



# CITY A.M.

BUSINESS WITH PERSONALITY

**BORIS' BIG DAY** PM TO LAUNCH BREXIT BATTLE AT TORY CONFERENCE **P5**

**YOU ONLY FLOAT ONCE** SPECTRE OF HARD YEAR HANGS OVER ASTON MARTIN **P12**



WEDNESDAY 2 OCTOBER 2019 | ISSUE 3,469

CITYAM.COM

FREE

# TOP TABLE SHRINKS AT JOHN LEWIS

## RETAILER WIELDS THE AXE WITH WAITROSE BOSS SET TO QUIT AND BOARDS TO MERGE

SEBASTIAN MCCARTHY

@SebMcCarthy

JOHN LEWIS Partnership is slashing its senior management team by a third in a shock £100m bid to cut costs at the struggling retailer.

Around 75 senior managers will get the axe from the current total of 225 in head office, John Lewis said yesterday.

As part of the shake-up, the embattled chain revealed that longtime Waitrose Rob Collins is stepping down next year.

It is also set to merge the boards for the John Lewis department store chain and Waitrose, comprising seven new director roles and helmed by a chair.



The major management overhaul is seen as a bid by outgoing chairman Sir Charlie Mayfield to set the table for his successor, the current Ofcom boss Sharon White, who will take the reins at the head of the partnership at the end of the year.

There will no longer be divisional boards or separate managing directors for John Lewis & Partners and Waitrose & Partners.

**Retail rookie Sharon White will take charge of John Lewis later this year**

"This is an extremely bold move. The merging of both businesses signals a single-minded focus on delivering cost-saving efficiencies, improving productivity and creating a

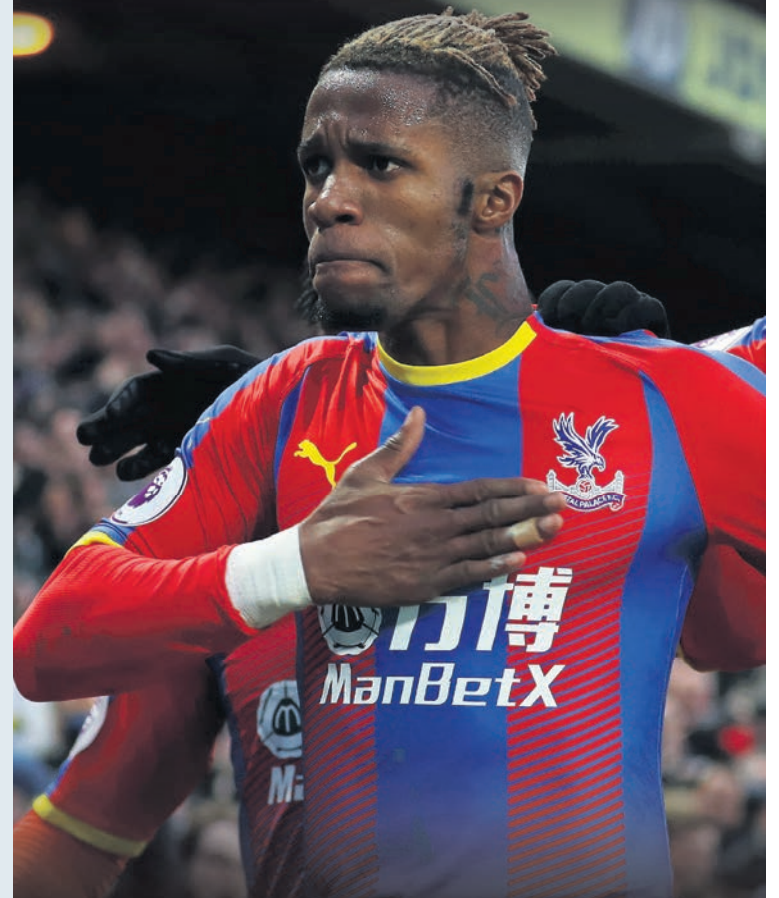
harmonised proposition to leverage value from their customer base," said Richard Lim, chief executive of Retail Economics.

Mayfield said in a statement: "Although there will be little or no disruption to our shops or websites in the near term, there will be considerable change in many other areas of the Partnership as we bring the two businesses much closer together.

"These are necessary and these changes will be difficult for some of our partners and we will implement as carefully and sensitively as we can." John Lewis is battling high street headwinds, from higher fixed costs to fierce competition.

Last month the firm revealed its first ever half-year loss, blaming lower sales of homewares and electrical goods as well as rising costs.

## EAGLES HAWKED £210m price tag put on Premier League club



FRANK DALLERES

@frankdalleres

CRYSTAL Palace is being hawked to prospective buyers in a deal which would value the Premier League football club at £210m.

A document circulating among bankers and seen by City A.M. offers to facilitate the purchase of at least 75 per cent and up to 90 per cent of the club, for either a single buyer or consortium.

Any takeover would offer a way out to Josh Harris and David Blitzer, the

Wall Street-based financiers who bought a controlling stake in the Selhurst Park outfit in 2015 but were reported to be eyeing a sale in March of this year.

Flamboyant chairman and minority owner Steve Parish is open to staying on but is willing to dilute his stake, according to the teaser document dated September 2019. Crystal Palace declined to comment, but it is understood the document was not drawn up by the club themselves.

CONTINUES ON P23

## Suisse exec steps aside as spy scandal rocks staid world of Zurich banks

SEBASTIAN MCCARTHY

@SebMcCarthy

A BOTCHED spy scandal engulfing Credit Suisse deepened yesterday following fresh revelations of a recent suicide and two high-profile resignations.

In an unprecedented tale of corporate espionage, chief

operating officer (COO) Pierre-Olivier Bouee and head of security Remo Boccali both stepped down over the surveillance of Iqbal Kahn, the lender's outgoing head of wealth management.

The shock departures came as it emerged that a private investigator who helped to organise the snooping of Khan committed

suicide last week.

Khan, a star banker who left Credit Suisse in July and joined arch-rival UBS yesterday, filed a criminal complaint following a confrontation with private detectives which he claimed were tailing him in Zurich.

An internal investigation claimed that Bouee solely initiated the

shadowing of Khan to find out if he was trying to lure in former colleagues to join him at UBS, Credit Suisse said.

Switzerland's second largest bank has admitted that its reputation is likely to suffer as a result of the case, but chief executive Tidjane Thiam has been cleared of any responsibility from

the firm's internal investigation.

Yesterday, the embattled bank's chairman Urs Rohner apologised for the scandal and expressed regret at the death of the external security expert.

THE CEO, THE SPY AND THE SWISS INSTITUTION - THE SCANDAL THAT HAS SHAKEN ZURICH: P9

## CITY A.M.

## THE CITY VIEW

## Get building, Tories — but get building smart

LIKE MOST with an eye on economic growth, the battle to boost productivity and efforts to address regional inequalities, *City A.M.* is — on the whole — a fan of infrastructure investment. The reasons are hardly worth repeating, but for those reading this from a skyscraper in Canary Wharf, the most obvious manifestation is the Jubilee Line and other arteries that serve the financial district. Even for free marketeers, there is an acceptance that government has a job to do to set the table for economic growth via working infrastructure, functioning public services and an education and skills system that equips the next generation. But that does not mean that all infrastructure investment is a good thing in and of itself. When the government goes ahead with a project, the decision should be evidence-based, concept deliverable, and built within a manageable budget. It is hard to see that HS2, in particular, passes any more than one of those tests. Yesterday transport secretary Grant Shapps confessed that he doesn't know how much it would cost; an admission that was probably rather more frank than he'd quite intended. It is welcome that Shapps has opened a review into the future of HS2. Politicians that have managed to resist the urge to simply say yes to so-called grand projects are very welcome indeed. The gigantic bill that hangs around the Treasury's neck makes planning for anything else difficult. But decisions are needed. We await final confirmation on Heathrow, a project for which costs are spiralling. City Airport's expansion is currently held up by planning complaints. The estimates for the final costs of Crossrail are so wildly uncertain as to resemble performance art, and Crossrail 2's future is also far from secure. That's before we get to the much-needed road crossing in east London. The answer to our infrastructure crisis — for that is what we are approaching — is neither to "build, baby, build" nor to ignore it. There is a middle ground, founded in the three tests we have already proposed. This government would win fans in the City if it made decisions, stuck to them, kept costs under control and built the 21st century infrastructure our businesses need.

## The HS2 bill makes planning very difficult indeed

“



Follow us on Twitter @cityam

## BILLION-POUND MAKEOVER Canada Water £3.3bn town centre redevelopment plan gets the green light from Southwark Council



CANADA Water is set to get a £3.3bn facelift over the next 15 years, after Southwark Council granted planning permission for property giant British Land to build a new town centre for the area. The scheme will create 3,000 homes and accommodate 20,000 jobs. Developers hope it will "bring significant benefits to the local economy and the community".

## Decade low for US plant output

HARRY ROBERTSON

@henrygrobertson

THE US manufacturing sector contracted at its fastest rate in a decade in September, according to a closely-watched survey yesterday, as trade wars and a global slowdown took their toll on factories.

The September purchasing managers' index (PMI) from the Institute for Supply Management (ISM) fell to 47.8 — a score not seen since 2009. September was the second month in a row the sector returned a sub-50 score, which indicates contraction. "Global trade remains the most significant issue," said ISM chair Timothy Fiore. He said this was demonstrated by the contraction of new orders, which led to shrinking production and employment in US factories last month.

US factories have suffered in 2019

under the trade policies of US President Donald Trump, who has ratcheted up tariffs on China — the world's second-largest economy. This has damaged global trade and in turn hurt industrial production.

Yet Trump was quick to deflect the blame on to US Federal Reserve chair Jay Powell, arguing that he has not cut interest rates low enough to devalue the dollar against other currencies.

The S&P 500 and Dow indices closed down at their lowest levels in over a month yesterday.

• General Motors (GM) said last night it would be temporarily laying off 6,000 workers at two plants in Mexico. The move is due to a parts shortage following an ongoing strike by 48,000 GM US workers. The strike has also forced GM to idle some Canadian workers and many suppliers have been forced to halt operations.

## EU factories see activity slump in September

HARRY ROBERTSON

@henrygrobertson

THE EUROZONE and UK manufacturing sectors had another dismal month in September, survey data showed yesterday, causing job losses in factories across the continent.

The euro area's manufacturing sector suffered its worst month in seven years as German factories were battered by trade wars and a slowdown in China, surveys from data firm IHS Markit showed.

Meanwhile, the British factory sector was left teetering on the edge of recession as output remained in the red and job losses piled up, according to Markit.

In Britain, "output, new orders and employment all fell further as rising political, trade and economic uncertainties exacerbated concerns about Brexit," said IHS director Rob Dobson. His firm warned of an impending factory recession.

## FINANCIAL TIMES

## LABOUR TO PURSUE PLAN TO NATIONALISE ENERGY FIRMS

Labour is pushing ahead with plans to nationalise Britain's six largest energy suppliers after a landmark vote at the party's annual conference last week, shadow chancellor John McDonnell has confirmed. Delegates at Labour's annual conference voted to adopt a 2030 "net zero carbon" target, which would mean a radical overhaul of the UK economy to strip out fossil fuels.

## UBS ECONOMIST RETURNS AFTER 'PIG' SUSPENSION

A senior economist at UBS who was suspended over remarks relating to a bout of swine fever in China is returning to work. Paul Donovan, chief economist

## WHAT THE OTHER PAPERS SAY THIS MORNING

at UBS Global Wealth Management, was placed on leave in June after he said the outbreak of the disease only "matters if you are a Chinese pig" or "if you like eating pork in China".

## THE TIMES

## MEGHAN MARKLE SUES MAIL ON SUNDAY OVER LETTER

The Duchess of Sussex has started legal action against the Mail on Sunday newspaper over an allegation it unlawfully published one of her private letters. News of the action came in a passionate statement from the Duke, who said that she had become "one of the latest victims" of the tabloid press.

## WOLSELEY PROFIT JUMPS AS IT PREPARES FOR FLOTATION

Wolseley UK is being readied for a flotation on the London Stock Exchange with a six per cent jump in trading profits. The plumbing business is being split from its US parent, Ferguson, the FTSE 100 builders merchants group.

## THE DAILY TELEGRAPH

## BOMBARDIER'S €100M DEAL FOR BATTERY TRAINS

Bombardier has struck a deal worth €100m (£89m) to power trains with lithium batteries, in a major milestone that could cut the cost of a multi-billion-pound government commitment to fully electrify Britain's railways by a third. The train maker has picked Swiss battery specialist Leclanche as its supplier for the next five years.

## UBER SEARCHES FOR NEW LONDON HEADQUARTERS

Uber is set to strike a deal for new, much larger UK headquarters in London once regulators have decided whether to ban the company from the city. Uber is currently housed in Aldgate Tower.

## THE WALL STREET JOURNAL

## AMAZON'S GROCERY STORE PLAN MOVES AHEAD IN LA

Amazon is advancing a plan to open a chain of US grocery stores with early outposts in Los Angeles, Chicago and Philadelphia. Amazon is planning to operate dozens of grocery stores in cities across the country, as part of the online giant's increasing focus on a bricks-and-mortar presence.

## US STEEL TO BUY STAKE IN LOWER-COST COMPETITOR

United States Steel said it would acquire a stake in Big River Steel, forging a partnership with a lower-cost rival that has threatened its core business. US Steel will pay \$700m (£569m) in cash for a 49.9 per cent stake in Big River.

# Ex-Freshfields lawyer alleges sex misconduct

JAMES BOOTH

@Jamesdbooth1

AN EX-FRESHFIELDS Bruckhaus De-ringer lawyer told a tribunal yesterday that an alleged incident of non-consensual sexual activity with a married partner at the firm had left her with ongoing mental health issues.

The Solicitors Disciplinary Tribunal heard the lawyer give evidence from behind a screen about the allegations against partner Ryan Beckwith – who denies wrongdoing.

The lawyer, known as Person A, said Beckwith had shared an Uber to her flat after an evening of drinking that left her “really very impaired”.

“I remember thinking ‘he’s buying us a lot of drinks’ and would buy one when I already had a full one,” she said.

She said Beckwith had got into her Uber taxicab, and when it arrived at her flat asked to use her bathroom.

After Beckwith entered the bath-

room she said the next thing she remembered was sitting on her bed with no jeans or underwear on and Beckwith sitting before her.

“I was repeating ‘you are a partner, you are married, why are you here? I don’t feel comfortable,’” she said.

Later, she said Beckwith had climbed on top of her.

“I’d had so much to drink that I was unable to push him off or anything like that,” she said.

Person A left the firm shortly after the alleged incident which she did not initially report.

“I thought a lot about reporting it to the police... you read a lot about how awful it is doing that,” she said.

She later reported the incident to the firm which launched an investigation that resulted in Beckwith receiving a final written warning.

She said the incident, which happened in 2016, had left her with ongoing mental health problems.

The case continues.

**LOST TO SANDS OF TIME** Ryanair boss says the package holiday market ‘is over’



**RYANAIR’s chief executive has taken a swipe at the package holiday industry, weeks after the firm that effectively founded it, Thomas Cook, went bust. Michael O’Leary, the budget airline’s boss, yesterday said the market “is screwed, it’s over”.**

## Jobs at risk in Nissan SUV threat

AUGUST GRAHAM

@AugustGraham

AUTO workers in Sunderland were concerned yesterday after reports that Nissan could pull production of its Qashqai SUV if Britain leaves the European Union without a deal.

The plant, a backbone in the local economy which supports thousands of jobs, could lose the vital contract, potentially leading it to close, the Financial Times reported.

When Nissan pledged to build the SUV in Sunderland in October 2016, the government hailed the decision as a “vote of confidence” in the UK as it prepared to leave the EU.

This was based on a so-called soft Brexit. With a month left until the deadline when Prime Minister Boris Johnson has said Britain will leave the EU, with or without a deal, Nissan is nervously eyeing its plant.

Nissan said yesterday its plans in Sunderland “have not changed”.

## EY probed over Thomas Cook accounts audit

JOE CURTIS

@joe\_r\_curtis

THE UK’s financial watchdog has launched an investigation into EY’s audit of Thomas Cook’s most recent set of financial results.

The Financial Reporting Council (FRC) yesterday said it had begun a probe into EY’s audit of the collapsed tour operator’s financial year ending 30 September 2018.

“The FRC will keep under close review both the scope of this investigation and the question of whether to open any other investigation in relation to Thomas Cook, liaising with other relevant regulators to the fullest extent permissible,” the watchdog said.

An EY spokesperson said: “We will be fully cooperating with FRC during their enquiries.”

It came as the travel agency’s operations in Belgium and the Netherlands were officially declared bankrupt, putting hundreds of jobs at risk.

Thomas Cook collapsed last week with a £1.7bn debt pile, forcing the government to spend millions of pounds in taxpayer money to repatriate roughly 150,000 Brits stranded abroad.



THE  
HOME EVENT

20%  
OFF  
HOME

ENDS 6 OCTOBER

JOHN  
LEWIS  
& PARTNERS



Teach your children  
to stay safer online

with a little help  
from Google.

Use our fun, free resources.  
Search for **Be Internet Legends**.



## CONSERVATIVE CONFERENCE

**ENTERING THE STORM** Capital hit hard by weather amid warnings it could worsen

THERE were plenty of metaphorical clouds around at the Tory conference in Manchester yesterday, but London felt the full force of the wild weather. The UK is also expected to be hit by another wave later this week — but, like Brexit, that forecast is uncertain.



# Boris to outline final offer to EU in speech today

CATHERINE NEILAN

@CatNeilan

BORIS Johnson's team will today present its formal proposals to the EU, telling Brussels officials it will be "the final offer" before the Halloween Brexit deadline.

