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DUP leader Arlene Foster rubbished suggestions that the last hurdle to a Brexit deal had been resolved, saying discussions were continuing on “a sensible deal which unionists and nationalists can support”.

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The issue of the Northern Ireland assembly’s oversight of future customs arrangements, known as consent, and the technical issue of customs arrangements, appeared to have been ironed out, leaving issues related to the future VAT regime as the final stumbling block.

A government spokesman declined to comment on specifics, but stressed issues were not solely with Brussels.

CONTINUES ON P4

HARRY ROBERTSON
@henrygrobertson
THE GLOBAL financial system is at risk from ballooning levels of corporate and emerging market debt caused by ultra-low interest rates, the International Monetary Fund (IMF) has warned.

The IMF cautioned that in a downturn half as severe as 2008, $19 trillion (£14.9 trillion) of companies’ debt – “above crisis levels” – is at risk of default and poses a threat of global contagion.

The US-China trade war and a global slowdown mean already very low interest rates are set to stay “lower for longer,” the international lender said yesterday in its biannual financial stability report.

Low rates have led down government bond prices and sent investors towards riskier assets, such as non-financial firms’ bonds and shares and the debt of emerging market countries. In turn, the amount of money owed by companies and developing countries has rocketed.

The IMF, which is in the middle of its first annual meeting under new chief Kristalina Georgieva, warned that an economic downturn could severely limit the ability of these firms and countries to pay their debts as earnings fall and lenders demand higher interest.

“This could have significant macroeconomic implications,” the fund said. A failure by firms to pay up would rock institutional investors such as pension funds that hold their bonds, and the damage could hit economies.

“Similarities in investment funds’ portfolios could magnify a market sell-off, pension funds’ illiquid investments could constrain their ability to play a role in stabilising markets as they have done in the past, and cross border investments by life insurers could facilitate spillovers across markets,” the IMF said.

Investors have also snapped up the bonds of emerging market countries such as Brazil, India and Mexico which offer bigger returns, leading to high levels of sovereign debt.

“In the event of a sharp tightening in global financial conditions, increased borrowing could raise rollover and debt sustainability risks,” the fund said, adding the main focus of governments should be bringing an end to the trade tensions which are the primary "downside risk".

IMF ISSUES DEBT STORM WARNING
LENDER OF LAST RESORT CAUTIONS SOARING CORPORATE DEBT LEVELS AS THREAT TO FINANCIAL STABILITY

CATHRINE NEILAN
@CatNeilan
A BREXIT breakthrough was in touching distance last night, but critical issues remain unresolved both in Brussels and Westminster ahead of tonight’s European Council.

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CONTINUES ON P4
Master Ultra Thin Perpetual. 
Manufacture movement 868/1.
A Brexit deal is within Boris Johnson’s reach

O VER coffee and croissants this morning, EU member states’ ambassadors in Brussels will be briefed on the current state of the Brexit negotiations. Late last night, it seemed the UK and EU were inches away from agreeing the principles of a new deal. French President Emmanuel Macron, Germany’s Angela Merkel, EU Council president Donald Tusk and even the dour Michel Barnier, the EU’s chief negotiator, were making positive noises. On the other side of the channel, arch-Brexiters like Steve Baker and Iain Duncan-Smith were signalling their willingness to back a new deal agreed between Boris Johnson and the EU. It is, as it has been before, now largely a matter of whether the Democratic Unionist Party of Northern Ireland will agree to the new proposals. The plan will likely involve dual customs arrangements for Northern Ireland, meaning a customs border in the Irish Sea. Those checks would take place at ports on the west coast of the UK, rather than along or near the border with the Republic of Ireland. It would involve a complex system of origin labelling, reimbursements and red tape but should, in theory, dispense with the backstop and keep Northern Ireland in the UK’s customs union. This issue will be picked up and pored over today, but the EU seems unwilling to sign it off unless it’s confident that MPs in Westminster will vote for it. They’re right to be concerned, not just because of the DUP but because the determination of anti-Brexit MPs to delay the withdrawal date or secure a second referendum cannot be underestimated. But before we get to another round of parliamentary shenanigans, it is worth considering just how far Johnson has come. Since the summer, the cast-iron position of EU leaders and officials has that the withdrawal agreement negotiated by Theresa May before we get to another round of parliamentary shenanigans, it is worth considering just how far Johnson has come. Since the summer, the cast-iron position of EU leaders and officials has been that the withdrawal agreement negotiated by Theresa May could not and would not be reopened. Well, as of last night, its been that the withdrawal agreement negotiated by Theresa May could not and would not be reopened. Well, as of last night, MP’s in Westminster will vote for it. They’re right to be concerned, not just because of the DUP but because the determination of anti-Brexit MPs to delay the withdrawal date or secure a second referendum cannot be underestimated. But before we get to another round of parliamentary shenanigans, it is worth considering just how far Johnson has come. Since the summer, the cast-iron position of EU leaders and officials has been that the withdrawal agreement negotiated by Theresa May could not and would not be reopened. Well, as of last night, its stands open. Johnson’s crisis, in parliament and the press, have been adamant that he doesn’t want a deal and that his efforts to get one were a sham. Well, as of last night, he appears to be stretching every sinew to secure one. Of course, even if he succeeds in bringing back a new kind of Brexit, it’s not certain that enough MPs will vote for it. But if the last 48 hours have taught us anything, it’s that anything is possible.

The last 48 hours have shown that anything is possible

Steve Baker, head of the Tory Euro-sceptic faction the European Research Group (ERG), which will carry around 28 votes, urged the Prime Minister to bring forward legal text for MPs to scrutinize ahead of the rare Saturday sitting this weekend. Speaking after Johnson’s appearance before the Conservative backbench committee known as the 1922, Baker and other ERG members signalled that they would only be prepared to vote for something they were confident could not be tweaked subsequently. It is also unclear whether Tory rebels will back the deal, although City A.M. understands that some of those who had the whip removed last month are expecting the vote to act as a route back to the party. In an apparent pun on the imminent European Council, Johnson yesterday told MPs: “If we are on Everest, we are at the Hillary Step — we can see the summit, but it’s shrouded in clouds.” MPs will today vote on the government motion to sit from 9.30am to 2pm on Saturday 19 October, the deadline set by the Benn Act for Johnson to secure parliamentary approval for a deal. If he fails, the law stipulates that the Prime Minister must write a letter seeking an extension to Article 50.

""
New Woodford fund suspension amid asset sales

Anna Menin

THE ADMINISTRATORS of Neil Woodford’s investment firm announced the suspension of another of the former manager’s funds yesterday over fears customers would rush to withdraw their money.

The £232m Woodford Income Focus Fund (WEIF) was gated by Link Fund Solutions the morning after Woodford took the “highly painful” decision to shutter his company, having been sacked as manager of his flagship Equity Income Fund (WEIF).

Link said due to Woodford’s resignation, it “expects that the redemptions in [WEIF] will reach a level whereby it may no longer be able to continue to meet redemption requests without prejudicing the interests of both remaining and redeeming investors”. The fund administrator said it would consider options including the appointment of a different manager; integrating WIFF into another fund, or winding it up entirely.

Woodford declined to comment.

SHARES in Netflix rose as much as nine per cent in after-hours trading last night as its third-quarter profit beat forecasts, following the success of shows such as Stranger Things. It reported earnings per share of $1.47, topping $1.04 estimates.

Netflix shares rise

SEBASTIAN MccARTHY

MORE THAN 330 financial firms have relocated parts of their business ahead of Britain’s imminent departure from the EU, a new report has found.

Hundreds of banks and financial services companies have moved staff or set up new entities in the EU, rising by 25 per cent since March.

The scale of movement away from London suggests that the value of any post-Brexit trade deal may now be “relatively limited”, according to think tank New Financial.

Despite warning that relocations would “gradually chip away at the UK’s influence in the banking and financial industry”, New Financial said London would remain the dominant financial centre for Europe for the foreseeable future. Firms are keen to keep as much of their business in London as possible and even the biggest relocations represent a maximum of 10 per cent of the headcount at individual firms,” the report said.

Relocations rise ahead of Brexit but London will stay ‘dominant’

Anna Menin

THE FINANCIAL Conduct Authority (FCA) has defended itself against accusations it was “asleep at the wheel” ahead of the collapse of Neil Woodford’s investment empire.

CMC Markets’ chief analyst Michael Hewson told City A.M. he thought the FCA was “asleep at the wheel” in the run-up to the suspension of Woodford’s flagship Equity Income Fund (WEIF) in June, which gated after becoming overwhelmed by withdrawals.

Alan and Gina Miller, founders of investment firm SCM Direct and prominent critics of the FCA, have called for a “root and branch” review of the watchdog in light of the suspension.

“The regulator is not fit for purpose and is not protecting investors,” Alan Miller said.

The FCA hit back, saying it had disagreed with the Millers “on numerous issues relating to the asset management industry, and our oversight of it, over recent years”.

The watchdog said it had “introduced wide ranging rules to tackle issues in the asset management industry”, and was “carrying out work looking at open ended funds and redemption terms.”

Watchdog accused of being ‘asleep at the wheel’ over investment saga

Anna Menin

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INFLATION in the Eurozone fell to its lowest pace in three years in September, official figures showed yesterday, raising fresh concerns over the direction of the single currency area’s economy.

Prices grew at just 0.8 per cent in the year to September, below initial estimat es and far under the European Central Bank’s (ECB) desired rate of close to but below two per cent.

At its last meeting in February, the ECB unveiled a major stimulus package in an effort to kickstart the Eurozone’s struggling economy, including relaunching its giant bond-buying programme.

The weak reading for inflation in September will reignite the intense debate about policy among the upper echelons of the central bank. Officials debated about policy among the upper echelons of the central bank. Officials debated about policy among the upper echelons of the central bank.

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Separate figures released by the Office for National Statistics (ONS) yesterday showed that UK price inflation stayed at a three-year low in September, below the Bank of England’s desired rate of two per cent.

The headline annual rate of price growth was 1.7 per cent last month, the same as the August reading. Economists had been expecting a 1.8 per cent rise in the price of goods in British shops.

ONS head of inflation Mike Hardie said: “Inflation remained unchanged into September at its lowest rate since late 2016. Motor fuel and second-hand car prices fell, but were offset by price increases for [household items].”

Asos increases efforts on Black Friday after annual profit dives

JOE CURTIS
@joe_r_curtis
LONDON house prices booked a steep 1.4 per cent annual drop in August as UK house prices grew at a lower level than last year, according data published yesterday.

While UK house prices posted annual growth of 1.3 per cent to beat that of 0.8 per cent in July, growth dipped below last year’s level amid a general slowdown.

London fuelled the drop as the capital suffered the UK’s biggest annual fall, followed by a 0.6 per cent decline in south-east house prices.

That left the average UK house price worth £235,000 in August, the Office for National Statistics (ONS) said.

However, shares rose more than 19 per cent, signalling investor confidence in the retailer’s plans.

Dragons’ Den star Peter Jones calls in administrators to rescue Jessops chain

JESS CLARK
@jclarkjourno
THE OWNER of struggling camera retailer Jessops — Dragons Den star Peter Jones — is preparing to appoint administrators in a bid to rescue the firm, in a move that could lead to store closures and rent cuts.

JR Prop, the manager of the retailer’s leasehold property estate, has filed a notice of intention to appoint restructuring specialist

Resolve as administrator, Sky News reported.

The decision means Jessops’ 46 stores could be threatened with closures over the coming months in the latest blow to the beleaguered UK high street, which has seen a string of major retailers shut shops in recent years. Store managers were briefed on the restructuring plans yesterday morning.

