CITY A.M.

BUSINESS WITH PERSONALITY

BAD LUCK, CARNEY WHO ARE THE CONTENDERS TO BE THE NEW IMF BOSS? **P5**

BURNOUT TOP ENERGY CHIEF FORCED TO QUIT AMID LOSSES **P2**

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DRIVEN TO DISTRACTION

CAR MAKERS SPEND £330M ON BREXIT CONTINGENCY PLANS

GLOBAL PRESSURES DRIVE EXPORTS 21 PER CENT LOWER

INVESTMENT IN THE INDUSTRY CRASHES NEARLY 70 PER CENT

ALEX DANIEL

@alexmdaniel

INVESTMENT into Britain's car manufacturing industry has come to a near-standstill as companies divert hundreds of millions of pounds towards mitigating a potential no-deal Brexit which they fear will plunge the sector into chaos.

Inward investment into the sector plummeted more than 70 per cent to just £90m in the first six months of the year, according to figures published by the Society of Motor Manufacturers and Traders (SMMT) today.

Of this, only £67m came from companies making investments, with £23m coming from new government spending in June on electric car research. Meanwhile, more than £300m was spent on Brexit contingency planning.

The figures did not include a £1bn investment into building electric vehicles in Britain in early July by Jaguar Land Rover. However, the SMMT described the move as "something of an outlier… The vast majority of manufacturers have suspended plant and product spending in the UK amid ongoing uncertainty."

Separately, credit rating agency Fitch said yesterday a no-deal Brexit "could materially lengthen supply chains and jeopardise just-in-time deliveries that are key to automakers' profitability and working capital management".

SMMT chief executive Mike Hawes said the "precipitous fall" in investment was the "most worrying" aspect of the past six months for the British car industry.

Any trade tariffs or friction at the border caused by exiting the EU without a deal would "threaten the very viability of the industry", he told journalists.

"We can't have confidence in the future without confidence we can get a deal."

The trade body also revealed manufacturers had spent more than £330m on contingency planning ahead of Brexit.

One company has spent more than £100m shielding itself from no-deal.

CONTINUES ON P3

Apple shares turn green as services rise

EMILY NICOLLE

@emilyjnicolle

APPLE's booming revenue in its services division provided a boon to investors late last night, as shares bounced more than four per cent in after-hours trading.

The Californian tech giant topped expectations for quarterly profit and revenue for the three months to the end of June, as performance improvement in China helped its results.

Services revenue, which includes its App Store, Apple Music and Apple Care, rose 12.6 per cent to $11.5bn (£9.5bn). It reached its highest proportion of Apple's overall sales to date, at 21 per cent.

Sales of the iPhone fell 13 per cent year-on-year in line with estimates, as users opted to stick with their current phones rather than upgrade.

Apple boss Tim Cook said the decline was "not something I worry about".

Performance in China grew in every category outside of the iPhone, overcoming consumers' sluggish spending. It followed a decision by Apple to cut iPhone prices in the region, as currency exchange rates made its phones too expensive for shoppers.

Revenue in its wearables category, which includes the Apple Watch and Airpods, beat estimates of $4.8bn to reach $5.5bn in the period.

Bad day at the office: Climate change activists protest outside wrong building

SEBASTIAN MCCARTHY

@SebMcCarthy

GREEN protesters were left red-faced last night after targeting the offices of a renewable energy company by mistake.

Several hundred climate demonstrators from a group called Reclaim the Power descended on the Square Mile yesterday to picket what they had thought was the headquarters of Drax, only to find out that the gas and energy group had moved offices more than a year ago.

The activists had instead chained themselves to a block in Moorgate that is now occupied by Europe's leading renewables generator, Statkraft.

"There was some confusion," admitted one protester present at yesterday's rally.

Roughly 250 people carrying signs and wearing white boiler suits marched through the City as part of a demonstration against Drax over its plans for a new gas-fired power station in Yorkshire.

Offices belonging to asset management giant Schroders and Big Four accountant Deloitte were also targeted for their connections to Drax.

Members of the group sang and chanted along the march while also carrying banners such as: "No borders, no nations, no gas power stations."

Outside London, Reclaim the Power had also been campaigning at SSE's gas power plant in Lincolnshire yesterday.

The group said that they had blocked both entrances to the site and scaled cranes at the plant.

One activist vowed to *City A.M.* that there would be more such demonstrations to come in the Square Mile: "The City should be worried."

The protests come weeks after activists from Extinction Rebellion similarly blocked roads in London.

FTSE 100 ▼ 7,646.77 -39.84 FTSE 250 ▼ 19,774.82 -111.88 DOW ▼ 27,198.02 -23.33 NASDAQ ▼ 8,273.61 -19.71 £/$ ▼ 1.215 -0.007 £/€ ▼ 1.089 -0.007 €/$ ▲ 1.115 +0.001

CITY A.M.

THE CITY VIEW

Once-staid audit firms enter brave new world

THE DAYS of auditors as grey-suited backroom boys is over. Whether they like it or not, the spotlight turned on the sector following the collapse of outsourcer Carillion has not diminished in intensity. The Big Four face the challenge of a potential raft of reforms designed to rein them in, overseen by a new beefed-up regulator – the Audit, Reporting and Governance Authority – due to be introduced next year. Some of the so-called challenger firms snapping at the heels of the Big Four also see an opportunity to move up the value chain, particularly with the call from the Competition and Markets Authority for the introduction of joint audits for larger businesses which would see a Big Four firm and a challenger firm working together. French firm Mazars has already scored one notable coup this year, winning the tender to audit US bank Goldman Sachs in Europe from 2021. Fellow Wall Street giant JP Morgan is also set to kick off a review of its audit relationships for its European arm, Sky News reported yesterday. The scope of choice for businesses tendering for a new auditor is small, with the Big Four often conflicted by existing relationships held by their non-audit arms. For JP Morgan, the incumbent PwC may retain its role, but the opportunities for newcomers to break into the lucrative world of bank audits are obvious. Private equity is also looking to get in on the act, with reports last week that accountancy firm Cogital – founded in 2016 by former Deloitte boss John Connolly – is fielding bids from BC Partners, Permira, PAI in Europe and Hellman & Friedman that could value it at £1bn. Things are not going all the challenger firms' way, however, with Grant Thornton reportedly set to quit as Sports Direct's auditor as Mike Ashley's baby gets into hot water. Grant Thornton's woes (it was also ensnared in the Patisserie Valerie scandal) raise questions about the ability of the challenger firms to fill the Big Four's shoes. The Big Four are still in rude health, but the challenges and complexities they face are multiplying. Once the preserve of the dour beancounter, accountancy – with its scandals, takeovers, mergers and rule-changes – increasingly looks like one of the more febrile corners of the financial world.

> **The Big Four are in rude health, but the challenges they face are growing**

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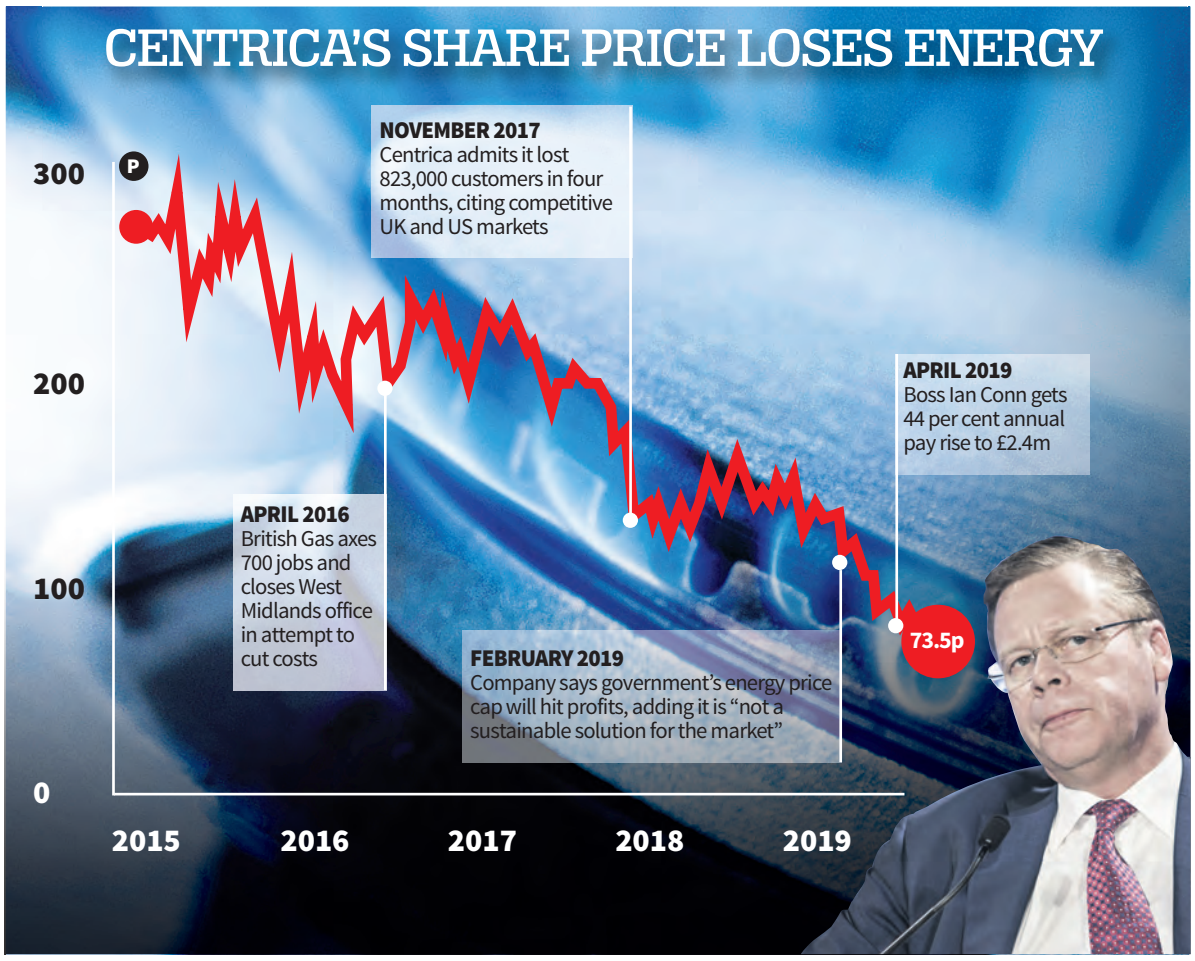


Conn throws in towel as Centrica profits plummet

JAMES BOOTH AND ALEX DANIEL

@alexmdaniel @Jamesdbooth1

BRITISH Gas owner Centrica said its chief executive was stepping down yesterday as it announced a dividend cut of nearly 60 per cent.

Boss Iain Conn will step down as chief executive and retire next year, the company said.

Centrica also said it would exit oil and gas production as it tries to refocus its business.

Shares sunk 19 per cent yesterday.

The company posted a £446m operating loss for the six months to 30 June, down from a profit of £704m in the same period last year.

Conn said the price cap had been the "most difficult thing" to deal with in 2019. He said it had pushed profit down £300m.

He urged Prime Minister Boris Johnson's new government to adopt a stance that was "more pro-free competitive markets".

"All the current price cap has done is actually delayed the issues rather than solve them, and I'm hoping a new, fresh look by this new government may make changes."

However, analysts have taken a longer-term view of how Conn has managed the firm since joining in 2015.

At that point, shares were at 293p. Since then, they have plummeted 74 per cent to below 80p.

The firm has also made thousands of people redundant over the period. In early 2018, it said it would cut 4,000 jobs after a "weak" year. This June, it said it would axe a further 700 management jobs.

Despite this, Conn has received millions of pounds' worth of bonuses during his tenure.

Last year, he received a 44 per cent rise in his pay to £2.4m.

British Gas lost 742,000 customers last year.

Conn said yesterday that although his bonuses had been in line with performance, he understood executive pay is "a very big, emotive topic".

Appearing to refer to shareholder disquiet over his salary, he added: "I get it, completely."

CMC Markets analyst Michael Hewson said it was "probably just as well" Conn had announced his departure.

If not, he added, "he would probably have been pushed out, given how the share price has performed since he took over.

"When Mr Conn took over the reins, at Centrica the share price was just below 300p, and it's been pretty much one-way traffic since then.

"In a word, the share price performance has been woeful."

WHAT THE OTHER PAPERS SAY THIS MORNING

FINANCIAL TIMES

AB INBEV TO FIGHT BAN ON SALES IN NEW DELHI

Anheuser-Busch InBev said yesterday it would fight an order banning sales in India's capital city of New Delhi for allegedly evading local taxes. "We deny the allegations set out in this order and look forward to presenting our views in full cooperation with the excise appellate process," said an ABI India spokesperson in a statement. "We look forward to receiving a fair hearing on this matter." The order dates back to 2016

JOHNSON PLEDGES MONEY FOR NEW HOSPITALS

Boris Johnson is preparing to spend billions more on health and social care, including a hospital building programme and a far-reaching plan to ease the costs of care in old age, as he seeks to lay out an expansive post-Brexit reform agenda.

THE TIMES

PROVIDENT FINANCIAL SPENT £23M REPELLING BID

The doorstep lender Provident Financial spent more than £23m fending off a hostile takeover bid this year by a smaller rival. Bosses at Provident Financial were besieged for more than three months after receiving the £1.1bn takeover offer from a company led by its former boss.

TRUMP RAISES PRESSURE ON FED FOR 'LARGE' CUT

The Federal Reserve is poised to cut America's interest rates today for the first time in more than a decade after receiving more criticism from US President Donald Trump about its handling of the economy.

THE DAILY TELEGRAPH

FACEBOOK THREATENS TO HINDER POLICE, SAYS PATEL

Facebook threatens to hamper the fight against terrorists and child abusers by increasing encryption, Priti Patel will warn today. The new home secretary says the tech giant's plans to introduce end-to-end encryption on its messaging platform would benefit child abusers, drug traffickers and terrorists plotting attacks.

EPSTEIN SERVED WITH FRESH COURT DOCUMENTS

Disgraced financier Jeffrey Epstein found out he was facing further legal peril last week, the day before he was found unconscious in his cell with neck injuries.

THE WALL STREET JOURNAL

MARLBORO MAKER HIT BY WEAKER CIGARETTE SALES

Marlboro maker Altria Group says cigarette sales are declining faster than it expected as smokers pick up e-cigarettes and give up traditional smokes. Some 13.8m people in the US were e-cigarette users as of June, up from 12.2m at the end of last year.

IRAN AND UAE DISCUSS MARITIME SECURITY

United Arab Emirates officials travelled to Iran to discuss maritime security in the Gulf with their counterparts, amid efforts to address threats to commercial ships passing through the important oil supply route that have heightened regional tensions.

Johnson clashes with Irish leader over backstop

ALEXANDRA ROGERS
@city_amrogers

BORIS Johnson and his Irish counterpart, Leo Varadkar, clashed over the Irish backstop in their first phone call yesterday, with the Taoiseach insisting that it could not be scrapped.

Johnson, who was elected Conservative party leader and Prime Minister last week, said his "clear preference" was for the UK to leave the EU with a deal but that it would exit the bloc "no matter what" on 31 October.

He said any deal reached with Brussels must "abolish" the backstop, the insurance policy designed to prevent a hard border in Northern Ireland by keeping the UK in a temporary customs union with the EU.

His position put him at odds with Varadkar, who said the backstop was a necessary part of the withdrawal agreement that could not be changed. He said the EU was united in its insistence that the withdrawal agreement could not be reopened.

Johnson's conversation with Varadkar preceded a visit to Wales, during which he promised farmers that they would be better off if the UK left the EU at the end of October, even if it were in a no-deal scenario. Farmers' associations have already warned about a no-deal Brexit, in which their exports face tariffs that could wipe out their profitability.

Johnson's comments prompted sterling to hit its lowest level since March 2017 as traders' fears grew over a no-deal Brexit.

The pound plunged below $1.22 to hit $1.215 last night, a drop of almost 0.6 per cent, and threatened to fall to levels not seen since the 1980s.

Against the euro, sterling fell to €1.089.

The pound has lost 3.6 cents since Johnson was elected PM by the Tory party membership a week ago.

Johnson will travel to Northern Ireland later today to begin talks on restoring the executive following its collapse in 2017.

BRITTAIN'S GOT TALENT Whitbread chief exec approached for top job at RBS

WHITBREAD chief executive Alison Brittain has been approached as a candidate to replace Ross McEwan as the next boss of the Royal Bank of Scotland, according to reports by Bloomberg. McEwan is set to join the National Australia Bank next year.

Tesco Bank in exclusive talks to sell its mortgage book to Lloyds

SEBASTIAN MCCARTHY
@SebMcCarthy

LLOYDS Banking Group has entered into exclusive talks to snap up a £3.7bn mortgage book from the banking arm of grocery giant Tesco.

Tesco Bank is reportedly in discussions with the lender to sell its book of home loans.

Sources told Sky News, which first reported the potential deal, that Lloyds would stump up tens of millions of pounds to complete the transaction.

Rival parties, including Santander UK and Royal Bank of Scotland, have been seen off by the efforts from Lloyds, which is reporting its half-year financial results today.

Tesco Bank's plans to exit from the UK mortgage market were revealed two months ago when the group said it was "actively exploring" options to sell its £3.7bn mortgage portfolio.

The bank first started offering mortgages in 2012.

Lloyds Banking Group declined to comment yesterday.

Car makers up spending on Brexit planning in wake of Chinese decline

CONTINUED FROM FRONT PAGE

Contingency preparations have included spending on stockpiling goods, new IT systems and bringing planned summer factory shutdowns forward into the spring season. This move was designed to help firms protect against potential supply chain disruption after the original 29 March leaving date.

The spending spree comes as the global car making industry tussles with a dramatic cooldown in China, its biggest market.

Hawes said companies would benefit from being able to spend their money "tackling technological and environmental challenges".

It is unclear how much of the £330m has been lost as sunk costs after the original 29 March Brexit date, and how much can be carried over to the new 31 October deadline.

Hawes urged the new government to negotiate a Brexit deal quickly, "so manufacturers can get back to the business of building cars".

Furthermore, UK car production fell 20 per cent overall in the first six months of the year, with June marking the 13th consecutive month of decline. About 667,000 cars rolled off production lines in the first six months, a year-on-year loss of 168,000 units.