The Prime Minister will use his major speech at the Conservative party conference in Manchester to outline what he calls a "fair and reasonable compromise".

Details of the legal text are being kept under wraps until the mid-morning speech. However, it is thought the proposals will include the UK's recommendations that technology and trusted traders' schemes could facilitate customs checks away from the Irish border, which both sides have pledged will not "harden" as a result of Brexit.

Other suggestions are likely to include joint surveillance of the market in manufactured goods and an all-Ireland agri-food zone. Approximately 30 per cent of the goods passing through the border are agricultural.

Johnson is expected to say: "Voters are desperate for us to focus on their other priorities — what people want, what leavers want, what remainers want, what the whole world wants — is to move on."

"That is why we are coming out of the EU on 31 October."

He will contrast his position with that of Jeremy Corbyn, who Johnson says would lead the country "into the chaos and cacophony of two more referendums" on Brexit and Scotland.

But while the Prime Minister's pledge for a "new deal or no deal, but no delay" might go down well in Manchester, Brussels and Dublin have already indicated a less encouraging position, with EU sources telling City A.M. they remain sceptical that a convincing alternative to the Irish backstop could be found.

A time limit to that compromise was widely reported by Bloomberg as a possibility last night.

A senior Number 10 official said: "The government is either going to be negotiating a new deal or working on no deal — nobody will work on delay."

## Off track? Transport secretary refuses to guess at total HS2 cost

ALEXANDRA ROGERS

@city\_amrogers

TRANSPORT secretary Grant Shapps has said he does not know how much the controversial High Speed Two (HS2) rail project currently costs.

HS2, which will link London to the north in stages, is currently subject to a review by its former chairman Douglas Oakervee that could see the project significantly altered or even scrapped.

The project was originally forecast to cost £56bn based on 2015 prices

but estimates have spiralled.

Speaking at a Centre for Policy Studies event at the Tory party conference, Shapps said: "I know that Allan Cook, the chairman of HS2, wrote to me and said it might be £75bn to £85bn, and we hear rumours of people talking about £100bn. The real answer is, I don't know the answer."

At a separate event, chancellor Sajid Javid said there was a cost at which he would pull the plug on HS2, but declined to say what that figure was.

# Javid confirms tax changes in the offing, regardless of deal on Brexit

ALEXANDRA ROGERS

@city\_amrogers

SAJID Javid yesterday confirmed that a government Budget will take place later this year.

The chancellor said there would be a Budget in "due course", following last month's one-year spending round, in which he announced a significant increase in funding for the NHS, education and the police.

Javid said the type of Budget would depend on whether the UK left the EU with or without a deal, but that there would be some tax changes and simplifications that he would push for in either scenario.

Speaking to a fringe event at the Conservative party conference yesterday, Javid said: "But of course, if it was a no-deal outcome, which is still a possibility, there will be the other action you would want to take

which will support the economy."

Elsewhere, the chancellor suggested he was sympathetic to abolishing inheritance tax.

"I shouldn't say too much now, but I understand the arguments against that tax," he said. "I do think that when people pay taxes already through work or through investments and capital gains and other taxes, there's a real issue with asking them to pay... again."



WE COULD  
MAKE PATTERNS  
WITH OUR MILK  
AND CHARGE MORE.  
BUT WE DON'T.



Great tasting coffee, simple

© 2019 McDonald's



HM Government

BREXIT

31 OCTOBER



## BUSINESSES THAT IMPORT GOODS

# Take steps to keep importing goods from the EU

Check the new trade requirements after Brexit to carry on buying goods from the EU. These will include understanding changes to VAT and duty, and getting a UK EORI number. Once you have that, you should also apply to use simplified import procedures (TSP).

Follow the step-by-step guide  
at [gov.uk/brexit](https://gov.uk/brexit)

Get **ready** for Brexit

## MEDIA MERGER Vice edges closer in deal talks with digital publisher Refinery29



VICE MEDIA is said to be in the final stages of talks with Refinery29 about a takeover of the female-focused digital media company. The firms have agreed on most of the details for a combined cash and share buyout, the Wall Street Journal reported.

# Asset managers merely ‘pay lip service’ to ESG

ANNA MENIN  
@annamenin

THERE IS a “significant discrepancy” between the pledges made by the world’s 50 largest asset managers on environmental, social and governance (ESG) criteria and the action managers have actually taken on these issues, new research has found. Although the vast majority of the world’s 50 biggest asset managers — who manage a combined \$50.6 trillion (£41.3 trillion) — are signatories of the United Nations Principles of Responsible Investment (PRI), the total amount of money actually invested sustainably is lagging well behind. While 96 per cent of the top asset managers are PRI signatories, a total of \$30.7 trillion is invested globally under benchmark sustainability definitions, according to a report by Squarewell Partners. The PRI is a pledge investors can sign committing to six principles, but does not outline specific targets. The report said the discrepancy could indicate an issue with “signato-

ries not following the principles they signed up to”. Squarewell partner Edouard Dubois told City A.M. that although many investors and asset managers had signed the PRI since it was launched in 2006, “many were just paying lip service to it”. Dubois said investors have become more concerned about ESG matters and have begun pressing asset managers to take action. “There has always been an element of greenwashing, but fortunately asset owners are really probing asset managers much more.” As well as channelling their cash into ESG funds, the research found that investors are also pushing asset managers to develop their stewardship teams. Almost three quarters (74 per cent) of the top 50 asset managers have dedicated ESG stewardship teams, while 38 per cent have introduced a policy section on ESG issues. Research published last month found that some funds marketed as “fossil fuel reserves free” in fact had exposure to fossil fuels.

## Iron grip on Facebook stopped me being fired, says Zuckerberg

JAMES WARRINGTON  
@j\_a\_warrington

FACEBOOK boss Mark Zuckerberg has admitted he would have been fired on several occasions were it not for his total control over the company. “So one of the things that I’ve been lucky about in building this company is, you know, I kind of have voting control of the company, and that’s something I focused on early on,” Zuckerberg told employees, according to transcripts obtained by The Verge. “And it was important because,

without that, there were several points where I would’ve been fired.” The chief executive cited his decision to turn down Yahoo’s \$1bn (£814m) offer for Facebook in 2006 as an example. At the time, the social media site had just 10m users, compared to Myspace’s 100m, and was on the brink of launching its News Feed, Zuckerberg said. The tech billionaire, who holds roughly 60 per cent of voting rights, has come under scrutiny from shareholders over his iron grip on the company.

# Revolut losses more than double as fintech founders cash in \$25m stake

JOE CURTIS  
@joe\_r\_curtis

LOSSES at fintech behemoth Revolut more than doubled to £33m in its latest financial year, as it ploughed money into a massive expansion. Revenue rose 354 per cent year on year to £58.2m in 2018, according to accounts filed yesterday. However the cost of sales rose 247 per cent, meaning the fintech recorded a loss

after tax of £32.8m, from a loss of £14.8m in 2017. The figures come as Revolut is expected to raise a funding round before the end of the year, which sources told City A.M. will be in the region of \$500m (£406.8m). Data crunched by FT Alphaville yesterday showed chief executive Nikolay Storonsky personally netted \$14.5m after selling around three per cent of his stake in Revolut last

August, following the company’s previous funding round. Co-founder Vlad Yatsenko sold under 20 per cent of his shares for \$8.7m, while then-chief financial officer Peter O’Higgins, who departed amid a transparency scandal earlier this year surrounding Revolut’s sanctions screening systems and customer complaints, sold his entire shareholding which was worth \$1.8m.

## We strive to discover more.

### Aberdeen Standard's Asian Investment Trusts ISA and Share Plan

When you invest halfway around the world, it's good to know someone is there aiming to locate what we believe to be the best investments for you.

We make a point of meeting every company in whose shares we might look to invest. From Thailand to Singapore, from China to Vietnam, we go wherever is required to get to know companies on-the-ground, face-to-face.

To steer your portfolio in the right direction, be with the fund manager who aims to discover more in Asia.

Please remember, the value of shares and the income from them can go down as well as up and you may get back less than the amount invested. Asian funds invest in emerging markets which may carry more risk than developed markets. No recommendation is made, positive or otherwise, regarding the ISA and Share Plan.

The value of tax benefits depends on individual circumstances and the favourable tax treatment for ISAs may not be maintained. We recommend you seek financial advice prior to making an investment decision.

Request a brochure: 0808 500 4000  
invtrusts.co.uk/asia



Aberdeen Standard Investments is a brand of the investment businesses of Aberdeen Asset Management and Standard Life Investments. Issued by Aberdeen Asset Managers Limited, 10 Queen's Terrace, Aberdeen AB10 1XL, which is authorised and regulated by the Financial Conduct Authority in the UK. Telephone calls may be recorded. aberdeenstandard.com



Please quote 2124

# Airbnb plots unconventional direct listing in hotly-anticipated debut

JAMES WARRINGTON

@j\_a\_warrington

AIRBNB is said to be shunning a traditional initial public offering (IPO) in favour of a less conventional direct listing when it floats on the public market next year.

The San Francisco-based tech giant is currently making preparations for a listing that would not involve creating any new shares, Bloomberg reported, citing people familiar with the matter.

A direct listing would allow Airbnb to avoid paying millions of dollars in underwriting fees to banks, and would prevent its shares from being diluted.

The method would also sidestep the need for the firm to open its books to potential investors, a move that weighed heavily on Wework's now-shelved IPO.

Direct listings have become increasingly popular among valuable tech startups, with Spotify and Slack both opting for the

alternative route to the public market.

Airbnb may also have been put off by the disappointing recent IPOs of Uber and Lyft, which have both seen their share prices tumble following a poor reception from investors.

Fears of a tech bubble have risen amid Wework's halted float that has led to founder Adam Neumann stepping down as chief executive.

Airbnb has a valuation of \$31bn (£25bn) and its float is likely to be one of the largest of 2020.



Airbnb allows users to sub-let their homes to short-term holidaymakers

# Sainsbury's heir to join media behemoth WPP

JOE CURTIES

@joe\_r\_curtis

SAINSBURY'S has confirmed the chief executive officer (CEO) of Argos is quitting the retail space to join advertising giant WPP as its new chief financial officer, sparking speculation that boss Mike Coupe is in for the long haul.

John Rogers, widely tipped as Coupe's long-term successor, will leave the retailer on 31 October after almost 15 years at Sainsbury's, but will not join WPP until early 2020.

"John has worked alongside me for over 14 years and has made an outstanding contribution to the business," Coupe said. "He leaves Sainsbury's with our best wishes for the future."

Rogers has spent the last three years as Argos CEO, driving a digital transformation project that has led to 65 per cent of sales being made online.

He called the opportunity at WPP "too good to miss".

"I look forward to being a part of

WPP's leadership team as it embarks on its new strategy for growth," he added.

"As a technology-driven business with creativity at its heart, joining WPP was an opportunity impossible to resist and I look forward to playing my part in helping the business deliver its new strategy."

WPP boss Mark Read said: "John is not only an accomplished chief financial officer, but also a leader

The grocery chain recently announced 110 new local stores

with extensive experience of business transformation.

"His priority will be to lead a finance function that best fosters investment in creativity, technology and talent in support of WPP's new strategy for growth."

Neil Wilson, chief market analyst at Markets.com, called Rogers' departure "a blow" due to his strong performance, and criticism of Coupe since Sainsbury's attempted merger with Asda fell apart.



The UK sportswear group revealed its tie-up plans in March this year

# JD Sports defends Footasylum deal amid competition probe

SEBASTIAN MCCARTHY

@SebMcCarthy

THE UK's competition watchdog has decided to plough ahead with an investigation into JD Sports' £90m takeover of Footasylum.

The Competition and Markets Authority (CMA) has referred the deal to an in-depth probe amid concerns it could result in higher prices and less competition.

Fashion giant JD Sports said yesterday that it has informed the CMA it does not think there are any

remedies that it could currently offer to avoid the next stage of the investigation, known as Phase 2.

"The CMA has referred their review of this acquisition to Phase 2 on the basis that it could be bad for competition and may have an impact on price. I strongly disagree with this," said JD Sports executive chairman Peter Cowgill.

The UK trainer and sportswear group revealed in March this year that it plans to combine the two businesses, which already have close links among management.

# Asos set to tap Ocado boss in leadership rejig

JAMES WARRINGTON

@j\_a\_warrington

ASOS is set to announce a raft of new boardroom appointments as it looks to rebuild investor confidence after a series of profit warnings.

The online retailer will today announce several new non-executive directors, including Luke Jensen, the chief executive of Ocado's tech solutions arm, Sky News reported.

The boardroom overhaul will be ushered in by Adam Crozier, who took over as chairman in April.

Asos will be hoping the appointments will breathe new life into the business after a torrid period of trading that has seen two profit warnings since December.

Jensen's appointment is believed to reflect Crozier's aim to beef up the international retailing experience on Asos's board.

At least one of the new non-executives comes from the US, highlighting the retailer's focus on that market, the report stated.

Asos chief executive Nick Beighton is also said to be lining up changes to his management team, with a number of appointments in the pipeline.

The appointments mean some existing board members are likely to step down, one source told Sky News, but this is not thought to include co-founder Nick Robertson.



The bakery firm said it was "building stocks of key ingredients" amid Brexit worries

# Sales growth slows at Greggs as it warns of increased Brexit expenses

JAMES BOOTH

@Jamesbooth1

SALES growth at bakery chain Greggs slowed in the third quarter as it warned of tough comparatives and increased input costs because of Brexit.

Greggs yesterday posted a sales increase of 12.4 per cent for the 13 weeks to 28 September.

Like-for-like sales at company-

managed shops grew 7.4 per cent, down from 10.5 per cent in the first half of the year.

The company had warned that strong comparatives in the previous year meant it was unlikely to repeat that result.

It said its expectations for the full-year remained unchanged.

Greggs also warned that Brexit was putting pressures on both labour and food input costs.

The company said it was "building stocks of key ingredients and equipment that could be affected by disruption to the flow of goods into the UK".

"Greggs sort of notes the chaos of the UK's relations with the EU and so states that it is building stocks of key ingredients, look out for the sausage meat mounds in Tyneside," said Clive Black and Darren Shirley, analysts at Shore Capital Markets.

# Tailed in Zurich: a Credit Suisse spy drama

**Seb McCarthy** on the surveillance scandal that has rocked the world of Swiss banking

**N**OT MANY employees start their first day in the new job with a spying scandal hanging over their head. But so it was for Iqbal Khan, the star banker who began life at UBS yesterday against a backdrop of car chases, cocktail party bust-ups and private investigations.

While it may read like the plot of a John le Carre novel, the drama has in fact been unfolding inside the typically sedate world of Swiss finance.

It began last month when prosecutors opened a probe into Credit Suisse's hiring of private detectives to shadow Khan, the firm's former head of wealth management who left to join arch-rival UBS.

The seven-day spying operation, which was sparked by fears that Khan might poach former colleagues to join him in his new role at UBS, came to light after Khan noticed he was being trailed while out on a shopping trip with his wife.

According to Swiss media reports,



Row over a row: Tidjane Thiam and Iqbal Khan fell out after the neighbours argued over the planting of a row of trees

after being chased through Zurich's quiet business district, Khan stepped out of his car and started to take photos of the license plate of the private investigator's vehicle.

The investigator then allegedly told Khan to stop taking photos and hand over his phone, before Khan started to

shout for police and the private eye left.

Khan's version of events appears to differ markedly from the report by Investigo, the corporate intelligence firm hired to snoop on the banking heavyweight.

Yet, regardless of the truth behind

the confrontation, the unprecedented espionage has rocked the reputation of Credit Suisse.

Yesterday the firm's chief operating officer Pierre-Olivier Bouee, a long-time colleague of Credit Suisse's boss Tidjane Thiam, stepped down after claiming responsibility for the probe.

Thiam himself was cleared of any responsibility, but the fallout has thrown a new spotlight on the chief executive and his frosty relationship with Khan.

While the pair started off on good terms, a personal animosity between the two is said to have developed. Tensions escalated when Khan bought and built up a house neighbouring Thiam's in the wealthy exclusive suburb of the so-called "gold coast" by Lake Zurich.

Rows about the developments spilled over at a cocktail party in Thiam's house, reportedly ending in a heated argument about a row of trees that the Credit Suisse boss had planted on his property.

The saga also took on a darker tone in recent days following the news that a consultant who helped Credit Suisse organise the surveillance died in an apparent suicide, with Credit Suisse chairman Urs Rohner expressing regret yesterday over the man's death.

Switzerland might be famed for its discretion, but this episode of spats, suicide and spying has left the country's second largest lender facing — in its own words — "severe reputation damage".

As Khan moves down the road to start work in his new job, both he and his rivals will be hoping to pull down the curtain on one of the most extraordinary corporate tales of recent times.

It took a dairy farmer, a chief churner, a taste tester and a Relationship Manager from Lloyds Bank to make Jude's award-winning ice cream.

Working with the business, Ivan Darby arranged the finance that helped Jude's Ice Cream to build a new dairy, increase their capacity and expected annual turnover by 50%.

By the side of business

**LLOYDS BANK**

# Ferguson profit climbs seven per cent ahead of planned de-merger

JAMES BOOTH

@JamesDBooth1

PLUMBING parts distributor Ferguson yesterday announced a better-than-expected seven per cent rise in full-year profit as it benefited from cost cutting measures.

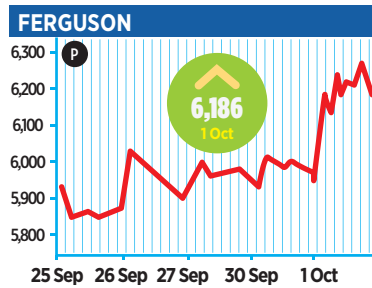
The company said trading profit rose to \$1.6bn (£1.3bn) in the year to 31 July, up from \$1.49bn the previous year.