Jones, who bought the retailer six years ago, decided insolvency proceedings would be the best method of streamlining Jessops’ operations to ensure the camera chain’s survival, the broadcaster said, citing sources.

The businessman is reportedly planning to seek a company voluntary arrangement (CVA) restructuring plan, which is expected to spark store closures and rent cuts. The company employs about 500 people, and it was not clear how many jobs were at risk.

Housing market ‘limbo’ as London house prices drop

JAMES BOOTH
@Jamesbooth1
US RETAIL sales fell unexpectedly for the first time in seven months, suggesting manufacturing weakness could be spreading to the broader economy.

Data released yesterday by the US Commerce Department showed retail sales dropped 0.3 per cent last month as consumers cut back spending on cars, online shopping and hobbies.

Economists polled by Reuters forecast retail sales would climb 0.3 per cent in September.

The world’s largest economy is being pressurised by US President Donald Trump’s ongoing trade war with China which has hit business sentiment and led to a recession in manufacturing.

“Weaker retail numbers provide further evidence that weakness in the manufacturing sector is spilling over into other areas of the economy,” said Jim Cramer, chief investment officer at Plante Moran Financial Advisors.

Many economists expect the Federal Reserve to cut interest rates at its 29-30 October policy meeting to keep the economy’s expansion on track.
Keep things moving after Brexit

There will be changes that affect businesses across the UK after Brexit. Make sure you are prepared for them, particularly if your business:

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- receives personal data
- exports services

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Get ready for Brexit
CUSTOMERS who have lodged complaints over the mis-selling of payment protection insurance (PPI) may have to wait until next summer for a final response.

Britain’s competition watchdog revealed yesterday it is challenging banks to deal with complaints as quickly as possible following a late surge of enquiries ahead of the August deadline.

The last-minute flood of claims means that companies will now “not be able to meet their normal complaint handling times”, according to the Financial Conduct Authority (FCA).

Financial firms would usually have two months to respond to claims, but could now take until summer 2020 to deliver a final response to some complaints.

A number of banking giants came under fire at the end of August after suffering a series of technology and IT failures in the run-up to a long-awaited PPI deadline.

Several banks blamed an exceptionally high volume of traffic for the difficulties in the run-up to the deadline, which has brought down the curtain on a major financial scandal that involved banks and loan providers mis-selling policies to people who did not need them between 1990 and 2010.

The 11th-hour stampede of complaints caused several major high street lenders to warn of extra costs to their balance sheet.

It has been estimated by the FCA that roughly £36bn in compensation has been paid out so far, with the typical payout amounting to £2,000.

However, in August think tank New City Agenda forecasted that the total bill for PPI claims would likely exceed £50bn.
Watchdog launches investigation into Amazon’s funding of Deliveroo

JESS CLARK
@jclarkjourn

THE COMPETITION watchdog has launched a probe into Amazon’s investment in food delivery startup Deliveroo.

The Competition and Markets Authority (CMA) yesterday confirmed it will investigate whether Amazon’s investment could “result in a substantial lessening of competition”.

The e-commerce giant led a $575m (£448m) funding round in Deliveroo in May this year.

Following the initial phase of the investigation, the watchdog will decide whether to progress it’s inquiries by 11 December.

The funding round, which also included money from existing investors T Rowe Price, Fidelity Management and Greenoaks, took Deliveroo’s total capital raised to $1.5bn.

Deliveroo said in May it planned to use the cash to “invest heavily” in its London technology team as well as expansion to reach new customers.

Amazon cancelled its own London food delivery service Amazon Restaurants UK in December last year after two years amid fierce competition from Uber Eats, Deliveroo and Just Eat.

HARE-RAISING
The Affordable Art Fair celebrates its 20th anniversary showing

Lidl plans £15bn investment into British suppliers

JESS CLARK
@jclarkjourn

BUDGET supermarket Lidl has announced a £15bn investment in its UK suppliers yesterday as it pledged to sell more British meat and fresh food produce.

The German discount supermarket announced the five-year investment yesterday as it marked 25 years operating in the UK.

As part of the announcement, the retailer committed to increasing its sales of British meat, poultry and vegetables by more than 10 per cent over the next 12 months, following on from its decision to source all fresh poultry from British farms.

Ryan McDonnell, chief commercial officer at Lidl GB, said: “As our business continues to grow, it’s vital that our suppliers remain at the heart of our growth plans, and that is why we are committing to investing at least £15bn over the next five years.

“Our business is only ever as good as our suppliers’ [s], so our investments and commitments are key to ensuring that they can invest and expand with us,” he added.

Other initiatives include signing long-term contracts to provide certainty for suppliers and the introduction of a scheme to support young farmers.

Tom Hulme, of A.C. Hulme & Sons — Lidl’s main supplier of apples and pears — said: “We wouldn’t have even contemplated upgrading our packhouse if it wasn’t for our confidence in Lidl’s future custom.

“The company has stayed true to its word with its growing orders over the years, giving us certainty in an industry that faces many uncertainties.”

The latest investment comes after the discountor in June committed to investing £500m in London over the next five years as it targets expansion across the capital. Rival firm Aldi is also aiming to capitalise on the discounters’ relatively low market share in London by pursuing an aggressive expansion campaign.

The grocers are shaking up the industry in the UK as they challenge the Big Four supermarkets — Sainsbury’s, Tesco, Morrisons and Asda — that dominate the sector.

Asda under renewed pressure as employees protest new contract

JESS CLARK
@jclarkjourn

ASDA workers yesterday staged another protest and handed in a 23,000 strong petition to management over the implementation of a new contract.

GMB union members gathered in Leeds to demonstrate against the new Section 6 contract, which they said means employees will be forced to work bank holidays and weekends and will not be paid for any breaks.

However, the Walmart-owned supermarket said a new contract is required to create flexibility in the “immensely competitive” retail sector.

Staff that have not yet signed the contract are on notice and will lose their jobs on 2 November if they do not agree to the new terms.

Asda said: “We have been clear that we don’t want any of our colleagues to lose us and... we continue to have conversations with those who have chosen not to [sign the contract], to try and understand their concerns.”

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City of London councillor shuns ‘political stunt’

STEFAN BOSCIA
@Stefan_Boscia
THE CITY of London Corporation has been accused by one of its councillors of going beyond its remit and attacking the government in a “political stunt”.

The corporation’s Court of Common Council – its key decision making body – approved a motion last week to give “full and unequivocal support” to the independence of the UK judiciary.

It said the council should value “the City’s deep rooted connections with the justice system” and reiterate its support to the independence of the UK judiciary.

The motion was clearly a response to the recent Supreme Court decision that ruled that the extended prorogation of parliament was illegal.

Bradshaw said: “This was nothing more than us finger-wagging at the government over the Supreme Court decision. It was a total political stunt and we as an organisation need to be apolitical.”

A source at the City of London said there were two types of councillors who voted against the motion.

“One type are small-c conservatives who... believe that [the council] should never get involved in anything that is political,” they said. “And the other type are hardcore Brexiters.”

The motion was put forward by Bishopsgate ward deputy Tom Sleigh and had 24 councillors as signatories.

Sleigh said he forwarded the motion because he was concerned about attacks on the judiciary from “some parts of the media and public figures”.

The London Metal Exchange set to hike fees eight per cent in 2020

SEBASTIAN MCCARTHY
@SebMcCarthy
THE LONDON Metal Exchange (LME) is set to hike its trading and clearing fees for the first time in five years.

The historic exchange has said it will raise fees eight per cent at the start of next year, as its owner, Hong Kong Exchanges and Clearing, seeks to regain some of its investment.

"Since our fee recalibration exercise in 2017, when we implemented significant discounts, we have begun to invest in a number of key areas of the business, which along with inflationary impact — has led... to a fair and proportionate new fee schedule," said LME boss Matthew Chamberlain.

Airlines bid for Thomas Cook’s UK airport slots

JAMES WARRINGTON
@j_s_warrington
THE LIQUIDATORS of collapsed airline Thomas Cook are said to have secured bids from some of the UK’s largest carriers after kicking off an auction of dozens of UK airport slots.

KPMG set a deadline of 5pm yesterday for bids for the take-off and landing slots as part of an auction that could raise tens of millions of pounds, Sky News reported.

The sale, which includes 15 pairs of prime summer spots at Gatwick, has drawn interest from British Airways parent company International Airlines Group. Easyjet, Virgin Atlantic and Wizz Air have also put in bids for the slots, according to the report. In addition to Gatwick, Thomas Cook operated from Aberdeen and Manchester airports.

Rival airlines are expected to engage in a bidding war over the slots, which can be among an airline’s most valuable assets.

The auction must be completed by the middle of November for legal reasons, according to the report.
ONE OF Britain’s biggest rail franchises could be nationalised amid concerns about its financial situation and late-running trains, the transport secretary has said.

Grant Shapps said yesterday he is considering whether Northern Rail, which is run by German operator Arriva, should be brought back under state control.

He told MPs the franchise “cannot continue” running services so late. Northern Rail operates across most of the north of England, stretching from Liverpool to beyond Newcastle.

The transport minister told the cross-party Transport Select Committee of MPs that he had asked for proposals to take over the franchise from the government’s so-called Operator of Last Resort (OLR).

Arriva, which is owned by the German state, has also been asked to draw up plans for how it will make dramatic improvements to its service.

David Brown, managing director at Northern Rail, said: “These discussions have no impact on rail services for customers. Our job is to continue to provide the best service possible for our customers.”

According to recently-released on-time statistics from the Office for Rail and Road (ORR), just 57 per cent of Northern Rail trains run on time, while the UK average is 65 per cent.

“Nearly two-thirds of all trains arrive on time but if you’re on Northern it’s not much over half. That is a big gap,” Shapps said.

He said writing to Arriva and the OLR was the “first phase” of the process. A final decision could be taken in late 2019 or early 2020.

It comes ahead of a hotly-anticipated report which is expected to call for a replacement for the current franchising system.

HEATHROW airport has come under fresh pressure to increase competition between airlines, amid concerns over a monopoly by British Airways owner International Airlines Group (IAG).

A survey commissioned by Virgin Atlantic has suggested 57 per cent of British travellers support more choice of airline at Heathrow, one day after the transport secretary backed calls for more competition.

Transport secretary Grant Shapps said it is “incredibly important” to open up competition at the airport.

Heathrow currently allocates more than half of its take-off and landing slots to IAG. The next largest groups are Lufthansa and Virgin Atlantic, with eight per cent and seven per cent of Heathrow slots respectively.

A Heathrow spokesperson said: “To secure these benefits for passengers, the government needs to reform the current slot allocation system. It must encourage competition and choice amongst all airlines.”

Volvo Cars aims to become fully climate-neutral by end of 2040

Volvo hopes for its global manufacturing network to be climate neutral in six years

Volvo Cars aims to become fully climate-neutral by end of 2040. The company, which is owned by Chinese firm Geely, aims to reach the 2025 targets through a string of measures, including generating 50 per cent of global sales from fully electric cars and having a 25 per cent share of recycled plastics in new vehicles by that time.

“At Volvo Cars we will address what we control, which is both our operations and the tailpipe emissions of our cars,” chief executive Hakan Samuels said.
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Lightsource BP, already Europe’s largest solar company, is expanding its large-scale solar capacity across the globe. It’s one more way BP is working to make energy cleaner and better.

TUVAN GUMRUKCU

Turkey will retaliate against US sanctions over Ankara’s military operation into northeast Syria, Turkish foreign minister Mevlut Cavusoglu said yesterday, adding that all threats and sanctions against Turkey were unacceptable.