US RESULTS

APEX LEGENDS DRIVES EA'S QUARTERLY SALES BEAT

Video game publisher Electronic Arts reported better-than-expected first-quarter revenue yesterday, riding on the strength of its battle royale sensation Apex Legends. EA, however, expects second-quarter adjusted revenue of $1.21bn (£1bn), below analysts' estimates of $1.24bn, according to Refinitiv data. The firm maintained its full-year adjusted revenue forecast of $5.1bn, below estimates of $5.2bn. Game franchises such as Battlefield and FIFA are among the company's most iconic, but the rise of mobile-based, free-to-play games with engaging formats are challenging the dominance of traditional game publishers. Its live services were also a key growth driver, driven by FIFA Ultimate Team.

MONDELEZ BEATS REVENUE ESTIMATE AND UPS FORECAST

Cadbury's chocolate maker Mondelez beat Wall Street estimates for quarterly revenue and raised its 2019 forecast last night, boosted by higher demand in emerging markets. Net revenue fell to $6.06bn (£4.9bn) in the second quarter ended June 30 from $6.11bn a year earlier, but beat analysts' average estimate of $6.03bn, according to IBES data from Refinitiv. Mondelez said it expects full-year organic net revenue to rise over three per cent, compared to a prior forecast of two per cent to three per cent. The confectioner has been aggressively investing in marketing to local geographies such as India and China, as well as on packaging such as those based on popular entertainment titles.

PROCTER & GAMBLE AHEAD OF EXPECTATIONS

Procter & Gamble's quarterly revenue and profit beat Wall Street expectations yesterday, sending shares up even as the world's top personal goods company took an $8bn (£6.6bn) writedown on its Gillette shaving business. Boosted by price hikes and strong demand for its SK-II and Olay beauty products, P&G's organic sales rose seven per cent. Price hikes contributed three percentage points to organic sales growth, a closely-watched metric which excludes items such as acquisitions, divestitures and currency effects. However, P&G reported a net loss of about $5.2bn for the quarter ended 30 June, due to an $8bn non-cash writedown of Gillette. For the same period last year, P&G's net income was $1.9bn, or 72 cents per share.

UNDER FIRE Under Armour's share price drops as outlook weakens for US business

US SPORTSWEAR giant Under Armour's share price hovered around its biggest one-day drop since 2017 last night after warning that it expected a "slight decline" in sales from its North American market. Shares fell 12.2 per cent by market close.

JP Morgan starts audit review for European arm

SEBASTIAN MCCARTHY

@SebMcCarthy

JP MORGAN has reportedly launched a review into its current relationship with auditors for the firm's major European arm.

The Wall Street giant has kicked off a process to look at the role currently held by PwC as the accountant of JP Morgan Securities.

PwC, which has been JP Morgan's auditor for the past 10 years, could still retain the business as the incumbent auditor, as the company does not have to rotate for another decade.

Sources told Sky News, which first reported the news, that PwC's overall relationship with the New York-listed JP Morgan Chase is not under review.

According to the broadcaster, a number of other JP Morgan-owned entities in Europe have been carrying out an audit tender process on the basis that a new firm will have to be appointed after PwC had been in place for two decades.

In May, fellow Wall Street investment bank Goldman Sachs looked beyond the Big Four accountancy groups by selecting Mazars, the UK's eighth largest auditor, as its bean-counter.

The new appointment to the role, which had previously also been held by PwC, came in the wake of European audit regulations aimed at breaking the dominance of the Big Four over the listed audit market.

A spokesperson for JP Morgan declined to comment yesterday.

The review comes after a turbulent period for some of Britain's largest auditors, which have been facing higher scrutiny in the wake of several high-profile accountancy scandals.

Under new proposed reforms to the sector, the majority of the UK's largest listed companies will be required to appoint joint auditors in an effort to bolster transparency.

Yesterday's news comes a week after JP Morgan posted record second-quarter profit, which rose 16 per cent from the same period a year earlier to $9.65bn (£7.93bn).

Revenue of $29.6bn was also four per cent higher than a year earlier, and edged out expectations of $28.9bn.

Donald Trump lashes out again at China before crucial meeting

HARRY ROBERTSON

@henrygrobertson

US PRESIDENT Donald Trump yesterday fired a Twitter broadside at China ahead of the two sides' trade talks, criticising its economy and saying the US has "all the cards".

The attack sent global stock markets sliding as tensions between the world's two biggest economies showed little sign of abating.

"China is doing very badly, worst year in 27 – was supposed to start buying our agricultural product now – no signs that they are doing so," Trump tweeted.

"That is the problem with China, they just don't come through. Our Economy has become MUCH larger than the Chinese Economy is last 3 years."

US officials will begin negotiations with the Chinese side in Shanghai today. Previous talks collapsed in acrimony when the US accused China of reneging on its promises, prompting Washington to ratchet up tariffs worth of $200bn (£160bn) on Chinese goods to 25 per cent.

British manufacturers gloomy but consumers become more upbeat

HARRY ROBERTSON

@henrygrobertson

OPTIMISM among UK manufacturers has fallen rapidly but British consumers have become more positive, two surveys showed today, in the latest sign of a big divide in the economy.

Business optimism among small- and medium-sized UK manufacturers fell at its fastest pace in three years in the three months to July, according to a CBI survey.

But Britons' views of their own personal economic situation improved significantly in July, to the same level they were at a year ago, a separate survey by GFK showed.

Consumer spending has helped keep the UK economy on its feet in 2019 as trade and business investment have suffered under political uncertainty and a global slowdown.

Manufacturing has been badly hit, with British factories in June recording their lowest level of output since February 2013, according to a survey from IHS Markit earlier this month.

Today's CBI survey showed optimism about exports fell to its lowest level since the financial crisis.

Both domestic and export orders fell at the quickest rate since 2013 and 2015, respectively.

"Against the backdrop of slower global growth and continued Brexit uncertainty, optimism among SME manufacturers is waning," said CBI principal economist Alpesh Paleja.

Yet consumers were much less fazed by Brexit. GFK's gauge of people's personal financial situation over the next 12 months rose five points to a score of seven, the same as it was a year ago.

Consumers spending has been a positive for the euro area recently

Eurozone business confidence at six-year low as woes continue

HARRY ROBERTSON

@henrygrobertson

BUSINESS confidence in the Eurozone economy reached an almost six-year low in July, with industrial sentiment falling significantly, an EU survey showed yesterday.

Yet European consumers became more positive, continuing the trend of domestic demand propping up euro area economies.

The business climate indicator by the European Union's official data body Eurostat fell to minus 0.12 in July.

Corbyn snubs Cuadrilla to join fracking protest

ALEX DANIEL

@alexmdaniel

JEREMY Corbyn yesterday joined protestors demonstrating against fracking by exploration giant Cuadrilla at a site near Blackpool, but has still not taken the firm's invitation to engage with the local workforce.

The Labour leader said he had no plans to meet the company, but that he would be "happy to talk to them".

"I'm here to announce our support for ending fracking," he told ITV. "I do believe what they [Cuadrilla] are doing is dangerous to our environment."

Fracking is a method of extracting shale gas by fracturing the earth deep beneath the surface.

It is a controversial practice, with critics claiming small tremors in the earth have been due to the work.

Cuadrilla boss Francis Egan has urged Corbyn not to "confine his listening to protestors at the gate".

Mark Carney misses cut for IMF job as race starts

HARRY ROBERTSON

@henrygrobertson

BANK of England governor Mark Carney has failed to make the shortlist of candidates to be the next head of the International Monetary Fund (IMF).

Negotiations to find a European Union candidate are being led by France, which has narrowed down the field to five candidates, sources told Reuters.

They are: Bulgarian World Bank chief executive Kristalina Georgieva; Dutch former head of Eurozone finance ministers Jeroen Dijsselbloem; Finnish central bank governor Olli Rehn; Portuguese Eurozone finance ministers chairman Mario Centeno; and Spanish economy minister Nadia Calvino.

Carney, whose time at the BoE ends in January, has not made the cut to the EU's list despite being widely touted, the Guardian said.

Former UK chancellor and current editor of the Evening Standard George Osborne was at one point British bookies' favourite to take the job following reports he fancied the role.

Yet the Guardian reported that a European diplomat said Osborne had "never been a candidate".

The top job at the Fund has become vacant after Christine Lagarde, who held the position from 2011, was chosen to be the next leader of the European Central Bank (ECB).

Christine Lagarde will become president of the ECB in October

The IMF, the lender of last resort to countries in trouble, has traditionally been led by a European. This is a norm EU leaders are keen to maintain.

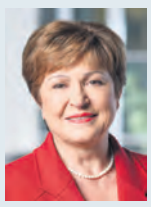
Carney qualifies for the role as he has Irish and British passports, despite being the first Canadian to run Britain's central bank. Britain's exit from the EU weakened his candidacy, however.

The IMF officially launched its selection process on Friday. The Fund said the next boss "will be a national of any of the Fund's members", leaving open the possibility that a non-European could take the job.

It said the successful candidate will "have a proven understanding of the Fund and the policy challenges facing the Fund's diverse global membership... a firm commitment to, and an appreciation of, multilateral cooperation [and] will also be an effective communicator".

EUROPE'S PREFERRED CANDIDATES FOR IMF TOP JOB

KRISTALINA GEORGIEVA



The Bulgarian has been chief executive of the World Bank, the IMF's sister institution, since January 2017. She is said to be France's preferred candidate, which will help her chances. For Georgieva to become head of the IMF, the institution would have to change its rules that state managing directors can be appointed only before they are 65. She has held various senior posts in the European Union.

JEROEN DIJSSELBLOEM

A former Dutch finance minister who once led the Eurogroup of Eurozone finance ministers. His 2017 comment that southern European countries blew their money on "drinks and women" was seen as epitomising the northern European view of the Eurozone crisis. His candidacy is therefore likely to be opposed by southern European states, but it has been promoted by the Dutch government.

OLLI REHN

Finland's central bank governor was in the running for the top job at the ECB, but missed out to Lagarde. He is seen as representing northern European monetary conservatism, which could earn him the backing of important countries such as Germany, but put off the developing members of the IMF. He was a commissioner in Brussels, and was promoted to lead Finland's central bank after two and a half years as a member.

Ex-Baker Mac City boss facing harassment rap

JAMES BOOTH

@Jamesdbooth1

THE FORMER head of law firm Baker McKenzie's London office is facing prosecution for alleged sexual harassment, the Solicitors Regulation Authority (SRA) said yesterday.

Gary Senior, who left the firm last year, has been referred to the Solicitors Disciplinary Tribunal (SDT) to face allegations he "behaved in an inappropriate manner" towards a junior member of staff.

In 2012, Senior allegedy "sought to initiate intimate activity with Person A", having knowingly caused Person A to be alone with him. He allegedly told Person A he was attracted to her, tried to embrace and kiss her and persisted despite Person A indicating that it was not appropriate.

Senior also allegedly used his position within the firm to influence the investigation into the incident and to prevent information being shared within the firm about the nature and outcome of the complaint.

The SRA is also referring Baker McKenzie, its former London head of human resources Martin Blackburn and former disputes partner Tom Cassels to the SDT in relation to the conduct of the investigation into the allegations. Blackburn is now UK people director at audit firm KPMG and Cassels is a partner in the London office of Linklaters.

A spokesperson for Senior said: "He denies all the allegations and will defend vigorously against them"

Baker McKenzie said: "We fully accept there were significant shortcomings in the procedures that we followed in 2012 and subsequently. This is something which we very much regret." Linklaters said: "We note the SRA's decision to refer this matter to the SDT and Tom has the firm's full support." KPMG said: "We are aware of an investigation by the SRA. This relates to an individual's previous employment... therefore we will not comment further."

CATWALK CAUTION Ralph Lauren posts revenue jump but warns of future troubles

RALPH Lauren has posted a three per cent rise in first-quarter revenue to $1.4bn (£1.2bn) thanks to a boost from new marketing campaigns. But the firm warned exchange rates could impact revenue and margins for the full financial year.

UK firms in 'significant distress' rise as consumer spending falls

JESS CLARK

@jclarkjourno

THE NUMBER of UK businesses facing "significant distress" has increased as consumer spending slumps due to ongoing uncertainty.

In total, 14 per cent of all UK businesses – 484,000 – said they were experiencing significant distress at the end of June, with the leisure and retail industries hit the hardest.

The number of firms reporting critical financial distress also rose five per cent year-on-year.

Corporate restructuring specialist Begbies Traynor said critical distress is often a precursor to formal insolvency.

The average debt of insolvent companies has more than doubled from £29,873 in 2016 to £66,226, according to Begbies Traynor's Red Flag Alert index for the second quarter.

Saudi wealth fund to invest in UK startup

JAMES WARRINGTON

@j_a_warrington

SAUDI Arabia's sovereign wealth fund is said to be in late-stage talks over an investment in British tech startup Babylon Health.

The investment, which would come as part of a funding round worth hundreds of millions of dollars, could be announced later this week, the Financial Times reported, citing people with knowledge of the matter.

Babylon's services include a chatbot designed to detect symptoms of illness, which is used by the NHS.

It also operates a video chat service connecting patients with doctors remotely.

The value of the backing from Saudi Arabia's Public Investment Fund (PIF) is unclear, but could be as much as $500m (£411m), according to the report.

The London-based startup – which also has contracts with Samsung – was founded by British-Iranian entrepreneur Ali Parsa in 2013. It has reportedly been on the hunt for fresh funding after burning through more than $75m last year to fund growth.

Nurofen maker cuts guidance as poor start drags

JAMES BOOTH
@Jamesdbooth1

CONSUMER goods company Reckitt Benckiser cut its full-year revenue guidance today, blaming a poor performance in its health division.

The Nurofen maker said it was cutting its 2019 net revenue target to plus two to three per cent like-for-like growth from a previous target of plus three to four per cent.

For the first half, the firm posted a like-for-like performance of plus one per cent, which outgoing chief executive Rakesh Kapoor said was "somewhat below our expectations".

Reckitt's health business shrank one per cent in the first half, which it blamed on a slowdown in China market growth and slower growth from its Dettol and Durex brands.

Kapoor said: "Our like-for-like performance in [the first half] was plus one per cent, somewhat below our expectations. Hygiene Home delivered another quarter of consistent top line growth but progress in health in [the second quarter] was disappointing."

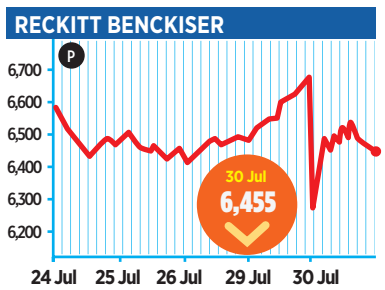
Kapoor announced in January that he would step down before the end of 2019 after a tough couple of years, which included a major cyber attack that wreaked havoc with its systems and factory disruption at baby formula-maker Mead Johnson, Kapoor's high profile $17.9bn (£13.91bn) acquisition.

Kapoor said: "On our journey to be a world leader in consumer health, we have work to do to deliver consistent financial performance.

"However, we believe that much of this is behind us and strong plans are in place to restore growth, including an exciting innovation pipeline such as Mucinex Night Relief and Enfa Grass Fed. We are further stepping up our investment in [brand equity investment] and medical marketing to drive our growth.

"We therefore expect [the second half of the year] to be back to our more normal level of growth."

Shares closed down 3.22 per cent.



ORANGE BLOSSOM Campari's cup hath runneth over after Aperol boosts its sales

THE POPULARITY of orange aperitif Aperol and a jump in demand for tequila brand Espolon helped Campari to report better than expected second-quarter sales growth – almost seven per cent – boosting shares in the Italian spirits group.

On a roll: Catering for vegans helps Greggs to boost revenue

JAMES BOOTH
@Jamesdbooth1

6.21%

BAKERY chain Greggs said yesterday that its first-half sales were up 14 per cent on the previous year.

Revenue hit £546m in the six months to 29 June which Greggs said was helped by the popularity of its vegan sausage roll.

Underlying pre-tax profit margin rose to 7.5 per cent from 5.4 per cent the previous year. Reported pre-tax profit grew to £36.7m, up from £24.1m in the same period last year.

The company said trading in the first half was "exceptionally strong," building on "the successful end to 2018, and helped by the popularity of the new vegan-friendly sausage roll".

Chief executive Roger Whiteside said: "Given the strength of our year to date and the outlook, we have decided to increase investment in strategic initiatives in the second half of the year to help to deliver an even stronger customer proposition and further growth in the years ahead.

An increase in projected food costs and the impact of rising investment caused concern for shareholders, as shares closed down at 2,236p.

Shares down as CYBG warns of softer margins

ANNA MENIN
@annafmenin

9.55%

SHARES in CYBG closed worse for wear yesterday after the challenger bank warned that net interest margins (NIM) were likely to be at the lower end of its forecast.

The group, which owns Virgin Money, stood by its full-year guidance in a third-quarter trading update, but reported a dip in mortgage loans as Brexit uncertainty saps house buyers' confidence.

NIM – the difference between what banks earn from loans and pay for deposits – for the period hit 168 basis points, down three points compared to the first half of 2019.

CYBG said it now expects its full-year NIM to be "at the lower end" of the 165-170 basis points guidance range.

CYBG acquired rival Virgin Money in a £1.7bn deal last year. It is hoping that fully rebranding as Virgin Money and dropping its Clydesdale and Yorkshire Bank brand names will help it in an increasingly crowded mortgage market.

It reported a drop of 0.2 per cent in the value of its mortgage book, which fell to £60.4bn in the third quarter, but saw rises in business and personal lending.

"Even with the twin pressures of Brexit and the highly competitive mortgage market, we remain on track to deliver full year performance in line with our guidance," said CYBG's chief executive David Duffy.

Shares closed down at 179.90p.

Games Workshop breaks records

JESS CLARK
@jclarkjourno

0.43%

GAMES Workshop posted record-breaking results for the third consecutive year yesterday after seeing revenue and profit soar.

Revenue in the 12 months to 2 June this year was £256.5m, up from £221.3m last year. Profit before tax was £81.32m, rising from £74.2m the previous year.

Games Workshop chief executive Kevin Rountree said: "An amazing set of results – the best year in Games Workshop's history, so far.

"You can once again see from these results that our business and the Warhammer Hobby are in good shape. The board and I continue to believe that the prospects for the business are good."

The company, which owns the Warhammer brand, has 517 stores across 23 countries, with physical stores contributing to 34 per cent of the year's sales.

Online accounted for 19 per cent of sales.

Games Workshop said it invested £10.5m in its Nottingham-based studio in the year, with a further £3.3m spent on tooling for new plastic miniatures. Completion of the revamp is expected this autumn. A project to extend and upgrade a US logistics hub in Tennessee began in March.