Revenue grew six per cent to \$22bn.

Analysts had predicted a consensus of trading profit of \$1.6bn and revenue of \$21.9bn.

Last month Ferguson announced plans to spin off its UK business under the Wolsley brand and focus its core business on the North American market.

Chief executive John Martin is stepping down on 19 November.



## HONG KONG Protester shot by police as clashes overshadow China's National Day



A HONG Kong protester was shot in the chest by a live police round yesterday, overshadowing China's celebrations of its 70th anniversary of communist rule. A man was shot in the chest amid further demonstrations in the city.

# UK house price growth weighed down by Brexit

JOE CURTIS

@joe\_r\_curtis

ANNUAL growth in UK house prices fell back to 0.2 per cent in September, according to Nationwide data released yesterday.

The drop in growth came as September's house valuations slipped 0.2 per cent against August.

That left the average UK house price at £215,352 in September, a drop from £216,096 the month before.

Annual growth dropped to a third of August's already subdued 0.6 per cent climb, with economists blaming prolonged Brexit uncertainty and indicators that suggest the UK is teetering towards a recession.

"Indicators of UK economic activity have been fairly volatile in recent quarters, but the underlying pace of growth appears to have slowed as a result of weaker global growth and an intensification of Brexit uncertainty," Nationwide chief economist Robert Gardner said.

"However, the slowdown has centred on business investment – household spending has been more

resilient, supported by steady gains in employment and real earnings."

"The underlying pace of housing market activity has remained broadly stable, with the number of mortgages approved for house purchase continuing within the fairly narrow range prevailing over the past two years. Healthy labour market conditions and low borrowing costs appear to be offsetting the drag from the uncertain economic outlook," he added.

Howard Archer, chief economic advisor to the EY Item Club, said there were "appreciable differences" in house price performances across the country, with overall national performance dragged down by London and the south east.

"With the economy largely struggling and the outlook highly uncertain, we suspect that house prices will remain soft in the near term at least," he said.

It comes a day after bankers at UBS said London's real estate market had moved out of bubble-risk territory for the first time in four years, as affordability issues and ongoing Brexit uncertainty weighed on house prices.

## Energy firms at risk as Ofgem toughens up on late payments

AUGUST GRAHAM

@AugustGraham

FRESH concerns were raised yesterday over the future of four small energy suppliers after Ofgem warned it could revoke their licenses if they did not pay into a renewables fund run by the regulator.

Nearly £15m is missing from a kitty set up to fund renewable energy projects, Ofgem said.

The regulator pointed the finger at Robin Hood Energy, the biggest offender, which still owes £9.4m after missing the 1 September deadline to pay up.

The Nottingham Council-owned supplier said it had agreed a payment plan with Ofgem and will pay off the money before March next year, starting with £2.5m this month. Ofgem said this was untrue.

Rik Smith, an expert at Uswitch, said it "sends the wrong signal if publicly owned providers aren't meeting their obligations."

Tikendra Dewan – the chief executive of Gnergy, which owes £638,000 – criticised Ofgem for not accepting assurances he could pay.

"We sent them the bloody bank statement as well, to show our balance," he told City A.M.

## STYLE WITH CONFIDENCE

IN ASSOCIATION WITH



TURNBULL &amp; ASSER

Wednesday 16th October

6.30pm - 8.30pm

Turnbull & Asser, 71-72 Jermyn St,  
St. James's, London SW1Y 6PF

Join the City A.M. Club and Turnbull & Asser to hear from their hosts - Turnbull & Asser Creative Director, Becky French, Blackhorse Lane denim workshop owner, Bilgehan "Han" Ates, and journalist Aleks Cvetkovic - on how to revitalise your style and confidence, in and away from the office.

Enjoy an evening of relaxed drinks with a Q&A around building your style foundations and why investing in quality is the future of dressing, with a sneak peek of the upcoming Silk Shirts Collection - the ultimate shirt for confident style.

RSVP to [rsvp@turnbullandasser.co.uk](mailto:rsvp@turnbullandasser.co.uk)[www.turnbullandasser.com](http://www.turnbullandasser.com)

CITYA.M.

CITY A.M. CLUB

BLACKHORSE LANE  
ATELIERNO. 3  
LONDON ONLY.COM

HandCut

# London economy stays resilient amid ongoing labour market troubles

ANNA MENIN

@annafmenin

LONDON'S economy performed better than expected during the third quarter but a squeezed labour market troubled businesses trying to recruit staff, new figures have shown.

Sales and orders reached their highest levels for at least a year during the period, according to a survey by the London Chamber of Commerce and Industry (LCCI).

Businesses in the capital increased investment in both training and plant and equipment (by 17 per cent and 15 per cent respectively), while 24 per cent of firms reported increased cash flow. The figures represent the biggest rise in these indicators since the start of 2016.

"For the second consecutive quarter the London economy has returned results that are better than some would expect, given the ongoing political turmoil and uncertainty of Brexit," said Sean McKee, LCCI's director of policy and public affairs.

McKee said the capital's performance "is testament to the resilience of

London's firms", but said some of the increased investment could be part of firms' "Brexit preparation spending, rather than the underlying strength of the economy".

London's tightening labour market, which is heading for record employment levels, may also be partially responsible for the increased spend on training.

Most businesses (83 per cent) did not try to hire new staff during the third quarter, but over half (56 per cent) of those that did encountered difficulties recruiting.

Almost a third (31 per cent) of firms reported coming under increased pressure from their employees to raise wages in the last three months, an increase of eight per cent on the previous quarter.

"A restricted labour market... continues to pose challenges to the capital's firms," said McKee.

"The capital's continued recruitment challenge will leave businesses ever more mindful that the wrong post-Brexit immigration system would make the situation even worse," he added.

## DECODING DIVERSITY City A.M.'s new events programme gets off the ground

CITY A.M. Decodes launched yesterday at M Restaurant, with the first event focusing on the commercial imperative of diversity and inclusion in finance. The panel, chaired by DiverCity podcast host Julia Streets, included Refinitiv chief privacy officer and Women in Banking and Finance president Vivienne Artz, head of global diversity and inclusion at HSBC Birgit Neu and Justin Onuekwusi, fund manager at LGIM. For more info, visit [cityamclub.com](http://cityamclub.com).



## WTO blames tariff wars and Brexit in glum trade forecast

HARRY ROBERTSON

@henrygrobertson

THE WORLD Trade Organization (WTO) slashed its forecast for global trade this year to below half its previous estimate yesterday, pointing the finger at the US-China tariff war and also blaming Brexit.

In a report into global trade, WTO economists warned that "further

rounds of tariffs and retaliation" in the trade war "could produce a destructive cycle of recrimination".

They predicted that world trade volumes would rise by just 1.2 per cent this year, far below their April forecast of 2.6 per cent growth.

WTO director general Roberto Azevedo said: "The darkening outlook for trade is discouraging but not unexpected."

## Augmentum backs German tech rental firm

ANNA MENIN

@annafmenin

LONDON-LISTED investment fund Augmentum Fintech has led an €11m (£9.8m) funding round backing German technology rental firm Grover.

Augmentum invested €6m in Grover — which offers consumers flexible subscriptions to products including smartphones and laptops — the fund's first investment in Germany.

Samsung Next, Varengold Bank, and Commerzbank's Main Incubator have all already invested in Grover, which rents gadgets to consumers and businesses across Germany.

Grover said the new funding round would enable it to expand to other countries.

Founded in 2017, Augmentum listed last year. Its portfolio was valued at £77.6m at the end of March, and includes equity crowdfunding platform Seedrs and challenger bank Tide.

"Grover is a classic fintech disruptor," said Augmentum chief executive Tim Levene. "Its growth reflects a consumer trend for continued access to the latest electronic products."

### ADVERTISEMENT FEATURE

New ethical ACE 30 rated funds list is broken down into three key interactive investor ACE 'ethical investment styles': Avoids, Considers and Embraces.

Like sister rated list Super 60, it is proudly instrument agnostic, featuring investment trusts, funds and ETFs.

interactive investor, the UK's second largest retail investment platform, has launched 'ACE 30': the UK's first rated list of ethical funds, ETFs and investment trusts for investors seeking to align their investments with their personal values.

Compiled by interactive investor's Investment Committee, the ACE 30 follows a similar methodology to the popular and successful Super 60, is instrument agnostic and includes actively managed and passive solutions across major markets and asset types. However, it adds an extra layer of methodology to select high-quality ethical options from our recently launched ethical iinvestments long list.

From its extensive ethical iinvestments long list of over 140 ethical investment options, interactive investor has selected the 30 funds, investment trusts and ETFs that we believe offer the highest-quality choices for investors across a wide variety of markets. Investments are only included if they are, in our opinion, the best option for customers, being managed in a genuinely ethical manner, and having the potential to deliver strong financial performance.

ACE 30, which offers high-quality choices across a wide variety of markets and asset classes, is 30-strong at present — half the size of Super 60. This is because there are notable asset class gaps that the ethical investments sector has yet to sufficiently cater for.

The intention is to add further options over time as new ethical investments are launched or start to demonstrate a strong record of performance.

Richard Wilson, CEO of interactive investor, says: "We are immensely

## THE UK'S FIRST RATED LIST OF ETHICAL FUNDS FOR RETAIL INVESTORS: ACE 30



Jemma Jackson is Head of PR at Interactive Investor

proud to have launched the UK's first retail rated list of ethical funds for those who wish to better align their investments with their own ethical values. In putting forward investment ideas, platforms have a duty to ensure that investors' interests are at the heart of their thinking. Impartiality and transparency are crucial. Our customers can have full faith in our recommendations since there are no commercial or other hidden motives for our lists.

"We have led the charge by disclosing our rigorous selection process and methodology for both Super 60 and ACE 30, which are each proudly and passionately instrument agnostic, including funds, investment trusts and ETFs, with both active and passive funds featuring."

Moir O'Neill, Head of Personal Finance, interactive investor says: "Until we launched the ethical iinvestments long list in early September, there was

little guidance to help investors find ethical propositions. Now they also have the ACE 30 list of the 30 best in class — thoroughly researched and monitored by our experts.

"Our objective is to cater to a growing number of investors seeking to invest for good by providing a menu of high-quality ethical choices among the available investments across a broad variety of markets and investment types.

"In future, as the ethical investment sector matures, we would expect to be able to add new investments in asset

groups and investment categories that are currently under-represented in the ACE 30, such as US and Japanese equities, property and smaller companies."

There is currently no accepted industry standard for classifying the myriad approaches to ethical investing adopted by investment managers. To help investors to navigate their way through all the confusing technical jargon towards an ethical approach, we have categorised the ACE 30 into three key inter-



The ACE 30 follows a similar methodology to the popular and successful Super 60.

active investor 'investment styles': Avoids, Considers and Embraces, consigning traditional ethical jargon to the recycle bin. Where a manager adopts more than one style, interactive investor uses the strongest ethical category that applies.

This article is provided for information purposes only and is not intended to be a personal recommendation to buy or sell any financial instrument or product, or to adopt any investment strategy.

**interactive investor**

READ MORE ONLINE

Keep up to date on our news at:  
[www.ii.co.uk/ii-ace-30](http://www.ii.co.uk/ii-ace-30)

## The spectre of Aston Martin's float still lingers a year on, reports Alex Daniel

**O**VER THE years, film buffs have watched Aston Martin's most famous client, James Bond, career into rivers, skid across ice caps and hurtle off an alpine road in its cars. Each time, ludicrously, he emerges alive.

So when chief executive Andy Palmer told investors: "We don't make cars, we make dreams," ahead of the firm's float one year ago, one could forgive them for having high hopes.

But the 12 months since then have been nothing short of a nightmare for Britain's most famous luxury car firm, with stocks plummeting more than 70 per cent in value since Aston hit the market this time last year. They started at £19 a share. Now, you can pick one up for little over a fiver.

### FINANCES UNDER FIRE

AJ Bell analyst Russ Mould says: "Floating on the stock market can boost a company's reputation and provide an opportunity for the public to buy into



Investors' high hopes for the company have bombed

# SHAKEN — AND STIRRED

the story. However, it can also expose a company to criticism from investors who watch every move like a hawk."

In Aston Martin's case, most of those moves have been bad. In June, it shocked investors by warning it could have overestimated its annual sales by as many as 1,000 cars. For a company

that only sold 6,400 of them last year, that's a big miscalculation. A week on, it declared first-half losses of £78m.

### WHAT WENT WRONG?

Some have put it down to bad timing. Brexit uncertainty has left car makers reeling, while a slowdown in the key

Chinese market has hit Aston Martin especially hard. CMC Markets analyst David Madden says: "High-end brands tend to weather the storm better than most, but a slide in global consumer sentiment has hurt Aston Martin nonetheless."

Furthermore, the luxury car

maker's hopes appear to be pinned on ambitious plans to launch seven models in seven years, including an SUV in 2020 – the DBX. Last week, to help pay for it, the firm raised \$150m via a bond issue, with a perilously high interest rate of 12 per cent.

Overall, the upcoming model has caused it to rack up debts of £732m. Given that Aston Martin has already gone bust seven times in its 106 year history, that is a potentially worrying figure for investors.

### SPOT THE DIFFERENCE

However, some think the float was doomed on a more fundamental level.

Many people bought into Aston's offering because they thought it would perform similarly to another marquee brand, Ferrari, which has enjoyed share price growth of 250 per cent since its 2016 listing. Indeed, Aston's initial £5bn valuation was calculated using that as a benchmark.

But the two do not stack up. Ferrari sold 8,398 cars the year after its float, and turned over about £3bn. This year, Aston Martin expects to sell 6,400 cars, and last year's revenues were just £1.1bn.

"The £5bn price tag was simply too high and left the management team on a hiding to nothing," says Mould.

As the pressure builds, directors will be keen to channel the 007 spirit and escape triumphant.

THE EALING COMEDY NOW IN THE WEST END!

STEPHEN MANGAN  
KARA TOINTON AND SUE JOHNSTON

# THE MAN IN THE WHITE SUIT



WYNDHAM'S THEATRE, LONDON  
A DELFONTE MACKINTOSH THEATRE

BOOK NOW [ManInTheWhiteSuit.co.uk](http://ManInTheWhiteSuit.co.uk)

## Miss Selfridge regarded as poor value among younger customers

**W**ITH ROOTS as the young fashion section of iconic 60s department store Selfridges, Miss Selfridge should be a successful asset for the multinational retail empire Arcadia. But last year the chain posted a £17.5m loss after sales fell more than 15 per cent.

Since then Miss Selfridge has cut back on staff and closed its Oxford Street flagship, with the intention of focusing on online sales. Arcadia's own troubles have only increased during 2019 as other brands within the group also face huge cuts and possible administration under company voluntary arrangements (CVA) plans.

It could have been seen coming. YouGov data shows that two in five Brits prefer to buy things online rather than in stores (44 per cent). This increases to almost six in 10 among 18 to 34 year olds (58 per cent), the very demographic which Miss Selfridge targets. On the other hand, it demonstrates that the most recent strategy is a wise one, and how important it is for Miss Selfridge to have a strong online presence.

Almost a third (30 per cent) of this younger age group say they mostly buy clothes and shoes online, while five per cent do so exclusively. But despite Miss Selfridge moving to cater for these shoppers, only two per cent of 18 to 34 year olds have bought



Stephan Shakespeare

something from the brand in the last three months. The brand is somehow missing its target.

Among 18 to 34 year olds, the most common motivator (28 per cent) for choosing where to purchase clothes, accessories and shoes is price, and the best special offers (10 per cent). Highest quality attracts just 14 per cent.

Miss Selfridge's value score (a measure of how consumers rate the

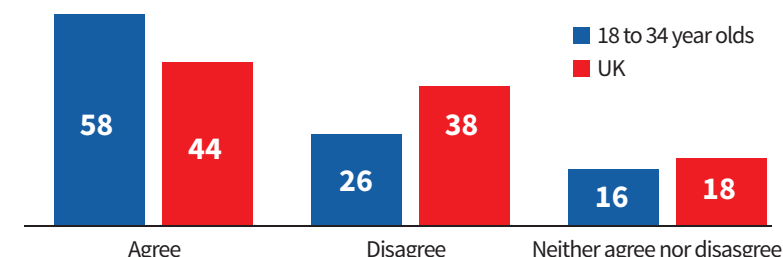
brand's value for money) should make for worrying reading. The chain ranked 24th in September among 18 to 34 year olds with a value score of plus 1.9. This is much lower than other online rivals and major high street players such as Primark (plus 20.4), H&M (plus 28.6), Asos (plus 17.4) and Zara (plus 6.5).

Similarly, Miss Selfridge ranked 32nd when asked whether customers would consider a future purchase.

If Miss Selfridge is to succeed it needs to fully adapt to an online-first model and re-evaluate pricing, in order to win over its key demographic on what matters to them most: value for money.

Stephan Shakespeare is the chief executive of YouGov

**CONSUMERS PREFER TO SHOP ONLINE RATHER THAN IN STORE**  
Do you agree or disagree with the statement "I generally prefer to buy things online rather than in stores"?



### IN BRIEF

#### KEKST APPOINTS NEW CHIEF

Public relations firm Kekst CNC has appointed Sir Robbie Gibb, the former communications director to Theresa May, as a senior adviser. Gibb has been tapped to advise the Kekst CNC's board and management teams both in the US and internationally. The former spin doctor previously worked as head of BBC Westminster, overseeing political output across various programmes.