Speaking in parliament, Cavusoglu also said Turkey expected the US Congress to turn back from its “damaging approach”, and added that ties between Ankara and Washington were at a critical juncture.

He said he would convey this to a US delegation led by vice president Mike Pence in Ankara, along with US secretary of state Mike Pompeo.

US President Donald Trump yesterday said the United States was “going to try to work it out” with Turkey regarding its assault into Syria, but US sanctions would be “devastating” if discussions with Ankara did not go well.

“We’re in a great position,” Trump told reporters at the White House. “I think they’ll have a successful meeting... If they don’t, the sanctions, tariffs other things that we’re doing — will do and are doing — to Turkey will be devastating to Turkey’s economy.”

Trump has been on the defensive since his abrupt decision announced last week to withdraw forces from northeastern Syria where they had been supporting Kurdish forces fighting Islamic State.

US politicians, including Trump’s fellow Republicans, have been fiercely critical of what they see as the President’s hasty handling of the situation following Trump’s phone call with Turkish President Recep Tayyip Erdogan last Sunday.

Trump yesterday said he did not give Erdogan a “green light” to push into northeastern Syria, and that the Turkish leader had long been planning such a move.

Protests in Hong Kong have escalated in recently over a proposed extradition bill

Hong Kong boss Carrie Lam says city entered ‘technical recession’

Two Wall Street banks surpass expectations

SEBASTIAN MCCARTHY

@SebMcCarthy

TWO US banking giants reported better-than-expected financial results yesterday following a turbulent 12 months for Wall Street.

Bank of America’s profit slumped roughly 20 per cent in the third quarter of this year, but its shares rose 1.5 per cent after it trumped market expectations.

Quarterly profit at the second largest US bank by assets tumbled from $7.2bn (£5.6bn) to £5.8bn year on year, yet the drop in profit was driven by a one-time $2.1bn charge from the end of a partnership with First Data.

BNY Mellon also beat estimates as a cost-cutting effort helped offset weakness in the firm’s investment management business.

Net interest revenue tumbled 18 per cent to $790m, dented in part by a lease-related impairment of $70m. Fee revenue fell one per cent.

Interest rate cuts and continued uncertainty over the US-China trade war have rocked confidence in the banking sector.
African Export-Import Bank confirms float plan in boost to London market

SEBASTIAN MCCARTHY
@SebMcCarthy

AN AFRICAN trade finance group confirmed yesterday its plans to plough ahead with a listing in London, giving a boost to the capital’s ailing initial public offering (IPO) market.

The African Export-Import Bank, which provides trade finance for large infrastructure projects across the continent, is hoping to raise $250m (£196m) in its float on the London Stock Exchange. The group, better known as Afreximbank, said the final offer price will be determined following a book-building process, with admission expected to occur in November.

Founded in 1993 by a group of African governments and investors, Afreximbank was created to “to facilitate, promote and expand intra and extra-African trade”.

The flotation is a rare bit of good news for London’s IPO market, which has struggled with a sharp drop in new listings amid ongoing political uncertainty in the UK. There were 24 IPOs on the LSE by the end of September this year, a 55 per cent drop compared to the same period in 2018. The third quarter of 2019 was the quietest quarter in a decade for UK IPOs.

Climate protestors blockaded Youtube’s offices in London yesterday

STEFAN BOSCIA
@Stefan_Boscia

EXTINCTION Rebellion blockaded the entrance to Youtube’s London headquarters yesterday as the group’s protest action continued.

The tech giant was targeted for allegedly promoting videos that deny the existence of man-made climate change, according to an open letter from the group.

“The disproportionate representation of the denialist perspective can be traced back to systematic disinformation campaigns conducted by fossil fuel interests and their political allies,” it read.

“We demand you make this platform one that tells the truth.”

The protest action came as the group also returned to Trafalgar Square just days after being evicted by police. The group held a people’s assembly at the square yesterday afternoon, which turned into a mass sit-in to blockade the roads.

People involved included Labour MP Clive Lewis, Green MP Caroline Lucas and writer George Monbiot.

Many of those in attendance taped their mouths shut.

A spokesperson for the group said it was to signify a “police attempt to silence the group’s protests”.

The Metropolitan Police cleared away Extinction Rebellion’s campsite in Trafalgar Square on Monday night, which had been set up after a Section 14 action. Police subsequently banned the climate activists from taking part in the so-called Autumn Uprising in an attempt to clamp down on protests.

Green MEP Ellie Chowns was arrested on Tuesday night for returning to Trafalgar Square with other protesters.

More than 1,600 people have been arrested so far as a part of the group’s activities.

Transport for London Public Notice

ROAD TRAFFIC REGULATION ACT 1984
THE A10 GLA ROAD (BISHOPSGATE CITY OF LONDON) (TEMPORARY PROHIBITION OF STOPPING) ORDER 2019

1. Transport for London hereby gives notice that it intends to make the above named Traffic Order under section 14(1) of the Road Traffic Regulation Act 1984 for the purpose specified in paragraph 2. The effect of the Order is summarised in paragraph 3.

2. The purpose of the Order is to enable water disconnection works to take place on A10 Bishopsgate.

3. The effect of the Order will be to prohibit any vehicle from stop in the loading, unloading and disabled person’s vehicles bay outside Nos. 154-164 Bishopsgate. The Order also permits all vehicles to use the bus lanes on both carriageways of Bishopsgate between its junctions with New Street and Liverpool Street/Devonshire Row. The Order will be effective at certain times from 8:00 AM on 1st November 2019 and 5:30 PM on 18th November 2019 or when the works have been completed. The prohibition will apply only during such times and to such extent as shall from time to time be indicated by traffic signs.

4. The prohibitions will not apply in respect of:
   (1) any vehicle being used for the purposes of those works or for fire brigade, ambulance or police purposes;
   (2) anything done with the permission or at the direction of a police constable in uniform or a person authorised by Transport for London.

Dated this 17th day of October 2019

Claire Wright
Co-ordination and Permitting Area Manager
Transport for London, Palestra, 197 Blackfriars Road, London, SE1 8NJ
Huawei posts revenue boost as US crackdown fails to tarnish growth

JAMES WARRINGTON
@j_a_warrington

HUAWEI yesterday reported a sharp increase in revenue for the third quarter as US sanctions failed to hamper its smartphone shipments.

The Chinese tech giant posted revenue of 610.8bn yuan (£67.2bn) in the third quarter, up 24.4 per cent year on year. Revenue was up 27 per cent in the three-month period to the end of September.

Huawei’s growth was driven by continued strong sales in its smartphone division, with 185m phones shipped so far this year. The company also continued sales of 5G infrastructure, signing 60 commercial contracts.

Victor Zhang, Huawei senior vice president, said: “Huawei’s third-quarter results today demonstrate that consumers, telecoms operators and European policy makers continue to choose Huawei based on the high-quality and efficiency of our products and services.

However, the embattled Chinese firm may still face trouble ahead as the full extent of the US crackdown is yet to kick in.

US President Donald Trump has added Huawei to a trade blacklist, effectively banning it from doing business with American companies.

Trump’s administration has granted the firm a reprieve until November, after which the company will be denied access to American-made technology, including Google apps.

Huawei founder Ren Zhengfei has said his company had started producing equipment without any US components. However, he has admitted that the company could take a 30bn (£23.4bn) revenue hit this year.

Overall, nearly two-thirds of respondents reported no change to their overall marketing budgets.

It’s a false economy to cut one’s ad budget when things look uncertain,” said IPA director general Paul Bainsfair.

“The evidence shows that far from being prudent, it can have a negative long-term effect on growth. Companies that hold their nerve consistently, and that invest in the 60/40 ratio of longer-term brand building to shorter-term sales activation, outperform the market.”

The fractional decline, which is the first since 2012, highlights the underlying hesitancy as businesses grapple with Brexit uncertainty.

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City of London update

Has your firm prepared for Brexit?

THE UK government has pledged to leave the European Union with or without a deal - so is your firm ready for Brexit?

It may have a significant impact on businesses of all sizes across the Square Mile and beyond. So firms need to start preparing now for the effect it may have for your business and employees.

An information campaign urging the public to “get ready for Brexit” has been launched by the government, including a website, gov.uk/brexit.

Make sure you have your say

DON’T miss out on your chance to have a say on City services.

Staff in businesses and other organisations based in the Square Mile can vote in the City of London’s elections and qualifying firms have already been sent registration forms by the City Corporation.

This means you can have a voice on the different areas of the City Corporation’s work - from air quality to cycling, personal security to green spaces and commuting to transport improvements and more.

News, Info and offers at www.cityoflondon.gov.uk/eshot
Trade committee not impressed by government’s Brexit preparations

STEFAN BOSCIA @Stefan_Boscia
A GOVERNMENT response to an International Trade Committee report has been branded as “less than encouraging”.

The report, written by committee chair and Scottish National Party MP Angus MacNeil, criticised the government’s lack of detail on post-Brexit strategy to attract more foreign investment.

The government response cited its “foreign direct investment promotion strategy” over the past 18 months as evidence of Brexit preparations. The strategy involves using data to assess the impact of potential projects and where to best invest money.

The report also cited the work being done by the nine newly appointed international trade commissioners in overseas countries. MacNeil said yesterday: “The response to our report by the Department for International Trade is less than encouraging. “I am not filled with confidence that the government is in a good position to start negotiating on international investment — either as part of free trade deals or in standalone investment agreements — in a matter of weeks.”

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Police watchdog set to take reins of Arcuri inquiry

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EU orders Broadcom to suspend business deals in investigation

SEBASTIAN MCCARTHY @SebMcCathy
BROADCOM was ordered to halt its deals with six major customers yesterday amid an investigation into whether the chip maker abused its market position to hurt rivals in its television and modem market.

The EU’s antitrust regulator is imposing interim measures to prevent any likely “harm” to competition, suspending certain business deals between the tech giant and TV and modem makers.

The unprecedented move from Margrethe Vestager, the EU’s competition chief, means Broadcom has 30 days to comply with the order. An in-depth investigation into Broadcom was launched in June.

A Broadcom spokesperson said: “Broadcom’s contracts with the customers that the European Commission characterises as ‘exclusivity-inducing remain in force, other than the provisions at issue, and we intend to continue to support these customers going forward.”

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A TIME when the conduct of business leaders is regularly questioned, the concept of ethical leadership matters now more than ever. People are taking to the streets around the world, demanding action on human rights, civil liberties, and climate change.

With the public becoming increasingly concerned about environmental, regulatory, and societal issues, these considerations are being factored into their purchasing habits. And as a result, people are demanding action from policymakers and leaders.

THE POWER OF PURPOSE

In our turbulent and uncertain world, these sentiments are leading businesses to re-examine how they account for their existence.

In August, one of the pre-eminent business lobbies in the US, the Business Roundtable, issued an open letter entitled Statement on the Purpose of a Corporation. Signatories to the letter included 181 chief executives of major corporations, from Apple to Walmart, representing 30 per cent of US market capitalisation.

In this letter, leaders stated that “each of our stakeholders is essential. We commit to deliver value to all of them, for the future success of our companies, our communities, and our country”. As such, it speaks to shifts that have been gathering pace – some would argue, all too slowly – in the corporate world.

Reporting on the Business Roundtable statement, the Harvard Business Review commented that it “represents a very public rebuke of Milton Friedman’s worldview” that “the business of business is business and the sole focus of the CEO is to maximise the profits of that business”.

So at this time of immense change, what does it mean to be an ethical leader?

