	774.5	19.5	1026.0	676.0
Hill & Smith Hold	1164.0	-6.0	1516.0	902.5
IMI	1031.5	0.5	1242.0	870.0
Melrose Industrie	196.1	-0.1	233.9	146.3
RHI Magnesita N.V	4558.0	-54.0	5085.0	3318.0
Rotork	307.4	-0.1	361.4	235.7
Spirax-Sarco Engi	8775.0	5.0	9400.0	5900.0
Weir Group	1544.5	4.5	1977.5	1240.0
INDUSTRIAL METALS & MINING				
Evraz	654.2	0.6	709.4	442.1
Ferrexpo	259.7	-4.2	301.3	143.5
INDUSTRIAL TRANSPORTATION				
BBA Aviation	297.4	0.6	350.0	207.0
Clarkson	2590.0	-55.0	2900.0	1878.0
Fisher (James) &	2085.0	10.0	2260.0	1600.0
Royal Mail	208.4	-15.6	489.0	194.5
NON LIFE INSURANCE				
Admiral Group	2227.0	6.0	2300.0	1897.0
Beazley	577.5	10.0	599.0	492.6
Direct Line Insur	326.9	-4.1	366.5	304.9
Hastings Group Ho	197.9	-0.2	274.2	174.0
Hiscox Limited (D	1754.0	19.0	1777.0	1418.0
Lancashire Holdin	710.5	13.0	725.5	530.0
RSA Insurance Gro	573.0	-1.2	644.2	496.6
Sabre Insurance G	282.5	-0.5	294.0	249.0
LIFE INSURANCE				
Aviva	410.8	-3.4	502.8	364.6
Legal & General G	267.0	-2.3	291.2	223.7
Phoenix Group Hol	711.9	-8.3	724.8	544.0
Prudential	1692.0	-26.0	1824.0	1340.0
St James's Place	1050.5	-37.0	1216.5	914.0
MEDIA				
4Imprint Group	2610.0	-10.0	2700.0	1800.0
Ascential	375.6	-3.2	434.8	337.2
Bloomsbury Publis	233.0	-8.0	243.0	190.5
Centaur Media	46.0	-1.0	56.5	34.7
Entertainment One	445.2	-5.8	483.4	336.4
Euromoney Institu	1326.0	12.0	1412.0	1132.0
Future	1078.0	14.0	1248.0	375.0
Goco Group	82.0	-1.3	132.0	64.6
Haynes Publishing	224.0	0.0	227.0	160.0
Huntsworth	96.2	-0.6	125.0	81.0
Informa	872.4	-8.6	881.0	605.8
ITE Group	74.1	0.1	85.8	56.3
ITV	113.7	0.5	172.0	104.7
Moneysupermarket	355.7	-5.3	417.7	264.0
Pearson	875.4	-4.0	1027.5	769.2
Reach	86.1	2.5	87.0	54.6
Relx plc	1867.5	-71.5	1973.5	1491.5
Rightmove	511.6	-1.8	585.1	420.9
STV Group	364.0	4.0	453.0	318.0
Tarsus Group	425.0	0.0	438.0	243.0
WPP	946.6	10.0	1301.0	800.4
MINING				
Acacia Mining	227.4	-3.2	256.6	96.1
Anglo American	2187.0	0.0	2266.0	1464.6
Antofagasta	960.0	6.0	1022.5	727.2
BHP Group	1958.0	-2.8	2049.0	1490.6
Centamin (DI)	119.0	2.9	136.2	79.8
Fresnillo	784.6	2.0	1039.0	724.8
Glencore	275.8	-1.5	341.5	254.7
Hochschild Mining	211.4	-0.2	217.0	149.1
Kaz Minerals	587.2	9.4	846.4	436.7
Polymetal Interna	1008.0	4.5	1031.0	597.2
Rio Tinto	4575.5	-31.0	4976.5	3486.0
MOBILE TELECOMS				
Inmarsat	558.4	-0.4	581.4	362.8
Vodafone Group	132.0	0.2	186.7	123.3
OIL & GAS PRODUCERS				
BP	523.6	0.1	598.3	485.9
Cairn Energy	162.0	-0.9	250.0	140.0
Energean Oil & Ga	1026.0	6.0	1042.0	507.0
Premier Oil	82.0	0.5	143.6	55.6
Royal Dutch Shell	2539.5	-2.0	2666.0	2213.0
Royal Dutch Shell	2542.5	-3.0	2725.0	2227.0
Tullow Oil	199.7	-7.7	266.3	165.2
OIL EQUIPMENT & SERVICES				
Hunting	561.5	-3.5	849.0	453.6
Petrofac Ltd.	419.0	4.4	663.4	381.5
Wood Group (John)	550.8	-2.8	796.4	389.9
PERSONAL GOODS				
Burberry Group	2243.0	-8.0	2345.0	1623.5
PZ Cussons	217.5	-2.5	244.0	178.6
PHARMACEUTICALS & BIOTECH				
AstraZeneca	6850.0	491.0	6895.0	5325.0
BTG	836.0	0.0	853.0	508.5
Dechra Pharmaceut	2884.0	-14.0	3168.0	2014.0
Genus	2630.0	4.0	2908.0	2098.0
GlaxoSmithKline	1670.0	16.4	1686.0	1418.0
Hikma Pharmaceuti	1823.5	19.0	2025.0	1510.5
REAL ESTATE INVEST. & SERV.				
BMO Commercial Pr	116.2	0.6	149.4	110.8
Capital & Countie	212.4	-5.2	282.3	209.5
CLS Holdings	230.5	4.5	255.0	195.4
Daejan Holdings	5570.0	-80.0	6400.0	5420.0
Grainger	242.6	3.6	278.5	205.8
NewRiver REIT	178.6	7.8	280.5	163.4
Safestore Holding	649.0	8.5	658.5	499.4
Savills	924.5	13.0	949.5	678.5
St. Modwen Proper	437.0	1.0	451.0	365.0
UK Commercial Pro	86.2	0.6	92.7	81.0
REAL ESTATE INVEST. TRUSTS				
Big Yellow Group	1015.0	8.0	1062.0	852.5
British Land Comp	536.0	-6.2	660.2	523.0
Derwent London	3060.0	12.0	3328.0	2761.0
Great Portland Es	691.8	6.8	773.6	652.3
Hammerson	275.5	-2.5	529.0	266.9
Intu Properties	79.0	0.5	201.5	74.7
Land Securities G	843.6	-0.6	943.6	791.8
LondonMetric Prop	210.0	1.4	215.2	172.7
Primary Health Pr	135.0	0.6	139.0	106.4
SEGRO	770.0	-6.8	784.0	585.2
Shaftesbury	821.5	2.5	932.0	803.0
Tritax Big Box Re	158.3	-0.7	160.7	129.0
Unite Group	1053.0	-6.0	1076.0	797.5
Workspace Group	868.5	0.0	1088.0	789.5
SOFTWARE & COMPUTER SERV.				
Avast	338.8	-4.6	345.8	228.2
Aveva Group	3962.0	4.0	4170.0	2284.0
Computacenter	1341.0	22.0	1580.0	952.0
FDM Group (Holdin	840.0	4.0	1000.0	734.0
Funding Circle Ho	117.2	1.0	440.0	111.8
Kainos Group	568.0	6.0	676.0	340.0
Micro Focus Inter	1687.8	-12.2	2491.6	1434.4
Playtech	448.2	-6.6	560.4	361.8
Sage Group	732.0	-84.6	820.4	525.6
Softcat	949.0	29.5	1006.0	565.0
Sophos Group	435.0	-2.0	539.5	298.2
SUPPORT SERVICES				
Aggreko	775.0	-5.2	882.0	691.8
Ashtead Group	2243.0	-7.0	2438.0	1586.5
BCA Marketplace	241.2	-0.4	247.0	178.5
Bunzl	2148.0	-9.0	2551.0	2059.0
Capita	115.9	-2.3	164.1	99.9
DCC	6826.0	4.0	7390.0	5555.0
Diploma	1488.0	-13.0	1634.0	1150.0
Electrocomponents	605.4	-3.4	761.6	480.0
Equiniti Group	217.0	2.8	266.0	186.2
Essentra	423.2	1.6	507.0	325.4
Experian	2439.0	-13.0	2469.0	1728.5
Ferguson	6002.0	20.0	6556.0	4749.0
G4S	193.9	-1.3	282.0	175.9
Grafton Group Uni	778.5	15.0	937.0	630.0
Hays	152.4	-1.1	212.0	135.7
Homeserve	1137.0	-7.0	1263.0	849.0
Howden Joinery Gr	551.8	45.4	555.0	416.4
Intertek Group	5618.0	-34.0	6014.0	4387.0
Network Internati	608.0	3.0	611.0	500.0
Pagegroup	441.8	1.0	623.5	415.0
PayPoint	947.0	27.0	1118.0	748.0
Rentokil Initial	408.6	-15.3	424.4	284.8
Robert Walters	514.0	24.0	475.0	814.0
Serco Group	141.2	-1.1	145.8	84.1
SIG	130.4	2.4	153.0	102.2
Travis Perkins	1359.0	44.0	1465.0	970.0
TOBACCO				
British American	3020.0	-0.5	4222.5	2375.0
Imperial Brands	2143.5	8.0	2987.5	1846.8
TRAVEL & LEISURE				
Carnival	3593.0	24.0	5000.0	3412.0
Cineworld Group	251.4	0.3	323.6	246.9
Compass Group	2018.0	53.5	2040.0	1483.0
Domino's Pizza Gr	253.5	-0.5	331.1	224.4
EI Group	282.6	-0.4	285.0	152.0
FirstGroup	114.1	2.2	116.6	79.3
Flutter Entertain	6858.0	-112.0	8295.0	5525.0
Go-Ahead Group	2178.0	-12.0	2210.0	1480.0
Greene King	629.0	-11.0	704.4	472.8
GVC Holdings	620.0	-11.0	1170.0	507.5
InterContinental	5489.0	-41.0	5575.0	3958.4
International Con	444.7	-10.0	711.4	439.5
Marston's	105.1	-2.1	124.7	89.9
Merlin Entertainm	450.6	0.4	450.9	307.1
Millennium & Copt	680.0	0.0	685.0	436.0
Mitchells & Butle	300.0	2.5	307.5	238.0
National Express	438.4	13.8	450.2	361.4
PPHE Hotel Group	1850.0	-20.0	1990.0	1490.0
Rank Group	153.0	-2.0	189.0	135.0
Restaurant Group	149.1	-0.9	221.9	111.9
Stagecoach Group	135.0	-1.1	177.0	115.5
TUI AG Reg Shs (D	844.4	-13.4	1631.0	698.0
Wetherspoon (J.D.	1548.0	-17.0	1592.0	1066.0
Whitbread	4540.0	80.0	5114.0	3883.0
William Hill	158.9	-3.7	300.2	132.3
Wizz Air Holdings	3742.0	137.0	3902.2	2329.0
AIM 50				
Abcam	1332.0	31.0	1539.0	1017.0
Advanced Medical	290.0	0.0	370.0	260.0
Alliance Pharma	69.8	-0.6	95.6	60.0
ASOS	2418.0	39.0	6228.0	2107.0
Blue Prism Group	1440.0	15.0	2575.0	1040.0
Camellia	10350.0	50.0	11800.0	9100.0
CareTech Holding	382.0	7.0	406.0	325.0
Central Asia Meta	205.5	-1.5	266.5	200.5
Clinigen Group	942.0	-13.0	1069.0	721.0
CVS Group	883.5	-7.5	1153.0	395.0
Dart Group	771.5	-9.5	1017.0	751.0
Diversified Gas &	108.5	-3.0	134.0	100.0
Draper Esprit	530.0	-16.0	645.0	458.0
Eland Oil & Gas	121.0	-1.0	134.5	97.0
EMIS Group	1200.0	-2.0	1242.0	864.0
Fevertree Drinks	2430.0	184.0	3956.0	2070.0
First Derivatives	3115.0	10.0	4390.0	2050.0
Frontier Developm	998.0	9.0	1385.0	740.0
Gamma Communicati	1010.0	0.0	1195.0	688.0
GB Group	595.0	11.0	631.0	410.5
Gooch & Housego	1247.5	15.0	1880.0	954.0
Hurricane Energy	45.5	0.0	60.8	39.0
Impax Asset Manag	254.0	-6.0	295.0	184.0
Iomart Group	326.5	-0.5	475.0	308.0
IQE	66.6	-1.9	112.5	51.6
James Halstead	494.0	-12.0	532.0	367.0
Johnson Service G	167.6	-3.2	172.6	113.6
Keywords Studios	1643.0	-9.0	2065.0	900.0
Learning Technolo	120.4	2.8	166.5	62.2
M&C Saatchi	337.0	3.0	394.0	270.0
M. P. Evans Group	667.0	-3.0	800.0	637.0
Majestic Wine	253.5	-6.5	472.0	219.0
Midwich Group	570.0	10.0	685.0	491.5
Mortgage Advice B	600.0	-4.0	720.0	490.0
Next Fifteen Comm	616.0	-12.0	658.0	469.0
Nichols	1735.0	110.0	1840.0	1240.0
Numis Corporation	245.5	0.5	433.0	221.5
Polar Capital Hol	596.0	0.0	680.0	448.0
Purplebricks Grou	115.2	0.2	308.4	90.0
Redde	118.6	-1.8	196.0	90.0
Renew Holdings	394.5	-0.5	436.5	333.0
RWS Holdings	636.0	4.0	652.0	415.5
Scapa Group	185.0	0.0	473.4	157.0
Secure Income Rei	411.0	1.0	414.0	371.0
Serica Energy	113.2	-2.8	142.0	68.2
Smart Metering Sy	514.0	-11.0	665.0	480.0
Telford Homes	350.0	-1.0	430.0	267.0
Thorpe (F.W.)	326.0	1.0	340.0	248.0
Watkin Jones	201.5	0.5	232.5	192.2
Young & Co's Brew	1615.0	15.0	1885.0	1322.5
Young & Co's Brew	1080.0	0.0	1300.0	1030.00