#### TESLA LAYS ROOTS IN CHINA

US electric vehicle maker Tesla has registered a construction company in China, a business registration filing has shown. This is the latest sign Tesla is pushing ahead with its plans in the world's biggest auto market. The filings showed that California company has opened a wholly-owned construction unit in Shanghai with registered capital of \$1m (£0.8m).

#### UPS GETS DRONE APPROVAL

United Parcel Service (UPS) yesterday announced that it had won the US government's first full approval to operate a drone airline, which gives it a lead in the nascent US drone delivery business over rivals Amazon and Google. The Federal Aviation Administration (FAA) granted UPS' Flight Forward drone subsidiary a Part 135 Standard certification on Friday.

# 10<sup>TH</sup> ANNUAL

# CITY A.M. AWARDS 2019

IN ASSOCIATION WITH

## BRITISH AIRWAYS

London City



## CATEGORY ANALYST OF THE YEAR



### Proving their worth

With volatility and uncertainty stalking a range of sectors, this is a tricky time to be an analyst in the Square Mile. This year's batch of nominees have negotiated everything from political uncertainty to the complexities of Mifid II regulations and have made a series of gutsy and valuable calls – proving why clients will keep relying on their expertise.

LOOK OUT FOR THE NEXT CATEGORY: **INVESTOR OF THE YEAR**

### SECURE YOUR TABLE NOW

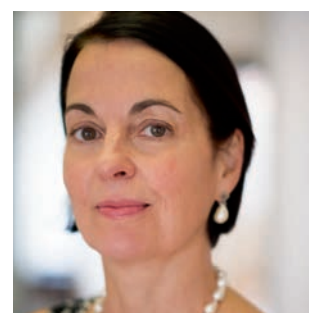
7 November Leonardo Royal Hotel London,  
(previously The Grange Hotel) St Paul's  
Contact: Julianna Hitchins on 020 3201 8900  
Email: [events@cityam.com](mailto:events@cityam.com)

## THE NOMINEES



### IAN WHITTAKER

Former UBS, RBS and Merrill Lynch analyst Ian Whittaker has headed up Liberum's media team for over a decade. Whittaker has been rewarded for his bullish position on under-pressure stocks such as Just Eat and ITV; since backing the former at the end of last year, its shares have climbed 20 per cent, while ITV's recent recovery has justified Whittaker's insistence in July that the share price correction had been too drastic.



### CLAIRE ENDERS

Founder of the eponymous west-end firm Enders Analysis, Claire is prolific as a talking head on all things relating to the UK's creative, media and technology sectors. She is a vocal critic of the BBC and ITV's streaming venture Britbox, dismissing the idea that it can take on the deep pockets of rivals such as Netflix, and has even delved into the world of football, advising Premier League clubs to rein in their mammoth wage bills as she expects TV rights deals to drop.



### MICHAEL HEWSON

CMC Markets' Michael Hewson is an energetic commentator across a range of sectors. This year his scepticism on major tech IPOs such as Uber and Lyft has been especially notable given the inflated valuations placed on loss-making tech firms. The poor performance of both companies since their IPOs have proved him right. Hewson also made a big call at the beginning of the year, going against the grain to correctly predict a Fed rate cut.



### RICHARD LIM

Lim has headed up Retail Economics since 2016, providing insight into one of the UK's most fast-changing industries. He has become widely-regarded for his near-daily commentary on retail's seismic shifts as some of the country's biggest high street names battle for survival. Lim has been ahead of the game for several years, spotting intensifying pressures on retail landlords long before share prices started to plummet.



### JULIE PALMER

The Begbies Traynor partner started the year tracking developments at Patisserie Valerie following its huge accounting scandal and has commented extensively on problems with once-great companies such as Thomas Cook, and has become a go-to analyst for retail sector woes, charting the sharp decline of many bricks and mortar stores. Palmer has also highlighted the growing levels of distress among vulnerable UK companies.

# Ex-London mayor Johnson blames successor Khan over Arcuri claims

ALEXANDRA ROGERS

@city\_amrogers

BORIS Johnson has blamed London mayor Sadiq Khan for fuelling allegations about his relationship with businesswoman Jennifer Arcuri.

The Prime Minister is facing claims that he offered Arcuri favourable treatment while he was mayor of London, allowing her to accompany him on high-profile trade missions and receive £126,000 in public money – privileges she

allegedly would not have been eligible for otherwise.

Johnson has denied any allegations of impropriety.

Speaking to LBC yesterday morning, Johnson said: "A lot of this is being generated by the current mayor of London, who certainly puts more money into his own PR than he does in projects for the benefits of Londoners."

A spokesperson for Khan dismissed Johnson's claim as "complete nonsense".

The Prime Minister also rejected suggestions that the Tory party conference in Manchester had been overshadowed by allegations that he had touched the inner thigh of journalist Charlotte Edwardes at an event in the 1990s.

Johnson suggested the personal allegations against him were politically motivated by opponents of Brexit.

"This is a very difficult time," he said. "Quite a lot of people don't want Brexit to be done."



The Prime Minister has raised eyebrows over his connection to Jennifer Arcuri

# Quarter of UK's people of colour bullied at work

AUGUST GRAHAM

@AugustGraham

AS MANY as a quarter of all ethnic minority employees at British businesses are having to put up with bullying and harassment, it was revealed yesterday, prompting calls for employers to crack down.

Although 97 per cent of businesses have a clear policy of zero tolerance towards racial harassment or bullying, less than half – 45 per cent – have actually commissioned a review into whether it happens in their workplaces.

"In order to achieve a fairer workplace in the UK, we need to encourage all employers to hold themselves accountable and to be transparent about where they are and what direction they are headed," said Sandra Kerr, race campaign director at Business in the Community, which compiled the report.

"Many are recognising the importance of a zero-tolerance approach to bullying and harassment but our results show this needs to be matched with consistent action."

The organisation's Race at Work Charter survey also found that

whereas nearly two-thirds of employers collect data on how pay relates to ethnicity, fewer than half of these published their ethnicity pay gap.

Kerr said the data showed that employers need to be encouraged to hold themselves to account.

"We can see this in the evolution of ethnicity pay gap reporting over the past few years where many employers are measuring their pay gaps and taking action, but half of those measuring their pay gaps are still hesitant to speak publicly about it," she said.

The study gathered data on more than 32,000 ethnic minority employees in UK management. More than half were from the private sector and 40 per cent were public sector staff.

The charter was launched last year, and has gathered 190 signatories.

Signatories pledged to appoint a sponsor for race, capture and publish data, and make equality the responsibility of all managers.

Kerr said: "The goal for employers needs to be creating inclusive organisational cultures where people can feel valued for their contributions and where differences are acknowledged as strengths rather than something that holds them back."



Nigel Farage had a milkshake thrown at him while campaigning in Newcastle in May

# Burger King's milkshake tweet incited violence, watchdog rules

JAMES WARRINGTON

@j\_a\_warrington

BURGER King has been censured for inciting violence after the fast food chain promoted its milkshakes just days before a salted caramel drink was launched at Nigel Farage.

In May, a branch of McDonalds in Edinburgh halted sales of ice creams and milkshakes due to a string of recent attacks involving the drinks.

In a tweet posted the following day, Burger King wrote: "Dear people of Scotland. We're selling

milkshakes all weekend. Have fun. Love BK. #justsaying"

The advertising watchdog received 24 complaints, which branded the fast food chain "irresponsible and offensive" for encouraging violence and anti-social behaviour.

Burger King defended its tweet, saying it was intended to be tongue-in-cheek and that the company did not endorse violence.

But the Advertising Standards Authority banned the ad, ruling that it could be interpreted as an incitement to "milkshake" Farage.

# Ecuador to quit Opec due to fiscal problems

ALEXANDRA VALENCIA

ECUADOR will withdraw from the 14-nation Organization of the Petroleum Exporting Countries (Opec) from 1 January 2020 because of fiscal problems, the country's energy ministry said yesterday.

The Andean nation is attempting to increase its production of crude oil in a bid to raise more income and has on multiple occasions not complied with the output quota fixed by Opec.

"The decision is based on the issues and internal challenges that the country must take on related to fiscal sustainability," the ministry said in a statement, without providing further details.

"This measure is in line with the national government's plan to reduce public spending and generate new income," the statement added.

The country, which says it produces about 545,000 barrels per day of crude, is struggling with tight liquidity because of a wide fiscal deficit and a hefty foreign debt load.

It reached a \$4.2bn (£3.4bn) deal with the International Monetary Fund in February which allowed it to receive an immediate disbursement of \$652m and opened the door for an additional \$6bn in loans from other institutions. Ecuador will be able to draw on the funds for three years.

Reuters



Richmond Upon Thames was crowned the borough with the fastest average speeds

# City weighed down by the slowest broadband speed in all of London

ANNA MENIN

@annafmenin

BROADBAND speeds in the City are the lowest of any London borough, according to new data on internet speeds across the capital.

The data, compiled by Broadband Choices, showed massive disparities in average download speeds, with the fastest borough clocking up an average speed over three times

quicker than the slowest.

Richmond upon Thames ranked first with a 65.8 megabits per second (Mbps) download speed, with Kingston upon Thames coming in just behind with 65.4 Mbps. The City of London trailed at the bottom of the league with a 17.1 Mbps average.

The average download speed across the UK is 54.2 Mbps, meaning that 18 boroughs have above average speeds.

According to Ofcom data, superfast broadband is now available across 95 per cent of the UK.

However, only seven per cent of the country has access to full-fibre networks, which generate a more reliable connection.

It was reported earlier this week that Prime Minister Boris Johnson is preparing to unveil a £5bn subsidy to boost plans to roll out full-fibre broadband across the UK by 2025.

# CITY DASHBOARD

YOUR ONE-STOP SHOP FOR BROKER VIEWS AND MARKET REPORTS

## LONDON REPORT

# UK stocks slow as poor US data affects growth

**U**K STOCKS retreated yesterday, reversing gains from earlier in the day, coming under pressure following disappointing manufacturing data from the United States that added to concerns about the health of the global economy.

The FTSE 100 lost 0.7 per cent and a sub-index of banks fell more than one per cent. The main index still outperformed the benchmark European bourse that was already rattled by weak factory activity data from the Eurozone.

The FTSE 250 ended 0.3 per cent lower led by a steep fall in baker Greggs after a trading update.

The index had risen earlier in the session when hopes rose of a Brexit solution as Prime Minister Boris Johnson prepared to present his amended proposals on the divorce deal.

The losses were triggered by data showing the US manufacturing sector shrinking last month to its weakest level in more than a decade as business conditions deteriorated amid the trade war with China.

Asia-facing financials **HSBC** and **Standard Chartered**, which were

already lower on the day as the Hong Kong protests intensified, extended losses after the disappointing US data.

**Astrazeneca** also weighed on the main index with a near two per cent drop after the US Food and Drug Administration declined to approve the company's combination therapy to treat smoker's lung.

Piling on worries about global growth, the World Trade Organization earlier in the day cut its growth forecast for global trade

this year by more than half, adding that an escalation in trade tensions, a slowing global economy and a disorderly Brexit could squeeze growth even more.

The stock market's shaky start to October comes ahead of the resumption in Sino-US trade talks next week, when the world's two biggest economies will try to resolve their conflicts.

The trade spat contributed to the FTSE 100 suffering its biggest monthly drop in 2019 in August.

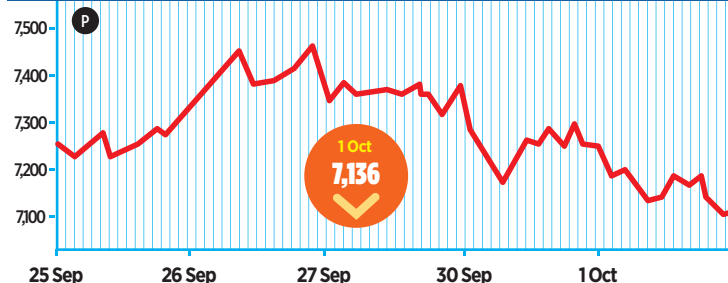


**HSBC losses worsened yesterday as protests in Hong Kong intensified**

## BEST OF THE BROKERS

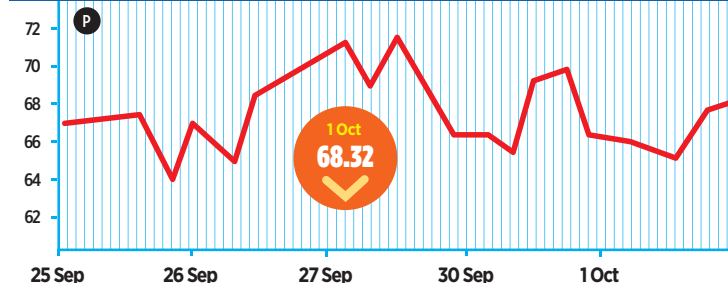
To appear in Best of the Brokers, email your research to [notes@cityam.com](mailto:notes@cityam.com)

### ASTRAZENECA



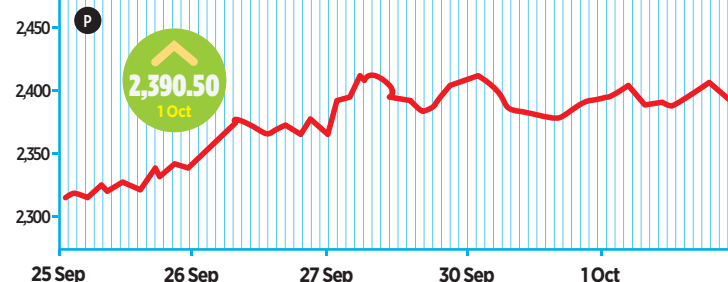
Around two-thirds of men with castration-resistant prostate cancer were helped in recent trials for AstraZeneca's Lynparza as the risk of death, or disease progression was reduced. It is a significant step in the unique study, analysts at Shore Capital Markets said yesterday. It is another step for the Anglo-Swedish drugs company which has announced a slew of results from its pipelines in recent months, helping to push up share prices since then. The analysts at Shore Capital Markets reiterated their "buy" rating on the stock, with a 7,261p target price.

### REVOLUTION BARS



A cocktail of good news offset a more than 50 per cent drop in adjusted profit before tax, allowing Revolution Bars management to avoid a "backs-against-the-wall" situation, and get an upgrade from the analysts. Peel Hunt peeled back the layers to reveal a nice, fresher fruit inside. The company has added more entertainment on a Saturday night in 24 Revolution bars, more "competitive socialising events" in 28 of them and slashing drink prices by one per cent. Peel Hunt upgraded shares to "buy" from "hold" with a 100p target.

### SHELL



Like a clam cooking in a pasta sauce, Shell opened up on Monday, releasing more information in a transparency drive after the shareholders turned up the gas burner and demanded more reporting from the firm. The company released its first ever quarterly trading statement ahead of its full results for the three months. The publication reveals "wrinkles", analysts at UBS said, as there was an unexplained shortfall in oil and gas production compared to estimations. Analysts maintained a "buy" rating with a 2,750p target price. Now, anyone for spaghetti Vongole?

## NEW YORK REPORT

# Factory slump takes its toll on Wall Street

**T**he S&P 500 and Dow suffered their worst tumbles in over a month yesterday after data showed US factory activity shrank in September to its weakest in over a decade, ratcheting up fears that the US-China trade war is hobbling the world's largest economy.

Investors moved to the safety of US Treasuries after the Institute for Supply Management (ISM) report showed its manufacturing activity index at 47.8, falling further from August's sharp contraction and below economists' expectations of 50.1.

With lingering trade tensions weighing on exports, the US data mirrored similar patterns in the Eurozone, Japan, the UK and China.

The S&P industrials index dropped 2.4 per cent, the most among the 11 major S&P sectors. The materials and energy indexes both fell 2.3 per cent. All 11 sectors lost ground.

A jobs report on Friday is expected to shed further light on US economic strength.

"This is a bad number, fitting in with the world's manufacturing recession," Jim Bianco, head of Bianco Research in Chicago, said of the ISM report.

"I think the market is right to be concerned, but we will have to see whether other manufacturing numbers in the US bear that out, not the least of which being the manufacturing payroll numbers on Friday."

Despite a US-China trade war that has hammered global growth, confidence in the domestic economy has helped the benchmark S&P 500 climb about 17 per cent this year.

Thomas Simons, a Jefferies economist, said the manufacturing contraction does not underpin a wider softening in the US economy, as it was the result of several factors, including Boeing's production issues relating to its best-selling jets.

"Manufacturing itself is in a recession, but it does not mean that the overall economy is in a recession."

The Dow Jones Industrial Average fell 1.28 per cent, while the S&P 500 lost 1.23 per cent.

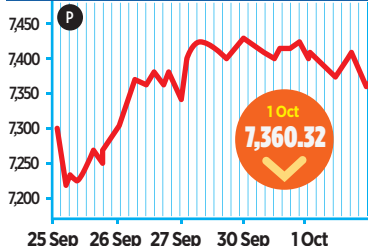
### TOP RISERS

1. **Ferguson** Up 4.44 per cent
2. **Next** Up 2.07 per cent
3. **Pearson** Up 1.49 per cent

### TOP FALLERS

1. **Hargreaves Lans.** Down 3.51 per cent
2. **RBS** Down 2.84 per cent
3. **St James's Place** Down 2.76 per cent

### FTSE



## CITY MOVES WHO'S SWITCHING JOBS

### STONEHAGE FLEMING

Wealth management company Stonehage Fleming has appointed John Connolly as the new chairman of its board. John brings extensive corporate and professional services experience to Stonehage Fleming, having held several significant chairmanships during a career that includes 45 years at accountancy and business services firm Deloitte, where he was ultimately made senior partner and global chairman. John currently chairs the FTSE 100



company G4S, and was chairman of Amec Foster Wheeler, also a FTSE 100, before it merged with Wood Group. John is also executive chairman of Cogital Group, and was chairman of Great Ormond Street Hospital Charity until earlier this year. John will succeed Charles Erasmus, who has served on the board of Stonehage and as chairman of Stonehage and Stonehage Fleming, for the past two decades.