THE RIGHT WAY

Leadership means taking people with you. Ethical leadership is about taking people with you as you strive to do the right thing and make a positive impact on the world around you.

Clearly articulating an idea, getting others to be genuinely excited about it, bringing them on a journey, and supporting them along the way are the hallmarks of a true leader.

But, increasingly, this can’t be just any idea, and personal effectiveness and charisma alone are not enough to energise and inspire.

Through analysing feedback from more than 1.3m US employees, Harvard Business Review also found that companies with a high level of corporate purpose outperform the market by five to seven per cent each year. Purpose matters. And that purpose has to be powerfully articulated, transmitted, and engaged with throughout an organisation.

You see leadership qualities played out in all their glory and failure in football management. As a football fan, I’ve always been impressed with the manager of the England men’s team, Gareth Southgate. His leadership style exemplifies professionalism, courage and dignity. He prepares his players to be resilient and empowers them to “be in control of the process” at major tournaments. It’s about empowering people to give their best, and encouraging them to do so in the right way – which means prioritising ethical behaviour.

ETHICAL COMPLEXITIES

For ACCA and the professional accountants who make up our global membership – 219,000 members and 327,000 students in 179 countries – ethical conduct is absolutely central to building trust and confidence.

Throughout this final quarter of 2019, we are highlighting the power of ethics, trust and sustainability – showing how digital advances, tightening regulation, and changing consumer behaviour have introduced new ethical complexities to the ever-changing business world.

Consequently, the need for the ethical leadership has never been greater. This was something we highlighted on Global Ethics Day yesterday, with a number of events around the world – including the third annual Film Festival in Singapore, an ethics pledge in Malaysia and a Brussels breakfast event on Global Ethics Day yesterday, with a number of events around the world – including the third annual Film Festival in Singapore, an ethics pledge in Malaysia and a Brussels breakfast event on Global Ethics Day yesterday, with a number of events around the world – including the third annual Film Festival in Singapore, an ethics pledge in Malaysia and a Brussels breakfast event.

The accounting industry has a particular responsibility to uphold and lead on ethical issues.

The backbone of business

Finance professionals are the backbone of business, and ethics plays a crucial role in everything they do, so the accounting industry has a particular responsibility to uphold and lead on ethical issues.

They have to be aware of ethical dilemmas, and that’s why our students have ethics at the heart of their training, with our Ethics and Professionalism Skills Module. This is an integral part of the ACCA Qualification.

Also, the introduction of our Strategic Business Leader level exams allows our students to demonstrate strategic thinking and leadership that draws on their ethical judgment, technical and professional skills, and present their responses in the way that would be expected in the workplace.

We’re at the leading edge of this change, working with our partners to equip our students and members with the right skills and knowledge to succeed.

And our members have the edge – their lifelong commitment to ethical practice begins the moment they sign up to study our qualification. This advantage is then carried into their careers as ACCA members – who each see this ethical understanding as a collective responsibility as well as a personal one.

While the power of ethics begins with me and you, it is amplified to extraordinary effect when it applies to “us”.

And this is the most valuable commodity professional bodies can give to the world – professionals who care about doing the right thing.

Helen Brand

OBE is the chief executive of ACCA.
**Strong London performance pushes up Segro’s value of headline rent**

ALEX DANIEL

@alexdaniel

PROPERTY giant Segro has increased the value of new headline rent contracts signed for the third quarter.

The investor and developer said yesterday it signed contracts worth £52m at this point in 2018.

The growth brings its total headline rent contracts signed for the year to £48.6m. That is down from £52m at this point in 2018.

Rent roll growth from existing space in the third quarter was £2.1m, down from £5.5m last year.

Segro said it had “continued to capture reversionsary potential” from its portfolio, “with new headline rents on review and renewal approximately 20 per cent higher than previous passing rent”.

The firm said the Slough trading estate and its greater London portfolio made strong contributions to performance.

Vacancy rates remained largely stable at 4.9 per cent, up from 4.8 per cent last year.

“The third quarter has seen another period of strong operational delivery from Segro,” chief executive David Sleath said.

“We have continued to secure high levels of new rental income both from our existing portfolio and from our active development programme, in which we have over 1m square metres of new space under construction or in advanced discussions.”

**Barratt seeks to reassure market over uncertainty**

JESS CLARK

@jclarkjourno

BRITAIN’s biggest housebuilder Barratt Developments shrugged off concerns about political and economic uncertainty yesterday as it reassured investors it could deal with the potential effects of Brexit.

The FTSE 100 developer said it has a strong balance sheet and cash position to provide it with the resilience and flexibility to react to “potential changes in the current operating environment”.

Barratt completed 2,352 homes in the 15 weeks to 13 October, up 14 per cent on last year, and announced that total forward sales, including joint ventures, rose to 12,903 units from 12,903 a year earlier.

However the value of the homes fell 2.4 per cent to £3.07bn and sales per site per week were flat, the company said in a trading update.

The firm launched 26 new developments in the period, down from 53 the year before, and reiterated its target of three to five per cent annual growth in wholly owned home completions in the medium term.

“Recent updates from the housebuilders have strongly hinted that this is as good as it gets for the sector. But you would not necessarily guess as much reading today’s trading statement from Barratt Developments,” Russ Mould, investment director at AJ Bell, said.

“Industry margins are under pressure as house prices stall at the same time as building costs are going up and there are also signs purchasers are using the current uncertainty to haggle more on price or looking for higher specification features in their homes... Either Barratt has found an approach that has eluded its rivals or it seems likely shareholders will face disappointment at some stage.”

Shares edged down 0.9 per cent.

**National Express continues global expansion with Casablanca contract**

JESS CLARK

@jclarkjourno

NATIONAL Express has secured a £1bn (£869m) contract to run a bus service in Casablanca, nearly doubling its business in Morocco.

The bus operator’s Spanish and Moroccan division Alsa has been awarded the 15-year contract, which will start next month with the deployment of 400 buses, increasing to 700 in 2020.

The company is now the sole operator in five of Morocco’s six largest urban areas and from next year will run more buses in the country than it does in the UK.

National Express will also introduce new payment and scheduling systems and be responsible for a redesign of the network, which will carry around 100m passengers each year.

National Express chief executive Dean Finch said: “I am delighted we have secured this significant contract in Morocco.

“This contract cements our presence in Morocco, which had already doubled in August with Rabat’s successful start-up.

“We will now operate more buses in Morocco than the UK. We look forward to serving the people of Casablanca soon.”

**O2 switches on 5G in UK rollout across six cities**

JAMES WARRINGTON

@j_warrington

O2 HAS today switched on its 5G network in London and five other locations across the country, completing the rollout of the new high-speed network for the major UK providers.

The new network will be available in London, Belfast, Cardiff, Edinburgh, Slough and Leeds, with a total of towns and cities earmarked for launch by the end of the year.

O2’s 5G will initially be available in the busiest locations, such as London Waterloo, Kings Cross, Twickenham and the Emirates Stadium.

Customers will be able to access the answers today, a variety of custom tariffs, including an unlimited data option, without a premium.

“I believe 5G is going to revolutionise the way people and businesses use mobile connectivity, unlocking huge possibilities for our economy and society,” said Mark Evans, chief executive of O2 parent company Telefónica UK.

“No one in the country has all the answers today, but I’m excited about getting it into the hands of our customers... and working to shape the future of 5G together.”

The launch marks the final 5G switch-on for major providers, following rollouts by EE, Vodafone and Three.
Whirlwind day for UK shares in talks of EU deal

Sterling swung around five-month highs yesterday and stocks in London cut their losses amid a blizzard of contradictory headlines about whether Britain and the European Union were on the verge of agreeing a Brexit deal.

In another volatile day of trading for UK assets, financial markets remained hostage to news as Boris Johnson and EU negotiators raced against the clock to forge a withdrawal agreement before the EU summit today. Negotiators were struggling to clinch an 11th-hour deal, raising the chances that Johnson will have to seek an extension of the 31 October deadline for Britain’s exit from the bloc.

Sterling has surged some five per cent since late last week, when London and Brussels started intense negotiations. But yesterday sources in the bloc said the talks had hit a “standstill”. Britain’s mid-cap stocks index FTSE 250 cut its losses from the morning and was last down marginally.

Ireland’s main stocks index fell 0.5 per cent.

Trading in sterling options suggested high volatility in the currency was likely one way or another. British government bonds benefited from the renewed uncertainty, with 10-year yields broadly flat on the day at 0.7 per cent.

With the spotlight on Brexit, September inflation data had little market impact. Britain’s inflation rate failed to rise as expected last month as petrol prices fell at the fastest rate in more than three years, a boost to Royal Mail shares had a rocky day after news of the Christmas strike consumers.

Royal Mail, Britain’s largest housebuilder, gave up 3.7 per cent, while peers Persimmon and Taylor Wimpey lost around three per cent each. Royal Mail’s share price was up 0.7 per cent, while peers Persimmon and Taylor Wimpey lost around three per cent each.

Royal Mail shares experienced a volatile day of trading after news of the largest workers’ strike in more than a decade, but settled to a 0.14 per cent rise.

Shares of Woodford Patient Capital Trust sank 5.5 per cent to a record low, a day after embattled manager Neil Woodford resigned.

It was anything but a glass-half-full for pub chain Marston’s at the start of the week. Shares plummeted on the news its profit will fall this year amid weakening food sales (it seems its plate is empty too). However, much like a pub lunch, it is worth buying the stock anyway because it is undervalued, according to Liberum analysts. The stock remains inexpensive despite “challenging” trading “with covers and margins under pressure,” they said. They gave it a “buy” rating and a target price of 125p, down from a previous 130p target.

Superdry shares did not move much on the news that co-founder Julian Dunkerton will remain boss until 2021 earlier this week. The outspoken chief won a crunch vote to get the job earlier this year, with a pledge to turn the struggling retailer around. But investors may be more buoyant if Liberum analysts are right about the effects of his turnaround plan. They forecasted a “plausible recovery”: “Good initial progress is being made against the key operational milestones set out by new management,” they added. They gave it a “buy” rating and a 600p target price.

Banks and insurance companies were the standout risers and fellers in London on Friday after the US reported a month-on-month 7,200 jobs creation, pushing the unemployment rate down to 3.7 per cent from 3.8 per cent.

The Dow Jones Industrial Average fell 22.82 points, or 0.1 per cent, to 27,001.98 and the S&P 500 lost 5.99 points, or 0.2 per cent, to 2,989.19 and the Nasdaq Composite dropped 24.52 points, or 0.3 per cent, to 8,124.18. Of the 11 major sectors in the S&P 500, six closed in negative territory, with energy and tech suffering the largest percentage losses.

NATIXIS

Wealth management firm Natixis has appointed Joseph Pinto as chief operating officer of its investment management branch. Joseph has extensive experience in the financial services sector, working at Lehman Brothers in London, before becoming project manager at McKinnon in Paris in 1998. Joseph then became deputy chief executive and member of the board of directors of Banque Privee Fideuram Wargny, before joining AIA IM in January 2007 as head of business development for Europe, south Europe and the Middle East. He then took the leadership of the markets and investment strategy department in 2011 and became chief operating officer in 2014.

