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SUPER MARIO? LOOKING BACK ON DRAGHI'S ECB REIGN **P17**

THURSDAY 24 OCTOBER 2019 | ISSUE 3,485 CITYAM.COM FREE

FLOAT ME TO THE MOON

VIRGIN SPACE VENTURE SET TO GO PUBLIC NEXT WEEK AS BRANSON EYES LUNAR LUXURY

ALEX DANIEL AND JESSICA CLARK

@alexmdaniel @jclarkjourno

SIR RICHARD Branson expects his space venture Virgin Galactic will float on the New York Stock Exchange on Monday, he announced yesterday.

The billionaire said he is "bullish" about the listing and hopes to ring the bell himself as his space flight company becomes the first to go public.

"We've got Virgin Galactic that, all going well, should be floating and should be the first public space company in the market on Monday," Branson told *City A.M.*

"Virgin Galactic is there to initially put people into space, make them astronauts, and then on the back of putting people into space, we've just done a deal with Boeing to start looking at point to point travel."

That would allow passengers to travel between two locations on Earth using a Virgin Galactic spaceship.

Earlier this month, Boeing announced a $20m (£15.5m) investment in Virgin Galactic in preparation for the company's public listing.

The space race is heating up as it competes with rivals such as Blue Origin, backed by Amazon's Jeff Bezos, and Elon Musk's Space X to be the first firm to offer tourist trips to space.

Branson even raised the possibility of a lunar hotel as the next step — rather than focusing on humans living on Mars, an idea Bezos has previously floated.

"We're looking at creating something like a Virgin Hotel in space," he said while at an event in Israel.

"It may develop into that [colonising Mars]...But I think that we feel a hotel in space would be better, maybe just on the Moon, may be better than actually colonising."

New chair for treasury watchdog

CATHERINE NEILAN

@CatNeilan

TORY MP Mel Stride has been named as the new chair of the influential Treasury Select Committee.

Stride, a former treasury minister, won the race to replace former chair Nicky Morgan, who left the post after she returned to cabinet as culture secretary.

Speaking after the result yesterday, Stride said: "At a time of great sound and fury… I hope that our committee can now bring forward some illumination and light."

The committee is tasked with oversight of the Treasury, HMRC and associated public bodies including the Bank of England and the Financial Conduct Authority. Under recent chairs it has expanded its remit and now oversees private firms across financial and professional services.

Stride was previously an entrepreneur, and served as a minister under Theresa May.

Labour MP Wes Streeting said he and other committee members would have to take steps to ensure there is no conflict of interest relating to Stride's time as minister, when he oversaw the controversial loan charge policy — which is currently subject to parliamentary scrutiny.

THE CITY VIEW: P2

FTSE 100 ▲ 7,260.74 +48.25 **FTSE 250** ▼ 20,180.94 -0.97 **DOW** ▲ 26,833.95 +45.85 **NASDAQ** ▲ 8,119.79 +15.50 **£/$** ▲ 1.291 +0.001 **£/€** ▲ 1.160 +0.002 **€/$** 1.113 unc.

CITY A.M.

THE CITY VIEW

Treasury watchdog has huge task ahead

WESTMINSTER isn't a happy place these days. MPs leave under police escort while protesters from both sides of the Brexit stalemate berate them; conventions in parliament are tested almost to destruction by the Speaker and ministers alike; a domestic legislative agenda exists only on paper; the government cannot govern and the opposition demand an election while refusing to trigger one. It can feel at times as if politics simply isn't functioning. So it was a welcome moment yesterday when MPs elected a new chair of one of parliament's most powerful institutions. The work of the Treasury Select Committee (TSC) isn't exactly the talk of the town, but it performs a vital function and can draw into the light decisions made by powerful officials and impenetrable institutions. Select committees in general are one of the most effective means of scrutinising ministers, officials, experts and — as Thomas Cook's former executives are learning this week — industry leaders. The TSC grills Mark Carney and other top Bank officials as well as the chancellor and Treasury ministers, City regulators and titans of finance. Tory Mel Stride was elected by MPs yesterday to chair the committee, having served as a treasury minister and, briefly, leader of the House. He has big shoes to fill. Andrew Tyrie (now running the Competition and Markets Authority) chaired the committee for seven years and earned a reputation for forensic inquisition. Nicky Morgan took over as a champion of consumers but vacated the role when elevated to Boris Johnson's cabinet. Stride also has his critics — notably those campaigning against HMRC's controversial loan charge, a retrospective tax change targeting freelancers. Stride had responsibility for the policy as financial secretary to the Treasury and many MPs, including plenty in his own party, are highly critical of his role in developing the policy. Labour MP Luke Pollard greeted news of Stride's appointment by urging the TSC to "fully investigate the loan charge scandal" — adding "it's hard investigating decisions he took himself but vital it happens". It will be interesting to see how he navigates this. In addition, plenty of other issues are set to compete for his committee's attention, including the arrival of a new Bank of England governor, a future Budget, the changing shape of retail banking, and the City's post-Brexit regulatory relationship with the EU. Stride also wants to look at taxes on tech giants as well as regional economic imbalances. He is going to be busy, and we'll be watching.

Follow us on Twitter @cityam

TRAGEDY IN ESSEX 25-year-old man arrested for murder after 39 found dead in lorry container on an industrial estate in Grays

POLICE were last night questioning a 25-year-old lorry driver, named locally as Northern Irishman Mo Robinson, after 39 bodies were discovered in a shipping container in the early hours of yesterday morning. Essex Police said the trailer had arrived from Belgium into Purfleet docks, and were attempting to ascertain the identities of the 38 adults and one teenager found inside.

Metro Bank reports third quarter loss as Hill quits

JESS CLARK AND SEBASTIAN MCCARTHY

@jclarkjourno @SebMcCarthy

EMBATTLED high street lender Metro Bank swung to a loss in the third quarter of this year, the bank announced hours after its chairman unexpectedly quit the firm months ahead of his planned exit.

Metro Bank last night reported an underlying loss before tax of £2.2m in the three months to 30 September compared to £6.7m profit in the previous quarter and £15.1m profit the year before following a torrid year for the lender.

The firm blamed the loss on a one-off £2.5m charge following the £521m loan portfolio disposal in July 2019 as it attempted to strengthen its balance sheet.

An accounting error, which was disclosed in January, has wiped nearly 90 per cent off the lender's share value so far this year.

Metro Bank chief executive Craig Donaldson said the financial performance reflected a "challenging nine months for the bank."

The third-quarter trading update was published hours after Metro Bank chairman Vernon Hill stepped down with immediate effect, ahead of his planned exit at the end of this year.

However, the colourful and controversial founder insisted that "the best is yet to come" for the bank as he announced his departure.

City grandee and senior independent director at Metro Bank Michael Snyder has been appointed interim chairman with immediate effect, while Hill will stay on as a non-executive director until the end of December. Snyder is in charge of the search for his successor, however a timeline for the appointment was not made clear last night.

The bank said it would update on its strategy going forward when it publishes its full-year results.

"Metro Bank is further evaluating its future plans to balance growth, profitability and capital efficiency, the results of which will be communicated in conjunction with the full-year results," it said.

"Some traders will continue to swerve the stock as the lending margins are likely to remain under pressure, and management won't issue a big picture outlook for another three months," CMC Markets analyst David Madden said.

He added: "The bank needs to distance itself from Hill on account of the reputational damage, so a change of leadership is a positive step, but in light of today's third-quarter update, the bank still faces many challenges."

WHAT THE OTHER PAPERS SAY THIS MORNING

FINANCIAL TIMES

THIRD WOMAN ACCUSES EX-DLA PIPER PARTNER

A former DLA Piper rainmaker accused of battery, sexual harassment and sexual discrimination is facing new allegations of bullying after a third former employee levelled accusations against him. Leah Christensen, a law professor who previously worked in DLA's San Diego office, said in a letter yesterday that the top partner was a "textbook bully" and "bulldozed his way through DLA Piper like a tank, rolling over anything or anyone in his way."

TECH BARON FACES CLAIMS OF SEXUAL ASSAULT

UK entrepreneur Lawrence Jones is facing allegations of sexual assault and workplace misconduct. It is alleged that Jones sexually assaulted two women in his employment. Jones denies claims of any unlawful behaviour.

THE TIMES

BOE GOVERNOR COULD BE CHOSEN BEFORE ELECTION

A political row is brewing over the next governor of the Bank of England after Sajid Javid signalled that he could make the appointment before a snap election was called. The chancellor said it was important that the work of government was not put on hold if a general election were delayed.

TRUMP'S APPROVAL RATING SINKS TO LOWEST POINT

US President Trump's approval rating has sunk to its lowest point as voters voiced objections to everything from his policy in Syria to the impeachment inquiry. A poll revealed only 38 per cent of voters approved of the president.

THE DAILY TELEGRAPH

US INVESTOR SNAPS UP MAJOR DOMINO'S STAKE

An aggressive US investor has snapped up a major stake in Domino's Pizza, piling more pressure on the takeaway business as it grapples with angry franchisees and seeks out a new boss. Browning West has become the UK-listed pizza company's fifth biggest shareholder with a stake of 5.3 per cent, worth £70m.

TESCO TO LAUNCH HIGH END FINEST POP-UPS ACROSS UK

Tesco is set to launch high end pop-ups in major cities in the run up to Christmas, it has emerged. The supermarket chain will sell products from its Finest range, alongside wine.

THE WALL STREET JOURNAL

ANTITRUST CHIEF CLAMPS DOWN ON SEARCH ENGINES

Alphabet's Google has bowed to pressure from European Union antitrust chief Margrethe Vestager in offering better terms to rival search engines that want to appear on Android phones under a $4.8bn antitrust decision against the tech giant.

PERELMAN SUED BY HEDGE FUND FIRM SYLEBRA

A Hong Kong hedge-fund firm has sued billionaire financier Ronald Perelman and the gaming company he chairs, alleging they raised concerns about the firm to regulators in a bid to force it to sell back its stake in the gambling company at a steep discount.

Just Eat investor urges board to mull rival offers

JESS CLARK

@jclarkjourno

TAKEAWAY delivery platform Just Eat could be the focus of a bidding war after an investor urged the board to engage with two interested parties.

Aberdeen Standard Investments (ASI) called for the Just Eat board to "explore all available options" and engage with Takeaway.com and Prosus, which have both tabled bids for the firm.

The investor urged Prosus to up its offer by at least 20 per cent, saying the current all-cash offer of 710p "significantly undervalues the group".

Prosus made a £4.9bn all-cash offer for Just Eat yesterday, representing a 20 per cent premium against Takeaway.com's bid which has been hit by the company's falling share price.

ASI also said the proposed merger between Just Eat and Takeaway.com could be at risk due to Delivery Hero, a rival in which Prosus holds a major stake, suppressing Takeaway.com's share price through an ongoing open market share sale.

"If the selling pressure continues in the coming weeks, we believe the currently proposed merger ratio will not be sufficiently attractive for Just Eat shareholders and hence might put the proposed merger at risk," ASI investment director Frederik Nassauer said.

"We continue to have an ongoing dialogue with the Just Eat board and encourage them to further engage with both parties… to explore all available options."

Yesterday, activist investor Cat Rock warned Prosus not to interfere with Takeaway.com's merger with Just Eat.

Cat Rock, which owns shares in both Just Eat and Takeaway.com, said the latter's share price had been hit by share sales by German rival Delivery Hero.

"It is imperative that any entity related to Prosus, including Delivery Hero, immediately cease market actions that interfere with the effective value provided by competing bids for the duration of the offer period," it said.

EU ponders Brexit deadline delay as Westminster gets ready for election

CATHERINE NEILAN

@CatNeilan

EUROPEAN leaders are mulling whether to extend the deadline for Britain's departure from the bloc.

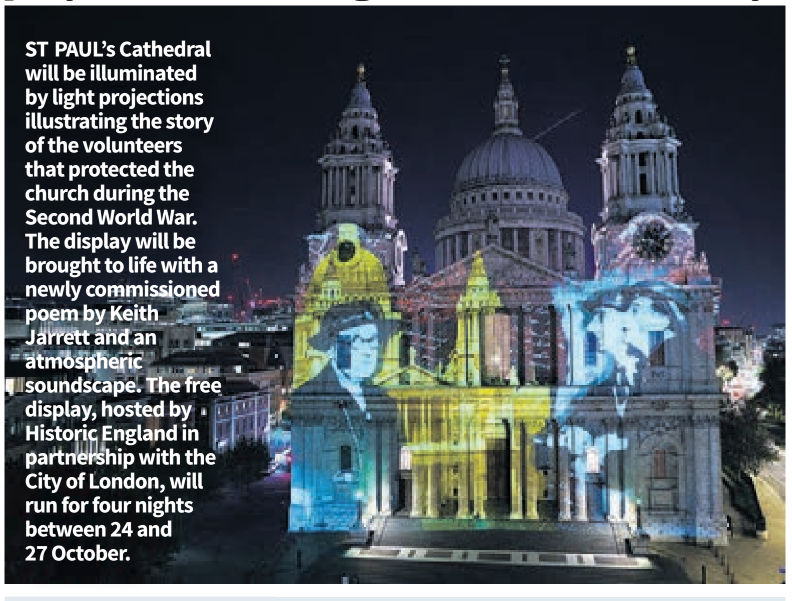
European Commission president Donald Tusk and Irish Taoiseach Leo Varadkar have both indicated they would support a three-month extension from the original date of 31 October, a move which could trigger a General Election.

However, an extension needs to be approved by all EU members, with many — particularly France — believed to be wary of granting such a lengthy timetable.