### CLYDE & CO

London-headquartered global law firm Clyde & Co yesterday announced the appointment of Matthew Kelsall as its new chief executive officer (CEO) with effect from 1 January 2020. Matthew replaces Peter Hasson, who will step down to take on the role of

senior partner at the company, having been CEO since 2005. Matthew joined Clyde & Co in 2007 and has held executive positions in each of its main regions, including that of chief operating officer in the Middle East and North Africa, Asia Pacific and North America. Commenting on the move, departing CEO Peter Hirst said: "Matthew's knowledge and understanding of the organisation, the global legal market and the day-to-day operations of a large and fast-growing global law firm, all make him the outstanding candidate for the CEO position."

### CPMG

UK architecture firm CPMG has appointed Gemma Pont as its new London associate. Gemma joins the

team with several years of international architectural experience across Europe and within the London market. Following her studies at Barcelona School of Architecture (ETSAB), she built up her wealth of experience at several studios in Barcelona and Switzerland, before spending five years based at a national practice in London. As the first externally appointed associate, Gemma will be responsible for the day-to-day running of the London studio and will manage the team's growth its work across the education, health, residential and commercial sectors. CPMG has over £80m worth of projects currently on site in London, including the newly completed Eden Park High School along with several other schools and academies.

## FORUM

EDITED BY RACHEL CUNLIFFE



# Trying to impeach Boris would be an unmitigated catastrophe

**R**UMOURS are swirling in Westminster of a plot to impeach Boris Johnson. The news broke over the weekend that, inspired perhaps by the US Democrats' move against Donald Trump, opposition parties are considering moving to strip the Prime Minister of his position.

This is foolish and dangerous.

For a start, it is entirely unclear if it can happen. Some readers may be surprised to hear that the process exists in the UK at all. There was once a power to impeach an MP or minister, but it may not have survived the advent of modern parliamentary democracy.

Of the 60 or so impeachments that have ever happened in this country, more than a quarter occurred in the run-up to the civil war.

No motion of impeachment has been debated in the Commons since 1848, when Lord Palmerston was accused of making a secret treaty with Russia. Both the Joint Committee on Parliamentary Privilege and former clerks of the House of Commons have advised that the process is "obsolete".

A motion was tabled against Tony Blair over Iraq (sponsored, by among others, Johnson himself), but was never debated.

But even if the impeachment process can be revived in 2019, it would be an unedifying spectacle, diminishing parliament in the eyes of the people. Pulling a constitutional trick from the back of the drawer of forgotten procedures would be bad enough, but the next stages would be worse.

First, the speaker would have to

decide whether to allow the motion to stand – itself controversial, especially given the individual who currently holds the office.

Then the House of Commons would have to vote on whether to begin the impeachment.

Should Johnson lose, the rules dictate that he would be taken into custody by Black Rod and detained in the Elizabeth Tower. If he wished to be bailed, he would have to plead for it at the Bar of the House of Lords. The upper chamber would then decide whether the Prime Minister would be allowed to leave parliament before his trial.

This would only be act one. Once the Commons has agreed to impeach, a trial must take place, again before the House of Lords.

Convened in a special form as the Court of the Lord High Steward, all peers except for bishops would sit in judgment of the Prime Minister. His prosecutors would be members of the Commons – most likely distinguished barristers from that House (step forward, Dominic Grieve and Ken Clarke?) – and he would be defended by lawyers of his own.

The trial would mirror any court trial, with the PM and any other witnesses put to proof on their evidence. Finally, the Lords would vote. Were Johnson to be found guilty, he would forfeit his office and be subject to any other lawful punishment the Lords thought fit to assign.

It is hard to imagine a spectacle which would more suit this Prime Minister and his narrative. If the next election is to be about the people versus parliament, the sight of

John Oxley



## The sight of the Prime Minister defending his actions before 750 robed peers would become iconic

“

Johnson defending his actions before 750 robed peers would become iconic. He would be a very visible martyr for the hopes of the referendum mandate, frustrated and curtailed by an unelected House.

It is also hard to see how he could actually be convicted. The law requires him to be found guilty of “high crimes and misdemeanours” – a high bar, which has normally meant taking arms against the crown or embezzlement of public funds. His prorogation of parliament, declared wrong in law after the fact, is not enough. If it were, a minister might face impeachment every time they lost a judicial review.

Impeachment is the nuclear option of the Westminster parliament. Like Trident, it is best displayed and not deployed. It should stand to dis-

courage the most egregious behaviour of our ministers, when their conduct has gone far beyond the acceptable. Were proceedings to be launched, it would bolster Johnson and be cast as a Remainer trick. And it probably wouldn't even work.

If the Commons wants to bring down this Prime Minister, they can use a vote of no confidence, or have an election – both of which MPs have so far rejected.

One final note: those proposing impeachment would be wise to consider the trial of Queen Catherine.

The wife of George IV was put on trial by a similar process to deprive her of the rights of Queen due to her alleged adultery. The proceedings captured the public's imagination, and the Queen their sympathies. She was convicted, but the public saw her as an innocent woman bullied by parliamentary proceedings. The Commons dared not uphold the charge. The government withdrew its bill, leading to celebrations in the streets.

An obsolete procedure and an arcane spectacle will not solve Brexit. Rather, it will damage our political system and bolster the Prime Minister. Impeachment would then be absorbed into the normal box of tools used to harass the executive, and become too politicised to be a real check on abuses of power – as it arguably already has in the US.

Whether Boris is sent to the Tower or carried aloft by his supporters after acquittal, we would all lose from impeachment proceedings.

John Oxley is a Conservative commentator and a barrister at Vardags.

## LETTERS

TO THE EDITOR

## Back on the home front

Homelessness deaths in 2018 saw the highest year-to-year increase since the Office for National Statistics has recorded this data. These tragic figures show that the government's policies to tackle homelessness are failing.

One year on from the flagship Homelessness Reduction Act and the Rough Sleeping Strategy, which were meant to bolster efforts to prevent homelessness, the number of people dying on our streets should not be on the rise.

People at risk of homelessness are receiving help when they are at crisis point – making the chances of rough sleeping more likely. Homelessness services, which are devolved to local councils, are also resulting in a postcode lottery of support across the country.

Short-term, hand-to-mouth funding for local services has inhibited councils' efforts to implement this legislation effectively and prevent those at risk from becoming homeless. Long-term sustainable funding for these services is a must to reverse this terrible trend.

Dr Luke Heselwood, senior researcher, Reform



## BEST OF TWITTER

Satisfaction with how the government is running the country  
Satisfied 14%  
Dissatisfied 81%  
Net -67  
Since 1977, only Major and May's governments experienced worse ratings...

@benatipsosmori

I have swiped the cup that was in your hand

and which you were probably hoping to drink

Forgive me it was single-use and so disposable  
@estwebber

If Boris had been caught drinking from a disposable cup it would have been the subject of four tweets from snarky greens. An aide snatching a coffee off him and treating him like a child who has over-egged themselves at the pick 'n' mix, however...

@silvesterltdn

As a former Spad I am on the side of letting Boris have the coffee in that cup. Am available to debate on the Today Programme if required.  
@Sean\_Kemp

Artificial intelligence (AI) and face recognition technology is being used for the first time in job interviews in the UK to identify the best candidates.  
@charleshymas

This is like some mad, 21st version of Victorian phrenology – where it was believed you could tell someone's personality and future from the shape of their skull.  
@caitlinmoran

# What kind of person crosses the Nevada desert to investigate UFO conspiracies?

**A**REA 51 is a mysterious place. Located deep in the Nevada desert, it is home to highly classified US military operations. Rumours abound that it harbours secrets about extraterrestrial life.

In June, a podcaster released an interview with someone who claims to have studied flying saucers in Area 51. The video spread like wildfire on the internet.

A proposal for an event took shape, labelled “Storm Area 51, They Can't Stop All of US”. The idea was for large numbers to gather on 20 September in a couple of tiny Nevadan towns next to Area 51. The security defences would be overwhelmed. Citizens could then see for themselves the aliens being kept secret by the military-industrial complex.

Around two million individuals pledged on Facebook to attend. Estimates vary, but it seems that in reality only some 2,000 turned up in the nearby towns. Of these, a mere 200 or so actually arrived at the se-

curity fences which guard the area. No one tried to cut or climb over the barriers.

The event has subsequently attracted a great deal of ridicule in both the mainstream and social media. But it usefully illustrates two important principles in economic theory.

The first is the so-called free rider problem. It occurs when some individuals fail to contribute their fair share to the cost of a shared product or services.

An everyday example is that of a shared kitchen space in an office block. Provided enough people are willing to keep it clean, there is an incentive for others to free-ride and enjoy the clean kitchen without doing anything themselves.

The problem is that where free riders exist, the product or service in question tends to be under-produced. In the kitchen example, the supply of people willing to clean may drop off.

Exactly the same thing took place

Paul Ormerod



outside Area 51. Everyone wanted the razor wire fences to be cut, so they could consume the “product” of entering the site to see if it contained aliens. But not enough – in fact no one at all – was willing to cut the wire and incur the potential cost of being shot.

The event also illustrates the importance of revealed rather than stated preference.

Economists traditionally attach little weight to surveys in which people are asked hypothetical questions about what they might do or pay in different situations. These constitute stated preferences.

Instead, economists prefer to infer

preferences from the actions people actually take. If you always buy Pepsi rather than Coke, you have revealed your preference between the two.

Pressing a button to say you “like” something merely states your preferences. The cost of doing this is virtually zero. Revealing preferences may involve substantial costs, such as travelling to the Nevada desert.

This fundamental point is being lost in many of the reactions of decision-makers to events on social media. Far too much importance is being attached to actions which are almost costless.

The UFO buffs of Area 51 have done a public service by providing a clear example of this principle, and of evidence that “likes” do not necessarily equal action.

Paul Ormerod is an economist at Volterra Partners LLP, a visiting professor at the UCL Centre for Decision Making Uncertainty, and author of *Against the Grain: Insights of an Economic Contrarian*.

**WE WANT TO HEAR YOUR VIEWS** > E: [theforum@cityam.com](mailto:theforum@cityam.com) COMMENT AT: [cityam.com/forum](http://cityam.com/forum)

🐦: @cityam

# It may look shambolic, but this is functioning democracy in action

**O**VER the last three years, it has become fashionable to argue that the whole sorry Brexit saga has made the UK a laughing stock around the world. A government in chaos, a parliament unable to decide which way is up, a country divided straight down the middle. All very messy, unkempt, and disorderly.

But messy and disorderly are inherent characteristics of a functioning democracy. Order can only be imposed on the innate entropy of democracy through authoritarianism or unaccountable technocracy.

The Brexit process is arguably the most important decision facing the UK in decades if not centuries. Contrary to much of the commentary, it's not just about free-flowing trade and the economy. If it were, few would be so highly exercised by it.

Brexit is about the UK's fundamental political orientation: whether it chooses to live by "European" values, or forges a different path; whether the UK's interests are best served by political and strategic alignment with a European bloc, or by striking out on its own or aligning itself with the US; whether the UK wishes to steer the future of the EU bloc towards being a confederation of independent nation states with mixed economies, or has given up on that dream, on the grounds that statist elements that believe in a centrally-directed European superstate have won out.

Brexit rests on these big, difficult and sometimes abstract issues. It is therefore perfectly understandable, and indeed highly desirable, that different people will reach different conclusions and adopt different positions.

**Joe Zammit-Lucia**



None of it excuses the aggressive language that has been used on all sides. None of it justifies the ensuing tribalism. But what we are seeing is British democracy red in tooth and claw.

We have a parliament that has repeatedly and successfully stood up to the executive, party whips who have been told to go whistle, MPs standing up for their convictions irrespective of their leadership – willing to resign the whip or have it withdrawn to hold out for what they believe in.

Our parliamentarians have been struggling to find a balance between their roles as informed decision-makers, as foot-soldiers for their parties, and as representatives of the views of their constituents – views that are not homogeneous, irrespective of which majority emerged in the referendum.

All of this has been open and transparent. It has engaged the electorate

**Battles have been fought where they belong: in parliament, in the media, and in the courts**

“

politically. The goings on in the House of Commons have become compelling viewing across the whole of Europe and beyond, and last week our Supreme Court took a starring role.

The importance of the Court's decision must not be underestimated. Had it gone the other way, it would have implied that any government, of whatever shape or colour it may be in the future, can suspend parliamentary democracy at will and for as long as it wishes. It could rule without accountability. That way lies the road to potential dictatorship, usually under cover of the authoritarians' favourite phrase – that they, and they alone, represent “the will of the people”.

And so it is time to take stock of what superficially looks like a Brexit-induced chaos. In spite (or maybe because) of the malleability of an uncoded constitution, British democracy has held up in the face of unprecedented tensions, and should serve as an example to others. It has proved itself flexible, and able to adapt to situations that no one could have predicted.

We have not seen violence on the streets, or people who disagree with the government's position thrown in prison. Battles have been fought where, in a mature democracy, they belong: in parliament, in the media, and in the courts.

To those with an inherently neat mind, who prefer sterile efficiency to broad accountability, it may all look scruffy and shambolic. But that is exactly what democracy is.

Joe Zammit-Lucia is a founder of Radix, the think tank for the radical centre, and co-author of *The Death of Liberal Democracy*?

## DEBATE

Have the Conservatives re-established themselves as the party of law and order?

The home secretary stands in front of the police federation, berating them about everything from decades-long scandals to not working with her constructively enough. Five years later, one of her successors pledges to give her full support to the police, recruit 20,000 new officers, and expand the use of stop and search powers.

Priti Patel is not alone in her tough-on-crime rhetoric. Her move to revoke the citizenship of the IS fighter “Jihadi Jack” followed Sajid Javid's decision to do the same to Shamima Begum. And yesterday, the justice secretary also announced plans to reduce the early release of prisoners and make serious criminals serve more of their sentences.

When the home secretary declares

**YES**

**JACK POWELL**



that she wants criminals to “literally feel terror”, it's safe to say that the party has re-established itself as tough on law and order. It remains to be seen whether these policies will actually be effective at cutting crime – but whether almond milk-sipping metropolitans like it or not, the tough new messaging will resonate with a public terrified of knife crime or IS fighters returning to live next door.

Jack Powell is editor of 1828.

How ludicrous for the Conservatives to pretend to be the party of law and order. Not only did the Supreme Court find Boris Johnson's suspension of parliament unlawful, but this is the party that cut thousands of police.

Since 2015, Britain has seen violent crime rise. My conversations with police officers have confirmed their frustration that they have been woefully under-resourced. Yes, this government has announced 20,000 new officers, but forces are still unsure how much funding they're going to get – it's difficult not to suspect more fantasy politics from the individuals who put a false offer about the NHS on the side of a bus.

Moreover, research shows that we need alternatives to prosecution and

**NO**

**LIZ JARVIS**



imprisonment to encourage young people away from crime. The evidence indicates that longer sentences don't actually make us any safer, because they don't deter offenders.

Finally, co-operation between security forces in Europe is vital. If we crash out of the EU, it will jeopardise the fight against crime and our security.

Liz Jarvis is a writer and a Liberal Democrat parliamentary candidate.