Games Workshop is known for its Warhammer brand

Lawsuit opened over Capital One data breach which hit 100m customers in US and Canada

HARRY ROBERTSON
@henrygrobertson

A CLASS action lawsuit was filed yesterday in the US over a data breach at Capital One that led to about 100m US customers having their personal information stolen by a hacker.

Roughly 140,000 social security numbers and 80,000 linked bank details were stolen, alongside other information such as credit scores and phone numbers, the bank said on Monday.

About 6m Canadians had their information compromised, including a million social security numbers.

State attorneys general in Connecticut and New York both said yesterday they would investigate the breach.

The bank's shares fell over seven per cent yesterday.

The suspected hacker was 33-year-old former software engineer Paige Thompson.

She appeared in a US District Court in Seattle on Monday.

Between 12 March and 17 July, Thompson allegedly posted stolen information from the hack on a coding website called Github. After a fellow member of the website alerted Capital One, police found and arrested Thompson because her full name was included in the digital address of the page on which she had posted.

The bank said the incident will cost it between $100m (£82m) and $150m this year as informs customers and pays charges.

No silver lining for miner Fresnillo as its profit plummets 69 per cent

JAMES BOOTH
@Jamesdbooth1

PROFIT at FTSE 100 miner Fresnillo tumbled by more than two thirds in the first half of the year, it reported yesterday.

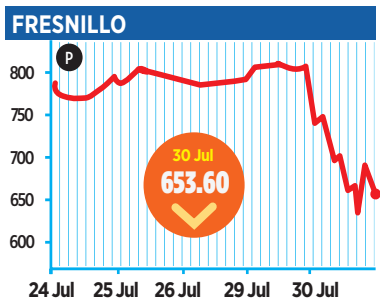
The company blamed production problems and lower prices for the precipitous fall.

Profit for the six months to 30 June fell 69 per cent to $70.9m (£58.2m), compared to the same period in 2018.

Gross profit fell 59 per cent to $205.5m and earnings before interest, tax, depreciation and amortisation fell 45 per cent to $307.9m.

Earlier this month Fresnillo cut its output forecast, which it blamed on construction delays in Mexico and lower quality ore.

Boss Octavio Alvidrez said: "As we previously disclosed... continued challenges at our Fresnillo, Saucito and Herradura mines, combined with higher costs, have impacted profitability for the period."



Fresnillo has cut its outlook, blaming construction delays and lower-quality ore

BP fuels figures by increasing oil and gas output

ALEX DANIEL
@alexmdaniel

BP SHARES rose yesterday as the oil giant's second quarter profit beat expectations by increasing production volumes.

The energy major reported that a seven per cent increase in oil and gas production counteracted this year's fall in oil prices.

Shares were up 3.07 per cent at yesterday's close.

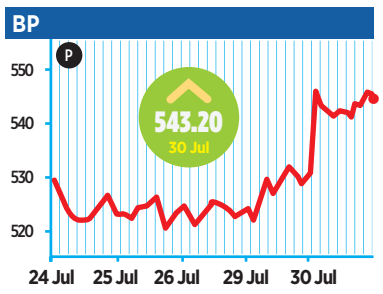
BP's second quarter profit was $2.8bn (£2.3bn), roughly stable year-on-year. Analysts had expected the figure to be around $2.5bn.

Oil and gas production rose seven per cent to 2.6m barrels of oil equivalent per day.

The positive figures come just a week after French competitor Total said its second-quarter profit had dropped.

BP warned third-quarter production would most likely be hit by maintenance work in the North Sea, Angola and the Gulf of Mexico. It added that it had suffered as a result of the recent Hurricane Barry in the US.

Steve Clayton, manager of the HL Select UK Income Shares fund which holds a position in BP, said the firm's production-boosting plan had "paid off".



Waning demand and growing difficult access to credit has hit the miner recently

Petra Diamonds shares sparkle as refinancing plan fears recede

SEBASTIAN MCCARTHY
@SebMcCarthy

18.05%

PETRA Diamonds enjoyed a double-digit surge in its share price yesterday, as the troubled mining group eased investor jitters over its cash strategy.

Fears of a new equity financing plan had sent the firm's stock value to new lows in the last week, falling below 10p on the London Stock Exchange. However, last night shares closed up 18 per cent to 12p.

Boss Richard Duffy said: "We are executing our plans and delivering to budget as we launch Project 2022. We expect this will deliver significant incremental cashflow over the next three years, further improve our net debt position and provide us with future growth options."

North America slowdown hits Weir's orders

ALEX DANIEL
@alexmdaniel

4.42%

ENGINEERING company Weir Group yesterday reported a 22 per cent fall in profit in the first half of the year.

It forecast that full-year oil and gas profit would be at the lower end of its target range as orders in North America slowed.

Shares fell four per cent after the FTSE 250 company also reported a seven per cent drop in orders.

Weir, which makes equipment used in the energy sector, said the drop in oil and gas orders was due to excess capacity in the North American market.

Operating profit was £172m and total orders were £1.42bn, with oil and gas orders down 27 per cent.

The company had previously forecast oil and gas operating profit between £55m to £95m.

"Bottom line is that we view the guidance message as in line with expectations given increasingly cautious newsflow from the US shale sector already being factored into expectations," Credit Suisse analysts said.

FCA calls to end unfair pension advice charging

ALEX DANIEL

@alexmdaniel

BRITAIN's markets watchdog has proposed banning financial advisers from getting paid only when a customer moves a pension pot, a practice known as contingent charging that it said costs consumers £2bn per year.

MPs called for the ban last year after accusing the Financial Conduct Authority (FCA) of being too slow to prevent "vulture" advisers from ripping off steelworkers in Wales who were faced with critical decisions over their pensions.

They singled out contingent charging, where advisers are rewarded only when recommending a particular course of action, saying it should be banned for advice on transferring a defined benefit (DB) pension.

The FCA yesterday said it proposed the ban to crack down on conflicts of interest in the pensions sector, where consumers have recently been given more leeway to move their pots of saved cash between schemes or take out their money.

"The FCA's supervisory work has revealed continued problems in the pensions transfer advice market," said FCA executive director of strategy and competition Christopher Woolard.

Most consumers are advised on a contingent charging basis.

Nearly 70 per cent of customers received a recommendation to make a transfer even though they would have been best advised not to move their pension, the FCA said.

Royal London policy director Steve Webb said: "If contingent charging is to be banned, the FCA and the government need to find new ways of making transfer advice affordable and available.

"If the FCA does not have the power to enable people to claim advice costs out of their DB pension rights then the government needs to legislate to make this a right."

CLEAN SLATE Embattled Gam appoints Blackrock director as new chief executive

TROUBLED Swiss asset manager Gam has appointed Blackrock director Peter Sanderson as its new chief executive. The firm also said it has agreed with ex-fund manager Tim Haywood, who was sacked in February, not to pursue each other "based on current facts".

UK leads EU venture capital, but Brexit may threaten dominance

ANNA MENIN

@annafmenin

THE UK has continued to dominate European venture capital (VC) deals, but uncertainty over the movement of talent post-Brexit could hit the sector hard, a new report warned.

UK VCs totalled 63 per cent of Europe-wide deals during the first half of the year, driven by a rise in mega rounds over $100m (£82.2m), according to research by White Star Capital published today.

It has been a bumper year for UK tech investment. The report predicted 2019 will easily exceed 2017's record of $5.8bn, with $4.9bn of funding already secured this year.

However, Brexit uncertainty looms large, White Star partner Nicholas Stocks told *City A.M.*.

"As talented developers in the EU and the world are looking at the UK, what they need to know is what their own situation will be when they move," he said.

Jupiter's assets rise as outflows begin to slow

ANNA MENIN

@annafmenin

JUPITER Fund Management has seen a modest improvement under new head Andrew Formica, but is still recovering after losing star fund manager Alex Darwall earlier in the year.

The company's half-year results showed an eight per cent increase in assets under management, but outflows of client cash continued.

Jupiter had £45.9bn in assets under management at the end of July, up from £42.7bn at the end of 2018. Net outflows were £1.1bn, down from £2.3bn for the same period last year.

The majority of this year's outflows, £700m, came from two of Jupiter's European equities funds following news of Darwall's departure. UBS analysts had warned that £3bn could leave Jupiter as a result of the loss.

Formica, who took over as chief executive in March, said the results represented a "resilient first half performance in the face of challenging industry conditions".

Jupiter's shares rose slightly after the results, and closed up 0.29 per cent to 381.70p.

Government urged to act to allow young people chance of own home

JESS CLARK

@jclarkjourno

THE GOVERNMENT has been urged to do more to help first-time buyers, as new forecasts revealed that by 2026 just a quarter of people aged between 25 and 34 will own their own home.

A report by Santander found that home ownership within that age bracket will have dropped from 55 per cent 20 years ago, to 26 per cent.

In London, 92 per cent of people still aspire to own their own home, but 77 per cent said the "home ownership dream" is over for young people.

A survey of 5,002 prospective first-time buyers aged between 18 and 40 years old found that raising a deposit is the biggest hurdle to getting on the property ladder.

In total, 50 per cent of Londoners considering buying a home are relying on money from inheritance to boost their deposit, the survey found.

The bank called for new initiatives to help those unable to access family support or ineligible for existing government schemes.

The lender said a government-backed guarantee to banks, which would reduce or remove the need for certain first-time buyers to provide a deposit, could help more people onto the property ladder.

Miguel Sard, managing director at Santander Mortgages, said: "Home ownership in the UK is at risk of becoming the preserve of only the wealthiest young buyers."

Owning a property is becoming only a window-shopping dream for young people

Huawei shrugs off US blacklist as revenue rises

JAMES WARRINGTON

@j_a_warrington

HUAWEI has posted a sharp rise in revenue for the first half, despite US attempts to cripple its global trading.

US President Donald Trump added the Chinese firm to a trade blacklist, effectively blocking it from doing business with American companies.

However the move appeared to have done little to dampen Huawei's trading, as revenue rose 23 per cent year-on-year to 401.3bn yuan (£47.9bn).

This was bolstered by strong growth in the firm's handset division, with smartphone shipments up 24 per cent to 118m units.

"Given the foundation we laid in the first half of the year, we continue to see growth even after we were added to the entity list," said Huawei chairman Liang Hua.

However, Liang admitted the US crackdown may still create difficulties in the coming months.

"The US entity list has had some impact on our development," he said. "But both the scope and extent of this impact is controllable."

The US has led calls for a ban on Huawei over fears its equipment could be used for spying by Chinese authorities, and has urged its allies not to allow the company to build their 5G networks.

In the UK, the government is yet to issue a verdict on the matter, and both EE and Vodafone have already launched their 5G networks using Huawei technology in non-core areas.

Huawei, which is competing with rivals Nokia and Ericsson in the infrastructure market, said it has now secured 50 commercial 5G contracts.

Despite this progress, the status of Huawei's global business remains mired in uncertainty, and has become a key aspect of trade tensions between the US and China.

Trump appeared to soften his approach to the company ahead of trade talks at the G20 summit last month, saying US firms would be able to trade with Huawei if there were no threats to national security.

Meanwhile, the Trump administration could respond by next week to companies that have requested special licences to sell to Huawei, US commerce secretary Wilbur Ross said last night during a visit to Brazil.

Nintendo has reported a revenue rise of 13.2 per cent for its Switch console

Nintendo switches it up in sales boom despite overall profit bite

JACK PENSWICK

JAPANESE video game manufacturer Nintendo yesterday announced a 10 per cent fall in its quarterly profit.

The decline comes at a troubling time for Nintendo's older consoles, with the Kyoto-based company aware of the falling sales of the 3DS, whose hardware and software sales have fallen almost 50 per cent year-on-year.

Nintendo's net revenue for the last quarter was up 2.4 per cent at ¥172,111m (£1.3bn) from ¥168,157m. Despite this rise, it was unable to counteract the decline in the company's operating profit, which fell from ¥27,428m to ¥30,535m.

The decline in profit may come as a surprise to some, with its most recent console the Nintendo Switch reporting a revenue rise of 13.2 per cent year-on-year. Nintendo said that it sold 2.1m units in the last quarter.

More than 36.9m Switch units have been sold since its release.

Nintendo also recently announced that the Switch Lite will be released in September, which will retail for £199.99 in the UK, compared to the original Switch's more expensive price of £279.99.

Lufthansa sees earnings drop amid price war

ALEXANDRA ROGERS

@city_amrogers

LUFTHANSA's second-quarter earnings dived amid a price war with rivals based in Germany and Austria and "persistent over-capacities" in the airline market.

Adjusted earnings before tax dropped 25 per cent from €1bn (£917m) to €754m. The airline said this was because fuel costs were €255m higher than they were in the second quarter of the previous year. Net profit for the quarter also nosedived by 70 per cent to €226m.

Adjusted free cash flow fell to €91m, down by more than 50 per cent from April to June in 2018.

Lufthansa chief financial officer Ulrik Svensson said: "Our earnings are feeling the effects of tough competition in Europe and sizeable overcapacities, especially on our short-haul routes out of Germany and Austria.We are responding to this by further reducing our costs and increasing our flexibility.

"And with the turnaround plan which we recently presented, we also intend to make Eurowings a sustainably profitable airline."

It said it expected to report a small increase in total revenue with an adjusted earnings before interest and tax margin of 5.5 to 6.5 per cent for the full year.

Lufthansa's shares slipped 6.02 per cent at €14.21 in Frankfurt.

Sugar tax is bitter for chocoholics but Cadbury's has a sweetener

Stephan Shakespeare

CADBURY's new, healthier Dairy Milk landed in shops across the UK this week. The new product is an attempt to make key products healthier following government pressure on the industry as it aims to halve childhood obesity by 2030.

The move follows other brands such as Irn-Bru, Lucozade and Fanta which have all reformulated recipes since the start of 2017, anticipating the introduction of the so-called sugar tax that came into force in 2019.

Nestle announced two years ago that its products, including Kitkat and Aero, will contain less sugar, while Coca-Cola's successful rebrand of Coke Zero into Coca-Cola Zero Sugar has led to a third year of double-digit volume growth. Data from YouGov Profiles suggests that healthier confectionery could land well with Cadbury's existing customer base, as well as the general public.

Profiles data shows that 60 per cent of those whose favourite snack is a Cadbury's brand admit that they consume too much sugar, which is higher than the still-sizeable figure given by the general public (48 per cent).

We can also see that some Cadbury's customers will thank the brand for taking responsibility. While five per cent of Britons think that the primary responsibility for tackling childhood obesity lies with manufacturers, this number doubles to 10 per cent for those who say Cadbury's is their favourite snack.

But a large proportion of customers do not back state intervention to tackle the rise in obesity.

Forty per cent of those who say a Cadbury's brand is their favourite snack strongly disapprove of the government putting new taxes on food and drinks that are high in fat, sugar and salt.

Changing recipes is the public's preferred option for tackling obesity

YouGov data also shows that changing recipes is the preferred strategy, over alternatives such as reducing the size of products.

Profiles data shows that 63 per cent of Britons would reduce the amount of sugar in the product and keep the same size and price, whereas only 12 per cent would increase the price and keep the same size and ingredients.

This suggests there is an opportunity for companies to adjust their recipes, capturing the growing market of customers looking for healthier options, so long as it doesn't come at the expense of value and size.

Stephan Shakespeare is chief executive of YouGov

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LONDON REPORT

US-China trade fears drag FTSE as UK banks slip

WORRIES over US-China trade and the Bank of England's new plan to handle potential banking crises soured the mood yesterday as the FTSE 100 ended lower after giving up early gains.

The main index shed 0.5 per cent, to 7,646.77 points, but remained close to the near 11-month highs hit earlier after **BP**'s stronger than expected profit.

The mid-cap FTSE 250 fell 0.6 per cent, to 19,774.82 points, dragged down in part by a near 10 per cent drop in Virgin Money-owner **CYBG**.

The FTSE 100 followed Wall Street lower after US President Donald Trump warned China not to wait for the 2020 presidential election to make a trade deal.

Big UK banks, such as **Barclays** and **RBS**, fell after the BoE said lenders would have to tell investors in 2021 if they could be closed down without disrupting financial markets.

Corporate earnings were the main drivers behind most of the major stock moves on both UK indexes.

British Gas parent **Centrica**, whose earnings have been hit by a national cap on energy prices, dropped 19 per cent to its lowest level in more than two decades as it cut its dividend and said its chief executive would step down.

"The company needs a new leader to take a grip of things... It's in the middle of a big changes in the sector and a significant restructuring so slashing the dividend whilst cash flow is uncertain is absolutely vital," Markets.com analyst Neil Wilson said.

Fresnillo fell nearly 18 per cent after its profit dropped by more than two thirds in the first half of the year due to a drop in production and higher costs.

Barclays shares were hit by new Bank of England rules on bank crises

Reckitt Benckiser fell 3.2 per cent after cutting its annual revenue outlook, while tobacco stocks skidded after US-based Altria forecast a steeper decline in industry cigarette volumes.

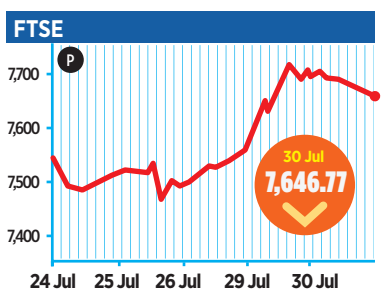
Mid-cap CYBG slipped almost 10 per cent after it forecast its net interest margin would be at the lower end of its earlier view.