LASALLE

Lasalle Investment Management has appointed Richard Craddock as managing director of the whole loans division, which launched earlier this year with €600m ($617m) of initial commitments and invests in whole loans across western Europe, with an initial focus on France, Benelux, Iberia, and Ireland. Richard has over 12 years of experience in the European real estate finance market and joins the team from Wells Fargo where he was a director of commercial real estate, supporting investors in originating and structuring financing solutions across a wide range of asset classes and funding structures. Amy Klein-Kazar, head of debt and special situations at Lasalle, said: “Richard is a great addition and strengthens our senior debt team. Given the growth and heightened investment activity of our debt and special situations business in recent years, we have made a number of strategic hires and grown the team to over 30 people. We are well placed to capture investment opportunities across Europe.”

INFRACAPITAL

Infracapital, the infrastructure equity arm of M&G Prudential, has announced the appointment of Waclaw Elkhowy as managing director of its asset management team. Waclaw has over 21 years’ experience in infrastructure finance and asset management, most recently working at Bastion Infrastructure Group in Toronto, where he served as partner and head of asset management. Infracapital has welcomed a number of new team members to the business over the last 12 months, as it continues to focus on opportunities for investment in essential infrastructure assets. Ed Clarke, co-founder and chief intelligence officer of Infracapital, said: “Waclaw brings extensive knowledge and experience to our asset management team... We are thrilled to further expand this important capability in line with our growing asset portfolio.”
However noble the cause, eco rebels are not above the law

We live in a democracy where the ballot box is the path to change, not unlawful direct action

By Alan Mendoza

Londoners will no doubt be overjoyed to see MPs representing Brighton, Norwich and Stroud taking such a keen interest in a matter affecting so few of their constituents, and that the human rights of protesters matter more to them than the human rights of those facing the effects of their protests. There is of course a need for environmental activism in society. Climate change is one of the great issues of our time, and pivotal for the planet’s future. But as those who have actually suffered the effects of disorder serious enough to justify breach of the Public Order Act 1986, banning all disorder serious enough to justify use of their powers to combat illegality and control public order offences. Having agreed with the authorities to confine their protests to Trafalgar Square, the protests broke the law – by law – on several further occasions. By Monday night, having had to enlist the support of police officers from Scotland to replenish their ranks, the Metropolitan Police judged the situation in Corbyn’s kingdom to be disorder serious enough to justify an invocation of Section 14 of the Public Order Act 1986, banning all Extinction Rebellion gatherings. And that ought to have been that. Except that in an astonishing turn of events, some of Britain’s politicians again ignored the script of mass illegality and seem intent on repeating their mistakes from the first bust of Extinction Rebellion madness. London mayor Sadiq Khan announced that he was “seeking further information” about why the ban was necessary, saying he believed “that the right to peaceful and lawful protest must always be upheld”. In Khan’s world, the 1,642 arrests to date clearly count for nothing in terms of lawfulness. Judging by the soaring crime rate in London under his watch, he perhaps ought to be grateful that the police are successfully arresting anyone. Meanwhile, the Green Party’s Caroline Lucas and Baroness Jenny Jones, along with Labour’s Clive Lewis and David Drew, have affixed their names to a legal challenge to the police decision.

Letters to the Editor

Brilliant bets and painful mistakes

[Re: How the shutdown of the Woodford fund is creating a major crisis for investors]
The disproportionate returns from star managers such as Neil Woodford came from taking on extreme and extraordinary risks. Many times these risks pay off handsomely for investors and investment managers. Sometimes, as with Neil Woodford’s funds, they don’t. Three decades of successful investing don’t disappear overnight, but some shine has come off the star manager. It is hard to anticipate a liquidity and redemption crisis, especially when triggered by loss of confidence. When it happens, few survive. There is a fine line between brilliant bets and painful mistakes. Administrators, lawyers and regulators will be combing through these over months and years. Hindsight is always 20:20.

The race car driver is ever the same after they have suffered a major crash. The same will apply to Woodford to recover. But he will be back.

Jose R. Hernandez, author of Broken Business: Seven Steps to Reform Good Companies Gone Bad

Jeremy Corbyn is deluded if he thinks Labour is remotely ready for an election

Why? In general terms, contrary to Corbyn’s belief that he can repeat his surprisingly not-dreadful performance in the 2017 General Election (which he seems to conveniently forget that he lost), a lot has changed in the past two years.

Not only has the Conservative party abandoned its unpopular rhetoric about austerity (now appeasing Labour’s sky-high financial commitments to public services) and found itself a far more engaging campaigner as leader than Theresa May, but so have the Liberal Democrats. When Nigel Farage all have crystal-clear Brexit positions – something that Corbyn manifestly lacks. More specifically, Labour is being squeezed on either side by the Brexit Party and the Liberal Democrats. Places like Battersea (a landmark win for Labour off the Tories in 2015) and Finchley and Golders Green (where Labour had been hoping to count on strong anti-Brexit sentiment to win back a Tory seat) have become three-way battle grounds, and it’s Swinson’s party which is making the most headway. You might have thought that urban areas filled with middle-class millennial graduates would be the perfect base for a party opposed to the Conservatives’ vision of Brexit. But while such voters may be ardent Remainers, they are far from natural Corbymites, and now Swinson is banging the Kevoke drum they’re flocking to the Liberal Democrats in droves. Meanwhile, on the other side of the country, Labour is struggling to keep the Brexit Party at bay. Convivial wisdom dictates that the Tories will suffer the most from the resurrection of Farage, but that’s not necessarily the case. In 2017, the Conservatives found it difficult to take seats off Labour, because although places like Boston and Skegness are packed with Brexit voters, generally the anti-Brexit sentiment towards the Tories in the north of England runs deep. Former mining communities couldn’t bring themselves to vote for May, so, with heavy hearts, they opted for Corbyn.

This time around, they’ve got another option – and you can bet that they’ll take it. And that’s just the basic electoral maths. Still mired in an anti-semitism scandal, riven with internal division, and unable to come up with a proper line on the most important issue of the day, it’s hard to think of a time in history when the Labour party has been less prepared for a General Election. Who does Corbyn think he’s kidding?

Alan Mendoza is executive director of the Henry Jackson Society.

Jeremy Corbyn told Labour members last week that “we’re ready and changing at the bit for an election”, one can only assume that he was using the royal we.

With the exception of the leader, it’s hard to find anyone in Labour who believes that the party is anywhere near ready for an election – and most MPs are clearly quite terriﬁed at the prospect of one.

And well they should be. According to a EU Constitution poll this week, the Conservatives are now outperforming the opposition in London – meaning that Labour is behind in every single region of the UK. Worse still, Labour can’t even count on the youth vote: Boris Johnson leads Corbyn among those aged 18-24. Who would make the best PM? Johnson 32: Corbyn: 29

Among those aged over 65, Corbyn trails Johnson 62 to 8: Corbyn is now behind Johnson in every age group, and now even among pensioners.

Jeremy Corbyn is deluded if he thinks Labour is remotely ready for an election

Alan Mendoza is executive director of the Henry Jackson Society.

Best of Twitter

Worth remembering that #DUP polled less than 300,000 votes in the 2017 Election. The Unionist seat shouldn’t be treated as the #Brexitdog. 

\@asentance

I am a former UK sell side analyst and I would like to put on it record that I do not agree that anyone even remotely Neil Woodford “The Oracle of Oxford”.

\@alisdairgedig

Government scraps online “porn block” plans after law hits kinks.

\@davidblunkett

So glad to see this proposal ditched. As I wrote back in April, the porn laws was a huge threat to privacy and security. Hopefully, the government has no place in our bedrooms.

\@morgandemier

Brexit coverage is so totally overstructured this week that once again you should be more informed reading no news than all of it.

\@jamiesbuk

Someone in Warsaw told me today about a new slang term which originally emerged in Estonia, loosely translated as the “Brexit party departure” – loudly announcing to everyone you’re about to leave a party, and yet somehow being there three hours later, happily drinking.
The real problem with Britain’s productivity? Not enough robots

ON MONDAY, the Queen’s Speech set out the government’s legislative plans, starting with tackling all things Brexit, before laying out a radical programme to shake the country out of its current torpor.

Leaving aside whether any of this legislative programme manages to get through parliament, I would argue that one of the most critical issues has already been uncovered.

Just under a month ago, the Select Committee for Business, Energy and Industrial Strategy (Beis) concluded that: “The problem for the UK labour market and our economy is not that we have too many robots in the workplace, but that we have too few.”

Given the seismic events that have become the everyday backdrop to our news agenda these days, it’s no great surprise that this seemingly counter-intuitive conclusion sneaked under the radar a bit. But the consequences of ignoring the Beis recommendation will be just seismic for us as a country as anything EU-related, particularly in a post-Brexit environment.

The UK has a serious productivity issue and will be stuck in the slow lane for decades to come if we don’t sort it out. All the evidence shows that the UK’s slow pace in moving to automation – we lag well behind our G7 competitors in our adoption of robots – has allowed other countries to steal a march, seizing upon the opportunity to develop new technology, and there is a worrying lack of digital skills among the workforce.

So why has the UK been slow to adopt robots compared with our industrial competitors? Obviously a multitude of factors are at play, but there are three key ones. Businesses don’t yet understand the potential of automation, the environments in which businesses operate aren’t conducive to adopting new technology, and there is a worrying lack of digital skills among the workforce.

These are the issues the UK needs to get solving – and quickly – if we are to get back into the race.

For a start, as a matter of urgency, the government should develop a dedicated robot and artificial intelligence strategy by the end of 2020 to improve automation adoption, educate people on the potential benefits, and support British industries in their efforts.

Robotics needs to be at the front and centre of the UK’s industrial strategy, not tacked on at the end like an afterthought. The government is going to have to be far more ambitious if we are to succeed as a country, by actively incentivising business investment in productivity-boosting technologies such as automation.

The Made Smarter Commission, designed to give SMEs access to specialist advice to assess operations and develop a digitalisation strategy, along with 50 per cent grant funding for technology investments, has up to now been piloted in the north west region of the country – with some excellent results. It must now be rolled out across the UK as quickly as possible.

And in this fast-changing world, we will all need to be far more nimble when it comes to training than has previously been the case. This has been an area of Britain’s weakness businesses should be responsible for upskilling their workers as jobs change, whether through automation or other developments, but there is also an important role for the government to play in ensuring that everyone can develop the skills they will need to adapt.

It is probably too late for the UK to lead the robot revolution – we are simply too far behind. But we must begin to catch up, so that businesses up and down the land can feel the benefits of automation, and the economy can start to perform to its potential.

Ian Funnell is managing director of ABB UK, a leading supplier of industrial robots.

WE WANT TO HEAR YOUR VIEWS

E: theforum@cityam.com
COMMENT AT: cityam.com/forum

The UK will be stuck in the slow lane for decades to come if we don’t sort it out

Now that his firm has been shut down, can Neil Woodford’s reputation ever recover?

Reputation in this day and age is a transient thing. The value of Neil Woodford’s brand might be at an all-time low now, but he has 30 years of successful investing behind him – and he has made a lot of money for a lot of people along the way.

Warren Buffett famously said that it takes 20 years to build a reputation and five minutes to ruin it, and that has largely held true – at least until recently. Go back a few decades to 1991, and when Gerald Ratner described his own jewellery as “total crap”, he was rightly vilified and his empire nearly collapsed. But Ratner didn’t work in today’s celebrity-soaked, post-truth culture where untruth is never genuine.

The foundation of every financial market is trust. Our currency is simply a scrap of polymer, but it carries the “promise to pay the bearer”. Without trust, the foundations of capital markets collapse.

Most people don’t recognise many of the world’s largest investment brands. But mud sticks and the brand of “that Wood guy”, with the unprecedented media interest that accompanies any fallen star, has been irrevocably damaged. The trust has gone.