**CITYA.M.**

Fountain House,  
3rd Floor, 130 Fenchurch Street,  
London, EC3M 5DJ  
Tel: 020 3201 8900  
Email: [news@cityam.com](mailto:news@cityam.com)



**Certified Distribution**  
from 29/07/2019 till  
25/08/2019 is 76,030

**Editorial** Editor **Christian May** | Deputy Editor **Andy Silvester**  
News Editor **Josh Martin** | Comment & Features Editor **Rachel Cunliffe**  
Lifestyle Editor **Steve Dinneen** | Sports Editor **Frank Dalleres**  
Creative Director **Billy Breton**

**Commercial** Sales Director **Jeremy Slattery** | Head of Distribution **Gianni Cavalli**

**Distribution helpline**

If you have any comments about the distribution of City A.M. please ring 0203 201 8955, or email [distribution@cityam.com](mailto:distribution@cityam.com)

Our terms and conditions for external contributors can be viewed at [cityam.com/terms-conditions](http://cityam.com/terms-conditions)

Printed by West Ferry Printers Ltd, Kimpton Rd, Luton LU2 0SX

# CITYA.M. NEWSLETTERS

The biggest stories direct to your inbox

**GET THE MORNING UPDATE, CITY A.M.'S DAILY EMAIL**

[CITYAM.COM/NEWSLETTER](http://CITYAM.COM/NEWSLETTER)

| FTSE 100         | FTSE 250          | FTSE ALL SHARE   | DOW JONES          | NASDAQ           | S&P 500          | £ / € / ¥                       | 0.0025 / 0.0017 / 0.0036 | 1.0936 / 0.8887 / 117.79 | 0.0038 / 0.0022 / 0.0002 |
|------------------|-------------------|------------------|--------------------|------------------|------------------|---------------------------------|--------------------------|--------------------------|--------------------------|
| 7360.32<br>47.89 | 19872.82<br>63.85 | 4038.46<br>23.28 | 26573.04<br>343.79 | 7908.68<br>90.65 | 2940.25<br>36.49 | £ 1.1252 / \$ 1.2306 / ¥ 132.53 | 0.0025 / 0.0017 / 0.0036 | 1.0936 / 0.8887 / 117.79 | 0.0038 / 0.0022 / 0.0002 |

| Price       | Chg   | High   | Low   | Price | Chg   | High                        | Low   | Price  | Chg   | High                | Low    | Price              | Chg   | High                       | Low   | Price         | Chg    | High              | Low   | Price      | Chg   | High           | Low    | Price             | Chg   | High          | Low   | Price            | Chg    | High                     | Low   |        |       |         |        |
|-------------|-------|--------|-------|-------|-------|-----------------------------|-------|--------|-------|---------------------|--------|--------------------|-------|----------------------------|-------|---------------|--------|-------------------|-------|------------|-------|----------------|--------|-------------------|-------|---------------|-------|------------------|--------|--------------------------|-------|--------|-------|---------|--------|
| GILLS       |       |        |       |       |       |                             |       |        |       |                     |        |                    |       |                            |       |               |        |                   |       |            |       |                |        |                   |       |               |       |                  |        |                          |       |        |       |         |        |
| Tsy 2500 20 | ..... | 355.30 | -0.01 | 361.4 | 354.6 | PolyPIPE Group              | ..... | 406.2  | 0.6   | 453.8               | 307.8  | FINANCIAL SERVICES |       |                            |       | TAYLOR WIMPEY |        |                   |       | GOCO GROUP |       |                |        | HAMMERSON         |       |               |       | PPHE HOTEL GROUP |        |                          |       |        |       |         |        |
| Tsy 2000 20 | ..... | 101.7  | 0.00  | 102.2 | 101.1 | Contour Global              | ..... | 181.8  | -3.2  | 218.0               | 150.1  | 3i Infrastructure  | ..... | 298.0                      | 2.5   | 306.5         | 241.3  | National Grid     | ..... | 883.1      | 1.2   | 889.2          | 748.7  | Haynes Publishing | ..... | 28.8          | -1.8  | 459.7            | 205.9  | Alliance Pharma          | ..... | 71.8   | -0.2  | 80.4    | 60.0   |
| Tsy 3750 20 | ..... | 103.00 | -0.01 | 105.6 | 102.8 | Drax Group                  | ..... | 275.0  | -1.2  | 427.2               | 260.2  | AJ Bell            | ..... | 399.0                      | -4.5  | 477.0         | 220.0  | Bodycorp          | ..... | 722.5      | 6.0   | 925.5          | 654.0  | Land Securities G | ..... | 859.8         | 3.4   | 936.0            | 755.4  | ASOS                     | ..... | 2485.0 | 9.0   | 6050.0  | 2077.0 |
| Tsy 1875 22 | ..... | 117.08 | 0.09  | 118.3 | 115.5 | SSE                         | ..... | 152.0  | 6.5   | 125.5               | 108.0  | Allied Minds       | ..... | 51.9                       | -0.7  | 84.2          | 37.3   | Huntsworth        | ..... | 85.6       | 0.2   | 118.5          | 81.0   | LondonMetric Prop | ..... | 217.4         | 0.0   | 218.4            | 172.7  | Rank Group               | ..... | 189.4  | -0.2  | 194.4   | 135.0  |
| Tsy 8000 21 | ..... | 112.83 | 0.01  | 118.9 | 112.5 | Halma                       | ..... | 198.0  | -10.0 | 2094.0              | 1237.0 | Amigo Holdings     | ..... | 71.9                       | 4.1   | 297.5         | 618    | Hyve Group        | ..... | 82.8       | -2.5  | 88.0           | 56.3   | Primary Health Pr | ..... | 132.6         | 0.0   | 139.8            | 106.4  | Restaurant Group         | ..... | 141.3  | -0.9  | 221.3   | 111.9  |
| Tsy 1500 22 | ..... | 100.64 | 0.06  | 100.7 | 97.7  | ELECTRONIC & ELECTRICAL BDL |       |        |       | GENERAL INDUSTRIALS |        |                    |       | SMITHS GROUP               |       |               |        | IVT               |       |            |       | SHAFESBURY     |        |                   |       | UNITED GROUP  |       |                  |        | WHITBREAD                |       |        |       |         |        |
| Tsy 4000 22 | ..... | 109.07 | 0.05  | 107.7 | 108.5 | Morgan Advanced M           | ..... | 261.4  | 1.0   | 338.8               | 237.0  | ASA International  | ..... | 341.0                      | -9.0  | 481.0         | 320.0  | Ashmore Group     | ..... | 502.0      | -4.0  | 542.5          | 341.2  | Brewin Dolphin Ho | ..... | 318.2         | 1.4   | 358.0            | 287.6  | Wetherspoon (LD          | ..... | 1549.0 | -1.0  | 1642.0  | 1068.0 |
| Tsy 2500 23 | ..... | 107.80 | 0.08  | 107.9 | 104.7 | Oxford Instrument           | ..... | 130.0  | 22.0  | 1424.0              | 842.0  | Brewin Dolphin Ho  | ..... | 318.2                      | 1.4   | 358.0         | 287.6  | Charter Court Fin | ..... | 299.5      | -3.0  | 375.0          | 228.8  | Spirax-Sarco Engi | ..... | 780.5         | -40.0 | 9400.0           | 5900.0 | William Hill             | ..... | 452.0  | 29.0  | 514.0   | 4086.0 |
| Tsy 2500 24 | ..... | 115.51 | 0.10  | 115.8 | 110.9 | Renishaw                    | ..... | 367.0  | 6.0   | 4848.0              | 358.0  | City of London In  | ..... | 42.0                       | -5.0  | 444.0         | 360.0  | Bankers Inv Trust | ..... | 948.0      | -1.0  | 970.0          | 766.0  | Wizz Air Holdings | ..... | 3642.0        | 27.0  | 3769.0           | 2529.0 | Avac                     | ..... | 380.8  | -7.2  | 393.4   | 259.6  |
| Tsy 5000 25 | ..... | 125.68 | 0.13  | 126.1 | 122.1 | Spektrix                    | ..... | 249.0  | -25.0 | 2886.0              | 196.5  | CNC Markets        | ..... | 106.0                      | 0.0   | 140.2         | 77.4   | Rightmove         | ..... | 558.6      | 8.0   | 585.1          | 420.9  | Avast             | ..... | 390.7         | -7.2  | 393.4            | 259.6  | Advanced Medical         | ..... | 245.0  | -1.5  | 354.5   | 255.0  |
| Tsy 4250 27 | ..... | 140.30 | 0.11  | 141.1 | 128.4 | Aberforth Smaller           | ..... | 1242.0 | -4.0  | 1322.0              | 114.0  | Costs Group        | ..... | 74.4                       | 0.0   | 91.3          | 68.8   | STV Group         | ..... | 377.5      | -7.5  | 400.0          | 318.0  | WPP               | ..... | 1014.0        | -4.0  | 1156.0           | 800.4  | SOFTWARE & COMPUTER SERV |       |        |       |         |        |
| Tsy 6000 28 | ..... | 150.88 | 0.12  | 152.8 | 122.6 | EQUITY INVESTMENT INSTRUM   |       |        |       | GENERAL RETAILERS   |        |                    |       | INDUSTRIAL METALS & MINING |       |               |        | BBA Aviation      |       |            |       | Anglo American |        |                   |       | Computacenter |       |                  |        | AM SO                    |       |        |       |         |        |
| Tsy 025 29  | ..... | 154.19 | 0.10  | 154.7 | 118.8 | Alliance Trust              | ..... | 796.0  | -3.0  | 838.0               | 672.0  | Hargreaves Lansdo  | ..... | 2006.0                     | -73.0 | 2433.0        | 1633.0 | Carlson           | ..... | 2445.0     | -5.0  | 2860.0         | 1878.0 | Micro Focus Inter | ..... | 1102.6        | -34.2 | 2491.6           | 1051.4 | ASOS                     | ..... | 2485.0 | 9.0   | 6050.0  | 2077.0 |
| Tsy 4125 30 | ..... | 400.30 | 0.08  | 404.2 | 355.2 | Apax Global Alpha           | ..... | 155.5  | 2.5   | 193.5               | 127.0  | IG Group Holdings  | ..... | 597.0                      | -5.6  | 653.5         | 443.0  | Dixons Carphone   | ..... | 120.0      | 1.1   | 178.6          | 140.9  | Sage Group        | ..... | 1088.0        | -4.0  | 1097.0           | 797.5  | Blue Prism Group         | ..... | 955.0  | 5.0   | 2245.0  | 862.0  |
| Tsy 4750 30 | ..... | 146.49 | 0.14  | 147.9 | 132.1 | AVI Global Trust            | ..... | 75.0   | 70.0  | 781.0               | 660.0  | Intermediate Cap   | ..... | 1413.0                     | -42.0 | 1469.0        | 899.0  | BHP Group         | ..... | 1736.0     | 3.6   | 2049.0         | 1490.6 | Softcat           | ..... | 1018.0        | 17.0  | 1044.0           | 565.0  | Camella                  | ..... | 957.50 | 5.0   | 11750.0 | 9100.0 |
| Tsy 1250 32 | ..... | 165.54 | 0.08  | 167.7 | 144.3 | Baillie Gifford J           | ..... | 840.0  | 8.0   | 866.0               | 663.0  | Investec           | ..... | 418.8                      | -0.1  | 532.8         | 400.7  | Pearson           | ..... | 750.0      | 12.0  | 1027.5         | 734.4  | Softcat           | ..... | 1018.0        | 17.0  | 1044.0           | 565.0  | Caretil Holding          | ..... | 361.5  | -0.5  | 406.0   | 320.0  |
| Tsy 4250 32 | ..... | 144.57 | 0.15  | 146.4 | 128.5 | BBGI SICAV S.A.             | ..... | 158.5  | 0.5   | 168.0               | 146.5  | IP Group           | ..... | 643.5                      | 0.6   | 130.0         | 55.7   | Royal Mail        | ..... | 208.7      | -3.0  | 391.4          | 188.4  | Aggreko           | ..... | 828.8         | -2.0  | 876.6            | 691.8  | Central Asia Meta        | ..... | 212.5  | 4.5   | 266.5   | 180.0  |
| Tsy 4750 38 | ..... | 169.18 | -0.22 | 162.5 | 133.8 | BlackRock Smaller           | ..... | 376.0  | -4.0  | 1482.0              | 1160.0 | John Laing Group   | ..... | 366.2                      | -0.8  | 402.0         | 287.0  | Evraz             | ..... | 457.0      | -10.6 | 709.4          | 442.1  | Ashtead Group     | ..... | 2248.0        | -5.0  | 2438.0           | 1586.5 | Ceres Power Holdi        | ..... | 208.0  | -5.0  | 288.0   | 130.0  |
| Tsy 025 36  | ..... | 159.09 | -0.22 | 162.5 | 133.8 | BMO Global Smalle           | ..... | 3560.0 | 2.0   | 1480.0              | 1220.0 | JTC                | ..... | 552.0                      | 1.0   | 440.0         | 287.0  | Perreppo          | ..... | 164.3      | 3.2   | 301.3          | 158.0  | BCA Marketplace   | ..... | 235.6         | -0.2  | 247.0            | 178.5  | Clintgen Group           | ..... | 860.0  | -4.0  | 1069.0  | 721.0  |
| Tsy 4750 38 | ..... | 169.18 | -0.22 | 162.5 | 133.8 | Caledonia Investm           | ..... | 3005.0 | 0.0   | 3100.0              | 2650.0 | Just Eat           | ..... | 209.2                      | 2.4   | 266.2         | 188.0  | Admiral Group     | ..... | 2121.0     | 3.0   | 2300.0         | 1932.5 | Avast             | ..... | 390.7         | -7.2  | 393.4            | 259.6  | CYS Group                | ..... | 1029.0 | 9.0   | 146.0   | 395.0  |
| Tsy 025 36  | ..... | 159.09 | -0.22 | 162.5 | 133.8 | City of London In           | ..... | 420.0  | -0.5  | 431.5               | 376.0  | Marks & Spencer G  | ..... | 187.8                      | 3.3   | 299.1         | 180.3  | Beazley           | ..... | 628.0      | 6.0   | 628.5          | 492.6  | Dart Group        | ..... | 1029.0        | 9.0   | 146.0            | 395.0  | Dart Group               | ..... | 1029.0 | 9.0   | 146.0   | 395.0  |
| Tsy 4750 38 | ..... | 169.18 | -0.22 | 162.5 | 133.8 | Edinburgh Inv Tru           | ..... | 592.0  | 1.0   | 679.0               | 535.0  | Next               | ..... | 632.0                      | 1.0   | 632.0         | 391.0  | Anglo American    | ..... | 1863.8     | -7.4  | 2266.0         | 1539.0 | Ashtead Group     | ..... | 2248.0        | -5.0  | 2438.0           | 1586.5 | Diversified Gas &        | ..... | 108.0  | -2.0  | 134.5   | 70.0   |
| Tsy 4750 38 | ..... | 169.18 | -0.22 | 162.5 | 133.8 | F&C Investment Tr           | ..... | 707.0  | 0.0   | 731.0               | 616.0  | OneSavings Bank    | ..... | 364.8                      | -4.6  | 447.4         | 313.6  | Antofagasta       | ..... | 885.4      | -3.6  | 1022.5         | 722.2  | BCA Marketplace   | ..... | 235.6         | -0.2  | 247.0            | 178.5  | Draper Esprit            | ..... | 430.0  | 7.0   | 610.0   | 40.0   |
| Tsy 4750 38 | ..... | 169.18 | -0.22 | 162.5 | 133.8 | Fidelity China Sp           | ..... | 214.0  | -3.0  | 250.0               | 182.4  | Paragon Banking G  | ..... | 478.6                      | -3.8  | 486.6         | 379.2  | BHP Group         | ..... | 1736.0     | 3.6   | 2049.0         | 1490.6 | Softcat           | ..... | 1018.0        | 17.0  | 1044.0           | 565.0  | Hand Oil & Gas           | ..... | 126.0  | -0.2  | 134.0   | 97.0   |
| Tsy 4750 38 | ..... | 169.18 | -0.22 | 162.5 | 133.8 | Fidelity Europe             | ..... | 246.5  | 0.0   | 257.5               | 202.0  | Plus500 Ltd (D)    | ..... | 752.0                      | -2.0  | 1647.0        | 485.0  | Carlson           | ..... | 2445.0     | -5.0  | 2860.0         | 1878.0 | Sage Group        | ..... | 1088.0        | -4.0  | 1097.0           | 797.5  | BMS Group                | ..... | 1036.0 | 20.0  | 1242.0  | 864.0  |
| Tsy 4750 38 | ..... | 169.18 | -0.22 | 162.5 | 133.8 | Fidelity Special            | ..... | 246.5  | -1.0  | 275.0               | 220.0  | Provident Financi  | ..... | 404.7                      | -2.5  | 658.6         | 356.0  | BBA Aviation      | ..... | 307.6      | -4.6  | 324.8          | 207.0  | Softcat           | ..... | 1018.0        | 17.0  | 1044.0           | 565.0  | Revertree Drinks         | ..... | 2395.0 | -28.0 | 3642.0  | 2070.0 |
| Tsy 4750 38 | ..... | 169.18 | -0.22 | 162.5 | 133.8 | Finsbury Growth &           | ..... | 193.0  | -1.0  | 198.0               | 740.0  | Quilter            | ..... | 133.9                      | -2.5  | 166.0         | 110.6  | Readi             | ..... | 927.9      | 3.9   | 95.8           | 54.6   | First Derivatives | ..... | 2235.0        | 0.0   | 4120.0           | 2050.0 | Frontier Developm        | ..... | 1038.0 | 2.0   | 1585.0  | 740.0  |
| Tsy 4750 38 | ..... | 169.18 | -0.22 | 162.5 | 133.8 | Foresight Solar F           | ..... | 121.0  | -3.5  | 126.0               | 107.5  | Rathbone Brothers  | ..... | 2225.0                     | 5.0   | 2540.0        | 2085.0 | Royal Dutch Shell | ..... | 2390.5     | 6.5   | 2666.0         | 2235.0 | Gamma Communicat  | ..... | 1050.0        | 0.0   | 1995.0           | 688.0  | GB Group                 | ..... | 550.0  | 8.0   | 631.0   | 40.0   |
| Tsy 4750 38 | ..... | 169.18 | -0.22 | 162.5 | 133.8 | GP Infrastructure           | ..... | 126.0  | -0.6  | 130.8               | 122.4  | Real Estate Credi  | ..... | 167.5                      | 0.0   | 175.5         | 13.8   | Royal Dutch Shell | ..... | 2390.5     | 6.5   | 2666.0         | 2235.0 | Impax Asset Manag | ..... | 234.0         | -5.0  | 295.0            | 184.0  | Growth & Housew          | ..... | 182.5  | -0.0  | 1880.0  | 954.0  |
| Tsy 4750 38 | ..... | 169.18 | -0.22 | 162.5 | 133.8 | Genesis Emerging            | ..... | 763.0  | -1.0  | 783.0               | 65.0   | Record             | ..... | 34.0                       | 0.8   | 41.0          | 27.3   | Royal Dutch Shell | ..... | 2390.5     | 6.5   | 2666.0         | 2235.0 | IQE               | ..... | 356.0         | -3.8  | 428.0            | 308.0  | Keywords Studios         | ..... | 1195.0 | 48.0  | 1952.0  | 900.0  |
| Tsy 4750 38 | ..... | 169.18 | -0.22 | 162.5 | 133.8 | Herold Investment           | ..... | 1302.0 | 0.5   | 237.0               | 175.0  | S&N                | ..... | 2060.0                     | -50.0 | 2605.0        | 1767.5 | Royal Dutch Shell | ..... | 2390.5     | 6.5   | 2666.0         | 2235.0 | Johnson Service G | ..... | 115.2         | 2.4   | 163.0            | 62.0   | Learning Technolo        | ..... | 115.2  | 2.4   | 163.0   | 62.0   |
| Tsy 4750 38 | ..... | 169.18 | -0.22 | 162.5 | 133.8 | HG Capital Trust            | ..... | 230.5  | -0.2  | 170.1               | 149.9  | S&N                | ..... | 2060.0                     | -50.0 | 2605.0        | 1767.5 | Royal Dutch Shell | ..... | 2390.5     | 6.5   | 2666.0         | 2235.0 | Johnson Service G | ..... | 115.2         | 2.4   | 163.0            | 62.0   | M.P. Evans Group         | ..... | 641.0  | -2.0  | 733.0   | 635.0  |
| Tsy 4750 38 | ..... | 169.18 | -0.22 | 162.5 | 133.8 | HICL Infrastructure         | ..... | 236.0  | -0    |                     |        |                    |       |                            |       |               |        |                   |       |            |       |                |        |                   |       |               |       |                  |        |                          |       |        |       |         |        |

MAIN CHANGES UK 350

# OFFICE POLITICS

## Join others to find strength in numbers

There are plenty of business associations out there, so why haven't you joined one?