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EU SHARES

	Price	Chg	High	Low
AB INBEV	90.00	3.67	91.88	56.32
ADIDAS N	282.65	-1.50	286.00	178.30
AIR LIQUIDE	122.70	-1.50	124.95	101.85
AIRBUS BR	130.50	-1.46	133.86	77.50
ALLIANZ	212.60	-2.30	218.70	170.50
AMADEUS IT GRP BR-A	72.96	-0.92	82.20	58.06
ASML HLDG	207.70	-1.75	211.50	130.12
AXA	23.54	0.00	23.99	18.40
BANCO SANTANDER	4.09	-0.04	4.82	3.80
BASF N	62.70	-1.20	84.80	57.26
BAYER N	59.20	-0.94	96.97	52.00
BBVA	4.89	0.02	6.33	4.48
BMW	69.05	-0.81	86.71	61.31
BNP PARIBAS A	42.99	0.06	56.94	38.14
CRH PLC	29.84	0.39	34.87	26.53
DAIMLER N	48.12	-1.04	59.99	44.54
DANONE	77.20	1.88	77.30	59.72
DEUTSCHE POST N	30.25	-0.14	32.20	23.43
DEUTSCHE TELEKOM N	14.62	-0.18	15.88	13.36
ENEL N	6.25	-0.08	6.62	4.22
ENGIE	13.95	-0.09	14.28	11.31
ENI N	14.35	-0.06	16.71	13.39
ESSILORLUXOTT	119.00	-0.15	129.55	95.50
FRESENIUS	44.98	-0.65	71.00	38.50
IBERDROLA	8.64	0.00	9.13	5.81
INDITEX	27.53	0.03	28.90	21.85
ING GROUP	10.45	0.17	13.28	9.09
INTESA SANPAOLO N	2.02	-0.02	2.66	1.80
KERING	508.90	-10.60	539.80	351.70
KON AH DEL BR	20.45	0.07	24.01	18.60
L'OREAL	248.00	0.90	257.80	182.00
LINDE	177.90	-4.30	0.00	0.00
LVMH	376.15	-4.15	392.65	242.30
MUENCHENER RUECKV N	220.00	-4.00	228.70	180.00
NOKIA	4.95	0.32	5.76	4.17
ORANGE	13.39	0.24	15.25	13.08
ROY.PHILIPS	41.81	-0.34	42.50	29.05
SAFRAN	132.95	-3.00	137.20	99.98
SANOFI	75.40	-0.33	80.44	71.32
SAP I	112.54	-1.68	125.00	84.02
SCHNEIDER EL	79.00	1.46	81.36	57.54
SIEMENS N	100.90	-1.42	121.40	90.90
SOCIETE GENERALE	22.99	-0.18	35.06	20.81
TELEFONICA	7.07	-0.21	8.06	6.59
TOTAL	47.92	-0.53	55.39	44.23
UNILEVER	52.75	-1.14	55.40	45.30
VINCI	91.50	-1.30	94.96	69.98
VIVENDI	24.70	-0.12	26.69	20.40
VOLKSWAGEN VZ I	154.36	-4.64	163.70	131.02

COMMODITIES

Gold	1426.95	1.40	
Silver	16.53	0.10	
Brent Crude	63.18	-0.65	
Krugerrand	1440.80	-7.85	
Palladium	1530.00	17.00	
Platinum	862.00	18.00	
Tin Cash Official	17600.00	-20.00	
Lead Cash Official	2067.00	43.00	
Zinc Cash Official	2455.00	47.00	
Copper Cash Official	5968.00	23.00	
Aluminium Cash Official	1807.50	-11.50	
Nickel Cash Official	14300.00	170.00	
Aluminium Alloy Cash Official	1270.00	14.00	
Cocoa Futures	2463.00	-22.00	
Coffee 'C' Futures	100.48	-0.52	
Feed Wheat Futures	147.50	0.50	
Soybeans Futures Continuation Contract	882.40	-8.40	

CREDIT & RATES

BoE IR Overnight	0.750	0.00
BoE IR 7 days	0.750	0.00
BoE IR 1 month	0.750	0.00
BoE IR 3 months	0.750	0.00
BoE IR 6 months	0.750	0.00
LIBOR Euro - overnight	-0.467	0.00
LIBOR Euro - 12 months	-0.340	0.00
LIBOR USD - overnight	2.352	0.00
LIBOR USD - 12 months	2.180	-0.01
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	2.50	0.00
US long bond yield	2.60	0.02
Euro Euribor	-0.417	-0.01
The vix index	12.74	0.67
The baltic dry index	2014.00	-151.00
Markit iBoxx EUR	245.39	-0.10
Markit iBoxx GBP	348.26	-1.25
Markit iBoxx USD	255.60	0.39