In Westminster, PM Boris Johnson and Labour's Jeremy Corbyn failed to compromise on the speed with which the Withdrawal Agreement Bill (WAB) could be voted on in a private meeting yesterday. The WAB passed its first significant hurdle on Tuesday night, but MPs failed to agree to a voting timetable.

A three-month extension could result in a General Election, as a ballot could be held before the UK left the EU — thus removing the possibility of the UK crashing out during an election cycle. Labour twice claimed this as the reason for opposing an election in high-profile Parliamentary votes last month.

BRIGHT LIGHTS St Paul's illuminated by projections showing cathedral's war story



ST PAUL's Cathedral will be illuminated by light projections illustrating the story of the volunteers that protected the church during the Second World War. The display will be brought to life with a newly commissioned poem by Keith Jarrett and an atmospheric soundscape. The free display, hosted by Historic England in partnership with the City of London, will run for four nights between 24 and 27 October.

Tesla posts buoyant third-quarter results as it tops profit predictions

EMILY NICOLLE

@emilyjnicolle

SHARES in Tesla surged more than 11 per cent in after-hours trading last night, following a set of unexpectedly positive third-quarter results.

The electric car maker posted a profit of $1.86 per share, swinging back to profitability. Analysts had expected a loss of 42 cents per share, according to Refinitiv.

Revenue for the three months to the end of September was $6.30bn, slightly missing estimates of $6.33bn. Falling from last quarter's $6.35bn in sales and $6.82bn a year ago, the miss is Tesla's first revenue decline since 2012.

This time last year, Tesla had heralded a "historic" third quarter with revenue of $6.82bn and earnings per share of $2.90.

The costs of its Model 3 sedan have weighed heavily on Tesla, as it ploughed returns into growth. The firm said the year-on-year difference could be attributed to the rise in production costs, as the number of cars made tripled.

Boeing's profit plummets amid 737 Max jet ban

STEFAN BOSCIA

@Stefan_Boscia

BOEING expects its 737 Max will return to the skies before the new year it said yesterday, after revealing net earnings slumped 57 per cent in its third quarter.

The aviation giant attributed the fall in sales to the ban of the aircraft and a subsequent decline in sales.

Sales revenue dropped to $17.2bn (£13.4bn) in the three months to 30 September, compared to $22.5bn (£17.4bn) in 2018.

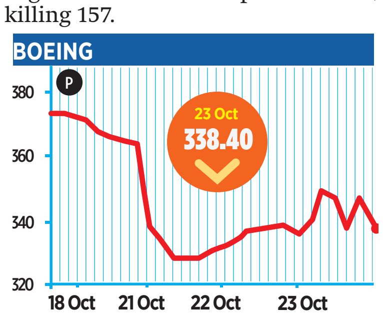
The company said in its trading update "that regulatory approval of the 737 Max's return to service begins in the fourth quarter of 2019".

However, it is ultimately the decision of global aviation authorities as to when the planes can take to the skies again.

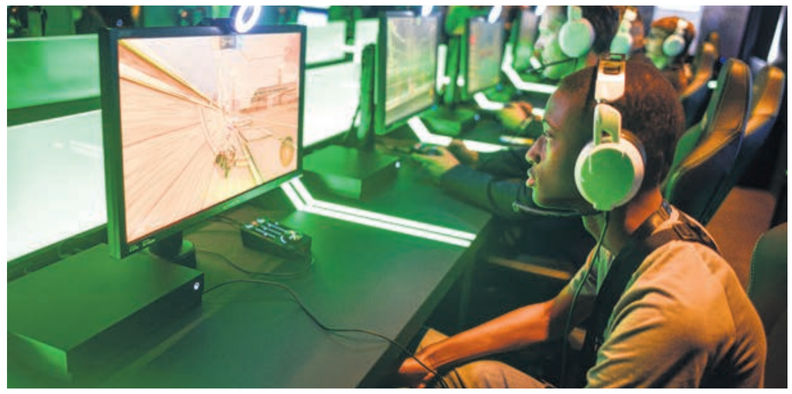
Boeing said: "[We have] developed software and training updates for the 737 Max and continues to work with the Federal Aviation Administration and global civil aviation authorities to complete remaining steps toward certification and readiness for return to service."

Boeing plans to increase the production rate of the 737 Max from 42 per month to 57 per month by late 2020.

Models of the plane were grounded after a Lion Air flight crashed in Indonesia in October last year, killing 189 people, and an Ethiopian Airlines flight crashed in Ethiopia in March, killing 157.



SKY HIGH Microsoft's quarterly revenue boost driven by cloud computing business



MICROSOFT increased its sales in the first quarter, driven by growth in its cloud computing business. Revenue increased 14 per cent to $33.1bn (£25.6bn) in the three months to 30 September and operating income was up 27 per cent to $12.7bn.

Toto Energy collapses amid calls for updated supplier regulations

EDWARD THICKNESSE

@edthicknesse

TOTO Energy collapsed yesterday, leaving 134,000 customers in limbo.

The failure comes less than a week after the company was ordered to pay £4.5m in outstanding green fees.

The energy ombudsman said that it had received 730 complaints about the energy supplier this year.

Alex Dickson, head of research at Switchcraft, said: "That Toto Energy, a company with an appalling track record, was able to purchase 43,000 new customers only three months ago is dumbfounding." On Monday, Ofgem proposed new rules to stop suppliers taking on customers without proving they could do so.

London office firm appoints administrators

SEBASTIAN MCCARTHY

@SebMcCarthy

LONDON-BASED flexible office space group Central Working has collapsed into administration, it was announced yesterday.

The co-working business, which hosts 1,850 companies across 11 sites in the UK, has appointed administrators from independent advisory firm Quantuma.

A letter to tenants seen by *City A.M.* said that buyers "are currently undertaking due diligence on our company", but did not reveal the identity of the interested parties.

The collapse comes amid concerns over the co-working space business model after US property giant Wework pulled its initial public offering in September.

Central Working told its tenants, including startup accelerator Techstars, that it is "business as usual" and there would be "no disruption" day to day".

The firm added: "As you can appreciate, this process is quite fluid and inevitably, external influences will seek to unsettle our plans and spread rumours, but we expect to be able to update you with new information shortly."

Ex-Thomas Cook boss condemns 2014 dismissal

STEFAN BOSCIA

@Stefan_Boscia

A FORMER Thomas Cook boss has said disagreements with the company's chairman over corporate strategy led to her effective dismissal in 2014.

Harriet Green told the Business, Energy and Industrial Strategy Committee yesterday she was "incredibly sad" when she was pushed out by former chairman Frank Meysman after three years in the role.

Green told the committee she tried to focus the company toward catering for millennials in the face of profit warnings in 2012.

This included moving the company to focus more on digital sales to try to chip away at the firm's "wall of debt".

She said: "I was told, 'You've done a great job, [you've] started the transformation, thank you, but we would like somebody now who is a traditional travel person to take this business forward'."

The company's value is estimated to have risen from £150m to £2bn in her three years at Thomas Cook.

Fellow former Thomas Cook chief executive Manny Fontenla-Novoa was grilled by MPs over mounting debt under his watch and his strategy of relying on high street stores.

Fontenla-Novoa, who was chief executive between 2003 and 2011, defended his strategy, citing Tui as an example of how the model can work.

"I believe there was growth in the market," he said. He denied saddling the company with large amounts of debt, saying it was "manageable" when he left

Harriet Green was dismissed in 2014

Facebook boss Mark Zuckerberg admitted he is unsure if the currency will work

Congress grills Zuckerberg over Facebook's digital currency plan

ANNA MENIN

@annafmenin

FACEBOOK chief executive Mark Zuckerberg appeared before US Congress yesterday to defend the social media giant's controversial proposed digital currency, Libra.

Zuckerberg told US politicians that Facebook would not support Libra launching before the cryptocurrency has won the approval of all US financial regulators.

Zuckerberg told committee members that he was unsure of Libra's plans, saying: "I actually don't know if Libra's going to work, but it's important to try new things."

Ahead of the hearing, bitcoin fell to its lowest level since June.

IN BRIEF

CMA HANDS £36M FINE TO UK CONCRETE CARTEL

A concrete cartel must pay a £36m fine for breaking competition law for almost seven years. The Competition and Markets Authority (CMA) has ordered three firms to cough up after fixing prices between July 2006 to March 2013. Northern Ireland's FP McCann must pay £25.5m, Derbyshire's Stanton Bonna Concrete must pay £7m and Somerset-based CPM Group faces a £4m fine.

WEWORK PLANS TO AXE UP TO 4,000 JOBS

Wework plans to axe up to 4,000 jobs as Softbank launches a turnaround plan after taking control of the business. The cuts will reduce Wework's global workforce by just under 30 per cent. Wework will also refocus on three markets — the US, Europe and Japan, the Financial Times reported last night.

MOODY'S VOICES FEARS OVER BREXIT IMPACT

Uncertainty will continue to hold back the UK economy even if Britain passes Boris Johnson's Brexit deal, credit rating agency Moody's warned yesterday. It said in a note: "During the transition, the UK and the EU would need to negotiate the terms of their future relationship; and that negotiation is unlikely to be any smoother than the Brexit process has been so far... Therefore, the uncertainty around the eventual outcome of Brexit will likely weigh on spending, investment and hiring decisions in the UK for some time, a clear credit negative."

DEPARTMENT SWAP Debenhams set to poach ex-House of Fraser finance chief

FORMER House of Fraser finance chief Mark Gifford is set to become chairman of Debenhams as the department store prepares for the crucial Christmas trading period, Sky News reported. Gifford's appointment could be announced this week.

KPMG in talks for £200m sale of its pensions arm to private equity firm

JAMES BOOTH

@Jamesdbooth1

KPMG yesterday confirmed it is in exclusive talks to sell its pensions advisory arm to private equity firm Exponent.

The Big Four accountancy firm is in discussions to sell its pensions unit to the former Quorn owner for more than £200m, Sky News reported.

The division has more than 20 partners and 450 people in its employment.

KPMG has been in talks over the sale of the business since June and a number of other bidders submitted offers for it, Sky News reported.

The accountancy giant began to examine a sale of its pensions advisory arm in June following a number of approaches. The move follows a number of attempts to reduce consulting work for audit clients across all Big Four firms.

Sky News previously reported that the decision to explore a potential sale was not a direct result of KPMG UK chairman Bill Michael's move to ban the firm from taking on both consulting and auditing work for the same company.

It comes amid regulatory pressure on the Big Four — which also includes Deloitte, EY and PwC — to reform their businesses.

Bell Pottinger's partners forced to repay salaries

JAMES WARRINGTON

@j_a_warrington

FORMER partners at the disgraced PR firm Bell Pottinger have been forced to repay hundreds of thousands of pounds in salaries they earned before the business collapsed.

The London-based PR company went into administration in 2017 following a scandal over its work for the billionaire Gupta family in South Africa, where it was accused of deliberately inciting racial hatred.

Administrators at BDO have launched a bid to claw back the outstanding £7m owed to creditors.

As part of this, BDO is chasing 44 former Bell Pottinger partners to recoup £4m.

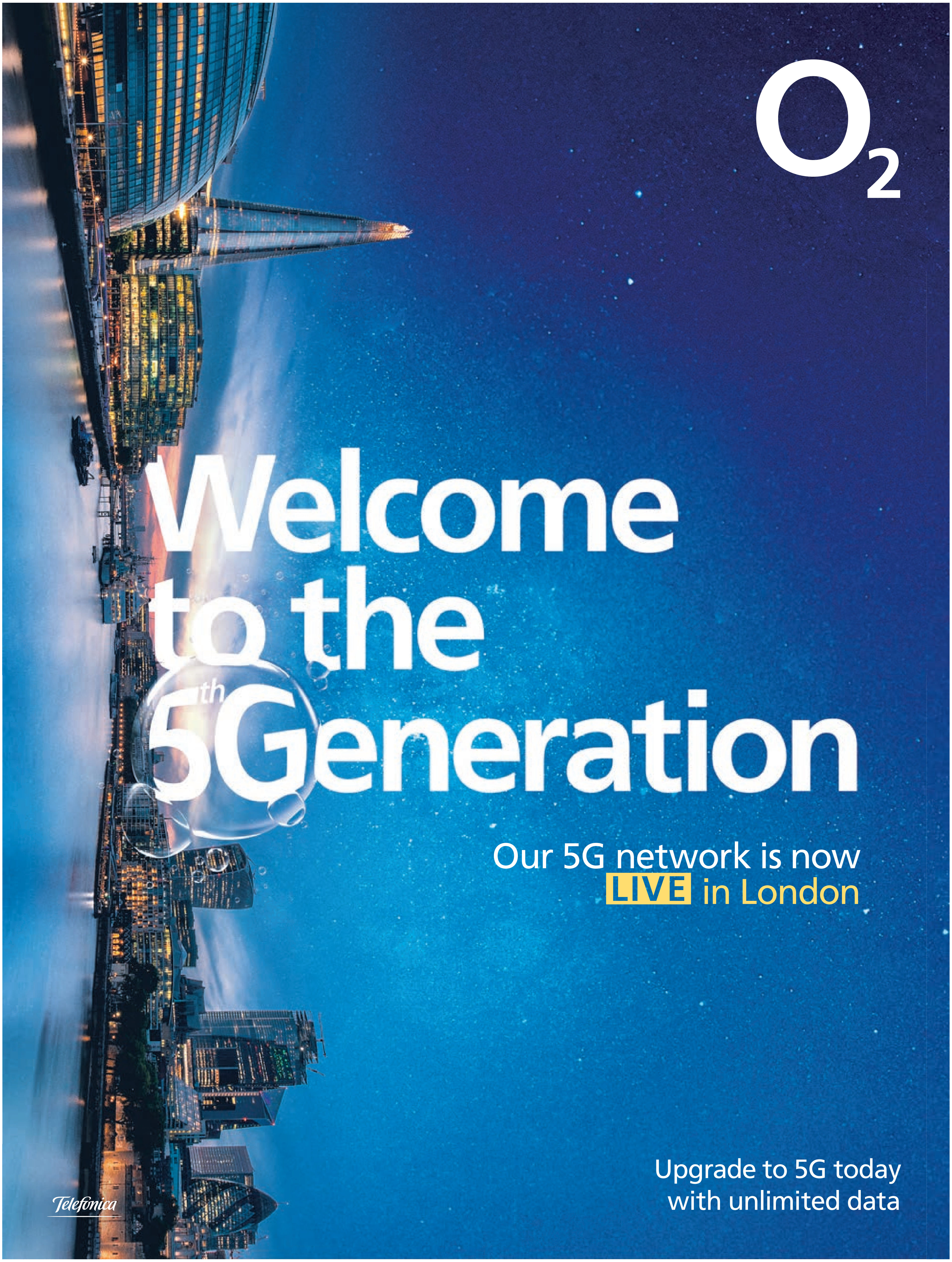
In its latest administrators' report, the accountancy firm said it had made "good progress" in its efforts, securing £157,000 from 12 partners and £311,000 from a further nine. BDO said it was in discussions with 17 other partners, while two could not be contacted.