TOP RISERS

1. **BP** Up 3.07 per cent
2. **Micro Focus** Up 2.09 per cent
3. **JD Sports** Up 1.69 per cent

TOP FALLERS

1. **Centrica** Down 19 per cent
2. **Fresnillo** Down 17.74 per cent
3. **IAG** Down 5.43 per cent



BEST OF THE BROKERS

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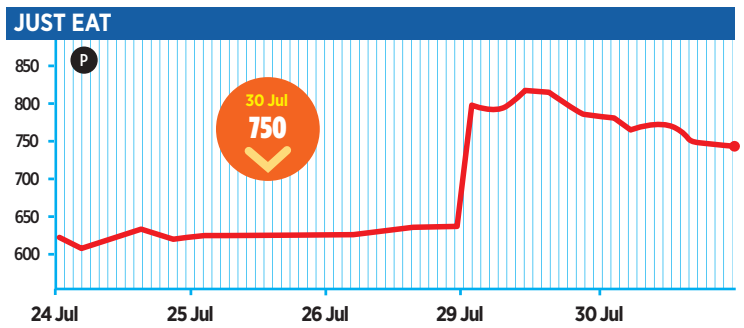
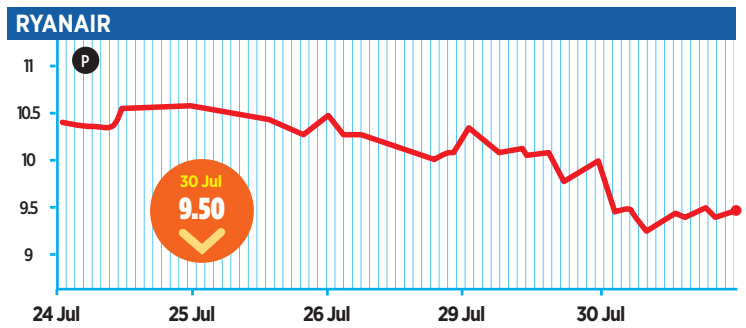
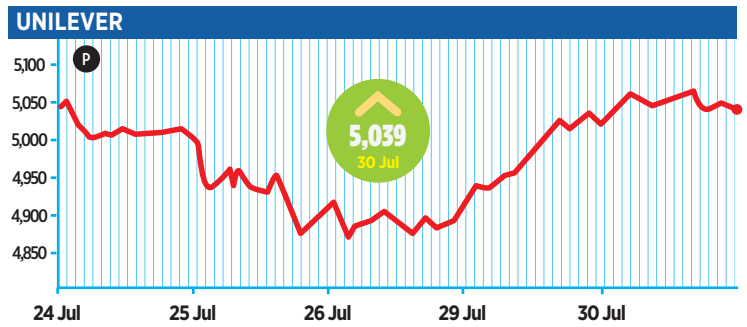


After confirmation it has been in talks with Dutch firm Takeaway.com about a potential £9bn merger, Just Eat could be poised to take an even bigger bite out of the food delivery market. Liberum analysts are optimistic about the possible deal, saying the merged group would "operate as market leader" in both the UK and the Netherlands, as well as being more cost efficient. The analysts are certainly hungry for more, maintaining Just Eat's "Buy" rating, with a target share price of 1,360p, significantly larger than yesterday's close of 750p.



Ryanair may not be flying high for a while. First-quarter results on Monday saw profits nosedive 21 per cent as the airline was hit by higher fuel and staff costs, coupled with lower fares. Boss Michael O'Leary, never one to mince words, then fired a shot at Boeing, saying his company could have no 737 Max jets available this year unless the manufacturer "gets its sh*t together". Barclays analysts were slightly more restrained, saying simply that Ryanair "still faces a number of uncertainty over the coming months". They rate it as "Overweight", with a target price of €11.70.



Unilever may be due a makeover, with organic sales growth staying stubbornly at the bottom of its three to five per cent target range. Liberum analysts say this is "especially painful in light of Unilever's high emerging market exposure" (60 per cent of group sales), and warn that the cosmetic giant's 20 per cent margin target could prove unsustainable long term if further investment is required to stimulate top-line growth". Nevertheless, Liberum has faith that Unilever will be able to clean up its finances, maintaining its "Hold" rating and raising its target price to 4,735p.

NEW YORK REPORT

Wall St pulled lower after Trump tweet

WALL Street lost ground yesterday after a warning from US President Donald Trump to China amid ongoing trade negotiations pressured technology shares.

Investors also looked to an expected Federal Reserve interest rate cut today at the conclusion of its monetary policy meeting.

The Dow Jones Industrial Average fell 23.33 points, or 0.09 per cent, to 27,198.02, the S&P 500 lost 7.79 points, or 0.26 per cent, to 3,013.18, while Nasdaq dropped 19.72 points, or 0.24 per cent, to 8,273.61.

As trade talks between the world's two biggest economies continued in Shanghai yesterday, Trump warned China against trying to wait out his first term in office to finalise a deal.

"Techs are weaker today, as Trump took another shot across the bow to China over trade," said Joseph Sroka, chief investment officer at NovaPoint in Atlanta.

"Big multinational tech companies are very sensitive to trade and tariff issues with China."

Apple closed down 0.4 per cent, contributing the most to the tech sector's 0.7 per cent drop.

However, the iPhone maker's shares rose almost three per cent after the bell as revenue forecasts topped expectations.

Market participants are looking to the Fed's statement at the conclusion of its two-day meeting today for clues as to how the central bank will proceed through year-end.

Many analysts said a 25-basis-point cut in interest rates is fully priced into the market.

"The message this sends to the market is that the Fed is supportive of economic expansion," said Sroka.

"That they're cognisant of trade and tariff issues causing some slowdown, and a small cut… reinforces that rates are more likely to go down than up in the intermediate term, which markets see as a positive signal."

Shares of **Capital One** fell 5.9 per cent after the credit-card issuer said information on 106m people had been compromised.

CITY MOVES WHO'S SWITCHING JOBS

MAPLES TEESDALE

Maples Teesdale has announced the arrival of Rosalind Cullis as real estate disputes partner to the team. Rosalind, who joins from Kingsley Napley, brings a wealth of experience as a real estates disputes lawyer, having previously been at Forsters and Beachcroft Stanleys (now DAC Beachcroft). At Kingsley Napley, she assisted with a broad range of real estate disputes in the residential, commercial and construction sectors. Rosalind will be working alongside head of real estate disputes, Dellah Gilbert, who joined Maples Teesdale in 2015 from Hogan Lovells.

BRADY

London-listed commodity software company Brady has announced that Iain Greig, currently a non-executive director of the company, has been appointed interim chief technology officer with effect from 12 August 2019. During this appointment Iain will remain on the board. It is anticipated that the interim assignment will be for a period of approximately six months. Chief executive Carmen Carey saidd: "Iain joined the board as a NED on the 4 March 2019 and has since then contributed an enormous amount of knowledge, experience and focus to the product and strategic review we initiated at that time."

DOLFIN

Dolfin, an independent wealth management platform, has appointed Richard Webb as head of technology. In the newly created role, Richard will oversee Dolfin's technology and infrastructure strategy and lead the development of its digital wealth management offering. He joins with more than 20 years' experience leading IT, change management and digital transformation projects. As a consultant across hedge funds, investment banks and retail banking, he led teams at CQS Management, RBS Global Banking, UBS Investment Bank and Accenture. More recently, Richard has successfully built and managed hedge fund technology platforms for the likes of Rokos Capital Management and COMAC Capital as head of enterprise technology and chief technology officer, respectively. At Dolfin, he will report to Amir Nabi, the chief operating officer, and be responsible for driving the firm's technology offering. This includes transforming its existing infrastructure, as well as developing and implementing new strategies to evolve Dolfin's operations. Webb has been working with Dolfin on a consultancy basis since 2018. During this time he led the development of two projects, myDolfin, which gives clients more visibility and control over their accounts online and Dolfin's CRM onboarding platform.

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FTSE 100	FTSE 250	FTSE ALL SHARE	DOW JONES	NASDAQ	S&P 500
7646.77	19774.82	4164.69	27198.02	8273.61	3013.18
↓ 39.84	↓ 111.88	↓ 21.48	↓ 23.33	↓ 19.71	↓ 7.79

£					
/€	1.0893	↓ 0.0067	€/$	1.1155	↑ 0.0011
/$	1.2151	↓ 0.0065	€/£	0.9178	↑ 0.0057
/¥	131.97	↓ 0.9872	€/¥	121.14	↓ 0.1362

GILTS

	Price	Chg	High	Low
Tsy 3.750 19	100.33	-0.01	103.4	100.3
Tsy 2.000 20	101.45	0.00	102.5	101.4
Tsy 4.750 20	102.55	-0.01	106.4	102.5
Tsy 3.750 20	103.58	0.00	106.3	103.5
Tsy 2.500 20	356.28	0.02	361.4	355.8
Tsy 8.000 21	114.04	0.02	120.4	113.7
Tsy 4.000 22	109.37	0.05	111.3	109.0
Tsy 0.500 22	100.34	0.07	100.4	97.7
Tsy 1.875 22	117.22	0.28	118.3	115.5
Tsy 2.250 23	107.55	0.12	107.6	104.7
Tsy 2.500 24	375.55	0.41	375.7	358.7
Tsy 0.125 24	115.13	0.42	115.2	110.9
Tsy 5.000 25	125.25	0.17	125.5	122.1
Tsy 4.250 27	130.37	0.25	130.4	122.6
Tsy 1.250 27	138.10	0.54	138.1	128.4
Tsy 6.000 28	149.04	0.27	149.1	140.5
Tsy 0.125 29	130.63	0.60	130.8	118.8
Tsy 4.750 30	143.51	0.30	143.6	132.1
Tsy 4.125 30	391.89	0.58	392.3	355.2
Tsy 4.250 32	140.57	0.25	140.7	128.5
Tsy 1.250 32	159.77	0.68	159.8	144.1
Tsy 0.125 36	151.45	0.56	151.7	133.4
Tsy 4.250 36	147.49	0.24	148.0	133.1
Tsy 4.750 38	161.30	0.22	162.2	144.9
Tsy 0.625 40	171.62	0.49	173.5	152.8
Tsy 4.500 42	164.21	0.21	165.5	145.9
Tsy 3.500 45	146.32	0.21	147.8	128.0
Tsy 4.250 46	166.01	0.11	168.0	145.7
Tsy 4.025 49	172.16	0.17	174.2	150.0
Tsy 0.500 50	199.92	0.31	207.7	173.7
Tsy 0.250 52	196.07	0.34	204.9	168.8

AEROSPACE & DEFENCE

	Price	Chg	High	Low
BAE Systems	542.6	2.8	654.4	443.9
Cobham	165.7	-2.6	168.3	96.8
Meggitt	602.6	7.4	606.8	458.0
QinetiQ Group	293.8	-5.8	312.4	264.3
Rolls-Royce Holdi	891.2	4.2	1094.0	759.2
Senior	198.3	-0.6	334.4	185.4
Ultra Electronics	1970.0	-2.0	2008.0	1232.0

BANKS

	Price	Chg	High	Low
Bank of Georgia G	1433.0	-43.0	1878.8	1310.0
Barclays	157.7	-3.1	194.0	146.1
Close Brothers Gr	1339.0	-18.0	1660.0	1338.0
CYBG	179.9	-19.0	364.2	170.6
HSBC Holdings	664.8	-1.6	730.5	600.8
Lloyds Banking Gr	55.1	-1.1	66.6	50.0
Metro Bank	370.2	-26.8	3248.0	365.8
Royal Bank of Sco	220.3	-9.2	270.4	203.0
Standard Chartere	683.4	-6.8	736.8	519.8
TBC Bank Group	1394.0	12.0	1774.0	1242.0

BEVERAGES

	Price	Chg	High	Low
Barr (A.G.)	685.0	10.0	975.0	610.0
Britvic	918.0	1.0	956.0	745.0
Coca-Cola HBC AG	2867.0	8.0	3074.0	2244.0
Diageo	3448.5	36.5	3482.5	2523.5

CHEMICALS

	Price	Chg	High	Low
Croda Internation	4754.0	-6.0	5447.7	4576.0
Elementis	147.5	13.9	247.8	129.8
Johnson Matthey	3217.0	-32.0	3760.0	2620.0
Sirius Minerals	14.9	0.1	38.5	13.5
Synthomer	306.6	-12.2	537.2	305.0
Victrex plc	2012.0	-14.0	3408.0	1944.0

CONSTRUCTION & MATERIALS

	Price	Chg	High	Low
Balfour Beatty	206.0	-10.0	296.5	204.8
CRH	2707.0	-18.0	2747.0	1971.5
Galliford Try	605.0	-21.5	1104.0	512.0
Ibstock	230.8	-2.4	262.0	193.1
Marshalls	639.5	-7.5	690.0	412.2
Polypipe Group	410.0	-11.0	453.8	307.8

ELECTRICITY

	Price	Chg	High	Low
Contour Global	171.0	-0.6	246.0	150.1
Drax Group	303.0	-4.0	427.2	260.2
SSE	1098.5	-10.5	1280.0	1008.0

ELECTRONIC & ELECTRICAL EQ.

	Price	Chg	High	Low
Halma	2000.0	-9.0	2094.0	1237.0
Morgan Advanced M	257.0	4.0	363.0	237.0
Oxford Instrument	1332.0	2.0	1424.0	842.0
Renishaw	3832.0	-6.0	5580.0	3670.0
Spectris	2593.0	-154.0	2898.0	1966.5

EQUITY INVESTMENT INSTRUM.

	Price	Chg	High	Low
Aberforth Smaller	1188.0	10.0	1394.0	1120.0
Alliance Trust	838.0	0.0	845.5	672.0
Apax Global Alpha	156.0	1.0	159.0	127.0
AVI Global Trust	778.0	-3.0	787.0	660.0
Baillie Gifford J	833.0	6.0	866.0	663.0
Bankers Inv Trust	970.0	0.0	976.4	766.0
BBGI SICAV S.A. (	156.5	0.5	168.0	142.5
BlackRock Smaller	1402.0	2.0	1600.0	1160.0
BMO Global Smalle	1386.0	8.0	1495.0	1220.0
Caledonia Investm	3065.0	15.0	3110.0	2650.0
City of London In	427.0	-3.5	434.0	376.0
Edinburgh Inv Tru	596.0	-10.0	699.0	571.0
F&C Investment Tr	731.0	1.0	741.0	616.0
Fidelity China Sp	227.5	3.0	250.0	182.4
Fidelity European	253.0	-3.0	257.5	202.0
Fidelity Special	265.0	0.0	278.0	220.0
Finsbury Growth &	944.0	-2.0	952.0	740.0
GCP Infrastructur	126.0	0.0	130.8	122.4
Genesis Emerging	783.0	2.0	788.0	615.0
Greencoat UK Wind	138.8	0.0	143.2	122.8
HarbourVest Globa	1726.0	10.0	1730.0	1290.0
Herald Investment	1330.0	-6.0	1364.0	1055.0
HGCapital Trust	214.5	-1.5	220.0	175.0
HICL Infrastructu	164.4	1.2	170.1	149.9
International Pub	158.8	1.2	163.4	146.8
JPMorgan American	493.0	0.0	499.0	386.5
JPMorgan Emerging	1066.0	6.0	1070.0	759.0
JPMorgan Indian I	743.0	0.0	790.0	566.0
JPMorgan Japanese	452.0	4.0	470.0	367.0
Jupiter European	859.0	-1.0	895.0	666.0
Law Debenture Cor	600.0	-2.0	636.0	534.0
Mercantile Invest	203.0	-1.5	219.6	168.0
Monks Inv Trust	964.0	4.0	968.0	710.0
Murray Internatio	1196.0	-4.0	1212.7	1056.0
NB Global Floatin	89.6	0.0	93.3	87.6
NextEnergy Solar	118.0	-0.5	124.5	108.0
Pantheon Internat	2315.0	0.0	2330.0	1955.0
Perpetual Income	314.5	-5.5	364.5	301.5
Pershing Square H	1480.0	10.0	1488.0	990.0
Personal Assets T	42800.0	100.0	42950.0	38900.0
Polar Capital Tec	1490.0	0.0	1510.0	1066.0
RIT Capital Partn	2145.0	10.0	2150.0	1892.0
Riverstone Energy	850.0	-5.0	1282.0	840.0
Schroder Asia Pac	469.0	1.0	473.5	379.0
Scottish Inv Trus	843.0	1.0	902.0	748.0
Scottish Mortgage	564.0	3.0	568.3	441.4
Sequoia Economic	113.0	-0.4	115.2	106.0
Smithson Investme	1276.0	-2.0	1286.4	1000.2
Syncona Limited N	252.5	-2.5	302.5	213.5
Temple Bar Inv Tr	1270.0	-6.0	1366.0	1116.0
Templeton Emergin	829.0	3.0	833.4	649.0
The Renewables In	127.0	-0.4	133.2	109.3
TR Property Inv T	425.5	-1.5	433.5	353.5
Vietnam Enterpris	473.0	0.0	477.0	420.0
VinaCapital Vietn	347.0	2.0	350.6	318.0
Witan Inv Trust	224.5	-1.0	227.6	189.6
Woodford Patient	49.2	-1.8	91.0	48.6
Worldwide Healthc	2820.0	25.0	2915.0	2325.0

FINANCIAL SERVICES

	Price	Chg	High	Low
3i Group	1135.0	-4.0	1164.5	756.2
3i Infrastructure	285.0	0.0	303.0	232.5
AJ Bell	422.5	-8.5	477.0	220.0
Allied Minds	66.3	-1.3	87.1	37.3
Amigo Holdings	168.0	-0.8	297.5	154.5
Arrow Global Grou	270.0	-2.0	275.0	167.2
ASA International	353.0	8.0	510.0	320.0
Ashmore Group	536.0	-6.5	544.0	337.0
Brewin Dolphin Ho	321.6	-0.8	366.0	295.4
Charter Court Fin	298.5	-2.5	375.0	228.8
City of London In	426.0	-4.0	447.0	360.0
CMC Markets	98.6	0.5	197.0	77.4
Coats Group	79.9	-0.4	91.3	69.8
Georgia Capital	986.0	4.0	1260.0	941.0
Hargreaves Lansdo	2122.0	2.0	2433.0	1633.0
IG Group Holdings	572.8	11.0	954.5	474.8
IntegraFin Holdin	384.0	1.0	406.1	269.0
Intermediate Capi	1429.0	12.0	1436.0	899.0
International Per	108.8	-2.4	248.8	106.6
Investec	480.6	-8.5	561.0	423.4
IP Group	67.0	-1.9	131.2	66.7
John Laing Group	386.2	6.2	402.0	283.2
JTC	360.0	12.0	440.0	287.0
Jupiter Fund Mana	381.7	1.1	438.0	287.6
Liontrust Asset M	802.0	-14.0	840.0	532.0
LMS Capital	50.2	-0.1	53.5	44.0
London Finance &	38.5	0.0	44.5	37.5
London Stock Exch	6504.0	-38.0	6574.0	3867.0
Man Group	166.9	-2.9	184.9	126.8
OneSavings Bank	365.4	-5.0	447.4	330.0
Paragon Banking G	422.0	-6.0	502.0	379.2
Plus500 Ltd (DI)	625.6	14.6	2040.0	495.0
Provident Financi	437.2	21.7	692.6	394.9
Quilter	147.2	-3.3	156.6	110.6
Rathbone Brothers	2200.0	0.0	2634.0	2085.0
Real Estate Credi	169.0	0.5	175.5	163.0
Record	32.2	0.0	42.1	27.3
River and Mercant	275.0	5.0	330.0	212.0
S&U	2310.0	0.0	2605.0	1767.5
Sanne Group	567.0	69.0	752.0	450.0
Schroders	3031.0	-21.0	3210.0	2334.0
Standard Life Abe	303.0	-3.5	378.9	224.9
TP ICAP	314.1	-0.9	324.5	267.2
Walker Crips Grou	27.0	0.0	39.0	24.0
XPS Pensions Grou	118.5	2.5	180.0	95.0