WORLD INDICES

	Price	Chg	%chg
FTSE 100	7489.05	-12.41	-0.17
FTSE 250	19820.35	32.57	0.16
FTSE All-Share	4096.03	-4.33	-0.11
FTSE AIM All-Share	926.05	0.18	0.02
S&P 500	3003.67	-15.89	-0.53
Dow Jones I.A.	27140.98	-128.99	-0.47
Nasdaq Composite	8238.54	-82.96	-1.00
Xetra DAX	12362.10	-160.79	-1.28
CAC 40	5578.05	-27.82	-0.50
Swiss Market Index	9877.03	-30.65	-0.31
ISEQ Overall Index	6356.07	22.78	0.36
FTSEurofirst 300	1531.54	-8.29	-0.54
Hang Seng	28594.30	70.26	0.25
Shanghai Composite	2937.36	14.08	0.48
STI Index	3383.48	14.93	0.44
ASX All Ordinaries	6901.90	39.50	0.58

US SHARES

	Price	Chg	High	Low
3M	178.13	-1.29	219.75	159.32
ABBOTT LABORATOR	88.00	-0.59	88.76	63.07
ADOBE	308.73	-1.54	313.11	204.95
ALPHAB RG-C-NV	1132.12	-5.69	1289.27	970.11
ALPHABET-A	1135.94	-3.79	1296.98	977.66
AMAZON.COM	1973.82	-26.99	2050.50	1307.00
AMERICAN EXPRESS	127.15	-0.80	129.34	89.05
APPLE	207.02	-1.65	233.47	142.00
AT&T	33.81	0.57	34.37	26.80
BANK OF AMERICA	30.34	-0.33	31.91	22.66
BERKSHIRE HATH RG-B	207.90	-0.07	224.07	186.10
BOEING CO	348.09	-13.34	446.01	292.47
CATERPILLAR	134.71	2.80	159.37	112.06
CHEVRON	125.63	-0.91	128.55	100.22
CISCO SYSTEMS	56.62	-0.61	58.26	40.25
CITIGROUP	71.39	-1.62	75.24	48.42
COCA-COLA CO	53.07	-0.71	54.82	44.25
COMCAST-A	44.61	-0.26	45.30	32.61
DOW	50.77	-2.02	0.00	0.00
EXXON MOBIL	74.93	-0.43	87.36	64.65
FACEBOOK-A	200.71	-3.95	218.62	123.02
GOLDMAN SACHS GR	219.98	-2.05	245.08	151.70
HOME DEPOT	215.55	0.84	219.30	158.09
IBM	150.39	0.36	154.36	105.94
INTEL	52.16	-0.76	59.59	42.36
JOHNSON & JOHNSO	131.12	1.34	148.99	121.00
JPMORGAN CHASE	115.71	-1.12	119.24	91.11
MASTERCARD RG-A	279.35	-0.90	280.90	171.89
MCDONALD'S	214.44	1.66	216.26	153.13
MEDTRONIC	102.09	-0.24	102.74	81.66
MERCK	81.75	0.00	87.07	62.38
MICROSOFT	140.19	-0.53	140.74	93.96
NETFLIX	326.46	8.52	386.80	231.23
NIKE -B-	87.28	0.58	90.00	66.53
ORACLE	58.29	0.18	60.50	42.40
PAYPAL HOLDINGS	115.12	-6.18	121.48	74.66
PEPSICO	118.61	0.56	119.74	101.06
PEPSICO	128.99	-0.22	135.24	104.53
PFIZER	42.67	-0.22	46.47	37.56
PHILIP MRRS INT	85.63	0.61	92.74	64.67
PROCTER&GAMBLE	112.77	0.17	116.52	78.49
TRAVELERS COS	148.49	-0.36	155.09	111.08
TWITTER	38.12	-0.61	44.39	26.19
UNITEDHEALTH GRO	248.70	-2.43	287.94	208.07
UTD TECHS	136.36	2.11	144.40	100.48
VERIZON COMM	56.36	0.39	61.58	50.81
VISA RG-A	181.59	-1.74	183.99	121.60
WALGREENS BOOTS	54.76	-0.44	86.31	49.31
WALMART	112.22	0.22	115.49	85.78
WALT DISNEY	143.21	1.92	145.43	100.35
WELLS FARGO	48.09	-0.36	59.53	43.02

OFFICE POLITICS

Want to clock off early? Join the club

During the summer months, the fantasy of working flexible hours really kicks in

Alexandra Sydney

AS THE capital reaches record temperatures, many City workers would likely jump at the chance to be able to work when it suits them. Frolicking outside in the sunshine probably sounds far more appealing than being stuck in a stuffy office.

But even though it has been a legal right for employees to request flexible working since 2014, just 11 per cent of jobs paying more than £20,000 are advertised as being "flexible".

MP Helen Whately's introduction of a flexible working bill to parliament last week was a big step forward in the campaign to make the working week more reflective of the way many modern families want to live their lives.

The bill suggests that employers should be required to offer flexible working as standard in all employment contracts, rather than it being up to employees to request it.

This would result in organisations having to opt out of flexible working for a sound business reason.

This approach reflects the pensions auto-enrolment legislation, which has been considered a success.

According to a recent candidate study from Totaljobs, 84 per cent of UK workers think that employers need to be more flexible with their hours, with 80 per cent stating that they'd be less likely to leave a job if their employer was more adaptable.

This, along with the fact that 73 per cent of managers believe productivity would be boosted if hours were more flexible, makes a strong business case for flexible working too.

This way of working could also help to reduce the skills gap in the UK; our research with the British Chambers of Commerce showed that 73 per cent of businesses are struggling to find the staff they need. Being flexible around work hours can prevent the best talent from slipping through the net.

And with 78 per cent of the biggest UK companies reporting a gender pay gap in favour of men, offering flexibility has the potential to make a serious societal shift to begin to equalise the pay gap. The causes of the gap are complex, but one factor is a lack of flexibility in senior positions, making it particularly difficult for mothers who want to progress in their careers.

Frolicking outside in the sunshine sounds more appealing than being stuck in a stuffy office

Currently, some women choose to go part-time after becoming parents, but unfortunately others do so unwillingly because they're not offered flexibility by their employer.

Alongside this, fathers are more likely to have their flexible working requests turned down. Yet men and women are aligned in calling for more flexibility (85 per cent and 86 per cent respectively), highlighting that everyone is keen to see a workplace that reflects their needs.

Not only does it help with talent access and retention, but flexible working can boost company morale, which can lead to increased productivity.

So with 68 per cent of employees wanting more options when it comes to working flexibly, how can employers meet the demands of their workforce?

While Whately's suggested bill is keeping flexible working on the agenda, and an opt-out approach would drive real change, it's important to remember that some jobs lend themselves to flexible working more than others.

For this to truly work, jobs need to be designed on a case-by-case basis.

If done wrong, flexible working can have the opposite effect of that desired, leading to overworking and stress. To avoid this, the onus is on employers to work with their teams to look at capacity and figure out the best way of working flexibly that suits everyone. This could be job-sharing and working from home, through to flexitime and compressed hours.

With uncertainty surrounding the current economic climate, it's time for companies to be progressive. By giving staff the freedom to get a healthy dose of vitamin D if they want to, you'll ultimately get more out of them.

Alexandra Sydney is director of Totaljobs.

SOCKS AND SANDALS

Met Office
Free

You nervously walk down the stairs. You've already started sweating. The further down you go, the hotter it gets. You start to wonder if this is what hell feels like. Once you're on the Central Line, it's volcanic, and you instantly regret wearing your best suit. If only you had checked the Met Office weather app before you left the house.

COFFEE BREAK

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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.

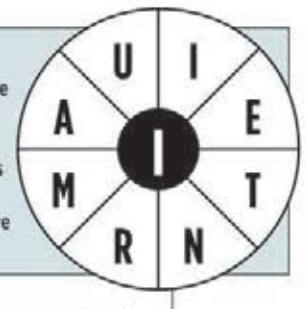
		3						
	7						8	
					2	7	6	4
		8						
					7	9	4	2
		4		6			3	
	8			7	6		2	
	3	2		5	9	4		
					4	1		

KAKURO

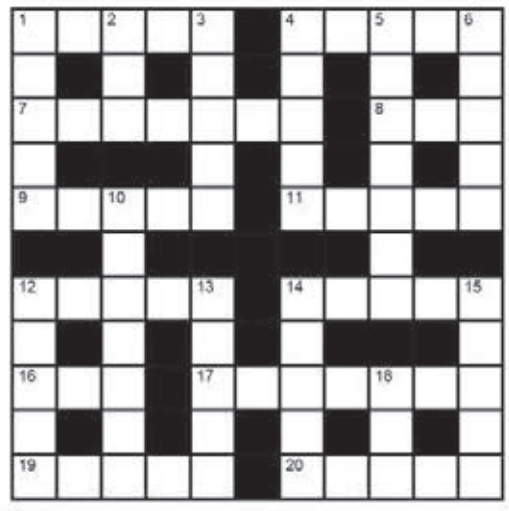
Fill the grid so that each block adds up to the total in the box above or to the left of it.
You can only use the digits 1-9 and you must not use the same digit twice in a block. The same digit may occur more than once in a row or column, but it must be in a separate block.