People will debate for years whether Neil Woodford was a skilled manager for those with a truly long-term focus. I could probably make a case both for and against that. But the problem is that most retail customers thought they were buying a korma, when Woodford was in fact serving up a vindaloo. It did not do what it said on the tin.

There’s a treacherously fine line between pioneering genius and arrogant rule-bending. Against a fluid backdrop of Brexit, Boris and Beijing, investing is uncertain for all of us. But if you bend the rules, it goes against you, and you don’t show you’re genuinely sorry, there’s no coming back from that.

Holly Mackay is the founder of investment website boringmoney.co.uk.

DEBATE

YES

NO

Tom Berry

Holly Mackay

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China is using access to market as leverage to crush free speech.

regarding “engaging in any act that, in Blizzard’s sole discretion, brings you into public disrepute, offends a portion of any of the public, or otherwise damages Blizzard’s image”. As punishment, Chung was removed from the tournament, banned from any Hearthstone esports for 12 months, and his competition winnings of $10,000 were reduced to zero.

Blizzard no doubt felt that it had to make an example of Chung for breaking the tournament’s rules and to dissuade other players from making overly political statements during competitions. However, the ruling was met with a substantial backlash.

Members of the game’s online community saw the punishment as unreasonable and too harsh. Thousands of messages were written on social media and forums defending Chung and critiquing Blizzard’s knee-jerk reaction.

Some went further. Notable members of the community announced that they would boycott future Hearthstone events, while other fans said they would no longer play the game. Even some of Blizzard’s employees protested the decision.

If Blizzard’s motivation for sanctioning Chung was simply to prevent further political outbursts, this backfired. After the ruling, three players from the American University team held up a sign that read “Free Hong Kong, Boycott Blizz” during a livestream on the company’s official Twitch channel. The trio received no penalty for this, and accused Blizzard of hypocrisy.

Fans have clearly interpreted the situation as Blizzard—an American company—suppressing Chung’s right to free speech. While some defended the company, arguing that it was just trying to keep potentially divisive politics out of the competition, others accused it of capitulating to China in order to protect its interests.

Some even speculated that the Chinese tech giant Tencent, which owns a five per cent stake in Activision–Blizzard, may have directly influenced the decision.

What started off in the niche world of video games has now become a matter of geopolitics. US senator and former Republican presidential hopeful Marco Rubio tweeted: “Recognise what’s happening here. People who don’t live in China must either self censor or face dismissal and suspensions. China is using access to market as leverage to crush free speech globally.”

By the end of the week, Blizzard was forced to address the backlash. Company president J. Allen Brack issued a statement saying that it was reducing Chung’s ban to six months and letting him keep his prize money. Brack also denied that Blizzard’s “relationships in China” had influenced the decision.

Blizzard isn’t the first entertainment company to be drawn into the dispute between China and Hong Kong. America’s National Basketball Association dealt with a similar situation this month, but took a different tack.

The NBA, like Blizzard, is heavily invested in China, but it defended the manager of the Houston Rockets after he tweeted support for Hong Kong. This has come at a cost—Tencent and China’s state broadcaster CCTV suspended broadcasts of Rockets games, and some sponsors broke off relations with the team. Clearly, taking a moral stand is not free of consequences.

Taking a step back, the situation raises some uncomfortable questions about China’s influence in unexpected places, the responsibilities of global corporations, and especially the role of politics and free speech in sports and entertainment.

Chung is hardly the first athlete to be punished for expressing a political view—look at American football player Colin Kaepernick, who was criticised for kneeling during the national anthem to protest police brutality and racism, or gold and bronze medalists Tommie Smith and John Carlos, who were ostracised by the US sports establishment after they bowed their heads and gave the Black Power salute on the podium at the 1968 Olympics. There is a long history of people using sports as a platform for activism, putting their careers—and themselves—in jeopardy. Some readers may see video games simply as places for escapism, ones which are divorced from real-world events. But this situation shows the reverse is true—real-life events can have huge impacts on these virtual spaces.
Hello, buoys!

Despite its beautiful bronze case, hand-finished dial and perfectly proportioned design, the C65 Trident Bronze Ombré COSC is a professional diving watch that can operate at depths of 150m. So even on the seabed, you’ll make an impression.

Do your research.

Christopher Ward
christopherward.co.uk
Breitling’s dashing new chronograph pays tribute to the ‘Wooden Wonder’ of WWII

S
pitfire? Hurricane? Don’t be so obvi-
ous. Every Airfix-mad schoolboy
knows that the coolest-ever WWII
aeroplane was the de Havilland Mos-
quinto – the high-speed, lightweight
fighter-bomber that, according to Alistair
Hodgson, curator of the de Havilland Aircraft
Museum, “won the War”, while flashy Spitfire
continues to dine out on its role in the Battle of
Britain.

It’s a cool factor and – joking aside – a
poignancy that pilot’s pilot-watchmaker
Breitling is affording long-overdue respect this
year, with a freshly unveiled edition of its
Aviator 8 B01 Chronograph. Like the Mosquito’s
two Rolls-Royce V12 Merlin engines, a high-
performance powerhouse drives things inside
to ‘chronometer’ standards of precision, while,
dial-side, the cockpit instruments of Breitling’s
Huit Aviation Department plus the Mosquito’s
military roundels and markings are all
summoned by a design to make Biggles himself
weak at the knees.

The beloved ‘Mozzie’ was built for Allied
forces between 1940 and 1950 at various sites –
including north London’s Blackhorse Lane
industrial hub in Walthamstow. Its airframe’s
predominant use of wood was an indicator of
Geoffrey de Havilland’s keen insight, as Alistair
Hodgson notes: “He foresaw that the UK would
have a shortage of aluminum. The Government
wanted a light bomber for the RAF, and de
Havilland offered them a plane made of a
plywood and balsa wood composite that
would have the performance of a fast
fighter but be capable of carrying a
bomber’s load.”

Despite the Mosquito’s extraordinary
versatility (even stretching to photo
reconnaissance and cargo transport roles) the
jet age, of course, spelled its demise in the
Fifties. The Walthamstow production site is
now home to high-rise rentals and De
Havilland’s art-deco factory in Clapton is a
coveted conversion in hipster central. But
thanks to Breitling and its copper-bottomed
heritage kitting out Allied flying aces, a
commemoration like this feels far from trite
– especially when, like the aircraft itself, just
the sound of the underlying technology has the
power to thrill.

Put it down to Airfix geekery, but 4Hz of the
Breitling B01’s tick-tick-tick certainly measures
up to 1,400hp of roaring Merlin.

The Breitling Aviator 8 B01 Chronograph 43
Mosquito is available now for £5,980,
breitling.com

To a packed crowd gathered at
the V&A Museum last Wednes-
day evening, the sonorous
tones of Sean Pertwee introduced
the latest limited edition from
British watchmaker, Bremont. From
Bletchley Park’s code-crackers to
BOAC’s Concorde, a particularly
iconic feat of engineering or human
ingenuity has been celebrated every
year by the plucky chaps at its Hen-
ley-on-Thames HQ, and for 2020 it is
the turn of Howard Hughes and his
monumentally ambitious ‘Spruce
Goose’.

At a time of wartime austerity, the
eccentric Hollywood mogul defied
the odds to build the largest aircraft
in the world – officially the ‘H-4 Her-
cules’ and still the largest-ever sea
plane. Like the de Havilland Mos-
quinto, it relied on lightweight and
readily available birchwood to take
to the skies and be built in the first
place – pieces of which are laid into
the new Bremont watches’ pro-
pellershaped winding rotor.

It only ever flew for one minute on
2nd November 1947 before being
preserved in aspic by Hughes him-
self, but that was all it took to ce-
ment legend status for the Spruce
Goose, now on display at the Ever-
green Aviation & Space Museum in
McMinnville, Oregon. It may never
take to the skies again, but thanks
to the 300 stainless-steel, 75 rose-
gold and 75 platinum ‘H-4 Hercules’
GMT watches being made by Bre-
mont – a hugely popular brand
among professional pilots, both mil-
itary and civilian – at least it can in
spirit.

De Havilland’s balsa and plywood-
aireframe Mosquito was a linchpin of
the Allied aerial campaign (and
20mph faster than Spitfire).

From £9,495 in steel, bremont.com
WAR STORIES THREE PLUCKY NEW RECRUITS, CONSCRIPTED 75 YEARS ON

**RESERVOIR BATTLEFIELD D-DAY**

New kid on the luxury-watch block, Reservoir makes a particularly poignant hat-tip to the heroic efforts of the Allies on D-Day, as its titULAR and signature ‘power reserve’ display is mirrored by the brand’s logo: the X-shaped embossing found on every Jeep’s jerry can of spare fuel. President Eisenhower himself cited the four-wheeler as one of the USA’s three decisive weapons of the war, not least for its crucial role during the Landings.

£3,800, reservoir-watch.com

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**AVI-8 P-51 MUSTANG**

Another watch, another WWII aeroplane – or rather, ‘airplane’ in this case, being the jewel in North American Aviation’s crown. A close second to our cover’s Mosquito in the cool stakes, the Mustang was one of the most successful fighters of the war, capable of high-altitude, high-speed maneuverability and looking damn fine in the process. UK-based entry-levelers Avi-8 pay particular fine tribute here, with Japanese automatic mechanics into the bargain.

£290, avi-8.co.uk

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**BALL WATCH ENGINEER MASTER II NORMANDY**

The first Ball Watch to be exclusive to the Swiss brand’s new online boutique, limited to a catch-it-if-you-can 750 pieces, this dashing chap honours the courageous allied forces who fought for our freedom on the shores of Normandy over 75 years ago. A pilot watch through and through, it features a chronograph as well as circular slide rule – tools (if you know your logarithmic tables) for any airborne mission.

£2,350, shop.ballwatch.ch

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MOWER & SHAKER

A recent cash injection of £6.25 million by the investment group BGF already seems to be paying dividends, chez Christopher Ward. A flurry of new, innovative and above-all creative products is carrying the Maidenhead-based watch brand into more and more credible, not to mention collectable territory.

This jump to hyperdrive started when the British upstarts added to their deftly affordable Swiss-made portfolio a Swiss-made movement of their very own – by merging with its Biel-based tech partner, Synergies Horlogères. Not only was its ‘SH21’ capable of passing COSC’s high-precision ‘chronometer’ tests but it came with a hugely useful 120-hour power reserve via twin barrels and was designed using a modular approach with future complications in mind. That was five years ago. Now released to celebrate SH21’s half-decade, the C60 Apex (from £3,495) has been engineered to look more ‘out there’ than any Christopher Ward before it. Their neighbours in Biel, Armin Strom have helped with the process of ‘skeletonising’ the movement, to reveal more of its intricate works than ever, picked out with anodised-aluminium orange pops. And despite the clear caseback and all the cleverness, it’s still a bona fide diving watch, good to 300 metres down, with rotating bezel and dazzling luminosity. Your move, Switzerland.
**What’s ticking?**

**WATCH NEWS**

**BLACK & BLUE**

It’s scrum-down for Tudor’s bruiser of a chronograph

**DISHY DIALS**

Allow Ulysse Nardin to take you through the painstaking process of hand-crafting the porcelain face of a fine watch – in this case the 100-piece Monaco Yacht Show edition of its Marine Torpilleur (€9,500) – through the ancient process of ‘grand feu’ enamelling.
WHERE TO STAY

Moxy Chelsea

Inspired by the surrounding ‘flower district’, Moxy offers micro-living with tons of style. Designed by Yabu Pushelberg and the Rockwell Group, industrial design is married with a botanical feel. moxychelsea.com

WHERE TO GO

Hudson Yards, billed as the city’s newest neighbourhood, is a 28-acre, $25bn development on the West Side (it’s still a work in progress). It includes parkland, schools, shops, a cultural centre, restaurants and the world’s highest observation deck.