FIXED LINE TELECOMS

	Price	Chg	High	Low
BT Group	192.3	-2.3	264.7	187.0
TalkTalk Telecom	107.6	-0.4	137.0	96.6
Telecom Plus	1330.0	-26.0	1528.0	1010.0

FOOD & DRUG RETAILERS

	Price	Chg	High	Low
Greggs	2236.0	-148.0	2476.0	961.5
Morrison (Wm) Sup	196.8	-4.3	269.4	195.3
Ocado Group	1245.5	-13.0	1435.0	749.8
Sainsbury (J)	198.4	-2.5	341.5	187.9
SSP Group	706.0	-3.0	744.4	615.1
Tesco	223.2	-3.5	266.2	189.6
UDG Healthcare Pu	806.5	3.0	847.0	551.0

FOOD PRODUCERS

	Price	Chg	High	Low
Associated Britis	2416.0	-30.0	2638.0	2041.0
Bakkavor Group	111.0	-2.4	191.0	108.6
Cranswick	2732.0	-48.0	3454.0	2472.0
Greencore Group	216.9	-8.2	230.0	162.9
Hilton Food Group	933.0	-7.0	1088.0	884.0
Tate & Lyle	753.6	-1.6	800.4	624.0
Unilever	5039.0	26.0	5091.0	3931.0

FORESTRY & PAPER

	Price	Chg	High	Low
Mondi	1820.5	-25.5	2236.0	1584.0

GAS, WATER & MULTIUTILITIES

	Price	Chg	High	Low
Centrica	73.6	-17.3	155.6	73.0
National Grid	851.9	-4.7	889.2	748.7
Pennon Group	724.0	-8.6	792.8	684.2
Severn Trent	2039.0	-22.0	2153.0	1770.0
United Utilities	794.8	-10.2	873.6	682.4

GENERAL INDUSTRIALS

	Price	Chg	High	Low
Smith (DS)	365.6	-3.6	513.4	292.2
Smiths Group	1654.0	-12.0	1676.5	1279.5
Smurfit Kappa Gro	2606.0	-40.0	3292.0	1934.0
Vesuvius	503.5	-0.5	662.0	473.2

GENERAL RETAILERS

	Price	Chg	High	Low
Auto Trader Group	538.2	-1.2	606.0	388.5
B&M European Valu	368.8	-7.2	426.3	278.6
Card Factory	170.6	-0.8	212.4	162.6
Dixons Carphone	121.6	-2.0	179.8	107.6
Dunelm Group	918.5	-9.5	981.0	482.8
Inchcape	630.0	-2.0	716.5	486.6
JD Sports Fashion	648.4	10.8	651.5	318.5
Just Eat	750.0	-30.0	846.4	533.8
Kingfisher	222.9	-3.2	309.2	202.2
Marks & Spencer G	209.3	-2.9	299.1	204.2
Next	5616.0	-114.0	5936.0	3991.0
Pets at Home Grou	207.6	1.4	209.6	110.0
Sports Direct Int	214.4	-0.4	413.5	210.6
Ted Baker	930.5	27.5	2378.0	800.0
Vivo Energy	121.6	2.6	156.0	96.0
WH Smith	2128.0	0.0	2186.0	1697.0

HEALTH CARE EQUIPMETN & S.

	Price	Chg	High	Low
Assura	65.6	0.0	66.4	52.4
Convatec Group	154.8	1.4	239.0	118.6
Mediclinic Intern	341.0	1.7	522.2	293.4
NMC Health	2524.0	22.0	4120.0	2192.0
Smith & Nephew	1862.5	14.5	1871.0	1258.0

HHOLD GDS & HOME CONSTR.

	Price	Chg	High	Low
Barratt Developme	657.8	-5.2	665.8	434.0
Bellway	2969.0	-41.0	3226.0	2419.0
Berkeley Group Ho	3883.0	-79.0	3981.0	3226.0
Bovis Homes Group	1066.0	-14.0	1177.0	828.0
Countryside Prope	292.8	-7.6	353.2	270.0
Crest Nicholson H	368.4	-2.2	404.8	296.4
McCarthy & Stone	139.4	-1.6	143.9	106.2
Persimmon	2041.0	-53.0	2501.0	1859.5
Reckitt Benckiser	6455.0	-215.0	7155.0	5593.0
Redrow	566.0	-4.0	674.6	460.8
Taylor Wimpey	176.6	2.2	192.3	129.3

INDUSTRIAL ENGINEERING

	Price	Chg	High	Low
Bodycote	746.5	-5.5	1024.0	676.0
Hill & Smith Hold	1140.0	2.0	1516.0	902.5
IMI	1061.0	-8.5	1242.0	870.0
Melrose Industrie	188.8	-5.8	233.9	146.3
RHI Magnesita N.V	4500.0	-50.0	5085.0	3318.0
Rotork	310.7	-2.2	361.4	235.7
Spirax-Sarco Engi	9030.0	55.0	9400.0	5900.0
Weir Group	1492.5	-69.0	1977.5	1240.0

INDUSTRIAL METALS & MINING

	Price	Chg	High	Low
Evraz	665.0	0.0	709.4	442.1
Ferrexpo	264.5	2.8	301.3	143.5

INDUSTRIAL TRANSPORTATION

	Price	Chg	High	Low
BBA Aviation	323.0	18.8	350.0	207.0
Clarkson	2565.0	-45.0	2900.0	1878.0
Fisher (James) &	2135.0	20.0	2260.0	1600.0
Royal Mail	208.7	-0.3	489.0	194.5

NON LIFE INSURANCE

	Price	Chg	High	Low
Admiral Group	2185.0	-50.0	2300.0	1903.5
Beazley	577.0	4.5	599.0	492.6
Direct Line Insur	323.9	-5.4	366.5	304.9
Hastings Group Ho	195.0	-4.0	274.2	174.0
Hiscox Limited (D	1734.0	-36.0	1779.0	1418.0
Lancashire Holdin	686.0	6.0	725.5	530.0
RSA Insurance Gro	571.8	-13.2	644.2	496.6
Sabre Insurance G	269.5	-8.5	294.0	249.0

LIFE INSURANCE

	Price	Chg	High	Low
Aviva	408.0	-4.8	502.8	364.6
Legal & General G	265.2	-5.9	291.2	223.7
Phoenix Group Hol	703.0	-9.6	724.8	544.0
Prudential	1700.0	-4.0	1824.0	1340.0
St James's Place	1043.0	-18.0	1216.5	914.0

MEDIA

	Price	Chg	High	Low
4Imprint Group	2800.0	170.0	2800.0	1800.0
Ascential	397.6	10.4	434.8	337.2
Bloomsbury Publis	236.0	1.0	243.0	190.5
Centaur Media	46.0	0.0	56.5	34.7
Entertainment One	444.6	4.6	483.4	336.4
Euromoney Institu	1364.0	-16.0	1412.0	1132.0
Future	1146.0	36.0	1248.0	375.0
Goco Group	82.4	-0.9	132.0	64.6
Haynes Publishing	224.0	0.0	227.0	160.0
Huntsworth	98.0	-3.5	125.0	81.0
Informa	875.6	-16.4	898.2	605.8
ITE Group	73.6	-0.5	83.7	56.3
ITV	111.3	-2.2	170.1	104.7
Moneysupermarket.	363.9	0.9	417.7	264.0
Pearson	895.6	-26.6	1027.5	769.2
Reach	85.5	-2.4	89.0	54.6
Relx plc	1975.5	-2.5	1995.1	1491.5
Rightmove	527.9	-5.5	585.1	420.9
STV Group	373.0	-7.0	440.0	318.0
Tarsus Group	424.0	0.0	438.0	243.0
WPP	976.0	3.0	1301.0	800.4

MINING

	Price	Chg	High	Low
Acacia Mining	231.0	1.6	256.6	96.1
Anglo American	2090.0	-23.0	2266.0	1464.6
Antofagasta	922.0	-20.0	1022.5	727.2
BHP Group	1997.4	3.6	2049.0	1490.6
Centamin (DI)	122.0	-1.1	136.2	79.8
Fresnillo	653.6	-141.0	1039.0	616.7
Glencore	273.0	-2.2	341.5	254.7
Hochschild Mining	208.4	-2.8	217.0	149.1
Kaz Minerals	571.2	-9.0	846.4	436.7
Polymetal Interna	1000.0	-1.5	1031.0	597.2
Rio Tinto	4728.5	47.0	4976.5	3486.0

MOBILE TELECOMS

	Price	Chg	High	Low
Inmarsat	574.6	3.6	581.4	362.8
Vodafone Group	151.2	-1.0	186.7	123.3

OIL & GAS PRODUCERS

	Price	Chg	High	Low
BP	543.2	16.2	598.3	485.9
Cairn Energy	155.8	-0.7	250.0	140.0
Energean Oil & Ga	1054.0	18.0	1054.0	507.0
Premier Oil	79.9	-0.1	143.6	55.6
Royal Dutch Shell	2612.0	9.5	2666.0	2213.0
Royal Dutch Shell	2618.0	9.0	2705.5	2227.0
Tullow Oil	188.9	1.1	266.3	165.2

OIL EQUIPMENT & SERVICES

	Price	Chg	High	Low
Hunting	513.5	-27.5	849.0	453.6
Petrofac Ltd.	415.1	-3.7	663.4	381.5
Wood Group (John)	543.8	-2.2	796.4	389.9

PERSONAL GOODS

	Price	Chg	High	Low
Burberry Group	2264.0	-45.0	2345.0	1623.5
PZ Cussons	217.0	-0.5	244.0	178.6

PHARMACEUTICALS & BIOTECH

	Price	Chg	High	Low
AstraZeneca	7128.0	-52.0	7249.0	5325.0
BTG	837.0	0.5	853.0	508.5
Dechra Pharmaceut	2950.0	12.0	3168.0	2014.0
Genus	2642.0	-2.0	2906.0	2098.0
GlaxoSmithKline	1728.8	-1.2	1749.4	1418.0
Hikma Pharmaceuti	1871.5	-7.5	2025.0	1510.5

REAL ESTATE INVEST. & SERV.

	Price	Chg	High	Low
BMO Commercial Pr	114.0	-1.4	149.4	110.8
Capital & Countie	210.1	-8.5	279.5	208.7
CLS Holdings	225.5	0.5	255.0	195.4
Daejan Holdings	5450.0	-100.0	6230.0	5420.0
Grainger	234.6	-4.6	278.5	205.8
NewRiver REIT	171.2	-0.4	280.0	163.4
Safestore Holding	639.5	-5.5	658.5	499.4
Savills	949.0	4.0	953.5	678.5
St. Modwen Proper	428.5	-6.5	441.5	365.0
UK Commercial Pro	83.9	-1.4	92.7	81.0

REAL ESTATE INVEST. TRUSTS

	Price	Chg	High	Low
Big Yellow Group	997.5	-6.5	1062.0	852.5
British Land Comp	525.8	-10.8	660.2	523.0
Derwent London	2994.0	-46.0	3328.0	2761.0
Great Portland Es	676.0	-12.6	773.6	652.3
Hammerson	240.0	-11.0	521.8	238.0
Intu Properties	70.3	-4.8	201.5	69.7
Land Securities G	825.4	-19.8	943.6	791.8
LondonMetric Prop	205.8	-2.8	215.2	172.7
Primary Health Pr	133.6	-0.8	139.0	106.4
SEGRO	782.2	-6.8	792.2	585.2
Shaftesbury	807.5	-11.0	932.0	803.0
Tritax Big Box Re	155.5	-1.2	159.7	129.0
Unite Group	1049.0	-6.0	1076.0	797.5
Workspace Group	865.0	-2.5	1088.0	789.5

SOFTWARE & COMPUTER SERV.

	Price	Chg	High	Low
Avast	337.8	-1.0	345.8	228.7
Aveva Group	4030.0	-14.0	4170.0	2284.0
Computacenter	1360.0	-1.0	1572.0	952.0
FDM Group (Holdin	819.0	-12.0	1000.0	734.0
Funding Circle Ho	115.2	-2.2	440.0	112.0
Kainos Group	572.0	4.0	676.0	340.0
Micro Focus Inter	1756.8	36.0	2491.6	1434.4
Playtech	448.7	-3.8	560.4	361.8
Sage Group	733.8	-1.8	820.4	525.6
Softcat	946.0	-23.5	993.5	565.0
Sophos Group	438.0	4.3	539.5	298.2

SUPPORT SERVICES

	Price	Chg	High	Low
Aggreko	836.6	59.6	882.0	691.8
Ashtead Group	2271.0	-33.0	2438.0	1586.5
BCA Marketplace	241.6	0.0	247.0	178.5
Bunzl	2147.0	2.0	2551.0	2059.0
Capita	118.8	0.1	162.0	99.9
DCC	7120.0	-22.0	7390.0	5555.0
Diploma	1516.0	22.0	1634.0	1150.0
Electrocomponents	606.4	-4.4	761.6	480.0
Equiniti Group	214.2	-3.0	266.0	186.2
Essentra	429.2	-2.0	507.0	325.4
Experian	2511.0	-9.0	2533.0	1728.5
Ferguson	6250.0	-50.0	6556.0	4749.0
G4S	193.6	-2.2	282.0	175.9
Grafton Group Uni	734.0	-26.0	937.0	630.0
Hays	154.4	-1.8	212.0	135.7
Homeserve	1157.0	-4.0	1263.0	849.0
Howden Joinery Gr	566.0	-7.4	577.4	416.4
Intertek Group	5758.0	18.0	5924.0	4387.0
Network Internati	612.0	6.0	614.0	500.0
Pagegroup	449.6	-2.0	623.5	415.0
PayPoint	958.0	-2.0	1118.0	748.0
Rentokil Initial	412.2	-1.0	424.4	284.8
Robert Walters	500.0	-8.0	475.0	814.0
Serco Group	139.8	-1.4	145.8	84.1
SIG	131.2	0.8	153.0	102.2
Travis Perkins	1323.5	-15.0	1465.0	970.0

TOBACCO

	Price	Chg	High	Low
British American	2978.0	-128.0	4222.5	2375.0
Imperial Brands	2093.0	-97.5	2987.5	1846.8

TRAVEL & LEISURE

	Price	Chg	High	Low
Carnival	3702.0	13.0	5000.0	3412.0
Cineworld Group	252.0	-2.0	323.6	246.9
Compass Group	2083.0	1.0	2098.4	1483.0
Domino's Pizza Gr	256.5	-7.4	321.2	224.4
EI Group	281.2	-1.4	285.0	152.0
FirstGroup	114.8	0.1	116.6	79.3
Flutter Entertain	6692.0	-158.0	8290.0	5525.0
Go-Ahead Group	2164.0	-12.0	2200.0	1480.0
Greene King	627.6	-9.0	704.4	472.8
GVC Holdings	607.8	-13.2	1170.0	507.5
InterContinental	5738.0	46.0	5770.0	3958.4
International Con	414.8	-23.8	711.4	413.6
Marston's	108.6	0.6	124.7	89.9
Merlin Entertainm	451.6	1.2	452.0	307.1
Millennium & Copt	680.0	0.0	685.0	436.0
Mitchells & Butle	0.0	0.0	0.0	0.0
National Express	418.8	-1.2	438.4	361.4
PPHE Hotel Group	1830.0	-20.0	1990.0	1490.0
Rank Group	151.0	2.4	187.6	135.0
Restaurant Group	150.8	1.5	221.9	111.9
Stagecoach Group	130.9	-2.9	177.0	115.5
TUI AG Reg Shs (D	840.8	-4.6	1631.0	698.0
Wetherspoon (J.D.	1545.0	-3.0	1581.0	1066.0
Whitbread	4646.0	-1.0	5114.0	3883.0
William Hill	155.3	-4.1	297.5	132.3
Wizz Air Holdings	3530.0	-151.0	3769.0	2329.0

AIM 50

	Price	Chg	High	Low
Abcam	1325.0	-14.0	1539.0	1017.0
Advanced Medical	287.0	-1.0	370.0	260.0
Alliance Pharma	70.0	1.0	95.6	60.0
ASOS	2555.0	-4.0	6222.0	2107.0
Blue Prism Group	1437.0	17.0	2575.0	1040.0
Camellia	10400.0	-150.0	11800.0	9100.0
CareTech Holding	377.0	-2.0	406.0	325.0
Central Asia Meta	207.5	-2.5	266.5	200.5
Clinigen Group	1001.0	25.5	1069.0	721.0
CVS Group	926.0	-4.0	1132.0	395.0
Dart Group	752.0	-26.0	1017.0	751.0
Diversified Gas &	107.0	-2.5	134.0	100.0
Draper Esprit	516.0	2.0	645.0	458.0
Eland Oil & Gas	119.0	-2.8	134.5	97.0
EMIS Group	1234.0	20.0	1242.0	864.0
Fevertree Drinks	2460.0	-13.0	3956.0	2070.0
First Derivatives	2980.0	-5.0	4390.0	2050.0
Frontier Developm	986.0	3.0	1385.0	740.0
Gamma Communicati	1055.0	25.0	1195.0	688.0
GB Group	599.0	-2.0	631.0	410.5
Gooch & Housego	1345.0	-20.0	1880.0	954.0
Hurricane Energy	43.1	-0.6	60.8	39.0
Impax Asset Manag	242.5	-7.5	295.0	184.0
Iomart Group	326.0	1.0	475.0	308.0
IQE	65.2	-2.2	112.5	51.6
James Halstead	514.0	2.0	532.0	367.0
Johnson Service G	167.0	-0.2	172.0	113.6
Keywords Studios	1716.0	50.0	2065.0	900.0
Learning Technolo	114.4	1.6	166.5	62.2
M&C Saatchi	335.0	2.0	394.0	270.0
M. P. Evans Group	681.0	4.0	800.0	637.0
Majestic Wine	252.0	3.0	472.0	219.0
Midwich Group	556.0	16.0	685.0	491.5
Mortgage Advice B	580.0	-24.0	720.0	490.0
Next Fifteen Comm	622.0	8.0	658.0	469.0
Nichols	1800.0	10.0	1840.0	1240.0
Numis Corporation	244.0	-5.5	430.0	221.5
Polar Capital Hol	580.0	-10.0	680.0	448.0
Purplebricks Grou	117.6	3.2	300.0	90.0
Redde	114.0	-1.4	196.0	90.0
Renew Holdings	402.0	7.0	436.5	333.0
RWS Holdings	652.0	10.0	654.0	415.5
Scapa Group	190.4	3.0	473.4	157.0
Secure Income Rei	417.0	3.0	420.0	371.0
Serica Energy	108.8	-2.2	142.0	68.6
Smart Metering Sy	518.0	3.0	665.0	480.0
Telford Homes	351.0	-1.0	430.0	267.0
Thorpe (F.W.)	326.0	1.0	340.0	248.0
Watkin Jones	204.0	-1.0	232.5	192.2
Young & Co's Brew	1625.0	10.0	1885.0	1322.5
Young & Co's Brew	1145.0	65.0	1300.0	1030.0