WORDWHEEL

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



QUICK CROSSWORD



ACROSS

1 Fraction equal to 20% (5)
4 Band (5)
7 Mexican liquor (7)
8 In addition (3)
9 Core (5)
11 Proverb (5)
12 Remark addressed by a performer to an audience (5)
14 Fracture (5)
16 Flow back (3)
17 Go back to bad behaviour (7)
19 Melodic subject of a musical composition (5)
20 Sing partly falsetto (5)

DOWN

1 Get (5)
2 List of queries and answers on the Internet (inits) (3)
3 Lifting device for raising objects (5)
4 Pear-shaped tropical fruit (5)
5 Indignation (7)
6 Demonstrate (5)
10 Diffusing warmth and friendliness (7)
12 Awake (5)
13 Suggestive of the supernatural (5)
14 Male goat (5)
15 Sound of a bell rung slowly (5)
18 Sheets of paper fastened together along one edge (3)

LAST ISSUE'S SOLUTIONS

QUICK CROSSWORD

KAKURO

SUDOKU

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

WORDWHEEL

The nine-letter words were **CELANDINE** and **DECENNIAL**

FORUM

EDITED BY RACHEL CUNLIFFE

Boris gears up for war with a cabinet of resurrected soldiers

Rachel Cunliffe
Comment and features editor at City AM

THEY say you can't make an omelette without breaking some eggs. Apparently, you also can't build a governmental team capable of taking Britain out of the EU without breaking apart any sense of unity or collaborative sentiment in the Conservative party.

Boris Johnson has appointed a cabinet of the living dead, not in the way of Theresa May's lurching zombie government, but in that it resurrects a host of figures from the murky past who you thought had been axed for good.

Priti Patel is home secretary, despite being sacked by May for conducting secret meetings with Israeli officials while on holiday.

Gavin Williamson, who just months ago looked at risk of prosecution for allegedly leaking information from a classified national security meeting, has been reincarnated as education secretary.

Dominic Raab and Andrea Leadsom, who both resigned at different points over a Brexit deal that they had either helped negotiate or signed off on, now have top jobs.

Never mind the new foreign secretary's self-professed dubious grasp of European geography, or the business secretary's reputation as one of the most inept Treasury ministers ever. They're in.

And then there's the new transport secretary, who has made the most astounding comeback of all.

Grant Shapps resigned as David Cameron's international development minister in November 2015, following revelations of a party-wide bullying scandal and the suicide of a young Tory activist.

While Shapps denied allegations that he had ignored the reports of bullying, the whole tragic affair was generally considered – whether fairly or not – to have put a stake through the heart of his political career.

Not so. Shapps is back from the parliamentary dead.

Why? Boris was not short on choice for his new cabinet. In fact, many of the 17 ministers culled this week were expecting to keep their jobs. It isn't hard to imagine an alternate universe cabinet that keeps the disgraced mavericks far from the front benches, instead inviting a broad coalition of moderates to join the obvious Brexiteer choices.

The answer is simple: Boris is preparing for war, and this cabinet is his army.

The return of Patel, Raab and Leadsom is obvious. For all their sins, they were part of the core Vote Leave team during the referendum.

With Michael Gove promoted to the vaguely titled office of chancellor of the Duchy of Lancaster (colloquially known as "secretary of state for getting things done"), and Stephen Barclay keeping his job as Brexit secretary, this is essentially the Vote Leave government, reuniting after three years in the wilderness for an epic comeback tour.

And, of course, it will all be stage-managed by Vote Leave architect Dominic Cummings, who is on board as de facto chief of staff. Widely regarded as instrumental in winning the referendum, Cummings is now back to orchestrate a Brexit-based election along the exact same lines.

This is the Vote Leave government, reuniting for an epic comeback tour

The plan, evidently, is to win the anti-EU voters who have drifted towards Nigel Farage's Brexit Party – and who better to lead the charge than the team who won the referendum in the first place?

A calculation has been made that moderates aren't worth fighting for – as they will either reluctantly vote Tory in fear of Jeremy Corbyn, or support the Liberal Democrats and split the opposition vote. Disenchanted Brexit voters are the prize.

What of Williamson and Shapps, who were both Remainers back in 2016? Why reignite the controversies that led to their removals by promoting them?

One word: numbers. Say what you like about Williamson (and everyone does), he was a ruthless chief whip who knows exactly where the bodies are buried. And he put those whipping skills to good use when it came to the first rounds of the leadership contest.

Shapps, meanwhile, was the "spreadsheet guy" for Boris, keeping meticulous track of how MPs planned to vote, and expertly "lending" votes to other candidates in order to manipulate who made it into the final two.

That both are now back in favour is, firstly, a message about loyalty – the carrot to offset a stick that was so abundantly evident when Jeremy Hunt was offered a demotion and his ally Penny Mordaunt was unceremoniously pushed out.

But more than that, this is a sign that Boris is ready to fight, and for that he needs hardcore strategists, both to push through legislation in the Commons, and to crunch the numbers when he inevitably goes to the nation for a fresh mandate.

In the words of George Washington in the hit musical Hamilton, "winning was easy, young man, governing's harder". Despite rows over spilt wine and a few rocky interviews, securing the Tory leadership was a breeze for Boris. Governing with a majority of just three, when he has just antagonised 17 members of his own party, won't be.

So rather than attempting to build consensus, the new Prime Minister is gearing up for another battle, having breathed fresh life into a team of footsoldiers who are now gratefully ready to take a political bullet for him if necessary.

That proverb about omelettes and eggs is usually credited to Aimable Pelissier, Napoleon III's leading general in the Crimean War, noted for its "long-drawn-out... notoriously incompetent butchery". Whisking up the cabinet is just the start for Boris. Next stop: the country.

Welcome to Estonia, where the digital door is always open for e-residents of the world

Ott Vatter

THERE'S something strange about the apps on your mobile phone and desktop computer. Take a look now and see if you can spot what they all have in common.

The apps we choose reflect the services that we most value in order to manage our lives, yet almost all of them were created by the private sector. That's despite the fact that we pay far more for public services – from health and education to company administration – which have a much bigger impact on our lives.

So why don't you have apps that help you access and manage those public services online too?

If you can follow your taxi's progress through London on your phone, then why not your child's grades at school? If you can reserve someone's apartment through an app, then why not a hospital visit?

If you can set up a bank account in just a few clicks, then why not a company? And if you can send digital money instantly, then why not a contract with a legally-binding digital signature?

In Estonia, we embarked on radical digitisation so that government services can be accessed online from anywhere using a secure digital identity that is issued to all citizens and residents. An Estonian company can now be established and managed entirely online with minimal hassle and costs. That's part of the reason why you are likely using an app created in Estonia (perhaps without even realising it) like Skype, TransferWise, or Bolt.

And it's not just Estonians who get to enjoy this. We launched e-Residency so that anyone in the world can apply for a digital identity from Estonia, and then use it to start and manage a company online.

There are now nearly 60,000 Estonian e-residents around the world.

We don't want your tax money, because you pay that in the country where you live and work. However, we want to help our e-residents make more connections with Estonians and do more business for their mutual benefit.

E-residents have already made a significant contribution to our economy and are helping to spread awareness about our people and culture around the world.

Estonian President Kersti Kaljulaid has now unveiled our roadmap for "e-Residency 2.0", which will further improve our offering for entrepreneurs, and include more ways for e-residents to enjoy our culture.

Other governments are taking note, and several are working on their own e-Residency programmes. Most recently, Dubai unveiled its 50-year charter which includes plans to create virtual economic zones where people elsewhere in the world can become e-residents.

Each country will digitise in its own way based on its unique strengths, requirements, and even culture. Estonia has been providing its expertise and experiences to other countries around the world looking to follow the same path, including the UK, and now we are also learning from them about new ways they have discovered to improve e-governance. That's also why no two offers of e-Residency by different countries will be the same.

It's only a matter of time until the UK offers its own version of e-Residency in order to export its business environment and culture – and ultimately make more friends around the world.

For those that don't want to wait however, Estonia's digital doors are already open.

Ott Vatter is managing director at Estonia's e-Residency programme.

LETTERS
TO THE EDITOR

Going round the houses

Considering the continued discussion on the state of the UK's housing market, I've been watching our new Prime Minister's ministerial appointments closely – especially since, in his Downing Street speech, he promised to give millions of young people the chance to own their own home.

Despite there being many problems that plague the housing market, the Department for Housing, Communities and Local Government is a department akin to a revolving door. Robert Jenrick becomes the fifth secretary of state in the past four years, and Esther McVey is now the eighteenth housing minister since 2000. Surely now, at a time when we desperately seek innovation, we also need some stability.

Jenrick has announced that he wants to build new homes, which is welcome news. But we must ensure that they're affordable to make home ownership more accessible across the board, including for the current under-served younger generation.

It's a very British desire to own your own home. But the current mortgage system is penalising those who are trying to get on the ladder, and those at the point of mortgage renewal. The new government can enact meaningful change to mortgage accessibility by embracing new technology like Open Banking and ending the significantly damaging loyalty penalty in the mortgage market by adopting the Mortgage Switch Guarantee.

Ishaan Malhi, chief executive and founder, Trussle

BEST OF TWITTER

Dom Cummings' strategy is clear: to reunite the Leave vote, see off the Brexit Party and win an election against a Remain vote divided between Labour, the LibDems and the SNP//Plaid Cymru/Greens. If Labour MPs don't get rid of Corbyn, it will probably work.
@NickBoles

What Boris Johnson is showing is that May, Corbyn and Blackford each benefitted from being equally hopeless in the Commons. You might not like what he is saying (you might not believe it either) but bombastic colourful performance makes a change after three turgid years
@MattChorley

I haven't seen Labour faces in the Commons so glum since when they first chose Corbyn in 2015.
@GregHands

Boris Johnson is paying tribute to Theresa May. She is at the sunshine at Lord's, with Gavin Barwell, David Gauke and Greg Clark.
@jessicaelgot

With Britain in the middle of a heatwave, here's your reminder that the nation's top 5 favourite ice lollies are:
1. Magnum - 28%
2. Fab - 8%
3. Solero - 8%
4. Twister - 7%
5. Feast - 6%
@YouGov

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The new PM had better deliver on his promise to fix social care

Kate Andrews

TALK about bold promises. On the steps on Downing Street, preparing to enter Number 10, the new Prime Minister pledged to "fix the crisis in social care once and for all with a clear plan we have prepared".