The partners are liable to repay the sums, the administrators said, as they represented an advance salary based on Bell Pottinger's estimated profit for 2017. The PR firm fell to a £2.7m loss in its last year of trading, meaning the amount paid was not valid.

While the report did not name the partners, former chief executive James Henderson is not believed to have repaid any of his salary from that year.


BELL POTTINGER
TOP CITY PR FIRM THROWN OUT OF TRADE BODY AFTER SOUTH AFRICAN CAMPAIGN ACCUSED OF INCITING RACIAL HATRED

How *City A.M.* reported the scandal in 2017


O2
Welcome to the 5th Generation
Our 5G network is now
LIVE in London
Upgrade to 5G today
with unlimited data
Telefónica

Blackstone beats forecasts for third quarter earnings

ANNA MENIN

@annafmenin

BLACKSTONE, the world's largest private equity firm, yesterday reported an increased profit for the third quarter, but a drop in the proportion of earnings that could be returned to shareholders.

The group posted a profit of $779m (£605m) for the third quarter, up from $443m a year earlier.

Blackstone's distributable earnings fell eight per cent year-on-year for the third quarter, but still beat analysts' estimates.

Blackstone reported a drop in proceeds from asset sales in its private equity business, but this was partially offset by a rise in earnings from its real estate, corporate credit and hedge fund divisions.

Distributable earnings per share were 58 cents, higher than the 53 cents analysts had estimated on average, according to Refinitiv data.

Blackstone said its private equity portfolio appreciated 2.6 per cent in the third quarter, while its opportunistic and core real estate funds rose by 3.8 per cent and 2.3 per cent respectively.

The group raised a record $26bn for its flagship buyout fund during the three months to 30 June, benefitting from a strong fundraising environment driven by institutional investors seeking out higher returns amid low interest rates.

Blackstone's total assets under management reached a record $554bn during the quarter, up two per cent on the previous three months.

AIG scouts for wealthy clients after launching new syndicate at Lloyd's

SEBASTIAN MCCARTHY

@SebMcCarthy

LLOYD'S of London was given a major boost yesterday after American International Group (AIG) revealed plans to set up its new high-end business at the historic marketplace.

AIG is launching a syndicate at Lloyd's of London aimed at serving the specialist US high net worth market in a move that it said could generate up to $1bn (£780m) in annual premiums.

AIG's syndicate, which will cover insurance for areas including fine arts and property, comes on top of its existing business at the marketplace, which is managed by its Talbot Underwriting unit.

Lloyd's boss John Neal, who has targeted the US market since taking charge last year, recently unveiled plans to modernise the 330-year-old business.

Following a string of company losses and criticism of its culture, the chief executive has revealed a swathe of modernisation reforms.

Neal described the incoming new business — dubbed Syndicate 2019 — as "a significant endorsement of the future at Lloyd's and represents strong support for our vision."

China set to replace Lam as Hong Kong bins extradition bill

ANNA MENIN

@annafmenin

BEIJING has reportedly drawn up plans to replace Hong Kong leader Carrie Lam with an interim chief executive, as the territory's legislature formally withdrew the controversial extradition bill that sparked months of protests.

There have been months of violent protests against Lam's leadership in Hong Kong over concerns Beijing is tightening its grip on the financial hub.

The scrapping of the bill, which would have allowed the extradition of suspects to mainland China, was one of protestors' key demands.

Citing people briefed on the deliberations, the Financial Times reported that China would wait for the situation in Hong Kong to stabilise before moving to replace Lam next year, as Beijing does not want to be seen to giving in to violence.

The paper reported that if President Xi Jinping decided to go ahead with the move, Lam's successor would be appointed in March next year and serve for the remainder of her term, which ends in 2022.

A spokesperson for China's foreign ministry dismissed the reports as a political rumour with ulterior motives.

Hundreds of thousands of pro-democracy protestors have taken to the streets in the territory since unrest was first sparked by the proposed bill June.

Carrie Lam has been chief executive of Hong Kong since 2017

Demonstrators fear that Beijing is eroding the freedoms afforded to Hong Kong under the "one country, two systems" principle established when Britain returned the territory to China in 1997.

Although the scrapping of the extradition bill was a core demand of pro-democracy protestors, their rallying cry has been "five demands, not one less", and it is widely expected that the withdrawal of the legislation will do nothing to counter the unrest.

Demonstrators are calling for Lam's resignation, as well as an independent inquiry into the police's response to the protests.

Sadiq Khan has been hit by claims that his deputies are unhappy wih his running of City Hall

'Unhappy' deputy London mayors seek Westminster move to safe Labour seat

STEFAN BOSCIA

@Stefan_Boscia

TWO DEPUTY mayors of London are seeking a move to parliament amidst claims the pair are unhappy with how Sadiq Khan runs City Hall.

Business deputy mayor Rajesh Agrawal and housing deputy mayor James Murray have both been shortlisted to represent Labour in Ealing North at the next general election.

Ealing North MP Stephen Pound, who has held the seat since 1997, is retiring at the next election. *City A.M.* understands Murray is strongly favoured to win the Labour safe seat.

A Labour source familiar with the situation told *City A.M.* the pair were looking to get out of the mayor's office, because they thought decision making was too centralised.

"They're not at all happy with their roles," the source said. "They feel they have no input into any of the important decisions being made in the mayor's office."

Murray and Agrawal both labelled the claims as "nonsense".

Khan was contacted for comment.

Sports Direct, which is a shareholder in Goals, slammed the effect of the firm's scandal on investors

Sports Direct appoints RSM as auditor as firm hits out at Goals' management

JOE CURTIS AND JAMES BOOTH

@joe_r_curtis @Jamesdbooth1

SPORTS Direct yesterday appointed an auditor, two months after Grant Thornton quit as billionaire Mike Ashley's company's accountant.

RSM will now take up the post. The auditor had most recently stepped in to look after Patisserie Valerie's accounts after the bakery chain became embroiled in an accounting scandal.

Grant Thornton left Sports Direct in August after the retailer dramatically delayed the publication of its latest financial results.

Separately, Sports Direct blasted the management of Goals Soccer Centres yesterday after the five-a-side football firm delisted from Aim following an accounting scandal.

Goals suspended shares in March after saying its results contained a misdeclaration of VAT, leaving a black hole in its accounts of more than £12m. Sports Direct, which is a shareholder in Goals, yesterday hit out at management for wiping out investors with the fault.

Trump lifts Turkish sanctions as legal woes worsen in DC

ANDY SILVESTER

@silvesterldn

US PRESIDENT Donald Trump yesterday lifted short-lived sanctions on Turkey after the Ankara regime agreed to cease its offensive against Kurds in northern Syria.

The U-turn came after Russian President Vladimir Putin and his Turkish counterpart Recep Tayyip Erdogan brokered an agreement which will see Moscow replace the US as the key peacekeeping force in the war-torn country.

The US sanctions were put in place on 14 October after a Turkish military offensive targeting Kurds in the region provoked international uproar.

The assault came after Trump had unexpectedly announced that US forces stationed in the region would be withdrawn, allowing Turkey to create a so-called safe zone behind Syrian borders.

The buffer will now be overseen by Russian forces, with the Turkish military joining those patrols in due course.

Announcing the shift, Trump said: "Let someone else fight over this long blood-stained sand."

The President's move came as he continued to be buffeted by ongoing impeachment proceedings at home relating to his relationship with Ukranian President Volodymyr Zelensky.

Democrats allege the US President demanded that Kiev launch a probe into Hunter Biden — son of his political rival Joe Biden — who had business dealings in the country, and strongly implied that his suspension of military aid to Ukraine would be reversed if said probe was launched.

In bombshell testimony, the top US diplomat in Ukraine William Taylor Jr told investigators that there was an "irregular policy channel" for dealings with Kiev led by the Trump's allies.

Taylor alleges that one of those allies, Gordon Sondland — US Ambassador to the European Union — had told him "that 'everything'... including security assistance" was dependent on the launch of a Biden probe.

Trump hit back at claims this represented a quid pro quo, describing the impeachment proceedings as "the Democrats' scam."

Two-thirds of the Senate would need to approve the motion for Trump to be impeached.

Revolut gets the all-clear for its first Asia launch

EMILY NICOLLE

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BANKING app Revolut has today launched its services in Singapore, marking the British fintech giant's fourth international foray.

The scaleup, which has more than 7m users across the UK, Europe and Australia, will provide customers in Singapore with access to its banking app and debit card. Features include free spending overseas in more than 150 currencies, Premium accounts and capped cash withdrawals.

The move adds Singaporean dollars to the number of currencies accessible for transfers for all Revolut users, which also includes sterling, US dollars, euros and Australian dollars.

It follows an announcement by Revolut earlier this week that it has partnered with Mastercard to launch its debit card in the US by the end of this year. It holds a similar deal with Visa for cards across Europe and Asia.

Revolut said today it will soon launch support for an additional 14 currencies, including Indian rupees, Philippine pesos and Malaysian ringgit, as it opens in more countries.

The fintech starlet set up its regional headquarters in Singapore last year, having received authorisation from financial authorities there in November. It currently employs 20 staff in the office, but intends to triple that headcount in the coming months.

Revolut said last month its deal with Visa will lead to a significant increase in staff globally, rising from 1,500 employees to 5,000.

The firm, known as one of the UK's Big Three in digital banking alongside Monzo and Starling Bank, is understood to be raising a new round of funding in exchange for equity at around $500m (£388m).

It is also seeking to land a convertible loan of $1bn and a valuation of the business at $20bn, according to Sky News.

Chief exec Anne Boden hopes the fintech will reach 1m customers by the end of 2019

Starling Bank raises £30m as it ramps up European expansion

SEBASTIAN MCCARTHY

@SebMcCarthy

STARLING Bank has raised £30m as part of an effort to ramp up its expansion into Europe.

The British fintech giant, which is on track to reach 1m accounts by the end of this year, said yesterday it has tapped up fresh funds for its bullish expansion and investment in business-focused banking services as well as financial retail. Existing investors Merian Chrysalis Investment Company and JTC gave £20m and £10m respectively.

Starling has been competing with rivals such as Monzo and Revolut to assert itself as the leader in a pack of fast-growing online startups.

Nearly 1m Brits switch banks in last 12 months

JESS CLARK

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HALIFAX, Barclays and RBS lost the most customers to other banks through switching services in the third quarter of the year.

In the three months to 30 September the banks reported net losses of 12,058, 10,988 and 10,440 respectively.

Nationwide had the highest net gains from customers switching banks, followed by HSBC and Natwest, according to data published today by the Current Account Switch Service.

Digital challenger banks continued to benefit from customers switching services, as Monzo and Starling Bank remained in fourth and fifth place respectively for net switching gains.

Nearly 230,000 customers switched bank accounts in the third quarter of the year and in the last 12 months there have been 975,571 bank account switches.

Younger people are more likely to choose to have multiple bank accounts and over-35s are more likely to complete a switch using the service.

UK ‘must guard’ creative sector amid Brexit fret

JAMES WARRINGTON

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THE CBI has called on the government to roll out new measures to protect the UK’s booming creative industries after Brexit.

In a report published yesterday, the business group hailed the creative industries as a key driver of growth, with exports of goods and services from the sector now contributing £50bn per year to the economy.

However, it warned that 80 per cent of firms in the creative industry — which includes advertising, publishing, film and TV — are worried their reputation will be damaged after the UK leaves the EU.

The CBI urged the government to create future immigration and skills policies that will not harm the sector and to make efforts to boost the profile of smaller businesses.

It also stated that economic harms such as copyright infringement and piracy are included in its proposed new internet regulation.

“The creative industries punch well above their weight internationally,” said CBI director general Dame Carolyn Fairbairn.

“As other countries seek to emulate the UK’s success, the government must further invest in this sector and implement world-leading copyright protections. Otherwise we risk falling behind our European counterparts post-Brexit.”

Britain’s creative industries have been a quiet success story in recent years, contributing more than £101bn to the UK economy in 2017.

But continued uncertainty around Brexit has sparked concerns from leading industry figures about the sector’s future success.