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MAIN CHANGES UK 350

Risers ↑		%	Fallers ↓		%
Sanne Group	567.0	13.9	Centrica	73.6	-19.0
Elementis	147.5	10.4	Fresnillo	653.6	-17.7
Aggreko	836.6	7.7	CYBG	179.9	-9.6
4Imprint Group	2800.0	6.5	Metro Bank	370.2	-6.8
BBA Aviation	323.0	6.2	Intu Properties	70.3	-6.4
Provident Financia	437.2	5.2	Greggs	2236.0	-6.2
Future	1146.0	3.2	Spectris	2593.0	-5.6
BP	543.2	3.1	International Cons	414.8	-5.4
Ted Baker	930.5	3.1	Hunting	513.5	-5.1
Ascential	397.6	2.7	Amlin	568.0	-4.6

EU SHARES

	Price	Chg	High	Low
AB INBEV	90.88	-0.50	91.88	56.32
ADIDAS N	279.35	-9.80	290.15	178.30
AIR LIQUIDE	125.20	0.95	127.20	101.85
AIRBUS BR	127.72	-2.36	133.86	77.50
ALLIANZ	208.45	-4.80	218.70	170.50
AMADEUS IT GRP BR-A	71.42	-1.50	82.20	58.06
ASML HLDG	205.00	-1.05	211.50	130.12
AXA	23.00	-0.50	23.99	18.40
BANCO SANTANDER	3.89	-0.15	4.82	3.80
BASF N	60.59	-1.57	82.71	57.26
BAYER N	57.11	-2.38	96.97	52.00
BBVA	4.66	-0.15	6.33	4.48
BMW	67.21	-1.18	86.71	61.31
BNP PARIBAS A	41.52	-1.14	56.94	38.14
CRH PLC	29.55	-0.39	34.87	26.53
DAIMLER N	47.25	-1.17	59.90	44.54
DANONE	78.22	-0.52	79.42	59.72
DEUTSCHE POST N	29.27	-1.17	32.20	23.43
DEUTSCHE TELEKOM N	14.90	-0.26	15.88	13.36
ENEL N	6.17	-0.08	6.62	4.22
ENGIE	14.04	-0.28	14.39	11.31
ENI N	14.09	-0.15	16.71	13.39
ESSILORLUXOTT	118.55	-0.80	129.55	95.50
FRESENIUS	44.94	-0.90	71.00	38.50
IBERDROLA	8.52	-0.12	9.13	5.81
INDITEX	26.97	-0.51	28.86	21.85
ING GROUP	10.08	-0.26	13.28	9.09
INTESA SANPAOLO N	1.97	-0.03	2.66	1.80
KERING	471.35	-7.75	539.80	351.70
KON AH DEL BR	20.40	-0.35	24.01	18.60
L'OREAL	247.40	-3.70	257.80	182.00
LINDE	176.35	-2.70	0.00	0.00
LVMH	374.50	-4.25	392.65	242.30
MUENCHENER RUECKV N	217.50	-4.10	228.70	180.00
NOKIA	4.91	-0.12	5.76	4.17
ORANGE	13.46	-0.16	15.25	13.08
ROY.PHILIPS	42.37	-0.15	42.96	29.05
SAFRAN	131.10	-1.45	137.20	99.98
SANOFI	75.58	-1.52	80.44	71.32
SAP I	110.26	-3.44	125.00	84.02
SCHNEIDER EL	77.38	-1.88	81.36	57.54
SIEMENS N	99.50	-1.84	121.34	90.90
SOCIETE GENERALE	22.06	-0.85	35.06	20.81
TELEFONICA	6.96	-0.14	8.06	6.59
TOTAL	47.24	-0.83	55.39	44.23
UNILEVER	52.85	-0.07	55.40	45.30
VINCI	90.00	-2.20	94.96	69.98
VIVENDI	25.00	-0.54	26.69	20.80
VOLKSWAGEN VZ I	151.22	-1.68	163.70	131.02

COMMODITIES

Gold	1419.05	-1.35
Silver	16.39	-0.05
Brent Crude	63.71	0.25
Krugerrand	1453.65	11.60
Palladium	1532.00	11.00
Platinum	867.00	4.00
Tin Cash Official	17790.00	-240.00
Lead Cash Official	2123.50	-94.50
Zinc Cash Official	2423.00	48.00
Copper Cash Official	5949.50	4.50
Aluminium Cash Official	1795.00	-21.00
Nickel Cash Official	14055.00	-70.00
Aluminium Alloy Cash Official	1270.00	17.00
Cocoa Futures	2375.00	-16.00
Coffee 'C' Futures	99.08	-2.07
Feed Wheat Futures	148.75	0.25
Soybeans Futures Continuation Contract	876.40	-9.20

CREDIT & RATES

BoE IR Overnight	0.750	0.00
BoE IR 7 days	0.750	0.00
BoE IR 1 month	0.750	0.00
BoE IR 3 months	0.750	0.00
BoE IR 6 months	0.750	0.00
LIBOR Euro - overnight	-0.466	0.00
LIBOR Euro - 12 months	-0.348	-0.01
LIBOR USD - overnight	2.345	-0.01
LIBOR USD - 12 months	2.198	0.00
Halifax mortgage rate	3.990	0.00
Euro Base Rate	0.000	0.00
Finance house base rate	1.000	0.00
US Fed funds	2.50	0.00
US long bond yield	2.58	-0.01
Euro Euribor	-0.402	0.00
The vix index	13.92	1.10
The baltic dry index	1922.00	-15.00
Markit iBoxx EUR	245.63	-0.01
Markit iBoxx GBP	348.67	-0.51
Markit iBoxx USD	255.68	0.41

WORLD INDICES

	Price	Chg	%chg
FTSE 100	7646.77	-39.84	-0.52
FTSE 250	19774.82	-111.88	-0.56
FTSE All-Share	4164.69	-21.48	-0.51
FTSE AIM All-Share	932.36	2.44	0.26
S&P 500	3013.18	-7.79	-0.26
Dow Jones I.A.	27198.02	-23.33	-0.09
Nasdaq Composite	8273.61	-19.71	-0.24
Xetra DAX	12147.24	-270.23	-2.18
CAC 40	5511.07	-90.03	-1.61
Swiss Market Index	9890.90	-79.97	-0.80
ISEQ Overall Index	6129.11	-138.48	-2.21
FTSEurofirst 300	1516.75	-21.57	-1.40
Hang Seng	28146.50	40.09	0.14
Shanghai Composite	2952.34	11.33	0.39
STI Index	3345.61	3.87	0.12
ASX All Ordinaries	6928.30	16.90	0.24

US SHARES

	Price	Chg	High	Low
3M	177.63	0.87	219.75	159.32
ABBOTT LABORATOR	88.31	-0.24	88.76	63.07
ADOBE	303.64	-3.58	313.11	204.95
ALPHAB RG-C-NV	1225.14	-14.27	1289.27	970.11
ALPHABET-A	1228.00	-13.84	1296.98	977.66
AMAZON.COM	1898.53	-13.92	2050.50	1307.00
AMERICAN EXPRESS	126.47	-0.72	129.34	89.05
APPLE	208.78	-0.90	233.47	142.00
AT&T	34.18	-0.16	34.64	26.80
BANK OF AMERICA	30.89	0.37	31.91	22.66
BERKSHIRE HATH RG-B	207.81	-0.80	224.07	186.10
BOEING CO	347.46	7.25	446.01	292.47
CATERPILLAR	132.95	-1.51	159.37	112.06
CHEVRON	124.34	0.11	128.55	100.22
CISCO SYSTEMS	56.47	-0.46	58.26	40.25
CITIGROUP	71.71	-0.05	75.24	48.42
COCA-COLA CO	53.72	-0.27	54.82	44.25
COMCAST-A	44.08	-0.15	45.30	32.61
DOW	48.40	0.35	0.00	0.00
EXXON MOBIL	75.35	0.01	87.36	64.65
FACEBOOK-A	197.04	1.10	208.66	123.02
GOLDMAN SACHS GR	221.40	1.08	245.08	151.70
HOME DEPOT	217.36	-0.68	219.30	158.09
IBM	149.77	-1.11	154.36	105.94
INTEL	51.70	-0.81	59.59	42.36
JOHNSON & JOHNSO	132.08	-0.94	148.99	121.00
JPMORGAN CHASE	115.59	-0.26	119.24	91.11
MASTERCARD RG-A	278.16	-3.28	283.33	171.89
MCDONALD'S	212.34	-2.64	218.96	153.13
MEDTRONIC	103.75	0.49	103.87	81.66
MERCK	83.27	0.78	87.07	63.53
MICROSOFT	140.35	-0.68	141.68	93.96
NETFLIX	325.93	-6.77	386.80	231.23
NIKE -B-	87.20	-0.42	90.00	66.53
ORACLE	57.49	-0.57	60.50	42.40
PAYPAL HOLDINGS	112.04	0.59	121.48	74.66
PEPSICO	118.61	0.56	119.74	101.06
PEPSICO	130.48	-1.05	135.24	104.53
PFIZER	38.79	-2.66	46.47	38.14
PHILIP MRRS INT	86.30	-0.46	92.74	64.67
PROCTER&GAMBLE	120.41	4.41	121.76	78.49
TRAVELERS COS	147.62	-1.12	155.09	111.08
TWITTER	41.00	-0.50	42.33	26.19
UNITEDHEALTH GRO	254.93	1.11	287.94	208.07
UTD TECHS	135.30	-0.42	144.40	100.48
VERIZON COMM	56.63	-0.74	61.58	51.43
VISA RG-A	181.53	-1.68	184.07	121.60
WALGREENS BOOTS	55.40	0.28	86.31	49.31
WALMART	112.06	-0.21	115.49	85.78
WALT DISNEY	144.93	-1.46	147.15	100.35
WELLS FARGO	48.55	0.27	59.53	43.02

OFFICE POLITICS

Cycling: A perfect blend of business and pleasure

Londoners love riding their bikes to work, but offices must start to pick up the pace

Recent Transport for London figures show that cycling in the city is at an all-time high

Gareth Mills

EVERY July, our TV screens are dominated by two major sporting events – the green grass of Wimbledon, and the men in lycra cycling across France for what is often regarded as the toughest sporting challenge in the world, the Tour de France.

While even the most reluctant of fans is suddenly gripped by the tennis at Wimbledon, the Tour represents a crescendo for a sport that has cemented its place on our roads, in our fitness routines, and in the popular imagination through British success on the international stage.

Closer to home, this weekend's Prudential RideLondon event includes what is, according to our data, the most popular cycle climb in the world: Box Hill. Easily accessible from the capital, this iconic Surrey climb has been attempted by over 103,000 people to date.

In a city like London, where you can cycle to work more quickly than you can drive, where millions has been invested in infrastructure that supports cycling, and where schemes like Cycle to Work are encouraging commuters to get on their bikes, it's no surprise that recent Transport for London figures show cycling in the city is at an all-time high.

Not only that, but data from our Strava Metro team – which works with city planners to help make commuting safer – shows that cycle commutes rose a massive 30 per cent year-on-year in 2018.

While Finnish chief executives are known for conducting their most important meetings in saunas, and golf holds a special place in American business culture, here in the UK businessmen and women are increasingly taking to the road on two wheels.

A number of companies now specialise in organising what are explicit corporate cycling events.

The likes of Just Pedal have brought PwC, RBS and Virgin on board, offering bespoke services and pro-level support for curated rides, while community clubs like Tech Bikers, which aims to get London's startups on their bikes for charity, are growing in popularity.

To understand the appeal, you just have to look at the nature of the sport.

Whereas most sports are predicated on competition, group cycling – especially long-distance riding – is a shared experience. It requires team work and communication, and builds personal connections that can easily and effectively translate into the business world.

Whether it's a six-hour bike ride, or simply a shared commute, cycling together is a bonding experience that you simply wouldn't get as part of a buttoned-up corporate drinks reception. Any awkwardness melts away with ease – with plenty of time to talk things through and reach agreements as you take in the view.

And don't forget the frequent stops that happen along the way to catch your breath – perfect to properly iron out the details over a piece of cake and a coffee (the drink of choice for cyclists worldwide, according to our data).

So let's encourage more people to get on their bikes, by helping to facilitate cycling in our offices – whether that's by signing up to Cycle to Work, installing office bike racks, or ensuring that employees have access to showers in the building or in a nearby gym.

As a city, London is increasingly geared towards cycling – it's time that offices kept the pace.

Gareth Mills is UK county manager at Strava.

PEDAL POWER

BikeHub
Free

Using the popular Cyclestreets software, this app helps to plan bike routes, separating them into three categories: quickest, quietest, and shortest. It also locates the nearest bike shops to you and provides useful information on cycling and the law in your area. The app can even be synchronised with an Apple watch, so that you can receive directions from your wrist.

COFFEE BREAK

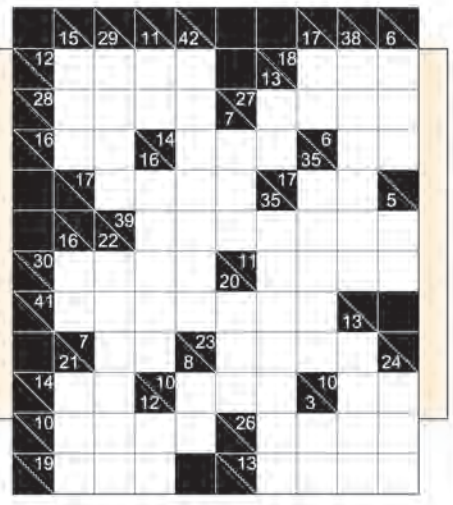
SUDOKU

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

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

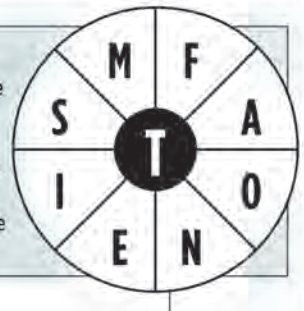
KAKURO

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.

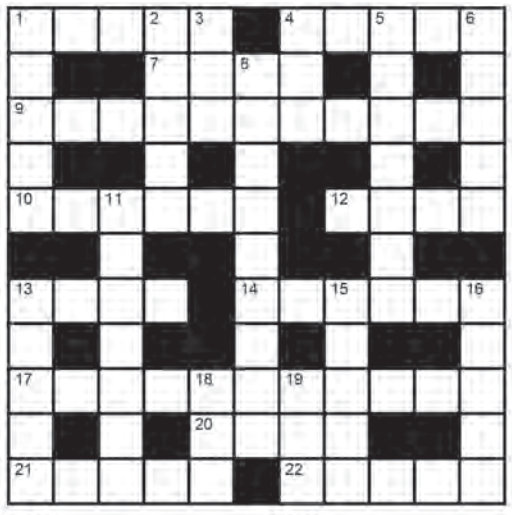


WORDWHEEL

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

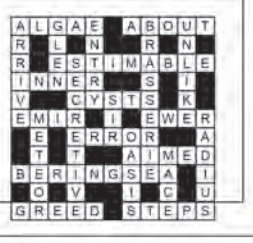
1 Natives of Kuwait, for example (5)
4 Proud claim (5)
7 Cereal thrown at weddings (4)
9 Pledge money (by law) to a specific purpose (11)
10 One of Santa's reindeer (6)
12 Shed tears (4)
13 Flows back (4)
14 Code of law derived from the Koran (6)
17 From that time onwards (11)
20 Smoothing tool used on clothing (4)
21 Distinctive smell (5)
22 Takes a break (5)

DOWN

1 Throbbed dully (5)
2 Thin meat soup (5)
3 Take an exam (3)
4 Honey-producing insect (3)
5 Lacking professional skill (7)
6 Deal with (5)
8 Member of an organised body of church singers (9)
11 Temperature below freezing point (7)
13 Surplus to requirements (5)
15 Repent (5)
16 Cinders (5)
18 US government unit (inits) (3)
19 In favour of (3)

LAST ISSUE'S SOLUTIONS

QUICK CROSSWORD



KAKURO

SUDOKU

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

WORDWHEEL

The nine-letter word was **PERIMETER**

FORUM

EDITED BY RACHEL CUNLIFFE

A box office leadership strategy could break the Brexit deadlock

Alan Mendoza

A WEEK into Hurricane Boris, and the impact of its arrival shows no signs of abating, nor does its box office appeal.

Godfather style, a trail of bodies litter the Conservative backbenches, victims of the "Night of the Blond Knives" as one newspaper called it.

The ancien regime has been largely replaced by Vote Leave revolutionaries summoning up the spirit of Spartacus – or at least those willing to sign up to the ultimate expression of this agenda – typified by the appointment of Dominic Cummings, the eminence gris of the referendum campaign, as a Number 10 adviser.

The panjandrums of the European Union have been placed on notice that no-deal really is back on the table. The new mantra is that the apparently inviolable Irish backstop needs to be junked and the untouchable withdrawal agreement reopened if the EU wishes to avoid a charge into the unknown.

Given that the EU has suggested a firm "non" to this idea in the past, the scene is set for a definitive Gunfight at the O.K. Corral.

Meanwhile, a Mr Deeds-like policy spending blitz is underway to turn the pledges made on the campaign trail into concrete reality.

Beginning with the recruitment of 20,000 police officers, the idea is to show that the new government not only means business, but is going to bring lasting change to the lives of millions.

And while it may not quite be Indiana Jones and the Last Crusade, Boris Johnson's determination to make the Union of the United Kingdom a focal point of his premiership has been given a shot in the arm by his early travel schedule to the home nations in his first few days in the job.

With his critics still reeling from the sheer energy of his multi-pronged offensive, the shock therapy meted out by Boris and his team appears to be working.

Dissident Conservatives have been despatched to their constituencies for the summer. By the time they return to parliament in September, the game they were expecting to play out may have been radically altered.

The Labour party's opinion poll ratings have gone into meltdown, with maverick parliamentarians like Lord Mandelson and expelled members like Alastair Campbell bemoaning the failure of Jeremy Corbyn to respond to the new Prime Minister in any effective way.