Similar to the National Health Service, social care is an area that MPs often struggle to address.

In the case of the NHS, it's considered politically unwise to criticise it, no matter how bad the headlines (or patient outcomes) become.

When it comes to social care, the public are desperate for reform, as people witness their loved ones struggling to afford exorbitant costs, and sometimes receiving substandard care in their most vulnerable stage of life.

In the past two years alone, the Daily Mail's social care campaign estimates that families have spent £15bn to support relatives with dementia. But politicians try not touch this issue, because they're unsure of how to fix it.

Perhaps this helps explain why the green paper on social care, promised in 2017, has been delayed six times.

Rapidly changing demographics are putting unprecedented pressure on the social care system. Old age care is considerably more expensive than other forms of care over one's life – while healthcare costs remain relatively stable for one's first five decades, they on average double over the next two decades, and double again the following decade.

The combination of rising life expectancy and low birth rates distorts the population demographics that the social care system was built on. The ratio of people of retirement age to people of working age is currently 28 to 100, but it is estimated to rise to 47 to 100 in the next 40 years.

Almost all projections estimate that the social care system will need a boost of cash to maintain quality of care, and more still to improve it. But as spending on healthcare continues to rise (from five per cent of GDP in 1990 to nearly 10 per cent today), the question is: who is going to contribute the extra funds, and how long can an ever-increasing social care bill be sustained?

There are no easy solutions. But there are examples of more sustainable systems around the world, which focus on pre-funding to avoid demographic distortions and spending shocks.

The UK's current "pay as you go" model makes it particularly difficult to build up reserves. All expenditure is paid out of current revenue, so any shocks to the system must be mitigated with this year's taxes. There are no savings to cushion the costs.

Instead, Dr Kristian Niemeitz's IEA report, "A Piggy Bank for Healthcare", makes the case for old age reserves funds. These would build up over one's working life (comparable to a pension fund), and could then be drawn upon in retirement. Such a design reduces the risks generally associated with an ageing population, because the reserves would grow parallel to however many people move into old age.

Who is going to contribute the funds, and how long can the bill be sustained?

Singapore and Germany demonstrate how different types of pre-funded systems could function; the former mandating compulsory savings for medical expenses, the latter offering an insurance branch that is pre-funded, which has accumulated a reserve of nearly €21,000 per client.

If all revenue were cut off in Germany today, it is estimated that the system could prevail for eight years thanks to its reserves.

Obviously these are not overnight fixes. Short-term solutions are critical for filling the multi-billion pound hole in funding, which cannot reasonably be paid now by those nearing the end of their lives. But changes must be delivered in the green paper, when it finally is released, to prepare the younger generations for the system they'll almost certainly need to contribute to down the road, to ensure their own eventual care.

For Boris Johnson to not only address social care but to pledge to fix it "once and for all" is the domestic equivalent of his "do or die" comments on the European Union. He has made an unequivocal promise to Britons, which cannot be reneged on.

Let's hope that he achieves both.

Kate Andrews is associate director at the Institute of Economic Affairs.

DEBATE

Given the company's troubles, was the Aston Martin IPO a folly?

YES

NEIL WILSON

Lowering sales guidance less than a year after listing is a crime that many investors would feel warrants some devious Bond-villain style punishment.

Aston Martin has gone bust seven times. Investors should be wary of this past record – sales cycles in the sector can be far bumpier than that on offer to well-heeled passengers in its cars. Now, to justify its forecasts in its prospectus, it has to drastically ramp up production and sales to levels many times above where it has previously operated.

Large-scale investment is required to make this happen, but if orders are not coming through as hoped, cash flow becomes a nightmare – it may need to tap investors again. With shares trading down as much as they are, it would likely need to borrow more at a time when net debt is already looking lofty.

Aston Martin requires backers to show patience at this critical phase of expansion – going public instantly makes that many times harder and exposes the company to the public glare of quarterly updates and results.

It may not be long before it goes private again. If it does, we could safely describe its IPO as a disaster.

Neil Wilson is chief market analyst for Markets.com

NO

ADAM LLOYD

Given the size of the business and the global reputation of the Aston Martin brand name – James Bond and all – it is perfectly reasonable for the Midlands-based business to join the ranks of other publicly-trading companies.

Not to sound too philosophical, but whether the IPO was a success depends entirely on your perspective.

For the investors who came in at the IPO, the fall in the share price has been painful and the latest downgrades to forecasts give little hope of any short-term recovery.

For the vendors (the previous owners that sold their shares in the company), the IPO has to be regarded as a huge success. They were able to secure a valuation that was arguably more a reflection Aston Martin's premium luxury brand status than its business and investment case.

That is probably the lesson that even professional investors potentially ignored when reading the prospectus – focus on the numbers and not the sexy sales copy and glossy images.

Caveat emptor.

Adam Lloyd is a partner on the Newgate Communications capital markets team.

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HOTPROPERTY

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Edited by **Helen Crane**

NEW BUILDS

NEW DEVELOPMENTS ON THE MARKET THIS WEEK

ROSARY MANOR, MILL HILL

Bellis Homes' Rosary Manor development comprises eleven new apartments within a grade II listed former convent in Mill Hill, boasting views across the 152-acre Mill Hill Conservation Area. Homes of one to three bedrooms are available, and Rosary Manor also offers a gym, communal grounds and a summer house. Prices start from £1.7m.

Visit glentree.co.uk or call 0208 731 9500

THE TANNERY, BERMONDSEY

From £695,000 for a one-bed

Designed by Coffey Architects, The Tannery forms the first phase of the £220m Bermondsey neighbourhood being developed by London Square. A collection of duplex townhouses have just been launched to the market, including a one-bed and a two-bed in a refurbished warehouse as well as a collection of new-build three-beds with private terraces. London Square Bermondsey will include art galleries and studios as well as co-working spaces for start-ups, in a collection of heritage and contemporary buildings.

Visit londonsquare.co.uk or call 0333 666 4343

PALACE VIEW, LAMBETH

From £1.28m for a two-bed

Buy an apartment at Taylor Wimpey's Palace View, where a new show home has just been launched, and you will be able to list the Archbishop of Canterbury among your neighbours. The development comprises 55 one, two and three-bedroom flats overlooking Lambeth Palace, the archbishop's formal residence. It also includes a cinema, gym and roof terrace with views across London. Two and three-bed properties remain, starting at £1.28m. The development is in zone one with Lambeth North tube a 10-minute walk.

Visit palaceview.co.uk or call 020 8003 4707

LORDSHIP HOUSE, EAST DULWICH

From £450,000 for a one-bed

Boutique developer Portobello Trust has launched eight one and two-bed apartments at Lordship House in East Dulwich. The properties sit within a four-storey building behind a retained Victorian facade and have been designed by top design firm Caroline Peterson Interiors. Lordship House is located on Lordship Lane, which was the subject of an 1871 painting by French impressionist painter Camille Pissarro, and was also the birthplace of childrens' author Enid Blyton.

Visit kalmars.com or call 0207 403 0600

ZEST, CRICKLEWOOD

From £150,000 for a 40 per cent share of a one-bed

Housing association Network Homes has unveiled eight new shared ownership apartments in Cricklewood. The development is formed of low-rise blocks set in landscaped surroundings, and every home benefits from a balcony or terrace, secure cycle storage and allocated car parking. Cricklewood is undergoing significant investment, and is also within easy reach of established enclaves such as Kilburn and Hampstead. Priority will be given to people who live or work in Barnet.

Visit networkhomessales.co.uk or call 0207 412 8871

INTERIORS

Monkey around at this new island retreat on the Thames

P18

ARCHITECTURE

High-tech Camden homes are a piece of architecture history

P20

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BERKSHIRE'S ISLAND LIFE

Monkey Island's glorious setting overshadows even its interiors, finds **Laura Ivill**

Clockwise from left: Monkey ceiling panels in the pavilion; The floating spa; One of the bijou double rooms; The hotel exterior; Top: Fabric on the walls of the whisky snug

You would be hard pressed to find a foodie who hasn't heard of Heston Blumenthal's The Fat Duck at Bray. But where to stay on your foray into the Berkshire countryside?

Thankfully the bucolic Monkey Island in the Thames has just reopened as a picturesque retreat, comprising a 30-room hotel, brasserie, floating spa on a canal boat, kitchen garden, beehives, chickens and smokehouse.

Two stops away by train from Paddington to Maidenhead (plus a quick cab ride), Monkey Island is perfectly placed for Londoners wanting to relax and recharge while dining at Heston's gaff or Bray's other three-Michelin-star restaurant, The Waterside Inn.

The island's two grade I-listed buildings, originally a Palladian fishing pavilion and temple built for the third duke of Marlborough, an ancestor of Winston Churchill, had to be carefully restored.

The jewel in the crown, the hand-painted ceiling panels of the pavilion, depict monkeys punting, fishing and hunting, and date from 1738.

The history of the island can be traced back further to its use by monks in 1197. When barges travelled up the river to collect stone from Oxfordshire to rebuild London after the great fire of 1666, they deposited debris on Monkey Island, forming the ground guests stand on today. The buildings have been added to over the years, but the present owners were not allowed to add anything else to the footprint, hence no outdoor pool.