The CBI also urged the government to hold a public consultation on the apprenticeship levy, amid concerns the funds were being wasted in the creative industries.

ITV has also announced plans for a winter version of Love Island

ITV Hub hits 30m users as Love Island helps to charm viewers

JAMES WARRINGTON

@j_a_warrington

ITV YESTERDAY announced that its on-demand streaming service ITV Hub has more than 30m registered users, as Love Island and the Rugby World Cup helped to attract viewers.

The figure, which is up from 26m at this time last year, means the broadcaster has beaten its previous target of hitting 30m users by 2021.

ITV said its viewing figures were boosted by the continued popularity of hit dating show Love Island, which helped to attract an additional 3.2m registered users in June alone.

Live streaming has also been a popular choice, with 20m requests so far for the Rugby World Cup.

Commercial radio boosts its market share

JAMES WARRINGTON

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COMMERCIAL radio stations continued to attract large audiences during the third quarter, growing their share of listening hours to a 20-year high.

A total of 35.9m people tuned in to commercial radio in the UK, up from 35.8m in the same period last year, according to new figures.

While the audience numbers were slightly below the record-breaking 36.1m reached in the second quarter, commercial radio continued to gain ground against the BBC.

The overall share of listening hours for commercial stations was 48.1 per cent, an increase of more than five per cent year on year and the highest level in two decades.

The latest figures, published yesterday by industry body Rajar, underline a continued period of strong performance for UK radio stations.

The emergence of new listening methods such as smart speakers has helped rekindle the popularity of the traditional radio format, with 13 per cent of audiences now tuning in online or through an app.

Quilter's assets feel the heat of manager exits

ANNA MENIN

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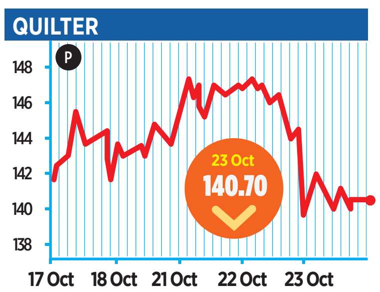
THE DEPARTURE of a team of asset managers last year has continued to weigh on Quilter, with £600m of client cash leaving the business in the third quarter, taking the total outflows for the year so far to £1.4bn.

In a trading update published yesterday, the asset manager reported net client cash outflows of £500m, driven by the loss of £600m from its Quilter Cheviot unit. This compares to inflows of £1.1bn the previous year.

Quilter's assets under management and administration (AUMA) edged up 0.5 per cent on the same period last year to £118.7bn. AUMA was up 11 per cent on the end of 2018.

The asset manager's total outflows for the year so far hit £2.3bn.

Quilter's shares dropped 2.3 per cent yesterday to 140.70p on the announcement.



Paypal launched its first UK business debit card in June this year

Paypal's profit rises six per cent

AYANTI BERA

PAYPAL reported a six per cent rise in third-quarter profit yesterday, as more people used its payment processing platform to make transactions.

Net income rose to $462m (£357.6m), or $0.39 per share, in the quarter ended 30 September, from $436m, or $0.36 per share, a year earlier.

Paypal's revenue for the third quarter climbed to $4.38bn from $3.7bn in the same quarter last year.

The company, which separated from Ebay in 2015, has made a number of acquisitions since then to expand its business.

Paypal also said it was the first foreign company to get a domestic payments license in China. *Reuters*

Vanguard cuts fees in Europe fund price war

ANNA MENIN

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VANGUARD has slashed fees on almost half of its European funds, in a major escalation of the ongoing price war within the European asset management market.

The second-largest asset manager in the world slashed fees on 46 of its European funds, 36 of which are available to UK retail investors, in a move that could threaten its rivals' profits.

"For too long, investors have been poorly served with high-cost, complex investments," said Sean Hagerty, head of Vanguard Europe.

Pennsylvania-based Vanguard, which launched in the UK in 2009, has built a reputation for undercutting rivals' fees to win over new clients.

Founder John Bogle, who died in January agd 89, pioneered low-cost passive index funds.

UK's top law firms says tech is leading factor in staying ahead of competition

JAMES BOOTH

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TECHNOLOGY is the key strategic priority for the UK's top law firms, a report published yesterday showed.

A survey of the UK's top 100 law firms found more than four fifths (81 per cent) said technology was the most important area of strategic development for their firm.

After tech investment, 41 per cent cited overseas expansion as the next most important priority and 28 per cent said mergers and acquisition was their next most important goal.

However, the desire to invest in tech has diminished, with 27 per cent of law firm leaders saying they would invest more than five per cent of revenue in tech, down from 75 per cent in 2017 — the survey from HSBC and The Lawyer magazine showed.

HSBC UK head of professional services Chloe Clift said: "While investment in technology is clearly still a priority, law firms are pulling back from new and innovative technologies to focus on their business as usual systems that lie at the heart of operating an efficient modern law firm.

"Products and services that were previously seen as innovative tech are now, in many cases, established and require minimal additional investment. It's also worth considering that some firms may be delaying investment decisions until the future of the UK's relationship with the EU is clearer."

Client collaboration tools were identified by 44 per cent of firms as the leading priority for tech spending, followed by the prevention of cybercrime (15 per cent) and artificial intelligence (11 per cent).

Clift said: "While an increase in revenue across law firms means that tech investment has grown in real terms, firms shouldn't be complacent, particularly around investment in preventing cybercrime."

Handelsbanken to launch major cost-cutting drive

SEBASTIAN MCCARTHY

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HANDELSBANKEN reported a double-digit dip in net profit this morning as it revealed a major cost-cutting strategy.

The Swedish lender plans to cut 800 jobs and pull out of several markets globally in an effort to slash annual spending by roughly 1.5bn crowns (£120m).

Net profit tumbled from 4.1bn crowns to 3.5bn crowns, falling 13 per cent when compared with the same quarter last year due to restructuring charges of roughly 900m crowns during the three-month period.

The Stockholm-based firm has been revamping its strategy to target western economies such as the UK, where it now has a network of over 200 branches.

The Nordic markets and the Netherlands will also be priorities for the bank, while it is pulling out of both Germany and Asia.

Handelsbanken's common equity Tier 1 ratio, a key financial benchmark, fell year-on-year from 21.7 per cent to 17.4 per cent.

The job losses would include both employees and consultants, many of them outside Sweden.

Shares fell 1.4 per cent yesterday on the announcement.

British Steel deal under threat as Turkey talks fail

EDWARD THICKNESSE

@edthicknesse

ATAER Holding, the preferred bidder for British Steel, has failed to agree a deal to save the company from collapse, the BBC reported yesterday.

Five thousand jobs are directly at risk as a result of the failed talks, with 20,000 more threatened in the supply chain. If new terms are not struck by today, the government will open the process to other bidders.

The Official Receiver said: "While discussions with Ataer are continuing, discussions with other parties who have expressed continued interest in acquiring the whole British Steel business will now be possible."

The government has been running British Steel, which owns the steel works in Scunthorpe, since it was put into compulsory liquidation in May.

In August the Turkish company, which owns nearly half of Erdemir, Turkey's biggest steel producer, was granted sole access to the firm's books.

MPs have questioned the company's links to the Turkish government in the aftermath of last week's military crossing into Kurdish-held regions of Syria. Ataer is an investment vehicle for Turkey's military pension fund.

Liberty House, run by businessman Sanjeev Gupta, is likely to rekindle its interest in buying British Steel, but did not comment at this stage.

The gold production industry could see emissions cut by up to 95 per cent

Net-zero cost for gold industry

EDWARD THICKNESSE

@edthicknesse

ACHIEVING global emissions targets by 2050 may cost the gold industry $70bn (£54.3bn) over the next decade, according to a report by the World Gold Council.

The report, released yesterday, found that "it is feasible and cost-effective for the gold industry to reduce emissions by up to 95 per cent over the time-scale."

The industry can decarbonise production by replacing traditional energy sources with renewables and transit methods to electric vehicles.

Dr Ben Caldecott, associate professor at Oxford University, said: "Transitioning to a negative carbon footprint poses a massive challenge. Gold can be a part of the solution."

Strike threatens Antofagasta copper output

EDWARD THICKNESSE

@edthicknesse

STRIKE action in Chile could damage Antofagasta's copper production, according yesterday's third-quarter update.

Days of demonstrations, in which 15 people have died, have rocked Santiago, the capital of the world's largest copper producer.

The company said the disruption could cause problems in the supply chain and prevent workers getting to the site, potentially lowering output by about 5,000 tonnes.

Despite these concerns, 4.6 per cent growth in copper production led the company to total third-quarter output of 197,000 tonnes, up from 188,300 tonnes last year.

Chief executive Ivan Arriagada said: "We delivered another quarter of strong production. Copper volumes of 584,000 tonnes are 16 per cent higher than the same period in 2018."

Metals firm TNG to list on London Stock Exchange following vanadium surge

EDWARD THICKNESSE

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AUSTRALIAN strategic metals company TNG yesterday confirmed it is seeking to list on the London Stock Exchange (LSE).

As yet, no decision has been taken as to whether TNG will look to raise funds through the initial public offering (IPO), which it is expected to complete by 2020.

TNG's main project is the development of its Mount Peake vanadium-titanium-iron project in Australia's Northern Territory.

Managing director and chief executive Paul Burton said that the move was "an important part of the overall funding strategy for Mount Peake".

"We have always said that a world-class asset such as Mount Peake will require an integrated funding strategy underpinned by tier one partners. We now have those partnerships established and believe that the time is right to undertake a dual listing on the LSE to further progress our funding strategy."

He added: "TNG presents an attractive investment opportunity through providing exposure to one of the most advanced and largest undeveloped vanadium-titanium-iron projects in the world."

Vanadium is widely used across the manufacturing and chemical industry, with applications ranging from jet engines to batteries.

Steel manufacturing accounts for over 85 per cent of current demand for the "miracle metal", which adds strength, hardness and water resistance to the final product.

According to the Research and Markets' Vanadium report, published in October, the global vanadium market is projected to grow by a total $17.5bn (£13.6bn) by 2025.

The LSE has historically had a strong representation of resource companies, including vanadium and strategic metals companies.

The Australian mining firm is preparing for a float following demand for vanadium

Self-driving startup FiveAI launches commuter trials on London streets

EMILY NICOLLE

@emilyjnicolle

BRITISH startup FiveAI has today announced the launch of commuter research trials for its self-driving car technology, alongside motor insurance giant Direct Line.

As part of the Streetwise Consortium, which also includes TRL, a self-driving research route featuring human passengers will be launched in Croydon and Bromley to test out the technology.

The invite-only trial will take place during the next two months, in which participants will be asked for insight on their experiences.

Ultimately, the government-backed consortium hopes to provide data for a shared self-driving service for future London commuters.

Transport secretary Grant Shapps said the trial is “a major step to rolling out the next phase of the UK’s transport revolution”.

FiveAI chief executive Stan Boland said: “Shared, self-driving vehicle services promise a better way for people to get around, we’ll be working with forward-thinking partners to make these services a reality in European urban environments. The lessons learned through Streetwise provide an important step towards that goal.”

Driverless cars will be soon pop up on the roads of Bromley and Croydon

Peugot producer boosts revenue despite sales dip

JAMES BOOTH

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PEUGOT maker PSA Group yesterday reported higher revenue for the third quarter, even as its sales slowed globally.

The French car maker was boosted by higher demand for its more expensive sports utility vehicle (SUV) models.

PSA said revenue from the three months ending in September rose one per cent to €15.6bn (£13.5bn).

Vehicle unit sales in the period fell four per cent to 674,500.

The Peugeot and Citroen maker, which bought Opel-Vauxhall from General Motors in 2017, said it expected car sales to shrink this year in all major markets.

PSA said sales of its larger and more profitable SUVs such as the Citroen C5 Aircross helped boost revenue and make up for unfavourable currency headwinds.

Vehicle sales in Europe slipped 2.7 per cent on the same period last year to 569,000 while sales in China and south east Asia plunged 40.1 per cent to 29,000 units.

The Middle East and Africa was one bright spot with sales rising 41.2 per cent to 34,000.

Fellow French car maker Renault cut its 2019 revenue forecast last week and posted a fall in third quarter revenue, saying it was investing further in its alliance with Japan’s Nissan to make savings.

Car makers globally are suffering from a fall in demand from emerging markets, as well as a push for less polluting vehicles which is eating up investment cash and making them consider possible tie-ups.

Stricter emission rules worldwide have also emphasised the need to invest in more ecological technologies.

Fiat Chrysler struck a deal with Tesla earlier in the year to reduce its European emissions, and thereby avoid hefty fines.

PSA chief financial officer Phillippe de Rovira maintained optimism, saying “in Europe, the momentum of the group is strong,” though he admitted that it “continued to face challenges in emerging market”.

Ford posts lower third-quarter profit as it lowers 2019 outlook

BEN KLAYMAN

FORD posted a lower quarterly profit yesterday as it took charges for its global restructuring, and reduced its full-year operating profit forecast due to higher warranty and incentive costs, as well as lower-than-expected sales in China.

The number two US auto maker reported a third-quarter net profit of $425m (£329.8m), or $0.11 a share, compared with $991m, or $0.25 a share, a year earlier.

The quarter included $1.5bn in special charges, mostly for its global restructuring that included the formation of its Indian joint venture with Mahindra & Mahindra.

Excluding one-time charges, Ford earned $0.34 a share, above the $0.26 analysts had expected according to IBES data from Refinitiv.

Revenue in the quarter fell two per cent to $37bn, above the $33.98bn expected.