**I**N THESE uncertain times, adopting a united front can be a powerful way to overcome challenges. We only have to look at the political, social, and economic turmoil of the last decade to observe how making big decisions in a fractured fashion has negative long-term consequences.

Understandably, the current news landscape has made UK business – from major corporations to small start-ups – apprehensive. But a union of hearts and minds can offer firms a degree of strength and stability, as well as a reassuring bedrock of support and security. It's the secret of association.

Associations, either for business or leisure, are nothing new. Two examples that readers may well be familiar with are the CBI and the Institute of Directors. In fact, I'm sure that a significant number of those reading this column will be members of an association.

But for those who are not, let me take the opportunity to outline a few of the key benefits that it has to offer.

### PROMO POWER

For smaller companies, the ability to launch and manage largescale, integrated communications campaigns is beyond their financial reach. However,

**Lisa Hatswell**



most associations have robust, established promotional channels, including printed magazines, direct emails, newsletters, and PR support.

When weighed against annual membership fees, the benefits become clear, offering an opportunity for members to participate in external communications activities which would normally cost thousands of pounds when pursued individually.

### UNCOMMON KNOWLEDGE

Many associations offer educational programmes which help upskill and empower members. These range from business best practice, sometimes linked to the Continuing Professional Development certification service, through to soft skills.

For example, we recently teamed up with business coach Laura Capell-Abra from Stress Matters to launch an



**Don't be left out: consort, coalesce, and cooperate**

accredited mental health first aider training course, tackling the issue of workplace wellbeing and how managers can create channels for juniors to communicate personal problems, openly and discretely. Often, these multi-member courses offer invaluable training at a very reasonable rate.

### MUTUAL MINDSET

Networking is an important part of an association's services. Organisations also offer a number of informal social gatherings throughout the year.

Importantly, they allow like-minded

professionals, with a shared experience, to meet, greet, and establish lasting relationships. I've been involved in Unique Venues of London for 18 years, and have seen many firm friendships grow out of attending our events and receptions.

All too often, I think the fun aspect of membership is played down, when we should actually be celebrating it as a major reason to join an association.

### INDUSTRY VOICE

Associations possess the advantage of being able to speak in unison on behalf of the membership. This is an essential and advantageous function when – like now – a collective voice is required.

This might be to feed into an industry white paper or to react against an impactful government policy.

It's a case of strength in numbers: decision-makers are often more likely to listen to the spokesperson of a wide held view, rather than a series of soloists singing the same sentiment in a disjointed fashion.

When we work together, we are stronger. The association model offers advantages which go far beyond the membership fees.

So don't be left out: consort, coalesce, and cooperate. It will improve the way you and your colleagues do business.

*Lisa Hatswell is managing director of Unique Venues of London.*

## COFFEE BREAK

Copyright Puzzle Press Ltd, www.puzzlepress.co.uk

### SUDOKU

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

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

### 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.

|    |    |    |    |    |    |    |    |    |
|----|----|----|----|----|----|----|----|----|
| 8  | 34 | 10 | 13 |    | 9  | 19 | 35 | 17 |
| 28 |    |    |    |    | 27 |    |    |    |
| 13 |    |    |    |    | 13 |    |    |    |
|    | 12 |    |    |    | 38 |    |    |    |
| 20 |    |    |    |    | 22 |    |    |    |
|    |    |    |    | 17 |    | 6  |    |    |
| 13 |    |    |    | 37 |    |    |    |    |
|    |    |    |    | 4  |    |    |    |    |
| 18 | 33 |    |    |    |    |    | 16 | 4  |
| 21 |    |    |    |    |    |    |    |    |
| 9  |    |    |    | 16 |    |    |    |    |
| 7  |    |    |    | 9  |    |    |    |    |
|    |    |    |    |    |    | 10 |    |    |
| 19 |    |    |    |    |    | 16 |    |    |
|    |    |    |    | 24 |    |    |    |    |
|    |    |    |    | 14 |    |    |    |    |
| 30 |    |    |    |    |    | 26 |    |    |
|    |    |    |    |    |    | 11 |    |    |

### 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.



### LAST ISSUE'S SOLUTIONS

#### QUICK CROSSWORD

|   |   |   |   |   |   |   |   |   |
|---|---|---|---|---|---|---|---|---|
| M | U | T | A | T | E |   | N | A |
| E | T | Z | O | D | I | A | C |   |
| T | A | R | T | A | R |   | A | T |
| R |   | A |   | A | D | A | G | I |
| E | J | E | C | T | R | A |   | R |
| T | H | I | N | A | I | R |   |   |
| P | E | L |   | G | N | A | S | H |
| R | A | R | I | T |   | T |   | A |
| I | N |   | E | L | E | V | E | N |
| Z | E | A | L | O | T |   | N | D |
| E | L |   |   | I | N | T | R | A |

#### KAKURO

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

#### SUDOKU

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

#### WORDWHEEL

The nine-letter word was TARNISHED

### QUICK CROSSWORD

|    |  |    |    |    |    |    |   |    |  |    |
|----|--|----|----|----|----|----|---|----|--|----|
| 1  |  | 2  |    | 3  |    | 4  |   | 5  |  | 6  |
| 7  |  |    |    |    |    |    |   |    |  |    |
|    |  |    |    |    | 8  |    | 9 |    |  |    |
| 10 |  |    |    |    |    |    |   |    |  |    |
|    |  |    |    |    |    |    |   |    |  |    |
| 11 |  |    | 12 |    |    | 13 |   | 14 |  | 15 |
|    |  |    |    |    |    |    |   |    |  |    |
| 16 |  | 17 |    | 18 |    |    |   |    |  |    |
| 19 |  |    |    |    |    |    |   |    |  |    |
|    |  |    |    |    | 20 |    |   |    |  |    |
| 21 |  |    |    |    |    |    |   |    |  |    |

#### ACROSS

- 4 Equate (5)
- 7 Swaggering show of courage (7)
- 8 Supplement (3-2)
- 10 Without fixed limits or restrictions (4-5)
- 11 Books that retail in large numbers (11)
- 17 Object used to start an explosion (9)
- 19 Guide (5)
- 20 Artist's workroom (7)
- 21 Bill for an amount due (5)

#### DOWN

- 1 Soak up (6)
- 2 Stroke tenderly (6)
- 3 Animals used in desert regions (6)
- 4 Weight to be borne (4)
- 5 William \_\_\_\_, Scottish pirate (4)
- 6 Zero (4)
- 9 Trade (4)
- 12 Dainty (4)
- 13 Cavalryman (6)
- 14 Involve as a necessary accompaniment (6)
- 15 Jean-Paul \_\_\_\_, French writer and philosopher (1905-80) (6)
- 16 Female relative (4)
- 17 Indian dish made of split pulses (4)
- 18 Item used to carry many cups at once (4)

## HEALTH



# WHY IT'S GREAT TO BE SELFISH

Personal trainer **Harry Thomas** on the hidden merits of putting yourself first

**F**orget everything Barney the Dinosaur taught you: it's good to be selfish. We spend so much time living our lives for other people when the one person you should be focusing on is yourself, and by turning your attention inwards you'll actually start to benefit those around you.

We can start with your health. The most common excuse I hear from clients is that they don't have any time to spend on their fitness. This just isn't true. We all have the same amount of time to work with, and by making a few selfish decisions we can start to prioritise our health over everything else.

Take work for example. For many of us this is the biggest source of stress in our lives, and while we often can't do much to change that, we can change how you deal with it. By making the time to focus on your health, you will start and end the day in a better mood. The knock on

benefits of feeling better mean you'll work harder, handle pressure more easily, and feel less busy.

Consider your kids. When you're feeling fit and healthy you can give them more of yourself, play with them for longer and keep up with their adventures. In relationships, rather than slumping on the sofa in front of the television each night, you can be more active and more energetic day to day. You will look and feel better around your partner.

It's just a matter of making time for yourself first, and others second. Carve out three one hour blocks in your diary. I guarantee that they exist, either before or after work, on your lunch break or even at the weekend. You don't need to spend this time at the gym, but consider something like a yoga or dance class, or an activity you've never tried before like bouldering or dragon boat racing. Or take the long way home by bike, walk instead of taking the car – just change *something*.

## EAT WELL FOR LESS STRESS

Nutrition is a key area for most of our clients when they're looking to improve their health. The City is swimming in dirty takeaways and boozy evenings, so the trick to staying on top of your nutrition is simply to become more aware of what you're putting in your mouth. Be-

fore you even think about making any changes, first keep a diary or use an app like MyFitnessPal to stay on top of everything. You'll spot the areas in which you're overconsuming (spoiler: it's the drink), and this will arm you with the info you need to make an effective change.

Sleep plays an important role in your health and in the City we all need more of it. As with your calorie intake, simple awareness is a great way to improve sleep. Start tracking how many hours per night you're actually getting and note it down. Over the week, work out your daily average. You want to be getting at least seven and a half hours per night. In London, the average is a lot less than this. Make a conscious effort to im-

prove your sleep this month, and get the sleep you need.

## TICKET FOR ONE

Making time for yourself is a simple shortcut to improving your mood and thoughts. Finding a quiet spot to sit, rest or read alone for a while once per week should be all you need initially, but more popular than ever are health and fitness retreats, which let you exchange the day to day hustle and bustle for some invaluable you-time.

Some people are averse to the idea of being alone, and in a relationship it's awkward to raise the idea of taking a trip by yourself, but solo travel can be a deeply fulfilling experience. Without anyone else to rely on, and with more time to do little else but think, it is one of the rare opportunities for self-reflection we have in the modern world.

If you don't have the time to get away for days at a time, you can start with activities like long walks, bike rides, hikes and meditation. These allow you to switch off and clear the mind, which increases creativity and helps to deal with stress.

When you have selfishly focused on your own health, happiness and well-being, you'll be presenting your best version of yourself to others. Open your diary, and start making appointments with you.

“

It's awkward to raise the idea of travelling alone to your partner, but solo travel can be deeply fulfilling

## Are there real health benefits to kombucha?

### THE DRINKS MASTER

Adam Vanni of Jarr Kombucha on the origins of this now ubiquitous drink

**M**aybe you've overheard someone talking about it on the tube, noticed it in the fridge at your local corner shop or read about it in the Sunday morning paper – each time becoming increasingly perplexed, wondering to yourself, “what the hell is kombucha?”

Well, kombucha, or “booch” as it's affectionately referred to by fans far and wide, is fermented tea; a blend of tea, water, sugar and a SCOBY (an acronym for a symbiotic culture of bacteria and yeast).

These ingredients are brewed together and left to ferment in a warm environment for around two weeks, eventually leaving you with a delicious and nutrient-dense drink.

Although kombucha was first brewed over 2,000 years ago in ancient China as a “longevity elixir,” it really kicked off in the early noughties in Los Angeles, naturally. Nowadays, it's an industry valued at over a billion pounds.

Despite what you may have heard, kombucha is not going to solve all your health problems, cure you of cancer or change your life. I'm not saying that kombucha isn't healthy – because it is – just not because of the reasons that most people are told. I'm referring mainly to the purported benefits of the “probiotic” bacteria, of which there is actually no scientific proof.

Kombucha is good for you not because of the bacteria themselves, but because of the acetic acid produced by the bacteria during the fermentation process. As it's made with tea, kombucha and contains antioxidants, which have been hailed over the years for their scientifically proven effect on the human body.

But, kombucha is also a delicious, complex and versatile drink that works incredibly well on its own, in a cocktail or paired with food. For instance, our Hemp Kombucha is served on tap alongside beer and draught cocktails at Tayer + Elementary, regarded as one of London's best bars. You'll now find kombucha in the fridges of many London pubs and on the menus of Michelin starred restaurants. There's even a whole chapter dedicated to kombucha recipes in *The Noma Guide to Fermentation*. Kombucha has been pigeonholed into the health spaces, but I believe it has a much more exciting future ahead.



# FOOD&DRINK



## WEEKLY GRILL

Executive chef of Bōkan Restaurant in Canary Wharf **Guillaume Gillan** on his new menu, and how to instantly improve your knife skills

### WHO ARE YOU AND WHAT DO YOU DO?

My name is Guillaume Gillan, executive chef of Bōkan Restaurant in Canary Wharf.

### TELL US ABOUT YOUR NEW MENU

We've just launched our new three course Early Sunset Dockyard menu. It's seasonally led so changes every couple weeks, and is served from 6pm to 7.30pm, giving guests front row seats to the London sunset (weather depending!) Bōkan Restaurant is located on the 37th floor, so I challenge you to find a better spot to take in the skyline.

### WHAT FOOD MAKES YOU HAPPY AND WHY?

I adore Mediterranean food. I'm originally from Nice so I suppose it's what I grew up with. Since training as a chef, I've realised that the thing I love about the cuisine from that part of the world is the way it celebrates ingredients when they are in season at their

best, whether that's a perfectly ripe tomato, or the simple cooking of the freshest catch. That's the food that tastes best, whatever the cuisine.

### YOU COME HOME DRUNK AND HUNGRY - WHAT DO YOU COOK?

Depending on how drunk and how hungry I am... I'll either whip up a carbonara, or just gorge on slices of salami.

### WHAT'S THE STRANGEST ENCOUNTER YOU'VE HAD IN YOUR RESTAURANT?

I once had a diner come in who, when asked if they had any allergies we should know about, proceeded to list out dairy, gluten and every vegetable under the sun. That was an interesting one.

### TELL US ABOUT THE BEST MEAL YOU EVER HAD

A couple of years ago I was lucky enough to eat at L'Enclume, Simon Rogan's incredible

restaurant in Cumbria. Everything that we ate and drank was truly outstanding. I drew the short straw and was the designated driver for the day, so discovered that their tea selection is just as expansive as their wines! I was so wowed by the restaurant that I ended up going back to do a stage in the kitchen.

### WHAT'S YOUR EARLIEST FOOD MEMORY?

As a child I used to love going to the butcher with my grandma. I remember it so clearly - picking out the cuts, and then going home for the best steak lunch ever.

### WHAT DO MOST PEOPLE GET WRONG WHEN COOKING?

I think often the basics can be overlooked. For example, I notice that a lot of amateur cooks (and even trainee chefs) could improve their knife skills - many people will go to chop vegetables with the back of the knife (which is usually less sharp). It's

learning little tips like that, as opposed to the fancy stuff, that can vastly improve your cooking.

### WHAT'S YOUR FAVOURITE DISH?

It's definitely beef-based. The final dish would be a toss-up between filet tartare and a beautiful piece of beef, simply cooked on the grill, to be eaten with béarnaise sauce.

### WHAT'S THE WORST THING YOU'VE EVER PUT IN YOUR MOUTH?

Dover sole liver. I'm all for using as much of the fish as possible, but can't stand these.

### WHAT'S THE BEST THING ABOUT THE LONDON FOOD SCENE?

The community and camaraderie between chefs and restaurants. This industry can be a tough one, but I think the challenges facing restaurants have helped to foster a community focused

on growth and preservation.

### WHAT SHOULD EVERYONE HAVE IN THEIR KITCHEN CUPBOARD?

A decent extra virgin olive oil. This ingredient is so versatile and comes in to play at the beginning and the end of so many dishes.

### YOU'RE MAYOR FOR A DAY - WHAT FOOD LAW WOULD YOU INTRODUCE?

I would make cookery classes compulsory at secondary school level. Being able to cook - even at a basic level - is such a crucial life skill, and if it helps young talent to see being a chef as a possible career path, then that's an added bonus. Alongside cookery classes, I'd integrate regular supplier visits into the programme to ensure that young cooks get to experience real farms and factories to get a full understanding of where our food comes from. I think that's invaluable as both a chef and a consumer.

## When it comes to seasonal curries, the bird is the word

### THIS WEEK'S RECIPE:

Pheasant season is finally here, so here's how to curry that bird

The pheasant season is upon us, along with partridge, grouse and mallards too. As ever I prefer to shoot not for entertainment, but only what I'm going to eat so that nothing is wasted. I'm happier going out with the boys and shooting 20 birds between us and cooking up a good five course supper on our return, utilising every bit of the bird, which is exactly how it should be. I gave you the pheasant Holstein recipe last season, so now here's

### MY FOOD DIARY

Mark Hix



something you can do with the thighs. I'm a big supporter and patron of the Country Food Trust, which ensures game birds go to good use and to feed those in need. Another non-profit, the British Game Alliance also promotes the use of game to the public.