Thankfully they were permitted to open out the restaurant terrace to make the most of dining on the waterfront. This is Three Men in a Boat and Wind in the Willows territory, and it feels idyllically private watching motor boats as they pootle past.

Because no additional building was allowed, the owner YTL (which also owns the Threadneedles Hotel and the Gainsborough Bath Spa), has had to cram the bedrooms into a small plot. The resulting rooms are so 'cosy' that if one of you bends over to pick up a sock, the other person has to step outside.

The décor, by Champalimaud of New York (they did the Carlyle), is pretty, but without a great deal of identity (except for the lush botanical wallpaper and fabrics in the public areas). The bedroom lighting, for example, seems confused: a contemporary bow-tie spot lamp, an industrial pendant, a traditional wall light... what is it trying to say?

For a special occasion, the Wedgwood Suite is one of the island's charming historic rooms, restored to its former glory with signature blue ceiling, white plasterwork and wood panelling. But you come for the setting, and the gardens are a triumph, combining architectural planters with swathes of natural borders, all among the mature trees and gently flowing Thames.

Once the garden furniture arrives, it will be a lovely spot to doze off after a Michelin-star lunch.

Monkey Island Estate, Bray, Berkshire; monkeyislandestate.co.uk; Double rooms available from £275

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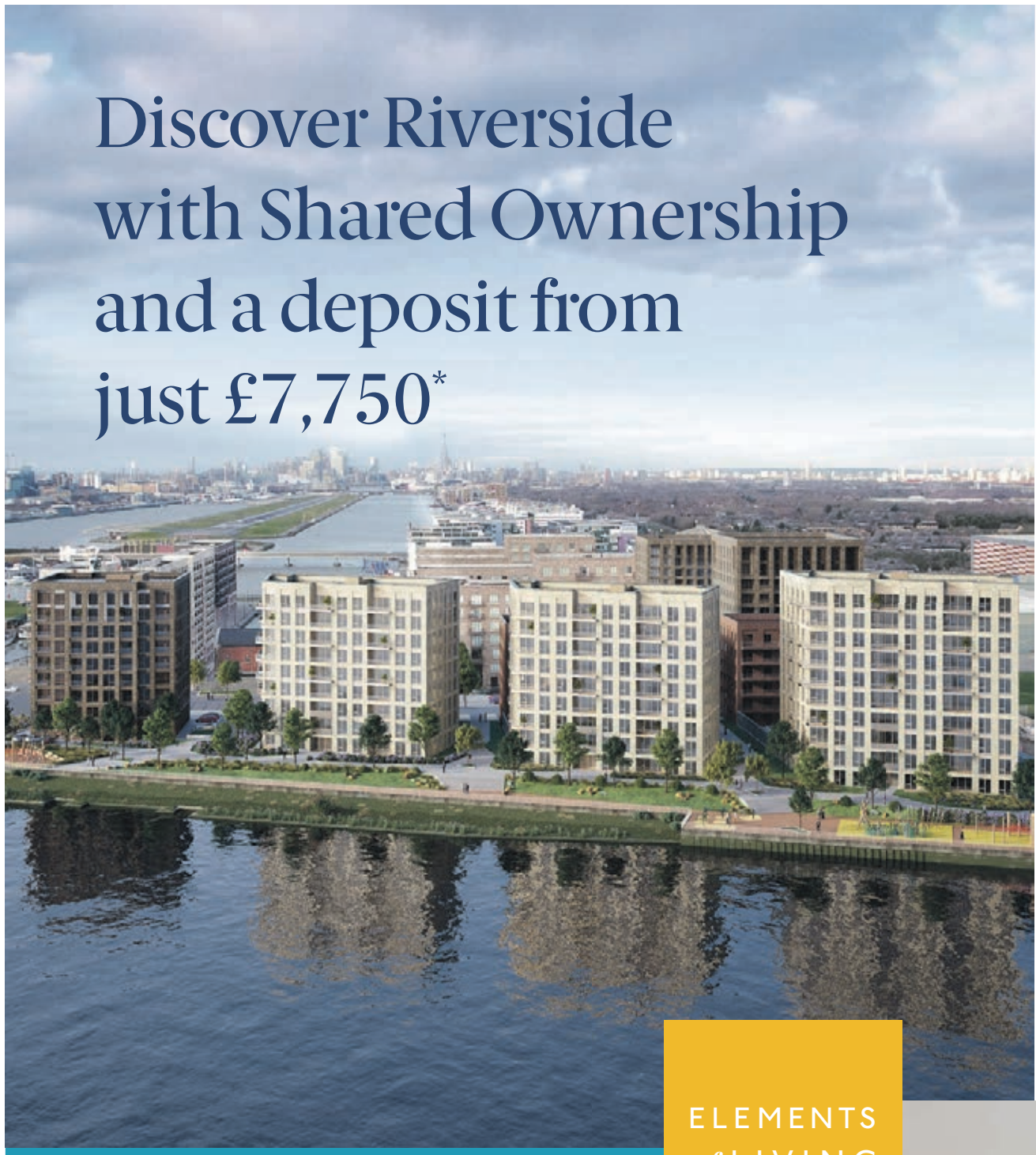

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ARCHITECTURE

‘HIGH-TECH’ HOMES IN NW1 LISTED

But quirky properties are still cheaper than others in area, says **Helen Crane**

Do you love them or hate them? Whatever your opinion, the row of homes at Grand Union Walk in Camden Town is now officially architecturally significant, having been awarded grade II listed status by Historic England last week.

The ten three-bedroom houses and two flats in NW1 were designed by Sir Nicholas Grimshaw in the late 1980s, as part of a commission from Sainsbury’s to create a visually interesting supermarket on the same site.

The project, which Historic England describes as “unapologetically futuristic,” is an example of high-tech architecture: a branch of modernism that borrows design elements from the engineering and industrial world.

Examples include the Lloyd’s building in the City and the Centre Pompidou in Paris, as well as Grimshaw’s own later career credits such as the Eurostar terminal at Waterloo station and the Eden project in Cornwall.

However, examples of housing in the high-tech style are very rare. So has this unique heritage translated to a bump in values for Grand Union Walk?

According to Rightmove, a three-bed home put up for sale on the street in April has recently been sold subject to contract off a guide price of £1.15m. The average sale price of a house on Grand Union Street in the last five years was £1.01m, according to Zoopla. That figure accounts for just two sales, suggesting that owners have tended to stay put – but it does not compare favourably to the £1.51m average for terraced homes in Camden Town.

Hal Currey, the founding director of HAL Architects who designed his own home in Camden Town in 2000, says this is not necessarily a result of the properties’ Marmite design. “I suspect that the lower values achieved by the Grand Union Walk houses in Camden owes less to the style of architecture and more to the fact that they are single-aspected towards the north,” he says. “[The street] is also a little isolated from its neighbours.”

Charlie Cockcroft, director at Dexters, says the homes are “unlike anything else available in Camden,” citing their double-height dining areas, balconies overlooking the canal and roof terraces as selling points. He admits their appearance is “polarising” – but believes that their appeal could be set to increase as they are an antidote to some of the more cookie-cutter modern developments.

“As this level of individuality becomes more rare, these properties may become more desirable,” he says.

For now though, the price of living in a piece of design history remains lower than that of its neighbours.

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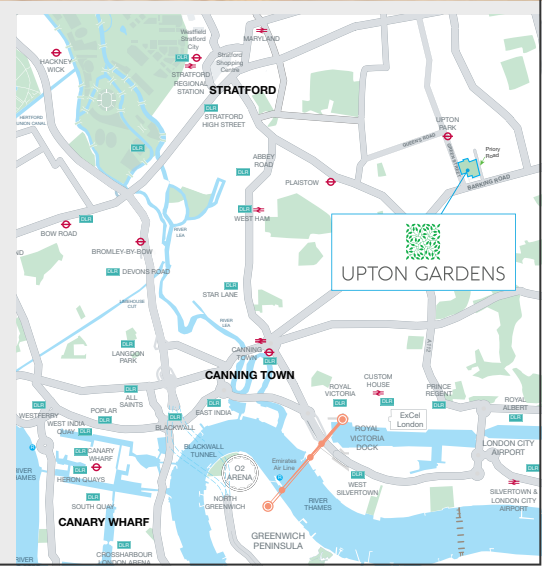

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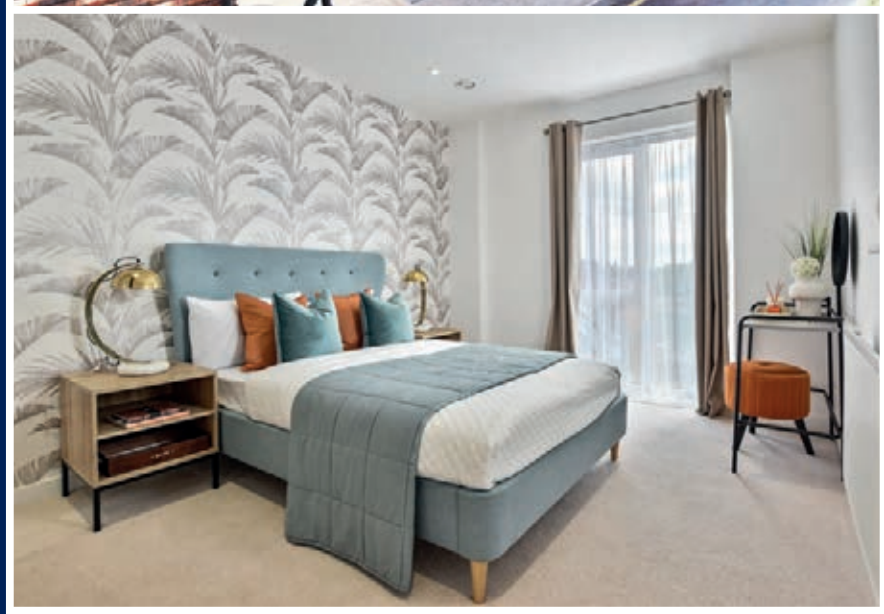

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THE PUNTER

RACING TRADER

BILL ESDAILE'S KING GEORGE 1-2-3

1 CRYSTAL OCEAN
2 ENABLE
3 DEFOE

OCEAN'S ODDS OF TURNING THE TIDE ON ENABLE ARE TEMPTING

EVEN though the scorching temperatures of the last few days are set to give way to rain tomorrow, it may not be enough to cool the hottest jockey on the planet at the moment.