WHERE TO DRINK

If you like tequila, then head to the Tribeca outpost of Mexican bar and restaurant Anejo. Offering the city’s most eclectic selection of tequilas and mezcal, Anejo’s cocktail menu is longer than the food one. anejotribeca.com

WHERE TO EAT

Philippe Chow Downtown is the second location of the starry Beijing-style restaurant. The space has glam décor by Corin Play, with a mirrored staircase, upholstered banquettes and statement lighting. philippechow.com

THE ULTIMATE DAY AT THE LAKE

THE WEEKEND

The municipality of Ascona, sandwiched with its larger Ticinese neighbour Locarno, sits atop the northern end of Lake Maggiore, from whence it snakes southward, touching the shores of Lombardy and Piedmont. This marriage of Swiss and Italian landscapes makes for an exceptionally picturesque location. Reachable by train through the valley floors of alpine flowered, cow-peppered, snow-capped mountains, its mild climate and smattering of palm trees conversely signal its proximity to the Mediterranean.

Formed by glaciers, 179m at its greatest depth and mostly below sea-level, this notably deep lake of strikingly clear, glistening green is the main reason to visit the pretty fishing town, which similarly bears both Swiss and Lombard inflections in its architecture, style and cuisine.

THE STAY

Hotel Eden Roc maximises this prime location. Built in 1971 and acquired by the Rechbolsheimer-Kipp family in 1989, the hotel has since again expanded in 2000 and 2010 having purchased the neighbouring sites, so that the majority of its 95 luxury rooms and suites and four restaurants are orientated towards the breathtaking lake panorama.

It even boasts a stretch of beachfront, the Eden Roc Beach, complete with barbecue, which can be privately rented. Its interior decor is the singular vision of Swiss architect and designer Carlo Rampazzi, who has refurbished new segments of the hotel each year in the sharpest of cutting edge modern design, fusing opulence with minimalism. Expect striking juxtapositions of baroque with hard geometric chrome, for example.

Its guests are mainly Swiss and holidaying Germans, here to relax and soak up that glorious view, though during summer it becomes a popular destination for families, when more adventurous activities are a forte, from kayaking and paddle boarding, to water skiing and dinghy sailing courses to party-boat charter. You can swim in the lake itself, or in the milder outdoor heated pools, having first baked yourself in its 90 degree Finnish sauna and other spa facilities. No five-star hotel is complete without treatments; its signature sessions are a specialised After Sun treatment, and a ‘Five in One’ Eden Roc massage.

THE FOOD

Eden Roc’s Marina Restaurant showcases the best local fish (such as pickerel) and has newly expanded its menu to include more globally adventurous sharing plates, including Arabic mezze and dim sum, served in a rustic white, high-ceilinged corner spot feeling more like beach-club than restaurant.

Its La Brezza restaurant, however, is the crowning glory thanks to rising star chef Marco Campanella, the “Discovery of the Year 2019 in Ticino” according to the Gaust&Milau Guide, with a newly awarded Michelin star.

HOTEL EDEN ROC

LAKE MAGGIORE, SWITZERLAND

Med meets Alps in this luxury Swiss retreat, says, Olivia McEwan

And with good reason; the gourmet tasting menu features beautifully realised micro-European fare. Tiny plates, near-aniseed bouches, pack enormous, palate-busting punch, presented artfully with not a trace of pretension. Coal-whipped butter, a fabulous new discovery served atop a marble plinth, was good enough to eat with a spoon. Another hit is the tiny potato soufflé infused with chive cream with edible flowers and gold leaf. This is a chef to watch; no wonder regular guests return with every seasonal change tasting menu.

ASK ABOUT

This is a trip that truly offers something for everyone. The Locarno Film Festival, which has been held every year since 1946

AND AFTER THAT?

Take a boat to the Brissago Islands, first used as refuge by early Christians, where sits the church of the Madonna del Sasso, where the Virgin was said to have appeared in 1480. Inside is a flurry of gilded stucco plaster work and devotional murals, outside the most dramatic vista of lake. On a clear day the peak of Mont Blanc is visible. Take a boat to the Brissago Islands, once used as refuge by early Christians, and bought in 1928 by Hamburg department store king Max Emden, who built its Palladian villa. The island is now home to stunning botanical gardens widely used for scientific study, enjoying a milder microclimate one degree higher than that of the mainland. Spend an hour amongst exotic colours and smells from all over the globe.

NEED TO KNOW

Hotel Eden Roc, Ascona offers double rooms from 315CHF per night based on two people sharing on a b&b basis. For bookings and further information please visit edenroc.ch or call +41 91 785 7171

Swiss Fly direct from Heathrow to Zurich. All-inclusive fares start from £74 one-way, including all airport taxes, one piece hold luggage and hand luggage, plus meal and drink. For more information visit swiss.com or call 0345 601 0956

The Swiss Transfer Ticket covers a round trip between the airport/Swiss border and your destination. Train prices are £122 in second class and £182 in first class. For the ultimate Swiss rail specialist call Switzerland Travel Centre on 0800 100 200 30 or visit swissrailway.com

THE ULTIMATE DAY AT THE LAKE

THE ULTIMATE DAY AT THE LAKE
The Days are getting shorter, the nights darker, and we’re all now full-pelt into work mode. But with many workers dealing with stress on a daily basis, few seem to realise how this can affect our sleep, mood, and overall performance. It is high-time that we valued our need for good restorative, sleep particularly in today’s fast-paced and technologically-driven world.

We need sleep, high in both quality and quantity, to recover from the endeavours of the day, and to give ourselves the resilience to tackle whatever life throws at us. Research from Silentnight found that 25 per cent of Brits only sleep for five hours or fewer per night – more than two hours less than the national recommended average of 7.5 hours. A lack of sleep has serious health implications, both physically and mentally, and can result in poor performance during the day. It can even affect our memory and our ability to learn and store new information – crucial in the workplace and for those in education.

Here are four top tips for workers who may be struggling with stress and sleep problems.

**DO OR DIET**
A healthy lifestyle matters. Try to prevent getting yourself into a routine of eating unhealthy fatty foods and spending your free time lounging around. This is easier said than done, particularly as the days get shorter, but staying active will help you feel less sluggish at work. Also avoid commuting on an empty stomach, as this leaves the body running on adrenaline energy, which is one of the main factors that can cause shallow sleep.

**WHEN LIFE GIVES YOU LEMONS**
If you’re already drinking the recommended two litres of water a day and you want to take it to the next level, try adding a squeeze of lemon and a pinch of sea salt to alkalise the water. The body functions optimally at an alkaline PH of 7.35, so hydrating with alkaline water helps our body work properly. This enables our physiological processes, which include getting a good night’s sleep.

**THE POWER OF FOUR**
The hours before midnight are a really important part of sleeping well – they are the hours that are deeply restorative, that heal the body, and provide sought-after anti-ageing benefits. Even if you get a good amount of sleep, going to bed late is likely to ensure a large amount of your sleep is highly inefficient.

So try to get to bed at around 10.30pm four nights a week to allow your body to access to that vital phase of sleep before midnight.

**A LIFE HALF FULL**
We all know that cutting down on caffeine will help with sleep issues, but very few of us think about the half-life of the coffee or tea that we drink. The half-life of caffeine is five hours, which means if you have a tea or coffee at 5pm, you will still have half that amount in your blood by 10pm. You probably won’t feel energised by 10pm, but the caffeine is still in your system, and it’s enough to stop you sleeping well.

**PUTTING THIS TO BED**
The challenge for many workers is implementing these practices into their everyday life. Anyone who is struggling with sleep problems should make a conscious effort to integrate these into their day, and you won’t have to count sheep again.

Dr Nerina Ramlakhan is resident sleep expert at Silentnight. She is the author of Tired But Wired, and Fast Asleep Wide Awake.

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**WHAT DREAMS ARE MADE OF**

Sleepio
Free
Here you are again. It’s 4am – so early that the birds aren’t even up yet. You’ve tried everything, but even counting sheep won’t help you nod back off. You’re starting to get stressed about the sleep, which means you can’t sleep because you’re stressed. One way to try to help break this vicious cycle is to use a sleep app. Sleepio is a good one – it’s more than app, it’s an NHS-approved online sleep improvement programme.

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Yawning in the office after another sleepless night? Nerina Ramlakhan has some advice.
English cricket is set to break new ground this weekend when a draft process takes place for The Hundred ahead of next summer’s much-anticipated start date.

The look of the new eight-team, 100-ball competition, due to run from 7 July to 16 August 2020, has been gradually rolled out over recent months. The format, team names, identities, branding, coaches and initial players have all been made public.

Now comes the draft, which will be shown live on Sky Sports and available to watch on the BBC Sport website on Sunday evening.

While drafts are a staple of American sports and auction processes have been used to assign players to teams in franchise Twenty20 leagues around the world, the process is unprecedented in cricket in this country.

Unprecedented means excitement, but also uncertainty. But how will it work and what can we expect?

THE BASICS


Each of them already has three, having selected a centrally-contracted England player and two so-called local icon players before the competition’s launch earlier this month.

Done deals: who’s been signed up and where

BIRMINGHAM PHOENIX: Chris Woakes, Moeen Ali, Pat Brown
LONDON SPIRITS: Rory Burns, Dan Lawrence, Eoin Morgan
MANCHESTER ORIGINALS: Jos Buttler, Saqib Mahmood, Matt Parkinson
NORTHERN SUPERCHARGERS: Ben Stokes, Adil Rashid, David Willey
OVAL INVINCIBLES: Sam Curran, Tom Curran, Jason Roy
SOUTHERN BRAVE: Jofra Archer, Chris Jordan, James Vince
TRENT ROCKETS: Joe Root, Harry Gurney, Alex Hales
WELSH FIRE: Jonny Bairstow, Colin Ingram

The draft will now see them fill out all but one of the remaining 12 places on their roster, three of whom can be overseas stars. The last spot will be filled by a final wildcard signing after next year’s Vitality Blast domestic T20 competition.

As it is a draft and not an auction, there will be no Indian Premier League-style bidding wars.

Each franchise is allowed to take two players from each of the seven salary bands. The players have set their minimum price, which range from £125,000 down to £30,000.

The process will start at the top end of the scale, with Trent Rockets granted first pick in the £125,000 Band One and Birmingham Phoenix going last.

After each team has selected one player, the order reverts to complete the picks for that band and then continues down the salary brackets.

Teams will skip a go for the brackets in which they already have a player, for example £125,000 Jason Roy at the Oval Invincibles.

There is no draft for the women’s version of The Hundred, however.

Each franchise has already signed up two English players for their women’s team. They will now negotiate deals directly with potential recruits to fill out their squads before the end of May next year.

THE TACTICS

Although there won’t be escalating bidding wars to see who gets Chris Gayle, Rashid Khan or David Warner, each franchise will still have planned their tactics out thoroughly.

But as Birmingham Phoenix’s data insights manager Dan Weston explains, the fact such a draft has never been done before leaves plenty of eventualities open.

“It’s difficult to know what other teams’ strategies are because it’s not just a new competition, it’s a new format as well,” he tells City A.M. “Everyone is going to have their own perceptions of the kind of player that they need and who they think will do well in this particular format. Whether it’s a big name or a small name, there might be quite a few surprises.”

Weston’s Birmingham Phoenix will be coached by Australian Andrew McDonald and are an amalgamation of Worcestershire Rapids.