### PHEASANT CURRY SERVES 4-6 INGREDIENTS

• 20 or so pheasant thighs

- 4 onions, peeled and sliced
- 2 medium green chillies, deseeded and sliced
- 1 tbsp ghee
- 1 tbsp tomato purée
- 1 litre chicken stock; a cube will do
- 1 tbsp chopped coriander leaves

### FOR THE MARINADE

- 6 cloves of garlic, peeled and crushed
- 50g root ginger, scraped and finely grated
- A good pinch of saffron
- 200g thick yoghurt
- 4 cloves

### FOR THE SPICE MIX

- 1 tsp black peppercorns
- The seeds from 12 cardamom pods
- A small piece of cinnamon stick

- 1 tsp cumin seeds
- 1 tsp fennel seeds
- 1t sp ground turmeric

### TO GARNISH

- 2 tsp melon seeds
- 1 tbsp peeled pistachio nuts
- 2 shallots, peeled and thinly sliced

### METHOD

Mix all the ingredients together for the marinade then mix with the pheasant thighs, cover and marinade for an hour.

Meanwhile put all of the ingredients for the spice mix in a cast-iron frying pan and heat them over a medium heat for about 3-4 minutes, turning them regularly with a spoon until they are lightly browned.

Transfer to a mortar and pestle and coarsely grind the spices.

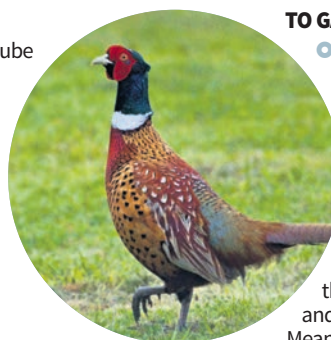
Melt the ghee in a thick-bottomed pan and gently cook the onions and chillies on a low heat with a lid on for 5-6 minutes, stirring every so often until soft. Add the spices, tomato purée and chicken stock, bring to the boil and simmer for 10 minutes.

Add the pheasant and the marinade, cover and simmer gently for about 45 minutes, topping up with a little water if necessary.

Take a ladle of the sauce and blend in a liquidiser until smooth and return to the pan. The pheasant should be tender now and the sauce quite thick; if not continue simmering.

Stir in the coriander and transfer to a serving dish.

To serve, mix the melon seeds, pistachios and shallots together and scatter on top. Serve with basmati rice.



# SPORT

Gnabry fills his boots as Spurs are flattened on their own turf by classy Bayern Munich, writes **Felix Keith**

**T**HE wheels didn't just come off the Tottenham wagon in the Champions League last night; they were loosened by its driver and catapulted out of sight over the horizon.

Bayern Munich absolutely out-classed Mauricio Pochettino's Spurs on their own turf, putting seven past a weary, disenchanted and ramshackle opponent.

Tottenham – apparently clueless and eventually shellshocked and embarrassed – conceded seven goals at home for the first time in their entire history, with former Arsenal winger Serge Gnabry helping himself to four, Robert Lewandowski two and Joshua Kimmich one. The hosts left their pitch, inside their shiny new state-of-the-art stadium, to boos following what must surely prove to be a defeat which provokes a response.

## DIAMONDS AREN'T FOREVER

Pochettino opted to field a 4-1-2-1-2 formation, with Dele Alli – goalless since January – at the tip of a diamond and Harry Winks holding.

The result was that when Spurs had possession they looked dangerous, with through-balls frequently being threaded towards Son Heung-min and Harry Kane in the first half, but without it there were acres of space down the flanks ready to be exploited.

Bayern were more than happy to accept it, spraying diagonals out to wide men Kinsley Coman and Gnabry, with Spurs' midfield unable to cover.

They were warned. The Germans cut open the home defence twice inside the opening three minutes and the problems persisted for the next 90.

Against top-class opposition Spurs were far too open, employing near-suicidal tactics which suggested Bayern had been underestimated.

## BEST IN THE WORLD?

A striker as good as Lewandowski doesn't need much space in which to operate, and the Polish striker made it nine consecutive games in with a goal for Bayern with his 13th of the



## CHAMPIONS LEAGUE

### SPURS

2

Son 12', Kane pen 61'

### BAYERN

7

Kimmich 15', Lewandowski 45', 87', Gnabry 53', 55', 83', 88'

season before the break, to make it 2-1 after Kimmich's curling effort.

If Lewandowski's inventive flick over Jan Vertonghen from a throw-in caught the eye, his rasping low finish

past Hugo Lloris did the opposite – beating the Tottenham keeper before the eye had time to catch up.

A late second – Bayern's sixth – was a prime example of his nonchalant brilliance in the penalty area.

Before last night's clash Spurs fans were buoyed by the idea that Bayern were a fading force, missing Franck Ribery and Arjen Robben, but Lewandowski remains and has a claim to being the best No9 around.

## GIFTS

Spurs were firmly on the back foot in the closing stages of the first half and Pochettino's move to a 4-2-3-1 shape couldn't halt the slide. His side were blown away and while he must shoul-

der some of the criticism, the nature of the goals was eye-poppingly poor.

A simple one-two saw Gnabry stride away in behind reluctant right-back Serge Aurier, out-fox Toby Alderweireld and smash into the bottom corner to make it 3-1.

Tottenham compounded the error two minutes later when Winks was caught in possession by Corentin Tolisso, who laid Gnabry's second on a plate. Kane brought it back to 2-4 from the spot and the cavalry arrived from the bench in the form of Christian Eriksen, Lucas Moura and Erik Lamela – but it had no effect.

## MENTAL DISINTEGRATION

Instead of loading up the siege equip-

ment to bombard the Bayern penalty area, Spurs opted to press the self-destruct button.

Not for the first time, Aurier fell into a deep sleep on the halfway line and Thiago's long ball found Gnabry to complete his hat-trick. Lewandowski picked out the bottom corner with ease for 6-2 before Aurier gave the ball away again and Danny Rose allowed Gnabry time and space to blast in the coup de grace.

Pochettino has cut a frustrated figure for some time now. Ever since their Champions League final defeat in May talk around the club has been dominated by want-away players. Now, after a seven-goal hiding, something has to give.

# Top four? This Leicester team could be even greater than

**B**RENDAN Rodgers made a bold decision when he walked away from a third successive treble at Celtic in February and returned to the Premier League with Leicester.

The former Liverpool and Swansea boss took a lot of flak and the switch could have gone either way – he had lots to lose and not much to gain – but he knew his work in Scotland was done. So far it is working out very well. After seven games of the new season they are third, above Arsenal, Tottenham, Chelsea and Manchester United, and a top-four finish could be on.

It turns out that Leicester, 5000/1 title winners in 2016, are not the

## FOOTBALL COMMENT

Trevor Steven



one-hit wonders that some sceptics believed them to be.

The Foxes have actually had some tough fixtures already, against Chelsea, Spurs and United, but their consistency has proven a valuable asset while others around them have fluctuated wildly. It shows what can be done if you can carve out a good

little run – you quickly march up the table, and few clubs in the division can boast the positivity currently around the King Power Stadium.

## THE RODGERS FACTOR

Recruitment was a key factor in their famous title win and once again Leicester have excelled in an area that is often hit and miss.

They have gone for a certain type of player – pace, tons of energy and the right age profile – while managing to balance the books with the odd big sale, such as that of Harry Maguire to United. Crucially, they have also kept key men like Jamie Vardy and Kasper Schmeichel. Vardy is such a strong personality

and a great goalscorer but he is more than that. His teammates will appreciate what a potent disruptor of back lines he is – an overlooked attribute that gets his colleagues on the front foot.

And then they have Rodgers, a manager who knows how to put a team together in a style that is conducive to success in the Premier League. His is a model that they can all buy into – and that has been a common theme at all of the winning teams

that I was part of.

I think this is potentially an even better Leicester team than the one that topped the table.

Claudio Ranieri's side were built on an extremely compact and solid back four, with Wes Morgan and Robert Huth at the heart and N'Golo Kante perfect in front of them. But Rodgers' team are just about as strong defensively, and –

Leicester could ill afford an injury to Jamie Vardy



## STERLING PRICELESS Raheem steps up to help Man City overcome Dinamo Zagreb



Raheem Sterling came off the bench to score and help Manchester City beat Dinamo Zagreb 2-0 in the Champions League last night. Sterling swept in Riyad Mahrez's cross in the 66th minute before Phil Foden sealed City's second Group C win late on.

### CONTINUED FROM FRONT PAGE

Leading English teams remain attractive investments due to the league being the richest in the world, with combined revenue of £4.8bn in 2017-18.

Palace's income grew slightly to £150.3m for the year ending June 2018 although the club made a loss of £35.5m which was attributed to the signing of players to stave off the threat of relegation.

The Eagles hope to increase revenue with a redevelopment of their Selhurst Park stadium and

improvements to their successful academy. The projects require a combined outlay of £140m but will increase income by £24m a year, according to the investor summary.

The document – issued by Zenith Global Capital

**Palace were in a strong enough position to resist interest in star man Zaha**



Partners – says the club would be sold debt-free and has a projected valuation of £525m by year three and £700m by year five.

It adds that there is “real potential” to qualify for European competitions “with subsequent

financial uplift”. Palace returned to the Premier League in 2013 and have since finished between 11th and 15th each season. The team is currently ninth in the table.

The club's hierarchy successfully resisted the sale of star player Wilfried Zaha during the summer transfer window. Their position was strengthened by having cashed in on fellow academy product Aaron Wan Bissaka, who joined Manchester United in a deal worth around £50m earlier in the close season.

Harris, who co-founded Apollo Global Management, and Blitzler, an executive at Blackstone, also control NBA basketball team the Philadelphia 76ers and NHL ice hockey franchise the New Jersey Devils as well as Palace.

### EMOTIONAL GEMILI FINISHES FOURTH IN 200M FINAL

Adam Gemili narrowly missed out on a World Championships medal in the men's 200m final in Doha last night. The 25-year-old Briton led into the final straight but was passed by American winner Noah Lyles, Canada's Andre de Grasse and Ecuador's Alex Quinonez, who took bronze by just five hundredths of a second. “I am gutted,” said Gemili. “I ran like an amateur. I cannot believe it, I came so close. this was such a good chance.”

### FARAH RELIEVED AS EX-COACH IS BANNED FOR FOUR YEARS

Sir Mo Farah has distanced himself from Alberto Salazar after his former coach was banned for four years for doping violations. Salazar, the head of Nike's Oregon Project, and doctor Jeffrey Brown were found guilty of multiple violations following a four-year investigation by the US Anti-Doping Agency. Both deny wrongdoing and plan to appeal the ban, but four-time Olympic champion Farah, who worked with Salazar for six years, said he was “relieved” by the outcome. “I left the Nike Oregon Project in 2017 but as I've always said, I have no tolerance for anyone who breaks the rules or crosses a line,” he said.

### SPORT DIGEST

#### CREEVY: PUMAS WILL BRING ‘WAR’ AGAINST ENGLAND

Argentina hooker Agustin Creevy says Saturday's Rugby World Cup fixture against England will be “like a war” in Tokyo. The Pumas beat Tonga 28-12 on the weekend in Pool C, but their opening defeat against France leaves them needing victory against England and experienced former Worcester front-row Creevy hyped up the occasion. “Saturday is going to be like a war, it's like a final for us,” he said. “I think the battle with the forwards will be the game.”

#### MURRAY FACES NORRIE AFTER ENCOURAGING WIN IN CHINA

Andy Murray will play compatriot Cameron Norrie at the China Open this morning after producing an impressive performance to reach the second round yesterday. Murray came back from breaks in both sets to beat Italy's world No13 Matteo Berrettini 7-6, 7-6 in Beijing. “It was a tight match and I thought I did pretty well,” said Murray, who had hip surgery in January. “I feel like the progress has been quite consistent and hopefully that keeps going until the end of the year.”

## their title winning side

with James Maddison and Youri Tielemans creating in midfield, and Ayoze Perez and Harvey Barnes providing balance on the flanks – they have a lot more going forward.

### REALISTIC GOAL

The biggest threat to Leicester's momentum will be injuries – and especially to Vardy. They also need to accept that they will have a bad month at some point, because all teams do. It is a case of trying to scrape through that spell without losing confidence.

But their absence from European competition can help. As we've seen with other clubs, the extra games can be a burden; instead, Leicester

will be able to plan and rest better.

This Saturday they visit Liverpool in a game they would be delighted to take a draw from. But after that they have a run of very winnable games which represents a chance to consolidate their position.

I have no doubt that Rodgers will feel that finishing in the top four is a realistic goal this season. What's more, though, I think the players will believe it too. Some of them defied all the doubters to win the title, so fourth place will not feel beyond them at all.

*Trevor Steven is a former England footballer who played at two World Cups.*  
@TrevorSteven63

**RUGBYX**  
29 OCTOBER 2019 • THE O2, LONDON

England Rugby, IRFU, USA RUGBY, FRANCE RUGBY, UAR

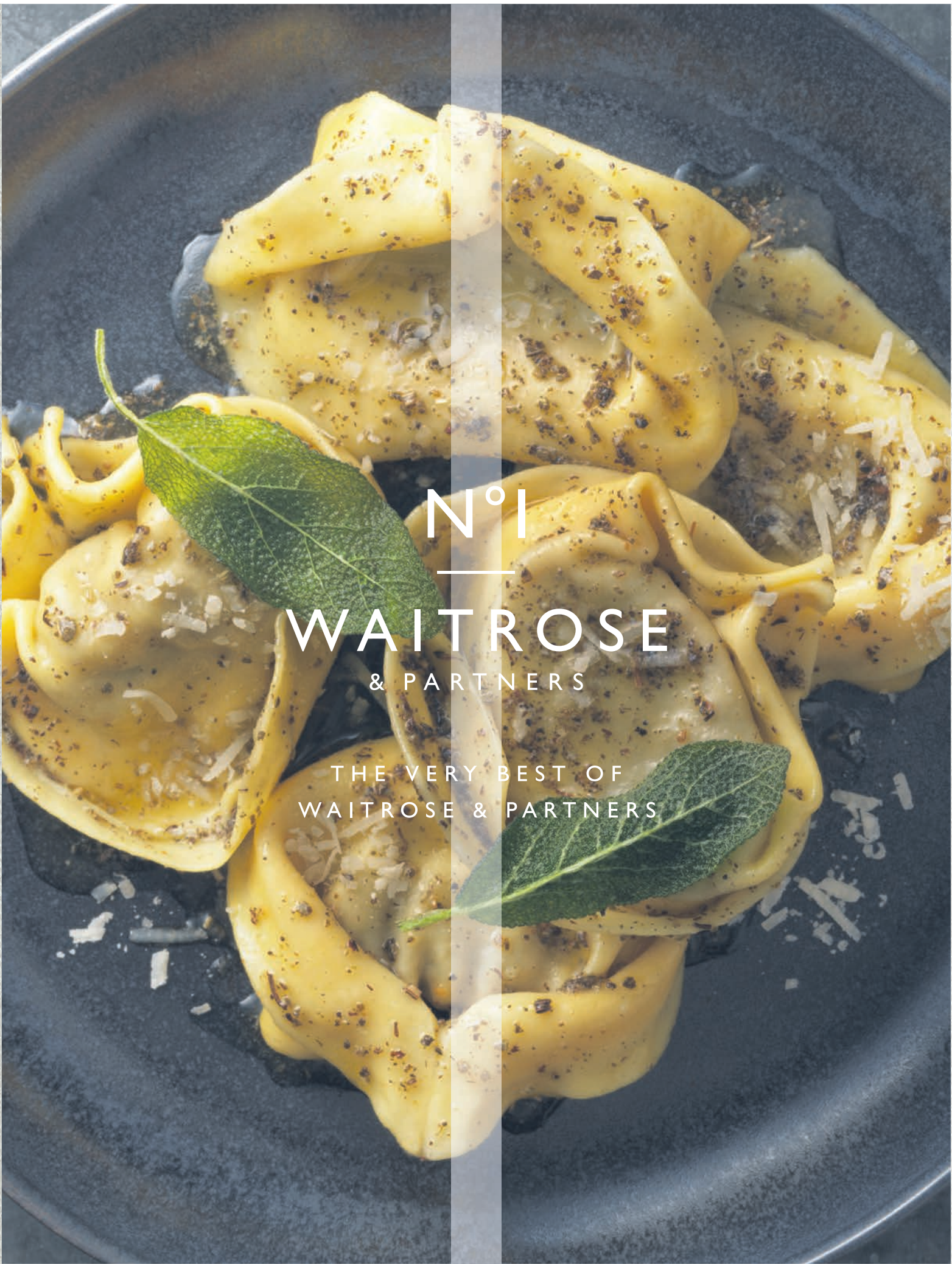
**5 vs 5 FULL CONTACT RUGBY**

**THE LEADING INTERNATIONAL SEVENS TEAMS**

**A NEW WAY TO EXPERIENCE RUGBY**

**CHILDREN £10**  
**ADULTS FROM £20**  
FAMILY TICKETS AVAILABLE

FOR MORE INFORMATION  
**VISIT RUGBYX.COM**  
@RUGBYXOFFICIAL



Nº1  
—  
WAITROSE  
& PARTNERS

THE VERY BEST OF  
WAITROSE & PARTNERS

Waitrose & Partners No.1 Beef & Chianti Tortelloni with a serving of Sage Butter & Aged Parmigiano Reggiano  
Tender shin of beef, slow-cooked in a rich stock with shallots, leeks and a generous splash of Chianti.

Now enjoy 20% off our No.1 range

Waitrose & Partners No.1 Beef & Chianti Tortelloni with a serving of Sage Butter & Aged Parmigiano Reggiano 295g. Introductory 20% offer price E6, E2.10/100g, will be E7.50, E2.60/100g on 23 October. Offer ends 22 October. Excludes Hampers. Selected stores. Subject to availability. Minimum online spend applies. Prices may vary in Channel Islands, Little Waitrose & Partners and concessions. Excludes motorway service stations, Welcome Break and petrol stations. Serving suggestion shown.