Ford said yesterday it now expects full-year adjusted operating profit in the range of $6.5bn to $7bn, compared with $7bn last year. *Reuters*

SUPER MARIO'S ODYSSEY COMES TO AN END

Harry Robertson looks back on Mario Draghi's ECB reign

EUROPEAN Central Bank (ECB) president Mario Draghi will today chair the final interest rate-setting meeting of his eight-year tenure. If not quite a poisoned chalice, his successor Christine Lagarde is certainly being left with an unappetising cocktail.

Growth in the bloc is slowing towards levels not seen since the Eurozone crisis and inflation has hit a three-year low. Moreover, the ECB's board is riven by a rancorous debate over how the slowdown should be tackled.

So-called "Super" Mario is widely-hailed as having saved the euro. But will his legacy endure?

'WHATEVER IT TAKES'

When Draghi took over from Jean-Claude Trichet in November 2011, the decade-old Eurozone had not recovered from the global financial crisis. Countries such as Greece and Ireland looked unable to pay back exorbitant loans they had received, largely from German and French banks.

The ECB had also just made what Jim Leaviss of investment manager M&G calls the "biggest policy mistake of its young history": Trichet raised interest rates during the slump.

Draghi quickly reversed the rises. Then came his finest hour. In a speech in London in July 2012, within earshot of the Olympic beach volleyball, he said: "The ECB is ready to do whatever it takes to preserve the euro. And believe me, it will be enough."

Investors breathed a sigh of relief, reassured that Draghi would not let the Eurozone crumble.

NEW PROBLEMS

However, Draghi's "whatever it takes" mantra did not sit easily with many Eurozone members, creating a festering argument that continues today.

Rates were slashed and the ECB ramped up government bond-buying. In 2015, Draghi fired the monetary policy bazooka, launching a €1.1 trillion bond purchase programme known as quantitative easing (QE).

Investors cheered the move and growth picked up. But in Germany — a bastion of ultra-orthodox monetary policy — as well as other northern European countries, policymakers fiercely objected. All a central bank should do is keep inflation in check, they said.

Last month, the tussle with Germany and its northern allies once again burst out from behind closed doors when the ECB relaunched the giant QE programme, which had been dormant since 2018.

"I consider the bond purchases simply disproportionate," says Joerg Kraemer, chief economist at Germany's Commerzbank.

He says the use of QE against "harmless low inflation had severe negative side effects," raising the risk of bubbles in asset prices such as property and encouraging "zombie banks" to rely on ultra-cheap money.

MARIO'S GREATEST HITS

NOVEMBER 2011: Takes up role as president of ECB

FEBRUARY 2012: Greek bond yields peak at around 35 per cent during Eurozone crisis

JULY 2012: Draghi pledges to do "whatever it takes" to save the euro

MARCH 2015: The ECB launches a huge bond-buying programme

DECEMBER 2018: Draghi brings bond-buying to a close...

SEPTEMBER 2019: ... only to restart the programme, to great opposition within the ECB

EUROPE'S SLOWDOWN

An irony of Draghi's tenure has been that — despite holding the euro together during its darkest hour — he has failed at his central task.

The ECB's stated aim is to keep inflation at below but close to two per cent, something Draghi has not managed: inflation fell to 0.8 per cent in September.

Meanwhile, economic growth has recently slowed to levels not seen since the Eurozone crisis as the bloc is buffeted by the US-China trade war and weak global demand. The area's banks remain chronically weak.

Seema Shah, chief strategist at Principal Global Investors, says that as Lagarde takes over, "monetary policy ammunition has been all but exhausted". Further action also faces strong opposition by some at the ECB.

Draghi himself has said central banks are at their limits, arguing that "fiscal policy" — taxing and spending — "should become the main instrument" to push up growth and prices.

Shah says: "A more effective stimulus would be a sizable German fiscal package. That would act as a circuit breaker, boosting euro area growth and inflation."

This is the environment into which former International Monetary Fund (IMF) chief Lagarde will be plunged. She has already told European parliament members that "central banks are not the only game in town". Luckily, she's no stranger to bitter intergovernmental fights.

Governments may well now ride to the Eurozone's rescue by providing a big spending boost. But in 2012, M&G's Leaviss says, Draghi did not have that support.

"In a world where politicians refused to save the Eurozone through fiscal redistribution," he says, "he did whatever it took. It wasn't perfect, but it was the best we had."

PARTNER CONTENT

CLIMATE CHANGE PROTESTS, LONDON CITY AND THE FUTURE OF FLYING

LONDON CITY AIRPORT

Alison FitzGerald, Chief Operating Officer at London City Airport

Events of the past two weeks in London didn't need to happen for businesses like ours, and yours, to understand the seriousness of the climate change challenge. Indeed, many Londoners lasting impression will now be one of disruption and annoyance rather than the cause Extinction Rebellion (XR) promotes.

Before discussing these substantive issues, I must first say thank you to the Metropolitan Police, police from around the country and the British Transport Police who have come together to steadfastly keep London and Londoners moving and, crucially, safe.

XR made London City a target for a three-day shut down but by working closely with the police, we not only kept the airport open but connected 17,000 passengers to and from the Capital. Thankfully, despite some regrettable incidents at the airport, XR actions caused just two cancellations during their day-long protest, which ended 48 hours earlier than planned.

So thank you to the Met and colleagues for your professionalism and tireless support. That service is not taken for granted.

Now while we might disagree about their tactics, it's clear that the need to reduce global carbon emissions is now a mainstream topic of debate. No doubt, Extinction Rebellion have played a part, making these important issues a genuine matter of civic and societal debate.

We are under no illusions. UK aviation industry needs to play its part and we are absolutely alive to the challenge. At City, we have already reduced our own carbon emissions by 30% since 2013 and like other airports, have committed to becoming 'net-zero' by 2050. Meanwhile, our biggest customer, British Airways, part of one of the world's largest airline groups, IAG, has committed to net zero operations in the same period.

Without question, industry and Government needs to work closely together to meet those challenges. But rather than singling out particular industries, I believe we will move the dial by approaching this collaboratively across the globe, across sectors and by embracing innovation. I'm proud to be part of the Government's Future Flight Challenge Advisory Group, which is looking at doing exactly that.

While low carbon solutions for aviation are complex, the prospect of electric aircraft is not pie in the sky. In Norway, right now, Rolls Royce and the Norwegian airline Wideröe are collaborating on producing an electric, zero emission aircraft that could carry 100 passengers by 2030. That means hybrid and electric aircraft will fly first on the shorter routes that are our bread and butter. Readers should be assured that London City Airport is doing all we can to be at the forefront and to lead these changes!

> "£10,000 prize to a local innovator if they can develop a sustainable alternative to plastic bags.

Meanwhile, there are undoubtedly things we can be getting on with in the short term and incremental change really matters. For example, while we invest in new security CT scanners for introduction in 2022, when liquids and laptops can stay in your bag, passengers will still be required to use non-recyclable plastic security bags for their liquids.

We were the first airport to ban plastic straws and we want to be the first airport to develop and use a truly sustainable alternative to plastic bags.

We need your help. That's why we are teaming with City AM, to offer a £10,000 prize to a local innovator in London if they have or can develop that product.

London City Airport embraces change and innovation and we are looking forward to seeing your solutions.

It is undeniable that uncertain times are upon us, and we need to keep development and innovation firmly and high on the agenda.

If you are interested, or want to know more, please email environment@londoncityairport.com

Slater & Gordon boss talks life after Quindell

James Booth on the law firm's drive to move on from its difficult history

Slater & Gordon settled a long-running fraud claim this week

SLATER & Gordon's new UK boss is keen to put the past behind him. On Monday the law firm settled a long-running fraud claim against insurer Watchstone, drawing a line under a turbulent period that threatened to consign the world's first listed law firm to the history books.

Slater had accused Watchstone — formerly Quindell — of fraud in connection with its disastrous £637m takeover of its professional services arm in 2015.

"It's incredibly helpful to get this thing behind us, because much as we might try, some people still want to define us by what happened three or four years ago," the consumer law firm's chief executive David Whitmore says.

The Quindell deal took the Australian-listed firm to the brink, with Slater writing down AU$814m (£450m) in the value of the business within a year.

By June 2017 its stock was almost worthless — having traded as high as AU$6.95 in April 2015 — as it struggled under a £500m debt pile.

The firm was taken over by a consortium of lenders, led by distressed asset hedge fund Anchorage Capital, in June 2017.

As part of the restructuring, the firm's UK business split from its Australian parent with Whitmore being appointed to lead the firm in January 2018.

Despite the firm's bruised listing history, Whitmore does not rule out a return to the public markets.

"You never say never on these types of things and if we achieve our ultimate objective by becoming a much more dominant player in what is quite a disparate market at the moment — then potentially it is something that belongs on the public markets," he says.

Slater is betting big on the UK personal injury sector, despite looming government reforms that could make it more difficult for claimant law firms to make money.

Whitmore says the law firm is "absolutely committed to being a major player" in the market.

He is also bullish about group actions, an area where the firm is heavily involved, currently representing thousands of motorists in a claim against Volkswagen in connection with the emissions-rigging scandal.

Separately, Whitmore says the firm is toying with ditching the Slater & Gordon brand — which it shares with its former Australian parent.

"We get very positive recognition from the Slater & Gordon brand name. Whether we feel that is going to be the right brand name for us for the next three to five years I don't know yet — but it's something we will keep under review," he says.

Whitmore says the firm's ambitions to build the UK's leading consumer law firm should enable Slater to exorcise the ghosts of its turbulent past.

"I am sure it will, over time, take away any remaining concerns that we still have some entanglement with some of the more difficult periods in our history," Whitmore says.

ADVERTISEMENT FEATURE

Jemma Jackson comments on the PLSA Retirement Living Standards Report

PENSIONS, MARSHMALLOWS AND ROSE-TINTED GLASSES

Last week's UK Retirement Living Standards, published by the **Pensions and Lifetime Savings Association (PLSA)** to help people picture the lifestyle they want when they retire, comes as they find that 51% of people focus on their needs and wants today, instead of needs in the future.

It essentially echoes the 'marshmallow test' argument made famous by psychologist Walter Mischel – that most of us will favour immediate gratification instead of a bigger treat further down the line. The PLSA are taking the view that by helping people picture their retirement needs, they might be more likely to go down the delayed gratification route to a more comfortable retirement. Will it work?

Moira O'Neill, Head of Personal Finance, interactive investor, says: "Whilst most kids have been found to take that first marshmallow now rather than the promise of a bigger treat later, the pensions industry tends to assume that this follows into adulthood – and the research from the PLSA bears this out further. So the idea of helping people picture their retirement needs better, to help reframe how they think about their planning, is interesting.

"But the reality is that people don't have a rose-tinted picture of retirement. The interactive investor Great British Retirement Survey of 10,000 people found that for nearly a quarter (23%) of people, retirement means wealth uncertainty, and not starting a pension sooner is a regret for 17% of respondents.


Jemma Jackson is Head of PR at Interactive Investor

For over a third of retirees (35%), running out of money was their biggest concern.

"By helping people picture their retirement better with three different baskets of goods aimed at different couples' household income, the hope is that this will help focus minds. But there's no substitute, in the run up to retirement, for keeping a record of your own spending habits – we are all different, and we all have our own different inflation numbers.

"There's one giant hole in Walter Mischel's marshmallow argument, too. Whether you choose to delay gratification for a bigger treat down the line all depends on how much you think it's worth waiting for, and in that way, it's a poor intelligence test. But even small amounts extra can add up over time. It's important to save for the long-term, but we don't need to have a miserable time along the way."

Many consumers are having to make financial compromises in retirement and it is having a real and lasting impact on their quality of life. interactive investor have a number of recommendations:

- Tackling inequality right from the start with more dedicated, joined up and resourced financial education in schools.
- Target pensions inequality throughout our lives, and introduce pension 'Wake Up Packs' not just at 50, but well before - at key life stages such as the start of a new job or birth of a child. Nobody wants their finances to sleep until they reach 50.

> "For over a third of retirees (35%), running out of money was their biggest concern.

- Get auto-enrolment working better for everyone – lowering the minimum age limit to 18 sooner rather than later. The Government's mid-2020s ambition is lethargic and risks leaving a whole generation behind.
- Widen the £10,000 earnings threshold for auto-enrolment to those working for multiple employers, liberating workers who might have several part-time jobs - many of whom are women.
- Government-led public education campaign aimed at women to help kick start a savings and investment culture.

The Great British Retirement Survey was conducted on behalf of interactive investor by Core Data, a global market research consultancy between February 2019 to June 2019. Some 9,966 respondents completed the survey, which took around 20 minutes to complete.

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

interactive investor

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Watchdog amps up pressure to go green with new stewardship code

This is the first time climate change has been a key concern for fund managers

ANNA MENIN

@annafmenin

FUND managers have today been called upon to think green by a new code that calls for investment firms to focus on "sustainable benefits for the economy, the environment and society".

Climate change has appeared as a key governance concern in the Financial Reporting Council (FRC) framework for the first time, as the watchdog tries to push companies to focus on "long-term value".

Newly-appointed FRC chair Simon Dingemans said the new code "marks a step-change in the expectations for investors" and "strengthens the UK's standards of governance, transparency and clear reporting".

The FRC — the UK's regulator for governance and audit — has expanded its latest Stewardship Code to asset owners including pension funds and insurance companies, in an effort to "align the approach of the whole investment community in the interests of end-investors and beneficiaries".

A shifted focus to the outcomes of investment practices is a key change in the new code. The key proposal was made by Sir John Kingman, who issued a highly-critical report into the FRC's practices last year.