The Liberal Democrats may well make a by-election gain tomorrow in Brecon and Radnorshire. But they are reliant on electoral engineering with Plaid Cymru and the Greens standing aside to let them have a clear run at the Remain vote, in a manner not open to those favouring Leave.

Meanwhile, the Brexit Party's support has fallen diametrically in line with the buoyancy shown by the Conservatives in post-Boris polls. It turns out that seeking to deliver on your pledges and being unafraid to invoke the spectre of no-deal as part of a negotiating stance has proved rather popular.

The Faragist bogeyman may yet recede from whence he came.

> **There are the first signs of dissent within the European Union to the possibility of a different deal**

Most significantly, there are the first signs of dissent within the EU to the possibility of a different deal. Importantly, these are coming from Ireland, which has been in the vanguard of an EU approach to a deal that has failed three times to pass in the House of Commons.

It is difficult to overstate the impact of a no-deal Brexit on Ireland. A recent report from Merrion Street warned of a potential £6bn cost to the Irish economy and an estimated increase in unemployment of 50,000-55,000.

Yet for months, all we have heard from Taoiseach Leo Varadhkhar has been the constant refrain that there is no alternative to the backstop from the perspective of both the Single Market and the preservation of the Good Friday Agreement.

The ground may now be shifting from under his feet. A weekend poll in Ireland showed for the first time that under half of the population agreed with Varadkar's megaphone diplomacy Brexit strategy, with elements of the Irish commentariat piling in to demand a change of course.

EU unity may soon be undermined by a dose of Irish realism.

It could of course all yet end in tears. The spending splurge could end up being the money pit. The Union tour might eventually resemble National Lampoon's Vacation.

And Butch Cassidy and the Sundance Kid did not fare too well in their final outing, as the EU negotiating team will doubtless be itching to remind us.

But for now, the Prime Minister's Dirty Harry-style approach looks like reaping dividends.

While he is unlikely to march in to the Council of Ministers with a .44 Magnum and yell "You've got to ask yourself one question. Do I feel lucky? Well, do ya, punk?", Boris has shown that he has understood a different strand of Clint Eastwood's brand of wisdom: "It's a question of methods. Everybody wants results, but nobody wants to do what they have to do to get them done."

Squeamishness about means must therefore be set aside. With a can-do Prime Minister and a will-do Cabinet, the ends in this Brexit process look tantalisingly in sight.

Alan Mendoza is executive director of the Henry Jackson Society.

Where are all the women? A lesson for the new cabinet from the world of academia

Paul Ormerod

THERE has been much discussion on the gender and ethnic composition of Boris Johnson's cabinet. The Channel 4 Fact Check site calculates that 33 MPs are entitled to attend cabinet. Of these, six – 18 per cent – are from an ethnic minority background.

According to the 2011 Census, 14 per cent of the UK population were not white, potentially making the Boris cabinet more ethnically diverse than the country as a whole.

However, on gender diversity, the cabinet appears to fall short. Although it includes eight women compared to the six under Theresa May, this is still only 24 per cent, compared to the 51 per cent of the total population who are female.

The under-representation of women at the highest levels is not only an issue in politics, of course. And a scientific paper published earlier this month on the Cornell University archive site offers an intriguing explanation for why this is.

Albert-Laslo Barabasi, one of the world's leading experts on the science of networks, and his colleagues examine gender inequality in scientific careers, across both disciplines and countries.

The team investigates the publication records of more than 1.5m academics since the 1950s. And the work is of considerable practical relevance: publication is a key way by which academics get promoted.

The paper's main focus is on the so-called stem disciplines – science, technology, engineering and maths – where gender inequalities are the most marked. For example, in physics only 15 per cent of all active authors are female.

Just as important are the persistent productivity and impact differences between the genders. In the stem subjects, on average male scientists publish 13.2 papers during their careers, while female authors publish only 9.6.

The differences are even more marked when looking at quality as well as quantity. The scientific importance of a paper is measured by how many other scholars cite it in their own published work. Male authors in the top 20 per cent in terms of career impact receive 36 per cent more citations than women do.

The gradual increase in the number of women in the sciences compared to 60 years ago has actually led to a widening of the productivity and impact gaps.

Yet Barabasi and his colleagues find that, even at the top level, there is no difference in the annual productivity rates and impact of male and female scientists. The gaps only arise when these are cumulated over the course of a career.

Essentially, men and women produce work of equal quantity and quality. But men have longer research careers, and as a result get to pick up more of the plum jobs.

Significantly, the drop-out rate from active publishing is higher among women than men at every stage of their career, from post-doctoral student to professor.

From this, we can conclude that the key reason for gender inequality of outcome is not the processes by which scientists do research, but how long they keep it up for. Policy interventions must focus on retaining women in science at every stage.

Perhaps that is something to think about in politics too, when considering the gender composition of the next cabinet.

Paul Ormerod is an economist at Volterra Partners LLP, a visiting professor in the Department of Computer Science at UCL, and author of Against the Grain: Insights of an Economic Contrarian.

LETTERS
TO THE EDITOR

Going global

With Boris Johnson proposing a £100m advertising blitz across billboards, radio and television to help prepare the country for a potential no-deal Brexit scenario, it's high time the banking industry developed its own blueprint to reconnect with countries outside the European Union.

After the 2008 financial crash, many developing nations were cut off as western banks pursued an aggressive policy of de-risking transactions, with little consideration for the consequences. This knee-jerk reaction means that over a decade later many major banks have no infrastructure or meaningful relationships with some of the world's most exciting, booming economies.

With the clock ticking down to the October Brexit deadline, it's vital that organisations in the financial services sector seek to build bridges with critical economies in Africa and South America. Key to this effort is recognising that, with the right regulatory technology, expertise and cross-border payments compliance, risk can be eliminated, leading to prosperous international partnerships.

Overcoming the economic challenges posed by Brexit requires much more than securing trade deals with countries like the US. It's vital that all areas of British industry seek new ways to export, and develop a truly international approach to business.

The banking industry simply cannot afford to sit back and continue on a course of complacency. A truly global economy requires trade and partnerships in all areas of the world, with emerging markets at the top of the priority list.

Kevin von Neuschatz, chief executive, Elemental Financial

BEST OF TWITTER

Farming unions in Wales have warned of "civil unrest" if there's a no-deal Brexit. Why? CAP subsidies – for which Wales receives £300million a year – are guaranteed by government until 2022 only. EU tariffs on food products are very high – 40% for lamb, 35% for dairy
@tamcohen

Pro-Brexit Wales is a major dilemma for Labour. It reflects the left's weakening relationship with its traditional, left behind communities, a long-term breakdown of which Brexit is just one part. The downward spiral began long-ago. Who knows when it will stop.
@GoodwinMJ

Person 1: Welcome home. Did you have a good day looking at screens at work?
Person 2: Yes, my screens were good. How were your screens?
1: They were less good, so I'd like to watch something on the big screen in our house.
2: Okay, but I might use my small screen while we watch.
@profmusgrave

So many songs about partying all night, being up all night. We need more songs about leaving at a reasonable time & getting 8 hours of sleep. We need songs about how there was gonna be a party but nobody could agree on a date so there's been an indefinite rain check.
@Caissie

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

From mayor to Prime Minister: What Boris can do for London


Gareth Bacon

BORIS Johnson is the first Prime Minister to have served as mayor of London. He gets London: he knows what make our city a success and understands the challenges we face. And that's why his premiership is a great opportunity for our city.

With the right approach, Boris can help to fill the leadership vacuum left by Sadiq Khan, who has comprehensively failed on crime, housing, and transport in London.

With this in mind, I have written to the new Prime Minister and outlined how he can deliver for our capital.

First, he needs to end the uncertainty surrounding Brexit and take the UK out of the EU on 31 October – continuing to kick the can down the road would be damaging to our city.

London's preference will always be to leave with a good deal, but in light of the approach to negotiations taken by the EU so far, it is vital for the new Prime Minister to prepare our country comprehensively for the possibility of leaving without one.

But regardless of the type of Brexit we secure, it is imperative that we protect the rights of the one million EU nationals living in the capital. These Londoners have unfairly and unacceptably had to endure three years of uncertainty, so it is encouraging to see that Boris has already pledged to guarantee these rights irrespective of the Brexit outcome.

Second, the new Prime Minister needs to confront London's violent crime epidemic, which has tragically taken the lives of far too many Londoners. His plan to put 20,000 more police on the nation's streets is a start, but it is not a complete solution.

In order to keep our city safe, the Metropolitan Police need the cost of policing the capital city to be fully reimbursed, as well as the certainty and clarity provided by a multi-year funding settlement. Multi-year funding settlements are nothing new, and there is no reason why the UK's biggest police force should not receive one.

Third, transport. Boris is entirely right to have such a passionate belief in the transformational impact of certain big transport infrastructure projects. In London, this attitude should translate into an unshakeable commitment to completing Crossrail 2.

The Prime Minister shouldn't let Khan's failure to deliver Crossrail 1 on time and on budget undermine the case for its successor, which will regenerate communities and support the development of 200,000 new homes.

It is imperative that we protect the rights of the one million EU nationals living in the capital

However, the new Prime Minister's enthusiasm for infrastructure projects shouldn't be unconditional, and he should maintain his passionate opposition to the plans to expand Heathrow. As they stand, the Heathrow expansion plans are eye-wateringly expensive, environmentally calamitous, and hugely disruptive for south west Londoners.

The new government needs to hold a review into the UK's long-term airport capacity problem which we believe will show that plans for a third runway should be scrapped and alternatives urgently developed.

Alongside sorting Brexit, cracking down on crime, and securing the right transport infrastructure upgrades, Londoners need the new Prime Minister to help ease our city's drastic housing shortage. We must ensure that young Londoners are able to take their first step on the housing ladder while families aren't forced out of our city.

This requires an approach which balances the need to build more family-sized homes and develop disused brownfield sites with the careful protection our city's green spaces. The current mayor's back-to-front draft London Plan does completely the opposite, which is why Boris should block it.

His first week as Prime Minister has been characterised by optimism, a can-do attitude, and uplifting energy. This determination to deliver, combined with the approach outlined above, will enable Boris to build on his legacy as mayor and make the greatest city in the world even greater still.

Gareth Bacon is Conservative group leader of the London Assembly.

DEBATE

Are the citizens' convention on UK democracy proposals a good idea to restore faith in politics?

YES


ELIOT WILSON

"Politics is broken." That's been the mantra for years now, at least since the expenses scandal of 2009. There has been a terrible rent opened between elected and electors, and an almost-complete loss of public trust.

We've all heard the phrases: "in it for themselves"; "just for the few". If you believe in democracy as the best form of representative government we can have, it's a dispiriting landscape.

One solution proposed is a citizens' convention on UK democracy. This would engage with as large a section of the population as possible, and ask fundamental questions about how our system operates, not about individual policies. Think discussions on campaign finance, not Brexit.

I don't know if it will work. Maybe people are so apathetic that they won't even respond. But,after more than 10 years working in parliament, I'm convinced that something has to be done. Structured, popular change is better than revolution. A change is gonna come, oh yes, it will.

Eliot Wilson is chief writer at Right Angles and a former House of Commons official.

NO


LAUREN MCEVATT

There are a host of problems with these proposals: they are unrepresentative, their costs underestimated, and their security protections to prevent undue foreign influence non-existent.

There is no baseline of education required, nor any remedy proposed to make up for the poor civic education throughout the UK in the last 30 years.

The use of household data from Royal Mail instead of electoral roll data will inevitably favour men. There are no provisions for weighing representation between the regions, and other constitutional partners such as the Crown Dependencies and Overseas Territories do not feature at all.

A £3m budget is proposed, when the government's last mass mail-out for the EU referendum pamphlet cost over £9m. A two-year timeline is laughable – the last commission on devolution in Wales took over five years. And the whole product will then be considered by parliament itself, where most people who are sick of politics feel the original problems rest. The UK's constitution is in need of repair, but not this way.

Lauren McEvatt is managing director at Morpeth Consulting.

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ENTREPRENEURS

FORTUNE FAVOURS THE SHAVE

Katherine Denham speaks to Men-u about the cosmetic industry's plastic problem

THERE are no two ways about it: the cosmetic industry has a problem with plastic. Most households are plugged with rows of cosmetics, largely contained in single-use plastic pots.

Globally, the beauty industry produces more than 120bn units of packaging every year, the majority of which is not recyclable, according to Zero Waste Week. This throw-away culture has received a lot of air-time recently, after Sir David Attenborough shone a harsh light on the harm that plastic waste poses to the world's marine life.

Funnily enough, the same day that I meet the founder of men's grooming brand Men-u, Extinction Rebellion activists are down the road causing havoc in an act of defiance against corporate carelessness towards our planet.

Men-u might exist in the plastic-riddled beauty sector, but it's a company that appears to care about minimising the amount of waste it produces.

The central premise of Men-u – which launched in 2001 and is sold in Boots, Mankind, and online – is to provide ultra-concentrated hair and skin products which aim to perform better than mainstream brands, while simultaneously leaving consumers with less waste to dispose of.

HAIRY PROBLEM

Graham Fish comes armed with an unbranded aerosol can, the sort you would typically see lined up in the men's section of Boots. He pulls it apart, showing me the small plastic bag which holds the shaving gel, the plastic dip tube, and steel can. He tells me that it's partly the intermix of plastic and metals which makes these products so difficult to recycle.

By comparison, a Men-u shaving creme is comprised of a simple plastic bottle, pump or cap, and a cardboard collar.

The ingredients within the container stretch further too. One standard 200ml aerosol shave gel would give you around 50 shaves, while a 100ml Men-u shave creme will give you around 165, provided you use it properly. And Fish tells me that the products amount to between 60 and 90 per cent less packaging than most mainstream brands.

The high concentration of active ingredients means that less plastic is being used overall (a 500ml bottle of Men-u shower gel is equivalent to about two litres of regular shower gel).

There's a challenge, however. While a 200ml Gillette shave gel is typically sold in most shops for about £2, a 100ml Men-u shave creme comes with a £11.95 price tag.

Encouraging consumers to pay extra for a product that is petite in comparison to the bulky bottles you tend to see in shops is especially difficult with men, who are less likely to splash their cash on luxury hair and beauty items than women. But considered overall, Men-u products work out as better value than a first-glance comparison implies.

GOING AGAINST THE GRAIN

Fish also wants to make sure that less product goes down the plughole.

"Lots of men are used to this big aeration when they use shaving foam, without realising that it's the product that comes into contact with the skin and blade that does anything – the rest is all wastage."

So how do you stop customers from lathering up with the same amount of product that they would use with ordinary brands, thereby undermining the whole point of the business?

First, the bottles all have pumps so that customers can be accurate about the quantity they are using, removing the temptation to "overdose".

Customers are also advised to use a shaving brush to disperse the product properly on the skin.

If this all sounds a bit instructive, it's intended to be. Fish, who used to work for American beauty giant Alberto-Culver, says his business vision isn't just about plastic, it's also about educating men around how to shave.

He points to research carried out by the firm which found that most men don't know how to shave properly.

"How do they learn?" he asks. "Most men don't do facial mapping to see how their hair grows, so they end up shaving against the grain. That's why lots of guys end up with sensitive skin."

SHAVING THE WAY

I ask Fish if he has considered going completely plastic-free by switching to other materials like bioplastics, but he's dubious about whether that's really the answer.

"I'm worried that it could be a bit of a diesel moment," he says, referencing the government's environmental crusade to encourage drivers to opt for diesel-powered vehicles instead of petrol, before U-turning shortly after.

A mass movement away from plastic to other materials could have unintended consequences, which end up being more detrimental to the planet than the initial plastic was. Indeed, Fish points out that some durable kinds of bioplastic need to be broken down by combusting units under high temperature, which then blow lots of methane into the environment.

The Men-u boss is also critical of the government's decision to tax plastic packaging which contains less than 30 per cent recycled material from 2022, warning that it will be difficult to police. "I also don't think it's going to reduce consumption of plastic, because companies will just pay more to use virgin plastic, and pass the costs onto consumers."

Another problem is that many plastics can only be recycled once, making it even harder for landfills to separate what can be reused and what can't.

Instead, Fish would prefer the government to hone-in on decisions to help reduce the amount of waste in the first place. When you consider that each UK citizen wastes about 76kg of plastic each year, while in Sweden it's around 18kg, it's clear that a lot more can be done by the British government and retailers.

"The decision is being left to consumers, when we really need brains to come together to design a good system and police it, because otherwise it's up for abuse," Fish says.

As well as reduction of waste, he argues that the recapture system – that is, how plastic is reused – is just as important as recycling. "Plastic is a great invention – it has some great characteristics which could be put to good use in many ways, such as outdoor furniture or building materials."

It's refreshing to hear of a cosmetic business that is thinking about its broader impact on the planet, but also aware of the practical considerations of various solutions.

Of course, there is no clean-cut answer to solving the plastic problem, but if both companies and consumers can work to shave the amount of waste that is produced in the first place, it's definitely a good start.

MOTORING

BY MOTORINGRESEARCH.COM FOR CITY A.M.

MORE T, VICAR?

The new Porsche Cayman T is a sharper, more driver-focused sports car. But it's not the one **Tim Pitt** would buy

For Porsche fans, the letter 'T' has mixed meanings. In 1967, the 911T debuted as Stuttgart's entry-level sports car, replacing the four-cylinder 912. Six years later, Porsche launched the 911 Carrera 2.7 RS. In T-for-Touring spec, it was the exact opposite: a more luxurious take on the flagship road racer. Then, in 2017, came a new 911T, this time a mid-range model focused on paredback performance. Confused? You're right to be.

The new 718 Cayman T follows the lead of that recent 911: no extra power, but less weight and a sportier chassis. A budget GT4, if you will. Additional kit includes adjustable suspension, a mechanical limited-slip diff, torque vectoring, the Sport Chrono pack, sport mode for the stability control and a 'loud' button for the exhaust. You also get 20-inch alloys, retro sill stripes that evoke the classic RS, plus the all-important fabric interior door straps. They probably save the weight of a crisp packet, but reek of motorsport kudos.

Tick all those options on a basic 2.0-litre Cayman and Porsche says you'll pay 10 percent more than the £7,265 premium for the T. Notionally it's good value, then. On the downside, that elevates it to within £1,691 of the 2.5-litre Cayman S. So which one should you buy? Let's settle this with a race...

Okay, full disclosure: this isn't Top Gear and I'm not Jeremy Clarkson. So I won't be racing the Stig up a runway. Nonetheless, I've set my alarm unsociably early and planned a long, cross-country loop on some of my favourite Kent and Surrey B-roads. Frankly, if the Cayman T can't shine here, it doesn't deserve those stripes. Or straps.