They already have England all-rounder Chris Woakes and Moeen Ali and fast bowler Pat Brown on the books, so have scoured the data and scouted far and wide to consider possible recruits.

Birmingham are hindered by picking last in the first round, so will have to keep an open mind when it comes to their most expensive choice.

“In my view the recruitment of some teams in overseas drafts and auctions isn’t always that logical,” Weston adds.

“You’re often thrown a curveball by another team quite quickly. For the first few rounds you might have more concrete plans, but you’ve also got to have a degree of flexibility as well.”

Pressurised decisions

Uncertainty over other teams’ strategies means that creating a decision tree detailing every permutation in the draft isn’t feasible, so Weston and his colleagues will have to think on their feet.

The 100-second time frame in which teams must make each pick ensures a fast-paced viewing experience for fans and means teams need to have done their homework.

“It sounds like a lot but it’s not,” Weston says. “Usually leagues abroad have three minutes, so it’s almost half that time. They normally take the full three minutes as well, so I think it’s going to create more pressurised decision making.

“But I guess that benefits the teams who have prepared thoroughly and disadvantages the teams who have gone on the fly a little bit.”

At 7pm on Sunday we will see which teams stay calm and retain their joined-up thinking, and which crumble in front of the ticking clock.

Done deals: who’s been signed up and where

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TRENT ROCKETS: Joe Root, Harry Gurney, Alex Hales
WELSH FIRE: Jonny Bairstow, Colin Ingram

Every team will have a perception of who they think suits the format. There might be a few surprises.

On the market: big names in draft – and their price

£125,000: Chris Gayle, Lasith Malinga, Steve Smith, David Warner
£100,000: Mohammad Amiri, Trent Boult, Dwayne Bravo, Faf Du Plessis, Rashid Khan, Kane Williamson
£75,000: Mohammad Hafeez, Mitchell Marsh, Kusal Perera, Dale Steyn
£60,000: Joe Denly, Mark Wood, Shoaib Malik
£50,000: Ian Bell, Sam Billings, Liam Plunkett, Usman Khawaja, Peter Siddle

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Unprecedented means excitement, but also uncertainty. But how will it work and what can we expect?

The Basics


Each of them already has three, having selected a centrally-contracted England player and two so-called local icon players before the competition’s launch earlier this month.

Done deals: who’s been signed up and where

BIRMINGHAM PHOENIX: Chris Woakes, Moeen Ali, Pat Brown
LONDON SPIRITS: Rory Burns, Dan Lawrence, Eoin Morgan
MANCHESTER ORIGINALS: Jos Buttler, Saqib Mahmood, Matt Parkinson
NORTHERN SUPERCHARGERS: Ben Stokes, Adil Rashid, David Willey
OVAL INVINCIBLES: Sam Curran, Tom Curran, Jason Roy
SOUTHERN BRAVE: Jofra Archer, Chris Jordan, James Vince
TRENT ROCKETS: Joe Root, Harry Gurney, Alex Hales
WELSH FIRE: Jonny Bairstow, Colin Ingram

The draft will now see them fill out all but one of the remaining 12 places on their roster, three of whom can be overseas stars. The last spot will be filled by a final wildcard signing after next year’s Vitality Blast domestic T20 competition.

As it is a draft and not an auction, there will be no Indian Premier League-style bidding wars.

Each franchise is allowed to take two players from each of the seven salary bands. The players have set their minimum price, which range from £125,000 down to £30,000.

The process will start at the top end of the scale, with Trent Rockets granted first pick in the £125,000 Band One and Birmingham Phoenix going last.

After each team has selected one player, the order reverts to complete the picks for that band and then continues down the salary brackets.

Teams will skip a go for the brackets in which they already have a player, for example £125,000 Jason Roy at the Oval Invincibles.

There is no draft for the women’s version of The Hundred, however.

Each franchise has already signed up two English players for their women’s team. They will now negotiate deals directly with potential recruits to fill out their squads before the end of May next year.

The Tactics

Although there won’t be escalating bidding wars to see who gets Chris Gayle, Rashid Khan or David Warner, each franchise will still have planned their tactics out thoroughly.

But as Birmingham Phoenix’s data insights manager Dan Weston explains, the fact such a draft has never been done before leaves plenty of eventualities open.

“It’s difficult to know what other teams’ strategies are because it’s not just a new competition, it’s a new format as well,” he tells City A.M. “Everyone is going to have their own perceptions of the kind of player that they need and who they think will do well in this particular format. Whether it’s a big name or a small name, there might be quite a few surprises.”

Weston’s Birmingham Phoenix will be coached by Australian Andrew McDonald and are an amalgamation of Worcestershire Rapids.

They already have England all-rounder Chris Woakes and Moeen Ali and fast bowler Pat Brown on the books, so have scoured the data and scouted far and wide to consider possible recruits.

Birmingham are hindered by picking last in the first round, so will have to keep an open mind when it comes to their most expensive choice.

“In my view the recruitment of some teams in overseas drafts and auctions isn’t always that logical,” Weston adds.

“You’re often thrown a curveball by another team quite quickly. For the first few rounds you might have more concrete plans, but you’ve also got to have a degree of flexibility as well.”

Pressurised Decisions

Uncertainty over other teams’ strategies means that creating a decision tree detailing every permutation in the draft isn’t feasible, so Weston and his colleagues will have to think on their feet.

The 100-second time frame in which teams must make each pick ensures a fast-paced viewing experience for fans and means teams need to have done their homework.

“It sounds like a lot but it’s not,” Weston says. “Usually leagues abroad have three minutes, so it’s almost half that time. They normally take the full three minutes as well, so I think it’s going to create more pressurised decision making.

“But I guess that benefits the teams who have prepared thoroughly and disadvantages the teams who have gone on the fly a little bit.”

At 7pm on Sunday we will see which teams stay calm and retain their joined-up thinking, and which crumble in front of the ticking clock.
MANE ATTRACTION Lionesses set to break attendance record

ENGLAND look set to break attendance records for a women’s football match in Britain after selling out Wembley for next month’s friendly against Germany. The crowd is expected to surpass the 80,203 that attended the London 2012 women’s football final at the national stadium, which has a capacity of 80,000, and could almost double the current record attendance for a Lionesses home match of 46,519 against Germany in 2014. “This is a magnificent show of support,” said Sue Campbell, head of the women’s game at the Football Association. The world record crowd for a women’s match is 99,123 for the 1999 World Cup final in the United States.

All Blacks playing a new ball game

Barrett-Mo’unga axis fuelling holders’ title defence, says Michael Searles

When Ireland beat New Zealand on a historic night in Dublin just short of a year ago, they looked like being the team to beat at this year’s Rugby World Cup. How quickly things change in sport. On Saturday the pair go head to head in the World Cup quarter-final and it is Ireland who are once again huge underdogs, having allowed themselves to drift back towards mediocrity this year.

Standing still, however, is not in the All Blacks’ DNA. To the general observer this New Zealand side may have seemed as vulnerable as any in the past decade coming into the tournament, having lost to Australia and South Africa as well as Ireland in the past 13 months.

Their six defeats in this World Cup cycle amounted to twice as many as they suffered between 2011 and 2015. But once again they appear to have reinvigorated themselves and taken the unstructured rugby they pride themselves on to another level.

Beauden Barrett is widely deemed to be the best fly-half – if not simply the best player – in the world, but Kiwi head coach Steve Hansen has had other ideas in mind for his talisman. Deploying him at full-back, a position where he also excels thanks to his all-round ability, has freed up the No10 jersey for Richie Mo’unga and allows the All Blacks to play with two of the best distributors in the game, albeit at the expense of Ben Smith.

DEVASTATING EFFECT

The transition, which has also seen a new look back row implemented with Sam Cane and Ardie Savea either side of captain Kieran Read, has not been plain sailing. A 16-16 draw with South Africa and 47-26 defeat to the Wallabies during the summer are testament to that.

But the new combinations have begun to bear fruit and an opening pool-stage victory over South Africa was an early reward for Hansen’s patience in allowing these players to flourish.

It is, of course, not enough. Anything less than retaining the Webb Ellis Cup on 2 November will be considered a failure. But the All Blacks appear to have rediscovered their winning formula at the right time.

Integral to that is the new 10-15 axis between Mo’unga and Barrett who now look to be playing in sync with one another and improving every game. The pair combined to devastate South Africa and the Springboks as New Zealand raced into a 17-3 lead with two tries in three minutes during the first half.

Their ability to interchange between first and second receiver and arc around one another, with heavy forwards also running off them, makes anticipating where the ball will go increasingly difficult, causing defend- ers to hesitate and in turn open up more space.

The deeper structure to their attack allows them to play a more expansive, unpredictable game and moving Barrett into second or indeed first receiver from full-back means there is nearly always an expert kicker available to full-space and time to find a pass from the boot.

QUARTER-FINAL FIXTURES

SATURDAY
ENGLAND V AUSTRALIA
Oita, 8.15am
NEW ZEALAND V IRELAND
Tokyo, 11.15am
SUNDAY
WALES V FRANCE
Osaka, 11.30am
JAPAN V SOUTH AFRICA
Tokyo, 11.15am
All kick-off times are BST

SIX ARRESTED OVER RACIST ABUSE OF ENGLAND STARS

Bulgarian police have arrested six fans on suspicion of racially abusing England players in Monday’s Euro 2020 qualifier in Sofia. Nine more people have been identified and are under investigation for their behaviour during the match, which had to be halted twice while the crowd were warmed and which England won 6-0. Some supporters were seen making Nazi salutes and monkey noises in the direction of England players Raheem Sterling and Tyrone Mings. Bulgaria’s prime minister Boyko Borissoff forced the country’s football chief, Borislav Mihaylov, to quit on Tuesday in the fallout from the controversy.

DE GEA TO JOIN POGBA IN MISSING LIVERPOOL GAME

Manchester United expect to be without David de Gea for Sunday’s Premier League fixture with Liverpool after the goalkeeper sustained an injury playing for Spain last week. His absence would mean Sergio Romero making his first top-flight start of the season against a team who have taken maximum points. “I think he’ll be out,” said United manager Ole Gunnar Solskjær. The hosts are already without midfielders Paul Pogba and Jesse Lingard, but Solskjær hopes forward Anthony Martial and full-backs Aaron Wan-Bissaka and Luke Shaw will be in contention to return.

SPORT DIGEST

BARCELONA UNREST COULD SEE CLASICO RELOCATED

Spanish league chiefs have proposed moving next week’s Clásico between Barcelona and Real Madrid to the Spanish capital following unrest in the Catalan city. Barca are expected to oppose the plan, however, which was put to the Spanish football federation by officials from LaLiga, which runs the country’s top two divisions. Protests broke out in Barcelona on Monday after nine Catalan separatist leaders were jailed for their role in an independence referendum declared illegal by the Spanish state. The Clásico, on 26 October, is set to be Barcelona’s first home game at Camp Nou since the verdict. A decision is expected to be made next week.

F1’S DEAL FOR MIAMI RACE AROUND NFL STADIUM

Formula One’s owners have revived ambitions to stage a grand prix in Florida after striking an agreement with Miami Dolphins bosses. The proposed race, which would start in 2022 and will go before a vote of local councils later this year, would loop around the NFL team’s Hard Rock Stadium. Local residents have previously seen off plans for an F1 race in downtown Miami.

Barrett at 15 and Mo’unga at 10 allows them to field two of the best distributors in the game
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YOU MERELY LOOK AFTER IT FOR THE NEXT GENERATION.

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