Frankie Dettori's victory aboard Star Catcher in last weekend's Irish Oaks was his eighth Group One winner in less than two months and his mount, **ENABLE**, is the odds-on favourite to make that nine in tomorrow's King George VI and Queen Elizabeth Qipco Stakes (3.40pm) at Ascot.

The five-year-old mare made an emphatic return to racing after a 245-day break to land the Coral Eclipse at Sandown earlier in the month, which was remarkably her eighth Group One victory recorded at eight different tracks.

Trainer John Gosden has reported her to be in rude health at home and the return to 1m4f, a trip over which she boasts a perfect eight from eight record, is another huge plus.

She ran out an emphatic winner of this very race back in 2017 when she relished the rain-softened ground, so will have no problems should the heavens open either.

In fact, the only real negative is her price at just 8/13.

She faces a real test tomorrow in the shape of **CRYSTAL OCEAN** who looks to have improved again over the winter.

The son of Sea The Stars finished a neck runner-up to Poet's Word in this 12 months ago before filling that same spot behind both Enable at Kempton and Cracksman in the Champion Stakes last October.

A reappearance confidence booster at Sandown in April was followed by another smart performance in a Group Three at Newbury in May.

Yet, it was the manner of his Group One Prince Of Wales's Stakes victory at Royal Ascot that marked him down as a serious improver.

The combination of 1m2f and soft ground could well have caught him out, but he stayed on strongly to repel the likes of Magical, Waldgeist and the sadly ill-fated Sea Of Class.

That win earnt him an official rating of 127, which actually puts him a couple of pounds ahead of Enable as the world's best racehorse despite what the betting market suggests.

There is no getting away from the fact that he will have to step up to lower the colours of the mare, and Dettori was pretty quick to pick the favourite having partnered both on their most recent outings.

TOMORROW'S BIG RACE AT ASCOT RACING POST

Going: GOOD TO FIRM, Good in places

3.40 KING GEORGE VI AND QUEEN ELIZABETH QIPCO STAKES (GROUP 1) (1) £708,875 1m4f ITV

1 (6) 2443-2 **CHEVAL GRAND** (119) (D) (F)
Y Tomomichi (JPN) 7-9-7 ..... **O Murphy**
Runs: 29 Wins: 7 Places: 11 .....£7,377,828

2 (9) **2**2-111 **CRYSTAL OCEAN** (38) (CD) (S,GS,GF,G)
Sir M Stoute 5-9-7 ..... **James Doyle★**
Runs: 15 Wins: 8 Places: 6 .....£1,565,212

3 (3) 2-4211 **DEFOE** (35) (CD) (S,GS,G)
R Varian 5-9-7 ..... **A Atzeni**
Runs: 18 Wins: 9 Places: 4 .....£739,613

4 (10) 334446 **HUNTING HORN** (21) (P^1) (C) (SH,GF)
A P O'Brien (IRE) 4-9-7 ..... **J A Heffernan**
Runs: 18 Wins: 2 Places: 6 .....£13,916

5 (2) 21-184 **MORANDO** (35) (D) (GS,S)
A Balding 6-9-7 ..... **P J McDonald**
Runs: 17 Wins: 6 Places: 3 .....£189,546

6 (5) 69-137 **SALOUEN** (35) (CD) (GS)
S Kirk 5-9-7 ..... **J Crowley**
Runs: 25 Wins: 3 Places: 10 .....£499,406

7 (4) 455-13 **WALDGEIST** (38) (D) (G,S,GS)
A Fabre (FR) 5-9-7 ..... **P Boudot**
Runs: 18 Wins: 7 Places: 4 .....£60,000

8 (11) /111-1 **ENABLE** (21) (CD) (GS,S,A,G,GF)
J Gosden 5-9-4 ..... **L Dettori**
Runs: 12 Wins: 11 Places: 0 .....£8,432,350

9 (1) -25322 **MAGIC WAND** (29) (P^1) (CD) (G,GF)
A P O'Brien (IRE) 4-9-4 ..... **D O'Brien**
Runs: 15 Wins: 2 Places: 7 .....£66,456

10 (7) 39-112 **ANTHONY VAN DYCK** (28) (P^1) (D,BF) (G,GF,S)
A P O'Brien (IRE) 3-8-10 ..... **R L Moore**
Runs: 10 Wins: 5 Places: 2 .....£472,840

11 (8) 4-2893 **NORWAY** (28) (P) (G,GF)
A P O'Brien (IRE) 3-8-10 ..... **W M Lordan**
Runs: 9 Wins: 2 Places: 3 .....£144,304

2018: Poet's Word 5 9 7, James Doyle 7/4 (Sir M Stoute), 7 ran.
★BETTING: 8/13 Enable, 11/4 Crystal Ocean, 8 Anthony Van Dyck, 12 Defoe, 16 Waldgeist, 20 Others

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It simply comes down to price and at 11/4 with Coral I would much rather side with Crystal Ocean on value grounds.

Bookmakers certainly have the correct favourite in Enable, I would just question whether she should be as short as she is and Crystal Ocean as big as he is.

Whatever happens, it promises to be an intriguing duel between two of the best middle-distance horses in training.

You have to go back to Galileo in 2001 to find the last Investec Derby winner to follow-up in this race and it is one of his sons in Anthony Van Dyck who bids to right an 18-year wrong.

He was set an impossible task when given too much to do in the Irish Derby last time and is another who won't mind the rain.

Whether he has the class or speed to mix it with the big two remains to be seen and I'd happily take him on at the prices.

The return to this trip will certainly aid Waldgeist and I can see him going well at a big price, but my vote for third place goes to **DEFOE** who seems to have improved with every start this season.

He followed his battling victory over Kew Gardens in the Group One Coronation Cup at Epsom with success in the Hardwicke Stakes over this course and distance at the Royal meeting.

This will certainly require more, but I could see him snatching a place on the podium at 12/1 with Ladbrokes.

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@BillEsdaile

Bill Esdaile previews the best of the rest from Ascot and York

Island Of Life to cause big shock in International at massive price

William Haggas could be celebrating a big handicap winner with Island Of Life

RACING purists get their fix in the King George at 3.40pm, but for punters the big betting race of the day is undoubtedly the Moet & Chandon International Stakes (3.00pm).

A total of 29 runners are set to go to post and the big question is what the ground is going to be like come off time.

Yesterday's scorcher is set to be followed by showers this evening and tomorrow, it's just whether enough rain falls to change the conditions.

I am going on the basis that the ground will be good or on the fast side of good, but in any case finding winners in this race hasn't been easy over the years.

In the past decade, only one favourite has obliged and six of the winners were 20/1 or bigger.

It is always a hugely competitive race and while likely favourite Ripp Orf always has to be respected over this course and distance, I wouldn't want to be taking a single figure price about any horse in this.

There has been no real draw bias over the past 10 years or so, but generally the middle has been the place to be.

Hugo Palmer's Arbalet, a close second in this race 12 months again, will come out of stall 15 and that looks pretty much perfect.

He is hugely feared on this return to seven furlongs in a big field, but he has been very well backed this week and is now no bigger than 10/1.

My main selection is **ISLAND OF LIFE** for William Haggas who is currently available at 33/1 in a place.

Although she has to prove she is as good on turf as on the all-weather, Ascot's sand-based track often suits horses that excel on artificial surfaces.

The key to her is the return to seven furlongs as all of her best recent form has been over that distance.

She normally comes from off the pace, tactics which often work well over this course, and she was unlucky when fifth behind 1000 Guineas winner Billesdon Brook at Chelmsford last month.

That's not the first time she has suffered traffic problems, but her best form entitles her to plenty of respect here and the draw in stall 10 should be fine.

Cieren Fallon takes off 5lbs which effectively means she is running off a mark of 90 and she looks overpriced to me.

My other selection is an even bigger price, but I think top weight **LARCHMONT LAD** can outrun his odds with another promising 5lb claimer, Scott McCullagh, in the saddle.

A year ago, this son of Footstepsinthesand won a Group Two at the Curragh when trained by David O'Meara and last time out he was a close fourth to Limato in a Group Three at Newmarket on his third start for Joseph Tuite.

His draw in stall two may not be ideal, but we don't know at this stage and the 50/1 with Coral is massive if the rain stays away.

It is difficult to look past Charlie Appleby's **SUMMER ROMANCE** in the opening Group Three Princess Margaret Keeneland Stakes (1.50pm).