My Cayman T came with the £2,303 paddle-shift auto gearbox, which seems less aligned with its hardcore ethos than the six-speed manual.

PORSCHE CAYMAN T	
PRICE:	£54,358
0-62MPH:	4.7 SECS
TOP SPEED:	170MPH
CO2 G/KM:	180G/KM
MPG COMBINED:	32.8MPG

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

Then again, the PDK 'box – it stands for Porschedoppelkupplung, if you must know – is telepathically intuitive and whipcrack-quick, so I hardly feel short-changed. It's good enough for the 911 GT3 RS, after all. Other extras fitted included cruise control, park assist and dynamic LED headlights, boosting the price from £54,358 to £66,761. Not quite such good value now...

Thankfully, none of the add-ons are really necessary; this Porsche is all about driving. Mid-engined and beautifully balanced, it's perhaps the finest handling car on sale. It corners flat with laser-like focus, its angle of attack adjusted by your right foot as well as your hands. The weighty steering, powerful brakes and modest dimensions all imbue instant confidence. Hedge-lined lanes that feel narrow in a new '992' 911 are a perfect fit for the compact Cayman.

The oft-heard complaint about the 718 concerns its flat-four engine, which sounds a bit, well, like a Subaru. Pressing a button to open the exhaust baffles doesn't change that – it simply adds volume – but it's less of an issue than some suggest. Nonetheless, while the 300hp T feels brisk, and offers plenty of turbocharged torque, it only really comes alive beyond 4,000rpm. I'd certainly welcome the extra oomph of the 350hp Cayman S.

I'm not totally sold on the T's stiffer and 20mm lower suspension either. Combined with rubber-band 25-profile tyres, its ride in the sport setting is too brittle for British tarmac. Doubtless it would be brilliant on-track, or indeed in Germany, but the more supple standard car is better suited to our roads.

And there's the rub. Like the letter 'T' in Porsche folklore, this Cayman can't decide what it wants to be. It has flashes of brilliance, yet feels compromised for daily driving. Even so, the Cayman is still the £50k sports car I'd choose, despite rivals such as the Alpine A110 and Toyota GR Supra looming large in its mirrors. Just forgo a couple of options and buy the S instead.

Tim Pitt works for motoringresearch.com

NOT CONVINCED? CHECK OUT THESE ALTERNATIVES...

ALPINE A110 PURE

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

BMW M2 COMPETITION DCT

		THE VERDICT:	
PRICE:	£53,260	DESIGN	★★★★☆
0-62MPH:	4.2 SECS	PERFORMANCE	★★★★★
TOP SPEED:	155MPH	PRACTICALITY	★★★★☆
CO2 G/KM:	201G/KM	VALUE	★★★☆☆
MPG COMBINED:	29.1MPG		

TOYOTA GR SUPRA PRO

		THE VERDICT:	
PRICE:	£54,000	DESIGN	★★★★☆
0-62MPH:	4.3 SECS	PERFORMANCE	★★★★★
TOP SPEED:	155MPH	PRACTICALITY	★★☆☆☆
CO2 G/KM:	170G/KM	VALUE	★★★☆☆
MPG COMBINED:	34.5MPG		

THE PUNTER

RACING TRADER

BILL ESDAILE'S SUSSEX STAKES 1-2-3

1 TOO DARN HOT
2 LORD GLITTERS
3 CIRCUS MAXIMUS

Bill Esdaile previews this afternoon's Qatar Sussex Stakes

GLITTERS CAN GO WELL BUT MAY FIND ONE TOO DARN HOT

BACK in 2015, Qatar ploughed huge sums of money into the Qatar Goodwood Festival (aka Glorious Goodwood) and the main beneficiary was the Qatar Sussex Stakes (3.35pm), which is now worth a cool £1million.

It is one of the most valuable mile races in the world and the majority of the prize money went back to the sponsors 12 months ago when the Qatar Racing-owned Lightning Spear became the second seven-year-old to win the prize in two years following Here Comes When in 2017.

That may have been an anomaly because it is normally the Classic generation who prosper in this race, with three-year-olds winning seven of the nine renewals between 2008 and 2016.

The hottest three-year-old this year, according to the betting at least, is John Gosden's **TOO DARN HOT** who it is fair to say has had an up and down season so far.

Defeats at York, the Curragh and Royal Ascot got his campaign off to an inauspicious start, but there were excuses and he proved the doubters wrong with an impressive performance in the Prix Jean Prat over seven furlongs at Deauville a few weeks ago.

The son of Dubawi has always shown plenty of speed and it wouldn't be the biggest surprise in the world if Gosden opts to drop him back to sprint distances later in the year.

However, the demands of Goodwood should suit him very well and as long as the ground doesn't get too soft, he has to be the one they all have to beat at 5/4 with Ladbrokes.

His biggest danger could well turn out to be my old friend **LORD GLITTERS** who won the Queen Anne Stakes at Royal Ascot and will relish any rain that falls.

Although David O'Meara's six-year-old has some very strong form at Ascot, he was also an excellent third in this race last year on his first visit to the Sussex Downs.

As is often the case at Goodwood, he was blocked in his run at a crucial time and his hold-up style means he is always going to be a hostage to fortune at this track.

The main worry for his supporters is that he has to concede 8lbs to the three-year-olds, often too tough a task, but if they disappoint he will be there to pick up the pieces.

This is a very solid Group One miler and he looks comfortably the best each-way bet in the race at 7/1 with Coral.

The bookmakers have **CIRCUS MAXIMUS** in as Too Darn Hot's biggest threat and it's easy to see why, as Aidan O'Brien's contender beat today's favourite in the St James's Palace Stakes at the Royal meeting.

It was a brave move by the master of Ballydoyle to bring this son of Galileo back to a mile, yet his decision was vindicated in no uncertain terms as his horse held off the late challenge of another Gosden runner in King Of Comedy.

Connections of Circus Maximus will be hoping for as much rain as possible, while the Gosden and Lloyd-Webber team will be praying it stays away.

In any case, it looks set to be a fascinating contest between these two, as well as Charlie Hills' Phoenix Of Spain who couldn't have been more impressive in the Irish 2000 Guineas at the Curragh back in May.

The Lope De Vega colt didn't seem to run his race at Ascot, but that can happen with some horses and Hills will be hoping to see an improved performance today.

He certainly can't be ruled out based on his Irish Guineas effort, although he has plenty to prove after that Ascot run and on that basis, I'm prepared to leave him out of my top three.

The remaining runners don't seem good enough and this looks the perfect race for Too Darn Hot to give his in-form jockey and trainer another day to remember.

@BillEsdaile

TODAY'S BIG RACE AT GOODWOOD — RACING POST

Going: GOOD, Good to Firm in places

3.35 QATAR SUSSEX STAKES (GROUP 1) (1) £593,391 1m — ITV

1 05-3R4 **ACCIDENTAL AGENT** (18) (P[1]) (D) (1)
E Houghton 5-9-8 ..... **C Bishop 121**
Runs: 19 Wins: 5 Places: 2 £649,114

2 66-301 **LORD GLITTERS** (43) (D) (S,GF,G) (7)
D O'Meara 6-9-8 ..... **D Tudhope 127**
Runs: 22 Wins: 7 Places: 10 £1,442,265

3 2-1178 **ZABEEL PRINCE** (25) (D) (S,G,GF) (8)
R Varian 6-9-8 ..... **A Atzeni 126**
Runs: 12 Wins: 6 Places: 2 £233,249

4 106233 **I CAN FLY** (19) (D,BF) (A,G,GF) (5)
A P O'Brien (IRE) 4-9-5 ..... **D O'Brien 122**
Runs: 18 Wins: 4 Places: 5 £205,080

5 34-161 **CIRCUS MAXIMUS** (43) (B) (D) (6)
A P O'Brien (IRE) 3-9-0 ..... **R L Moore 126**
Runs: 7 Wins: 3 Places: 1 £10,444

6 1-1317 **HAPPY POWER** (39) (D) (G,GS,S) (2)
A Balding 3-9-0 ..... **S De Sousa 121**
Runs: 8 Wins: 4 Places: 1 £58,625

7 122-16 **PHOENIX OF SPAIN** (43) (D) (GF) (4)
C Hills 3-9-0 ..... **J P Spencer 128**
Runs: 7 Wins: 3 Places: 2 £343,015

8 1-2231 **TOO DARN HOT** (24) (D) (GS,G,GF) (3)
J Gosden 3-9-0 ..... **L Dettori★ 133**
Runs: 8 Wins: 5 Places: 3 £726,788

2018: Lightning Spear 7 9 8, Oisin Murphy 9/1 (D Simcock), 8 ran.

★BETTING: 11/10 Too Darn Hot, 5/2 Circus Maximus, 6 Phoenix Of Spain, 8 Lord Glitters, 16 Zabeel Prince, 20 Others

Bill Esdaile previews the rest of Goodwood and the Galway Plate

More Glorious winners await Tudhope with Dubawi Fifty


Dubawi Fifty (blue and yellow cap) has some excellent form in staying handicaps

THERE are very few Flat races started by a flag and possibly the most famous is today's opening Unibet Goodwood Handicap (1.50pm), run over 2m4½f.

Founded in 1823, this is one of Goodwood's oldest races and is always popular with racegoers because the runners start in front of the stands, going the reverse way down the course before looping and coming back up the straight.

Last year's hero Lil Rockerfeller is bidding to become the first dual winner since Hugs Dancer in 2002, but he will have to defy a huge rise in the weights to do so.

You would struggle to find an easier winner than Neil King's inmate 12 months ago, making a mockery of his mark of 82 and coming 15 lengths clear of his rivals.

He hasn't run on the Flat since then because he has an aversion to starting stalls, but that doesn't mean he's managed to avoid the handicapper and now lines up 17lbs higher.

That will make things tough, although he obviously can't be ruled out after such a strong performance.

However, the one I think is going to be very hard to beat is **DUBAWI FIFTY** after his excellent second in the Northumberland Plate last month.

That was Karen McLintock's stable star's first start for over a year and he travelled beautifully into the race only to be worn down late on by Who Dares Wins.

He has a brilliant record in staying handicaps, having been placed in the Cesarewitch, Chester Cup, Ascot Stakes and now the Plate.

The trip won't be a problem and with in-form jockey Danny Tudhope taking the ride, he is expected to go very close at around the 6/1 mark.

There are plenty of other interesting contenders, including Roger Charlton's progressive True Destiny and Sir Mark Prescott's Timoshenko who is on a six-timer.

Liberty Beach is going to be in warm order in the Group Three Markel Insurance Molecomb Stakes (3.00pm) after her impressive Listed win at Sandown earlier this month.

She also ran a cracker to be fourth to Raffle Prize in the Queen Mary Stakes, so has to be respected from an ideal draw in stall 12 against the stands rail.

Wesley Ward took Maven out of the Norfolk Stakes because of the ground and the US handler will be hoping the rain stays away for his speedball.

He won a Group Three at Chantilly last month, but this downhill test will be a bit of a culture shock based on what he is used to.

Tom Dascombe won this prize four years ago with Kachy and he may be able to repeat the trick with **DR SIMPSON** who looks overpriced at 12/1 with Coral.

She was a good second on debut at Windsor back in April, before running away with a five-furlong novice at Chester earlier this month.

The manner of that victory was hugely impressive and she gets the fillies' allowance which could be significant.

Goodwood handicaps are notoriously difficult puzzles to solve and the 1m4f Unibet Handicap for three-year-olds is no exception.

You can't really rule any of them out, but I will be backing Ralph Beckett's **FUTURE INVESTMENT** at 9/1.

He has won two of his four career starts and there was no disgrace in finishing third to Dadoozdart in the Ulster Derby at Down Royal last month.

POINTERS

Dubawi Fifty e/w	1.50pm	Goodwood
Future Investment e/w	2.25pm	Goodwood
Dr Simpson e/w	3.00pm	Goodwood

De Bromhead pair can leave Poker Party players feeling flush

HIGH class action doesn't just come from Glorious Goodwood this week, with the seven-day Galway Festival taking place on the other side of the Irish Sea as well.

With racing across both codes, there is something for everyone and it's in this evening's highlight, the Galway Plate (7.20pm), where I'm hoping Henry De Bromhead can saddle his third winner of the race in the past five years.

Firstly, I like the chances of one of the younger runners in the line-up, seven-year-old **POKER PARTY**, who will be ridden by Rachael Blackmore.

De Bromhead's inmate hasn't been seen since May, when a distant third in a good novice handicap chase at Punchestown.

Despite finishing over 18 lengths behind Real Steel that day, the form of that race has a history of translating well to today's renewal, with Balko Des Flos finishing third at Punchestown before coming out and winning here in 2017.

Poker Party has a similar improving profile and could be dangerous to dismiss off just 10st4lbs, so looks worth supporting at 16/1 with Coral.

My other selection needs a bit more of a leap of faith as I'm going to take a chance on **VALSEUR LIDO** at a whopping 33/1 with Ladbrokes.

Three times a Grade One winner over fences, the 10-year-old hasn't been at his best for a while now, but he's dropped to a mark of 137 and with claimer Hugh Morgan taking off a further 7lbs, he effectively runs off just 130.

Though he hasn't won since November 2016, his best recent form has come when fresh and combined with the fact the handicapper has given him a serious chance, this classy individual could outrun his odds, especially if the first time cheek-pieces have the desired effect.

@BillEsdaile

POINTERS

Poker Party e/w	7.20pm	Galway
Valseur Lido e/w	7.20pm	Galway

SPORT

AND THEY'RE OFF The best bets for day two of Glorious Goodwood PAGES 18-19

HAT-TRICK Dettori rides Stradivarius to another Goodwood win

Frankie Dettori continued his hot streak by riding Stradivarius to a third straight win in the Goodwood Cup yesterday. John Gosden's odds-on favourite held off Cross Counter and Dee Ex Bee to make it 10 Group One winners in just 60 days for Dettori. "He's a jockey's dream," the 48-year-old said. "He's a bit of a boy, he knows he's good." Stradivarius' win sees the five-year-old match Double Trigger by winning the two-mile prize on three occasions, while it is the horse's eighth victory on the trot overall.

SPORT DIGEST

CAPTAIN ROOT MOVES TO NO3 ON EVE OF FIRST ASHES TEST

England captain Joe Root will move up a place to bat at No3 in the Ashes against Australia. Root swaps positions with Joe Denly, who will bat at No4 in the first Test at Edgbaston, which begins tomorrow. The 28-year-old averages 48 at No4, compared with 40 when batting a place higher, but Denly said: "Rooty just wanted to get involved in the game, get up there and get out in the middle."

INJURED SHIELDS IN RACE TO BE READY FOR WORLD CUP

Brad Shields is a major doubt for England's World Cup squad after being ruled out for six weeks with a foot injury. The flanker returned home last week from the side's training camp in Italy with a tear in the lower foot and faces a race to be fit for England's opening game against Tonga on 22 September.

CHELSEA FAN BANNED FOR RACIALLY ABUSING STERLING

Chelsea have issued a lifetime ban to a fan for using "racially abusive language" towards Manchester City forward Raheem Sterling. The club have also suspended five other supporters for using "abusive language and threatening and aggressive behaviour" during the incident at Stamford Bridge on 8 December. The Crown Prosecution Service deemed there to be insufficient evidence for any criminal charge.

SEMENYA CAN'T DEFEND 800M TITLE AFTER COURT RULING

Caster Semenya will not be able to defend her World Championship 800m title in September after suffering a legal setback. Semenya is appealing IAAF rules which mean athletes with differences of sexual development must take testosterone-reducing medication to compete in certain events. But a Swiss court has now U-turned on its previous suspension of the ruling, meaning the 28-year-old can't compete in Qatar.

CUTRONE JOINS WOLVES AS JUVE FORWARDS EYE MOVES

Wolves have signed striker Patrick Cutrone from AC Milan for £16m. The 21-year-old Italian international has agreed a four-year deal with the Premier League club. Everton are close to agreeing a fee for Juventus forward Moise Kean and Manchester United are in talks to sign Paulo Dybala from the Italian champions.

REALITY BITES AT RANGERS

In our latest season preview of London's Championship sides **Harry Jones** looks at yoyo club QPR

FIVE years is a long time in football, particularly for Queens Park Rangers. And five years on from their last promotion to the Premier League, the club are still suffering from a failed shot at the big time during five manic seasons that saw them go up and down twice.

QPR took the promotion gamble and lost. Now, they are paying the price for falling foul of Financial Fair Play regulations, which led to a £42m settlement with the English Football League last summer and a transfer ban during the January window.

"We're in a prolonged period of trying to recover from the excesses of our failed Premier League tilt," Clive Whittingham of QPR fan site Loftforwords tells *City A.M.*

"Halving your wage bill and then halving it again while staying competitive on the pitch is a challenge."

Having spent last summer trimming their salary budget, offloading big names such as captain Nedum Onuoha, their 2018-19 objectives were limited to mere survival.

Although this was achieved with relative ease – they finished 19th but were 11 points above the relegation zone – manager Steve McClaren lost his job in April.

McClaren's QPR had offered false hope, spending much of the first half of the season just outside the play-off positions before a calamitous run of form saw them tumble towards the lower reaches.

NEW NORM

The former England manager became a victim of that run – and his failure to find the best solution to the club's dire financial circumstances require.

"McClaren was brought in to coach a number of promising youngsters we have at the club," says Whittingham. "But we saw precious little of that development taking place. He demanded a load of expensive, senior loan signings that we couldn't afford to bail him out."

New manager Mark Warburton is well prepared for QPR's financial predicament. The former City trader made his name at Brentford by developing players such as James Tarkowski and Andre Gray and selling them for a large profit.

That tactic is QPR's only option if they are to emerge from the financial mire. Already, Warburton has filled his squad with young free agents and loanees.

The first remit upon which Warburton will be judged, therefore, is how he manufactures team chemistry within a squad packed with new faces.

"We shouldn't fear change as much as we should fear more of the same," says Whittingham. "But trying to build an entirely new team, with 12 players out and 14 in, is a mental thing to try."

Among the most notable arrivals is Yoann Barbet, who they hope will shore up a defence that leaked 71 league goals last year. They have also pinned their hopes on West Ham loanee Jordan Hugill to spearhead what has been an unproductive attack.

Star player and fan favourite Luke Freeman, meanwhile, has joined Sheffield United for £5m – a profit of around £4.5m on QPR's initial investment.

"It may not feel like it, but it's good news," Whittingham says. "It needs to become our new norm, repeated over and over again."