UK coal expects £629m losses as renewables rise

EDWARD THICKNESSE

@edthicknesse

THE UK's coal plants face losses of £629m in 2019, according to a new report released this morning by Carbon Tracker.

Drax Group will be hit hardest in the UK, with £171m in losses expected by the year end. Eon and EDF Group will also be hit for more than £100m, with costs of £143m and £101m respectively. RWE (£97m), SSE (£67m), and AES (£50m) will also be affected.

The damage is not confined to the UK. Four out of five EU Coal plants are unprofitable, with utilities companies expected to lose up to £5.7bn this year.

Germany alone is facing a £1.6bn fall in profit, making it the most exposed country, closely followed by Spain and the Czech Republic.

German company RWE will be the hardest hit company, with losses across its European businesses measured at £939m, or six per cent of its market share.

Matt Gray, head of power and utilities at Carbon Tracker and co-author of the report, said: "EU coal generators are haemorrhaging cash because they cannot compete with ever-cheaper renewables and gas and this will only get worse. Policymakers and investors should prepare to phase out coal by 2030 at the latest."

Although the UK has set a 2025 deadline for its phase out, it still has the third largest coal sector in the EU, with 12GW of capacity.

Governments will face "intractable problems" if they seek to support coal in the long-term because they will have to choose whether to pass costs to the utilities, destroying shareholder value; pass costs to consumers and push bills up; or fund them from debt and taxes.

Fellow author Sriya Sundaresan said: "The transition from coal will have impacts on many parties and what we need to communicate is that a lot of consideration of these impacts is required in the phase-out process.

"We need to act quickly and ensure that this is a just and orderly transition in order to avoid passing through costs to shareholders and consumers."

Brits grew happier in year up to Brexit's original March deadline

HARRY ROBERTSON

@henrygrobertson

BRITONS became happier over the course of the year to March, new figures showed yesterday, but those in Northern Ireland grew more anxious as the original Brexit deadline approached.

On mainland Britain, people's happiness increased — according to the Office for National Statistics' (ONS) measure — from an average score of 7.52 to 7.56.

Yet in Northern Ireland, happiness dropped from 7.8 to 7.69 in the year to the end of March, the original Brexit date. The country nonetheless remained happier than the rest of the UK. Northern Ireland's anxiety levels also rose.

By the ONS's measure, people were significantly more anxious, with the gauge rising from 2.53 to 2.83.

The ONS measured personal well-being, happiness, anxiety and how worthwhile people think their lives are since 2011. The official data body carries out the work to look "beyond purely economic measures".

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Schools, universities and offices have been shut across Lebanon as protests entered their seventh day yesterday. Hundreds of thousands are rallying against the Lebanese government.

Protestors in Lebanon ramp up the tension

ANDY SILVESTER

@silvesterldn

ANTI-GOVERNMENT protests continued across Lebanon yesterday as frustration over a lack of basic services and poverty grows in the debt-ridden country.

The protests which began last week were triggered by a proposed new tax on voice calls via Whatsapp but have widened to complaints about corruption, inefficiency and an ongoing economic crisis.

The country, which emerged from a vicious sectarian civil war in 1990, is one of the most indebted in the world and saw real GDP grow by just 0.2 per cent last year.

Lebanese Prime Minister Saad Hariri has proposed a package of reforms but is faced with a government riven by divisions, often among religious lines, not least due to the outsized role of Shi'a militant group Hezbollah.

Anger at Hariri himself has increased after revelations published by the New York Times that in 2013 he transferred $15m (£11.7m) to a model who claimed they had been romantically involved.

The protests began in the capital Beirut but have spread to other major cities, with hundreds of thousands taking to the streets.

Snap shares dip in discouraging revenue outlook

AAKASH JAGADEESH BABU

SHARES of Snap fell six per cent yesterday, as Wall Street focused more on a disappointing revenue outlook than regulators no longer investigating the company over whether it misled investors at the time of its 2017 initial public offering (IPO).

The shares rose in premarket trade after Snap disclosed in a regulatory filing that the US Department of Justice (DOJ) and the Securities and Exchange Commission (SEC) ended their investigation.

Snap said the DOJ and SEC had provided the company with written confirmations in September that they were no longer pursuing their investigations.

The news about the subpoena was first disclosed last year, and followed a shareholder lawsuit in which investors alleged that Snap misled the public about how competition from Facebook's Instagram service had affected the company's growth.

"We continue to believe the underlying securities class action's claims are meritless and our IPO disclosures were accurate and complete," the company said.

But investors seemed to put a microscope on Tuesday's revenue figures. Snap estimated fourth-quarter revenue at $540m (£418m) to $560m, the midpoint of which was below analysts' estimate of $555.4m, according to IBES data from Refinitiv.

Jefferies analyst Brent Thill said that Snap's potentially conservative forecast and accelerated path to profitability gave him more conviction in Snap's story, but he was disappointed by its fourth-quarter revenue forecast.

"Jefferies is positive fundamentally [on Snap], but would wait for a pullback to get constructive," Thill said.

Shares of Snap, the parent company of photo messaging app Snapchat, closed down 5.86 per cent last night. They had risen as much as about three per cent in morning trade.

At least six brokerages raised price targets on Snap after its quarterly results, with JP Morgan one of two brokerages to boost its recommendation for the shares to "overweight" from "neutral".

RBC Capital Markets analyst Mark Mahaney said Snap was still one of the most innovative platforms in the social media space and highlighted that the company was "arguably more investible now than at any point in its public trading history". *Reuters*

Tiktok blocked 24 accounts after IS propaganda videos appeared on its platform

Tiktok rolls out safety campaign after Isis propaganda onslaught

JAMES WARRINGTON

@j_a_warrington

TIKTOK has rolled out a new safety campaign just days after it emerged so-called Islamic State (Isis) militants used the platform to spread propaganda.

The video-sharing app yesterday released a series of awareness videos that it said will help to keep its users informed by highlighting safety features.

The clips, available on the firm's Tiktok channel, come alongside a wider digital marketing campaign.

It comes after the Chinese-owned app was forced to remove videos that reportedly showed Isis fighters wielding guns, as well as corpses being paraded through streets.

Many of the videos were set to Isis songs and some included Tiktok filters of stars and hearts that stream across the screen, the Wall Street Journal reported.

Isis has previously used other social media sites such as Facebook, Youtube and Twitter. However, this appeared to be the first time it has targeted Tiktok, which is aimed primarily at younger users.

Venezuela's exodus set to reach over 5m

STEPHANIE NEBEHAY

THE EXODUS of Venezuelans is on track to reach 5m people, as pressure grows on neighboring countries to provide them with long-term support, United Nations and European Union officials said yesterday.

Some 4.5m refugees and migrants have fled Venezuela since 2015, according to official figures, but more are using illegal crossing points because they lack identity papers, said Eduardo Stein, joint special representative of the UN refugee and migration agencies.

The crisis has worsened since the United States imposed sanctions, including on the pivotal oil industry, in an effort to oust leftist President Nicolas Maduro in favor of opposition leader Juan Guaido. Dozens of nations recognize Guaido as interim president, saying Maduro rigged a 2018 election.

Roughly 5,000 people leave Venezuela daily, although the number fluctuates as more states require visas, Stein said.

"The experience of other crises in the world shows us that it [could] take a good two years for those who would want to go back to Venezuela if the crisis in political terms were to be solved," Stein said. A UN regional humanitarian response plan of $739m (£574m) for this year is expected to double for 2020. *Reuters*

Back to the future: London unveils its first fully electric taxi since 1897

STEFAN BOSCIA

@Stefan_Boscia

A COMPLETELY electric taxi hit London's roads yesterday, although the first fully electric vehicle came to the capital more than 100 years ago.

The zero-emissions Dynamo Taxi, made from a converted Nissan e-NV200 Evalia MPV, was unveiled as a part of the International Clean Air Conference at City Hall.

It is the city's first 100 per cent electric black cab since the Bersey Taxi was operational from 1897 to 1899.

The Victorian-era car had a range of 30 miles between charges.

The Dynamo Taxi, on the other hand, has a range of 187 miles on a single charge.

Drivers are now able to purchase the car from UK-based Dynamo for £55,495, while a £7,500 government subsidy is also available for buyers.

Dynamo chief executive Brendan O'Toole said: "Electric vehicle technology is now a viable alternative to petrol and diesel vehicles, and it is imperative the UK's taxi market changes with the times."

The taxi's launch is a part of the push to make London's cabs carbon footprint non-existent.

Only two types of cars can now be granted a taxi licence by Transport for London (TfL) — the Dynamo and a hybrid made by the London Electric Vehicle Company (LEVC).

Almost 2,500 of the LEVC taxis have been licensed since their introduction in January 2018.

Mayor Sadiq Khan said he was pleased that the taxis would improve London's air

Real estate tech firm Blueground launches in City

ANNA MENIN

@annafmenin

BLUEGROUND, a startup providing tech-driven flexible apartment rentals, is launching in London after raising $50m (£39m) in a funding round.

The real estate tech firm offers Airbnb-style apartment rentals aimed at business travellers, offering rental lengths of one month or longer.

Blueground, which is planning to have properties in 50 cities by 2023, said yesterday it will launch its London portfolio by the end of the year.

It plans to offer 250 flats across central locations in the capital — including the City, the West End, and Shoreditch — by the end of 2020.

The company already has a portfolio of over 2,800 flats across in nine cities including New York, San Francisco, Dubai, and Athens. Its corporate clients include Coca-Cola, Samsung, and Fox.

In a similar manner to flexible office space providers, Blueground leases properties on a long-term basis, furnishes and equips them, then leases them out to customers on a flexible short-term basis.

"London is an excellent addition to our existing locations and we are really confident that it will become our largest European market soon," said co-founder and chief executive Alex Chatzieleftheriou.

"In preparation for our launch in London, we looked closely at the city's current rental market and the demand for our services, assessing the potential to provide top quality ready-to-move-in apartments with the ultimate goal of transforming our guests' London living experience."

The company's series B funding round was co-led by investment firms Prime Ventures and Westcap Investment Partners, and takes the total Blueground has raised since its launch in 2013 to $78m (£60.5m).

Blueground said the raise would help it develop its technology and product design. Representatives from Prime Ventures and Westcap will join Blueground's board as part of the round.

"Through leveraging the power of technology, Blueground has developed a unique value proposition and approach to this emerging space in the market," said Nick Kalliagkopoulos of Prime Ventures.

Louis Theroux has gained a cultish following over his 20-year BBC career

Theroux with the BBC: Veteran film maker sets up his own firm

JAMES WARRINGTON

@j_a_warrington

LOUIS Theroux has parted ways with BBC Studios to set up his own production company, sparking speculation that the documentary maker could be eyeing deals with streaming rivals.

Theroux, who has worked with the broadcaster's commercial arm for two decades, has set up a new firm called Mindhouse Productions alongside his executive producer Arron Fellows.

Theroux and Fellows will each own a 40 per cent stake in Mindhouse, while Theroux's wife Nancy Strang — herself a TV director — will hold 20 per cent, according to Deadline.

The veteran journalist shot to fame through his documentaries on Scientology, the Westboro Baptist Church and a raft of subcultures.

The move fuels speculation that Theroux is being courted by streaming giants such as Netflix and Amazon Prime, though the BBC said it will continue to work with the documentary maker.

Netanyahu rival to form Israeli government

JEFFREY HELLER

FORMER military chief Benny Gantz received an official mandate yesterday to try to form Israel's next government, but with no easy path to ending Prime Minister Benjamin Netanyahu's long hold on power.

After inconclusive elections in April and September, Gantz's nomination marked the first time since 2008 that someone other than Netanyahu, 70, has been asked by Israel's president to build a ruling coalition.

Gantz, head of Israel's centrist Blue and White party, will have 28 days to complete the task assigned by President Reuven Rivlin in a televised ceremony.

Rivlin had first given Netanyahu the chance to form a government. But the Prime Minister, who leads the right-wing Likud party, announced on Monday he was abandoning the effort, opening the way for his strongest rival, Gantz, to be given the opportunity.

Gantz served as chief of the Israeli military between 2011 and 2015. As top general, Gantz orchestrated two Gaza wars in which around 2,300 Palestinians were killed.

He he attacked Netanyahu over corruption allegations that have dogged the Prime Minister for years, and which the veteran leader denies.

Reuters

The Citymapper Pass plans out journeys and acts as a smartphone payment system

Citymapper expands its contactless travel pass to zones three and four

STEFAN BOSCIA

@Stefan_Boscia

LONDON commuter app Citymapper is set to expand its contactless transport pass to more parts of the capital.

The Citymapper Pass was introduced in February to cover travel on the Tube, buses, trains, Santander bikes and its own Citymapper Ride shared taxi service in zones one and two.

The pass interacts with the app to plan out journeys and act as a payment system.

Citymapper yesterday announced the pass will be expanded to also include zones three and four.

The price of the weekly pass is cheaper than buying the same product from Transport for London (TfL). TfL are paid the shortfall by Citymapper.

However, Citymapper president and head of business Omid Ashtari said the pass was not losing money and that prices would only increase in line with TfL increases.

"We're super excited we have a business model that is working and is adding value to users' life," he said.

"Private cars are unsustainable and we really want to do something about it."

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LONDON REPORT

FTSE hits month record as Brexit stalls mid-caps

SHARES in domestically-focused UK firms eased yesterday as votes in parliament kept investors guessing on the final timing and shape of Britain's withdrawal from the European Union, while the blue-chip FTSE 100 touched a near one-month high.