The unbeaten daughter of Kingman has been very impressive on both her career starts and can take this at 10/11 with Ladbrokes on her way to bigger and better things.

POINTERS TOMORROW		
Summer Romance		
1.50pm		Ascot
Island Of Life e/w		
3.00pm		Ascot
Larchmont Lad e/w		
3.00pm		Ascot

Could be Addeybb to remember if forecast rain arrives

WHILE most of the UK have been reaching for the sun cream this week, it could be a very different story over the weekend if the weather forecasters are to be believed.

Rain is expected at York and if it falls heavily the complexion of tomorrow's Sky Bet York Stakes (3.15pm) will change completely.

If the heavens do open, it will be music to the ears of the connections of **ADDEYBB** who again showed at Royal Ascot how devastating he can be when he gets his favoured soft conditions.

The son of Pivotal put a decent field to bed impressively in the Wolferton Stakes and if the rain does arrive, he'll be much shorter than the current 6/1, while if it doesn't, he won't run and you'll get your money back.

Sir Michael Stoute won the inaugural running of this race in 2006 and many will fancy his Regal Reality here.

He has some solid form this season and is probably the right favourite, but he has shown his quirks on his last two starts at Sandown and on a big day like this at York, he could easily boil over.

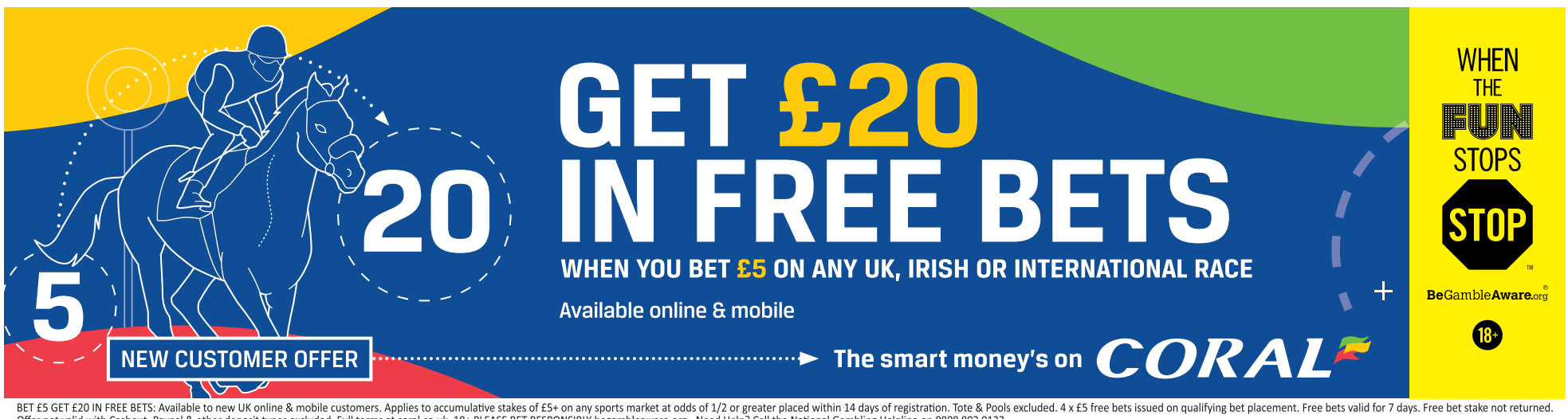
My other fancy on the card comes in the opening Sky Bet 'Get Knotted' Handicap (2.05pm) where I'm hoping our old friend **GET KNOTTED** can make it four wins in a row at this meeting.

Michael Dods' seven-year-old hasn't been at his best this year, but has dropped down to a mark of 90, 5lbs less than he won off last year, and this has surely been the target all season.

This seven furlong trip at York is his perfect scenario and any rain that falls will only help.

He looks the best bet at 4/1 with Coral.

POINTERS TOMORROW		
Get Knotted	2.05pm	York
Addeybb e/w	3.15pm	York



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SPORT

THE PUNTER Bill Esdaile looks ahead to a weekend of racing at Ascot and York PAGE 22-3

UNLIKELY HERO Leach stars but England collapse leaves Ireland Test on a knife edge

Nightwatchman Jack Leach scored a career-best 92 before England collapsed again on day two to leave the Test match against Ireland in the balance at Lord's. Leach belied his batting average to put on a second-wicket stand of 145 with Jason Roy (72), but after making just 85 in the first innings, England collapsed once more, losing seven wickets for 77 runs to slip to 248-89 as Mark Adair claimed 3-66. Sam Curran (37) and Stuart Broad (21 not out) added late runs before lightning forced an early close with the hosts on 303-9. Broad will resume alongside Olly Stone this morning with England looking to add to their lead of 181 runs and bid to avoid becoming Ireland's first ever victim in Test cricket.

SPORT DIGEST

ARSENAL WRAP UP DEALS FOR SALIBA AND CEBALLOS

Arsenal have completed the signings of Saint-Etienne defender William Saliba and Real Madrid midfielder Dani Ceballos. Saliba, 18, has signed a five-year contract following his £27m move, but will stay with Saint-Etienne on loan for the 2019-20 season. Spanish international Ceballos, 22, has joined the Gunners on a season-long loan and could make his debut against Lyon in Sunday's Emirates Cup.

BERNAL OVERTAKES TEAM MATE THOMAS IN THE ALPS

Defending champion Geraint Thomas slipped to third in the Tour de France after Nairo Quintana claimed a solo victory on stage 18 yesterday. Thomas remains 95 seconds behind leader Julian Alaphilippe but was overtaken by Ineos team mate Egan Bernal on the mountainous stage. "We wanted a hard pace and unfortunately we ran out of guys," said Thomas.

WHYTE'S CAREER ON THE LINE AFTER FAILED TEST

British heavyweight Dillian Whyte faces a possible eight-year ban from boxing after testing positive for a banned substance before his victory over Oscar Rivas. Whyte, who served a two-year drugs ban between 2012 and 2014, beat Rivas on points at London's O2 Arena on Saturday. But, if the result is confirmed, his career is on the line, with a second offence carrying an eight-year ban.

ENGLAND ASHES BOOST AS ARCHER BACK FOR SUSSEX

Jofra Archer could feature in the first Ashes Test next week after being passed fit to play for Sussex in the T20 Blast today. Archer was left out of the Ireland Test with a side problem, but will play for his county tonight against Surrey at Hove and could then be in line to play against Australia at Edgbaston on 1 August.

BOWYER RESTORES BELIEF

Charlton boss has given fans hope for the first time since Dutchatelet took over, writes **Michael Searles**

WITH the dawn of another season brings a renewed sense of optimism for many football fans, despite the tribulations they may have endured over the course of the preceding months and years.

Down at The Valley things are no different. Charlton may have endured a turbulent time in the last half decade under unpopular owner Roland Duchatelet but as they return to the Championship following a three-year absence there is an unfamiliar feeling of positivity seeping into the south-east London club.

During the Belgian's reign Charlton plunged back into League One three years after winning the division under fan favourite Chris Powell. But worse than on the pitch performances has been the manner in which Duchatelet has run and represented the club.

From the managerial merry-go-round that has seen 10 different people take charge of the Addicks in the five years since he sacked Powell to the rationing of bottled water for players at training in a bid to cut costs, his tenure as owner has left supporters frustrated and alienated.

But the club's promotion last season, largely attributed to manager Lee Bowyer, has created a feeling that the worst days of Duchatelet's custodianship and interfering in team affairs may be behind them, even if he doesn't succeed in offloading a club he now wants out of.

"What we have now is an owner who is uninterested and seems to have an overinflated idea of the value of the club," the chairman of the Charlton Athletic Supporters' Trust, Richard Wiseman, tells *City A.M.*

"Everything he does and says is unpredictable and contradictory, or even both, so it's hard to keep tabs on what he's going to do. He has definitely had offers to sell but hasn't decided to, so we're stuck."

Duchatelet has made no secret of his desire to sell the club, which he bought for a reported £14m in 2014, and earlier this year even called on the English Football League to buy him out.

At the start of June, the 72-year-old former electronics entrepreneur announced the club were in takeover talks, with reports that an offer in the region of £30m had been made. That deal has since fallen through.

However, the fan protests that plagued the club a year or two ago have halted, largely in resigned acceptance of their inability to force change but also due to an upturn in fortunes on the pitch for a team rejuvenated under former Charlton midfielder Bowyer's stewardship.

Bowyer lead Charlton to play-off victory

An increase in attendance in the latter part of the season, and in particular the play-off matches, is symptomatic of the fans' restored affinity with the club.

"It almost feels like the management, team and supporters against Duchatelet, like a siege mentality," Wiseman says. "Boywer has built a great rapport with supporters and seems able to inspire and improve players and create a really good team spirit."

This only heightened frustrations when Duchatelet almost took away one of the few positive things he had achieved, announcing last month that the 42-year-old would not be staying at the club on a new contract, only to make a U-turn 24 hours later.

"That's the last five years in a nutshell," Wiseman says. "It's just absolutely typical of everything that goes on there. Amazing ability to make everything over-complicated and make the club look ridiculous."

Despite all of Duchatelet's foibles and the club's inability to compete financially with other Championship sides, there is more hope among supporters than there has been for five years.

They have bolstered the squad with a number of free additions, re-signing Jonny Williams and adding Ben Amos from Bolton, Chuks Aneke from MK Dons and Tom Lockyer from Bristol Rovers.

With Bowyer in charge and the team united, fans believe they can stay up against the odds. Wiseman says: "If anyone can do it, Bowyer and this squad can do it. We can survive."