The FTSE 100 climbed 0.7 per cent, hitting its highest since 25 September, as oil majors tracked gains in crude prices and miners benefited from a rise in nickel and copper prices.

The blue-chip bourse outperformed its European peers, aided by a rise in shares of **BAT** after the US authorised Swedish Match to market its "snus" product as less harmful than cigarettes.

The mid-cap index ended flat after spending most of the session in the red as uncertainty around Brexit and its consequences continues to show up in the performance of domestic companies.

Housebuilders, considered among the most vulnerable, were hit as **Barratt**, **Persimmon** and **Berkeley** shed around two per cent each while UK-focused **RBS** tumbled nearly three per cent.

Parliament accepted a Brexit withdrawal deal in principle on Tuesday but scuttled Prime Minister Boris Johnson's timetable to legislate on the agreement before the 31 October deadline.

While politicians voted for a second hearing on the departure agreement, rejection of Johnson's timetable raises the likelihood of another delay in Britain's withdrawal as well as the prospect of a snap election before Christmas.

"The latest twist in the Brexit saga also means that investors may have to contend with more political risk by way of a UK election," said Han Tan, market analyst at FXTM.

Persimmon's share price dropped 1.7 per cent yesterday

Precious metals miner **Fresnillo** gave up 1.7 per cent after it forecast annual silver and gold production at the lower end of an already reduced target range, and reported a fall in quarterly output.

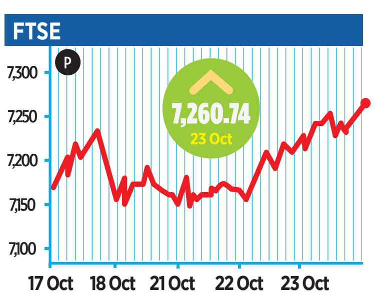
Centamin shone on the FTSE 250 with a 4.2 per cent gain after its third-quarter production fell less than feared.

TOP RISERS

1. **M&G** Up 4.74 per cent
2. **Evraz** Up 3.26 per cent
3. **Prudential** Up 2.92 per cent

TOP FALLERS

1. **Hiscox** Down 2.89 per cent
2. **RBS** Down 2.87 per cent
3. **Barratt** Down 2.09 per cent



BEST OF THE BROKERS

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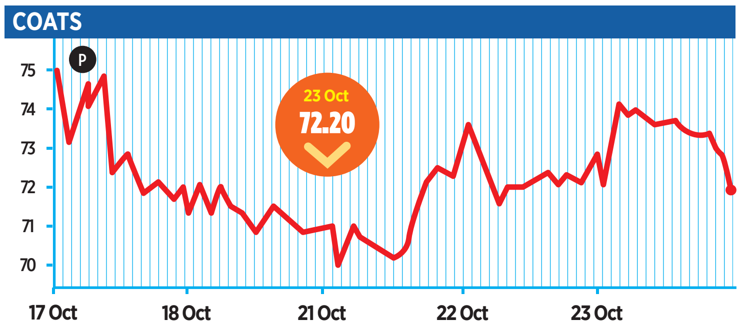
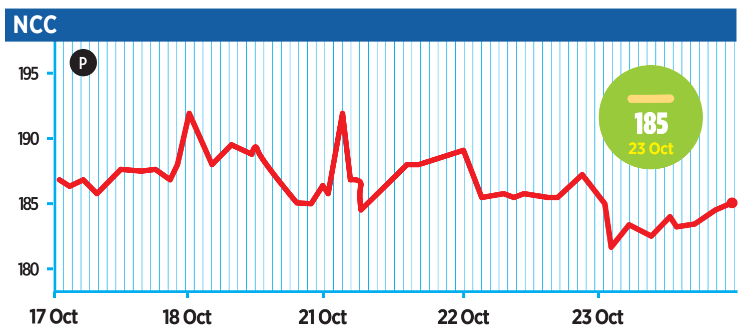
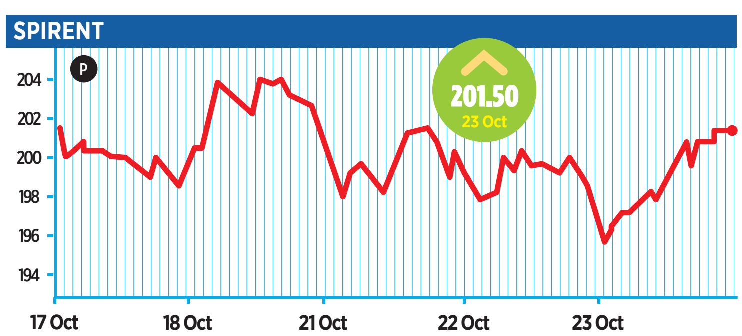


Peel Hunt's number crunchers have been away on a beano — sorry, important fact finding trip to Bursa in Turkey. They have come back to London full of admiration for thread supplier Coats' new innovation hub which enables the firm to "work more proactively with customers and to deliver on the larger opportunities". They also rate Coats' commitment to sustainability which they think should start to pay off as brands such as Adidas start to take sourcing sustainable supplies more seriously. They give Coats a target price of 100p and a "buy" rating.



Cybersecurity firm NCC recently posted full-year results in line with expectations, marking the first results under a new management team. Management also reset the firm's outlook and restructuring plan in January, calling for tapering increases in profit margin over the next three years. Canaccord Genuity remain positive about the firm's future prospects "once cost cutting and operational efficiency are improved". While the analysts rate the stock as a "buy", they trim its target price to 215p from 265p.



Broker Liberum says it is bullish on telecommunications testing company Spirent. The firm announced yesterday that its Visionworks product has been selected by a tier one US mobile operator to support nationwide 5G live-testing assurance efforts. "We regard this contract as being very positive for Spirent as it signals the expanding use of Visionworks within US tier one operators," the broker says. "Our bullishness on Spirent is quite materially based on our optimism on Visionworks," they say. Liberum gives the stock a "buy" rating and a target price of 210p.

NEW YORK REPORT

Wall St climbs higher as blue chips tumble

US STOCKS edged higher yesterday as investors shrugged off lacklustre quarterly reports from industrial bellwethers **Boeing** and **Caterpillar**, though a lower-than-expected revenue outlook from **Texas Instruments** sent chipmakers' shares lower.

Shares of Boeing and Caterpillar rose more than one per cent despite significant earnings misses from both companies.

Boeing reported a 53 per cent drop in quarterly profit but reaffirmed the timeline for its grounded 737 Max's return to service.

Caterpillar's Asian sales tumbled, but the company said tariffs stemming from the US-China trade war would have a smaller impact on its business than previously forecast.

Texas Instruments shares tumbled 7.5 per cent after the chipmaker projected fourth-quarter revenue below Wall Street estimates.

The results sent shares of other semiconductor companies, including **Intel** and **Broadcom**, lower as well. The Philadelphia SE Semiconductor Index dropped 1.9 per cent.

The Dow Jones Industrial Average rose 45.85 points, or 0.17 per cent, to 26,833.95, the S&P 500 gained 8.53 points, or 0.28 per cent, to 3,004.52 and the Nasdaq Composite added 15.50 points, or 0.19 per cent, to 8,119.79.

Advances in **Apple** and **Facebook** shares helped buoy the major indexes.

Apple shares rose 1.3 per cent after Morgan Stanley said the iPhone maker's soon-to-be-launched video streaming service, Apple TV+, could boost its services revenue.

Facebook shares advanced 2.1 per cent after chief executive Mark Zuckerberg sought to reassure US politicians about the company's planned digital currency, Libra.

Nike shares fell 3.4 per cent at the bell after the sportswear company announced late on Tuesday that Mark Parker, its long-time chief executive, would step down next year.

CITY MOVES WHO'S SWITCHING JOBS

LEGAL & GENERAL

Legal & General Investment Management (LGIM) has announced the appointment of Margaret Ammon as chief risk officer. Currently chief risk officer for the asset management branch of M&G, Margaret will join LGIM in February 2020 and be responsible for the oversight and development of LGIM's risk functions globally. Prior to joining M&G in London, Margaret was chief risk officer for Colonial First State Global Asset Management from 2015 to 2017, after serving as head of risk at Schroders from 2011 to 2015. Michelle Scrimgeour, chief executive at LGIM said: "Margaret brings more than 20 years' experience in risk management, having held senior roles at a number of high profile asset management companies. Her proven track record in building global risk oversight models, coupled with a strong understanding of practical application within differing asset classes and markets, will be an invaluable addition to our business."

SNAPLOGIC

Intelligence integration platform Snaplogic have announced the appointment of Craig Stewart as its chief technology officer (CTO). Craig, who has been with the company since 2011, steps into the role after having held senior positions across the company both in the US and the UK. As CTO, Craig will drive the company's technology strategy and product roadmap. He will also ensure alignment with customer requirements and future market developments. Gaurav Dhillon, chief executive at Snaplogic commented: "Craig has long been an invaluable member of the Snaplogic team, helping to deliver on our vision of making it faster and easier for organisations to connect, manage, and take action on their data. Elevating him to CTO was a clear next step given the extensive knowledge and experience he brings to the team, from leading our product strategy to engaging with our top customers, and much more."

ANGLING DIRECT

Angling Direct, the UK's largest and fastest growing fishing tackle and equipment retailer, has appointed Steven Crowe as the its new chief financial officer with effect from 2 January 2020. Steven has extensive experience in the finance sector, having started his career at PwC, where he qualified as a chartered accountant. Following this, Steven moved to Aviva where he worked as director of finance for 10 years . More recently, he served as finance director for Marvel Newco and Validus. Angling Direct's chief executive officer Darren Bailey commented: "Steve brings a wealth of financial experience. We look forward to working with him as we continue to deliver our multi-channel growth strategy."

To appear in CITYMOVES please email your career updates and pictures to citymoves@cityam.com

FTSE 100	FTSE 250	FTSE ALL SHARE	DOW JONES	NASDAQ	S&P 500
7260.74	20180.94	4003.99	26833.95	8119.79	3004.52
48.25	0.97	21.33	45.85	15.50	8.53

£/€	1.1597	0.0031	€/$	1.1130	0.0007
£/$	1.2908	0.0042	€/£	0.8618	0.0026
£/¥	140.24	0.6493	€/¥	120.94	0.2786

GILTS

	Price	Chg	High	Low
Tsy 2.000 20	100.97	0.01	102.2	101.0
Tsy 3.750 20	102.70	0.02	105.6	102.7
Tsy 4.750 20	101.49	-0.01	105.5	101.4
Tsy 2.500 20	354.58	-0.00	360.9	354.3
Tsy 8.000 21	112.02	0.04	118.7	111.7
Tsy 1.875 22	114.28	0.11	118.3	114.0
Tsy 0.500 22	100.12	0.11	100.8	98.2
Tsy 4.000 22	108.33	0.07	110.7	108.3
Tsy 2.250 23	106.87	0.15	108.0	105.3
Tsy 2.500 24	366.56	0.25	377.9	360.3
Tsy 0.125 24	112.11	0.22	115.8	110.9
Tsy 5.000 25	123.95	0.19	126.1	122.9
Tsy 4.250 27	129.79	0.32	132.8	124.0
Tsy 1.250 27	134.32	0.41	141.1	129.2
Tsy 6.000 28	148.21	0.34	152.2	142.1
Tsy 0.125 29	127.90	0.46	134.7	119.8
Tsy 4.125 30	382.99	0.46	404.2	361.1
Tsy 4.750 30	143.41	0.41	147.9	133.9
Tsy 1.250 32	156.44	0.32	167.7	145.5
Tsy 4.250 32	141.35	0.39	146.4	130.3
Tsy 0.125 36	148.46	0.14	162.5	135.4
Tsy 4.250 36	149.24	0.41	155.7	135.0
Tsy 4.750 38	163.99	0.40	171.8	147.0
Tsy 0.625 40	169.11	0.18	185.7	153.4
Tsy 4.500 42	168.13	0.43	176.7	147.2
Tsy 3.500 45	150.65	0.49	159.0	128.9
Tsy 4.250 46	171.26	0.48	181.0	146.4
Tsy 4.025 49	177.99	0.54	188.9	150.5
Tsy 0.500 50	198.31	0.37	222.9	173.7
Tsy 0.250 52	195.22	0.67	221.1	168.8

AEROSPACE & DEFENCE

	Price	Chg	High	Low
BAE Systems	536.6	1.2	588.2	443.9
Cobham	157.9	0.7	168.3	96.8
Meggitt	606.0	9.0	643.0	458.0
QinetiQ Group	310.0	3.6	312.4	267.0
Rolls-Royce Holdi	726.6	1.8	988.4	706.4
Senior	185.1	1.3	278.6	174.0
Ultra Electronics	1903.0	1.0	2252.0	1232.0

BANKS

	Price	Chg	High	Low
Bank of Georgia G	1315.0	17.0	1755.0	1252.0
Barclays	165.8	0.5	178.9	136.2
Close Brothers Gr	1423.0	-1.0	1605.0	1227.0
CYBG	144.1	-1.3	275.8	104.4
HSBC Holdings	610.7	0.3	680.6	580.9
Lloyds Banking Gr	60.3	-0.1	66.6	48.6
Royal Bank of Sco	233.7	-7.0	270.4	177.7
Standard Chartere	688.8	5.2	736.8	519.8
TBC Bank Group	1320.0	30.0	1710.0	1150.0

BEVERAGES

	Price	Chg	High	Low
Barr (A.G.)	540.0	-12.0	975.0	534.3
Britvic	1018.0	-16.0	1068.0	764.5
Coca-Cola HBC AG	2410.0	20.0	3074.0	2244.0
Diageo	3123.5	9.0	3625.5	2634.0

CHEMICALS

	Price	Chg	High	Low
Croda Internation	4760.0	38.0	5375.0	4564.0
Elementis	154.0	0.5	214.2	129.8
Johnson Matthey	3046.0	38.0	3454.0	2620.0
Sirius Minerals	3.1	0.0	24.2	2.8
Synthomer	306.2	4.4	428.1	279.8
Victrex plc	2158.0	-22.0	2720.0	1845.0

CONSTRUCTION & MATERIALS

	Price	Chg	High	Low
Balfour Beatty	227.0	-0.4	295.0	194.2
CRH	2782.0	66.0	2837.0	1971.5
Galliford Try	745.0	-7.0	900.5	512.0
Ibstock	249.2	-0.6	262.0	193.1
Marshalls	715.0	-8.5	740.0	415.0
Polypipe Group	466.0	6.6	470.8	307.8

ELECTRICITY

	Price	Chg	High	Low
Contour Global	188.6	4.0	218.0	150.1
Drax Group	313.6	6.8	427.2	251.0
SSE	1322.5	4.0	1325.5	1008.0

ELECTRONIC & ELECTRICAL EQ.

	Price	Chg	High	Low
Halma	1814.0	-26.0	2094.0	1237.0
Morgan Advanced M	234.4	1.8	281.2	232.6
Oxford Instrument	1298.0	36.0	1424.0	842.0
Renishaw	3368.0	124.0	4670.0	3232.0
Spectris	2396.0	26.0	2898.0	1966.5

EQUITY INVESTMENT INSTRUM.

	Price	Chg	High	Low
Aberforth Smaller	1336.0	0.0	1346.0	1114.0
Alliance Trust	779.0	1.0	838.0	672.0
Apax Global Alpha	163.5	5.5	165.5	127.0
AVI Global Trust	732.0	4.0	781.0	660.0
Baillie Gifford J	789.0	-1.0	840.0	663.0
Bankers Inv Trust	926.0	-2.0	970.0	766.0
BBGI SICAV S.A. (	163.5	1.0	168.0	147.0
BlackRock Smaller	1474.0	0.0	1500.0	1160.0
BMO Global Smalle	1360.0	6.0	1406.0	1220.0
Caledonia Investm	3005.0	20.0	3110.0	2650.0
City of London In	423.0	2.0	431.5	376.0
Edinburgh Inv Tru	611.0	3.0	654.0	535.0
F&C Investment Tr	694.0	5.0	731.0	616.0
Fidelity China Sp	207.5	-1.0	250.0	182.4
Fidelity European	245.0	-0.5	257.5	202.0
Fidelity Special	266.0	0.0	269.0	220.0
Finsbury Growth &	875.0	2.0	958.0	741.0
Foresight Solar F	119.0	0.5	126.0	107.5
GCP Infrastructur	131.6	1.4	131.6	122.4
Genesis Emerging	756.0	0.0	783.0	615.0
Greencoat UK Wind	148.4	-0.2	148.8	124.4
HarbourVest Globa	1696.0	6.0	1786.0	1326.0
Herald Investment	1288.0	12.0	1364.0	1055.0
HGCapital Trust	228.5	3.0	237.0	175.0
HICL Infrastructu	171.6	2.4	172.6	149.9
International Pub	158.2	1.6	165.4	146.8
JPMorgan American	458.5	-1.5	494.5	386.5
JPMorgan Emerging	969.0	4.0	1066.0	759.0
JPMorgan Indian I	746.0	6.0	790.0	586.0
JPMorgan Japanese	440.5	0.0	457.0	367.0
Jupiter European	760.0	-10.0	875.0	666.0
Law Debenture Cor	606.0	12.0	618.0	534.0
Mercantile Invest	224.5	-1.0	230.0	168.0
Monks Inv Trust	882.0	-3.0	964.0	710.0
Murray Internatio	1204.0	4.0	1212.0	1058.0
NB Global Floatin	89.3	0.2	92.1	87.6
NextEnergy Solar	121.5	1.5	124.5	109.0
Pantheon Internat	2290.0	0.0	2330.0	1955.0
Perpetual Income	325.0	3.0	341.0	284.5
Pershing Square H	1430.0	-40.0	1570.0	990.0
Personal Assets T	41750.0	150.0	43150.0	38900.0
Polar Capital Tec	1398.0	-6.0	1500.0	1066.0
RIT Capital Partn	2125.0	10.0	2170.0	1892.0
Riverstone Energy	515.0	5.0	1256.0	485.0
Schroder Asia Pac	427.0	-3.5	469.5	379.0
Scottish Inv Trus	826.0	5.0	843.0	748.0
Scottish Mortgage	472.0	0.0	568.5	441.4
Sequoia Economic	115.8	0.2	117.6	108.0
Smithson Investme	1190.0	-12.0	1280.0	1000.2
Syncona Limited N	233.0	-2.5	294.0	213.5
Temple Bar Inv Tr	1358.0	14.0	1368.0	1116.0
Templeton Emergin	766.0	0.0	829.0	651.0
The Renewables In	130.8	-0.2	133.2	109.3
TR Property Inv T	443.5	-4.5	450.0	353.5
Vietnam Enterpris	490.5	-1.5	509.0	421.5
VinaCapital Vietn	350.0	2.5	357.5	319.0
Witan Inv Trust	215.5	1.0	225.5	189.6
Worldwide Healthc	2560.0	25.0	2835.0	2325.0

FINANCIAL SERVICES

	Price	Chg	High	Low
3i Group	1078.5	9.0	1184.5	756.2
3i Infrastructure	287.5	1.5	306.5	241.3
AJ Bell	371.0	-14.5	477.0	220.0
Allied Minds	48.5	0.6	84.2	37.3
Amigo Holdings	79.0	0.6	297.5	67.8
Arrow Global Grou	238.0	8.2	273.0	167.2
ASA International	308.5	4.0	481.0	300.0
Ashmore Group	472.8	-12.0	542.5	341.2
Brewin Dolphin Ho	336.0	-1.4	358.0	287.6
City of London In	427.0	-1.5	440.0	360.0
CMC Markets	129.0	1.0	132.0	77.4
Coats Group	72.7	0.4	91.3	69.1
Georgia Capital	971.0	-9.0	1260.0	941.0
Hargreaves Lansdo	1744.0	-23.0	2433.0	1633.0
IG Group Holdings	612.2	-0.6	644.5	474.8
IntegraFin Holdin	370.0	5.0	406.1	269.0
Intermediate Capi	1437.0	0.0	1460.0	899.0
International Per	110.0	0.0	222.2	87.0
Investec	444.2	-0.5	518.6	395.3
IP Group	62.7	-0.9	122.0	55.7
John Laing Group	368.2	-0.8	402.0	296.2
JTC	350.0	-10.5	440.0	287.0
Jupiter Fund Mana	337.6	-1.4	432.0	287.6
Liontrust Asset M	762.0	6.0	816.0	532.0
LMS Capital	58.3	0.0	58.5	44.0
London Finance &	37.5	0.0	41.5	37.5
London Stock Exch	6936.0	-198.0	7514.0	3867.0
Man Group	152.1	1.1	175.2	126.8
OneSavings Bank	379.6	1.6	447.4	313.6
Paragon Banking G	505.0	2.5	506.0	379.2
Plus500 Ltd (DI)	804.2	-10.8	1647.0	495.0
Provident Financi	451.0	-5.0	658.6	356.0
Quilter	140.7	-3.4	156.6	110.6
Rathbone Brothers	2230.0	85.0	2540.0	2085.0
Real Estate Credi	168.5	1.5	175.5	163.0
Record	37.1	-0.5	38.0	27.3
River and Mercant	249.5	-4.5	302.0	212.0
S&U	2090.0	-10.0	2440.0	1767.5
Sanne Group	552.0	9.0	752.0	450.0
Schroders	3080.0	0.0	3210.0	2334.0
Standard Life Abe	299.6	8.1	310.4	224.9
TP ICAP	344.5	4.3	346.9	268.2
Walker Crips Grou	26.5	0.0	35.5	24.0
XPS Pensions Grou	110.0	-6.5	171.0	95.0

FIXED LINE TELECOMS

	Price	Chg	High	Low
BT Group	207.7	0.2	264.7	158.9
TalkTalk Telecom	113.6	0.6	132.8	96.6
Telecom Plus	1214.0	12.0	1528.0	1130.0

FOOD & DRUG RETAILERS

	Price	Chg	High	Low
Greggs	1834.0	-21.0	2476.0	1115.0
Morrison (Wm) Sup	204.0	2.3	255.1	176.9
Ocado Group	1284.0	-10.0	1435.0	749.8
Sainsbury (J)	214.0	2.3	324.0	177.1
SSP Group	637.0	-9.0	721.0	608.0
Tesco	242.1	-2.3	253.0	189.6
UDG Healthcare Pu	744.5	8.5	821.0	551.0

FOOD PRODUCERS

	Price	Chg	High	Low
Associated Britis	2197.0	-9.0	2638.0	2041.0
Bakkavor Group	125.0	0.8	170.0	93.3
Cranswick	3216.0	-44.0	3408.0	2472.0
Greencore Group	237.8	2.0	238.6	162.9
Hilton Food Group	1038.0	22.0	1088.0	884.0
Tate & Lyle	677.8	3.0	800.4	658.4
Unilever	4565.5	-20.0	5324.0	3941.0

FORESTRY & PAPER

	Price	Chg	High	Low
Mondi	1560.5	12.5	1898.0	1510.5

GAS, WATER & MULTIUTILITIES

	Price	Chg	High	Low
Centrica	74.2	1.1	155.6	64.6
National Grid	922.2	11.5	922.2	748.7
Pennon Group	910.0	-13.4	926.4	684.2
Severn Trent	2315.0	-2.0	2323.0	1770.0
United Utilities	887.0	-4.4	891.4	710.6

GENERAL INDUSTRIALS

	Price	Chg	High	Low
Smith (DS)	351.3	1.9	392.9	292.2
Smiths Group	1591.5	13.5	1692.0	1279.5
Smurfit Kappa Gro	2510.0	10.0	2686.0	1934.0
Vesuvius	369.2	5.4	642.0	341.0

GENERAL RETAILERS

	Price	Chg	High	Low
Auto Trader Group	560.4	6.4	606.0	388.6
B&M European Valu	363.0	-8.7	426.3	278.6
Card Factory	174.8	1.9	209.0	151.2
Dixons Carphone	135.0	1.4	178.6	104.9
Dunelm Group	833.0	-42.5	981.0	482.8
Inchcape	650.0	2.5	652.5	486.6
JD Sports Fashion	767.6	-7.6	781.0	318.5
Just Eat	746.2	14.2	812.0	533.8
Kingfisher	217.7	0.7	266.2	185.9

MAIN CHANGES UK 350

Risers		%
Centamin (DI)	111.6	4.2
Rathbone Brothers	2230.0	4.0
Renishaw	3368.0	3.8
Apax Global Alpha	163.5	3.5
Evraz	393.0	3.4
Rank Group	247.5	3.3
Hunting	416.8	2.9
Oxford Instruments	1298.0	2.9
Future	1246.0	2.8
Standard Life Aber	299.6	2.8

Fallers		%
Dunelm Group	833.0	-4.9
AJ Bell	371.0	-3.8
Pets at Home Group	219.4	-3.4
Airtel Africa	55.0	-3.0
Royal Bank of Scot	233.7	-2.9
Hiscox Limited (DI	1480.0	-2.9
Beazley	580.0	-2.9
Lancashire Holding	676.0	-2.8
London Stock Excha	6936.0	-2.8
Pershing Square Ho	1430.0	-2.7

	Price	Chg	High	Low
Marks & Spencer G	191.0	-4.8	299.1	163.9
Next	6696.0	-128.0	6824.0	3991.0
Pets at Home Grou	219.4	-7.8	239.4	110.0
Sports Direct Int	319.2	-0.8	340.3	214.0
Vivo Energy	120.0	0.0	139.5	96.0
WH Smith	2248.0	-6.0	2288.0	1697.0

HEALTH CARE EQUIPMETN & S.

	Price	Chg	High	Low
Assura	74.9	-0.4	75.4	52.4
Convatec Group	182.0	-1.0	186.5	118.6
Mediclinic Intern	377.4	1.8	403.2	293.4
NMC Health	2640.0	9.0	3678.0	1801.5
Smith & Nephew	1673.5	-20.5	1990.0	1258.0

HHOLD GDS & HOME CONSTR.

	Price	Chg	High	Low
Barratt Developme	652.6	-16.2	683.0	434.0
Bellway	3260.0	-71.0	3536.0	2419.0
Berkeley Group Ho	4437.0	-104.0	4541.0	3226.0
Bovis Homes Group	1195.0	-24.0	1226.0	828.0
Countryside Prope	357.6	0.0	368.0	270.0
Crest Nicholson H	425.2	-8.0	435.2	309.4
McCarthy & Stone	154.8	-1.1	159.0	123.5
Persimmon	2355.0	-40.0	2471.0	1836.0
Reckitt Benckiser	5921.0	87.0	6747.0	5593.0
Redrow	636.0	-10.0	674.6	460.8
Taylor Wimpey	167.5	-2.4	192.3	129.3

INDUSTRIAL ENGINEERING

	Price	Chg	High	Low
Bodycote	680.5	-11.0	903.0	652.0
Hill & Smith Hold	1343.0	19.0	1343.0	902.5
IMI	981.8	11.8	1069.5	870.0
Melrose Industrie	216.6	2.9	217.3	146.3
RHI Magnesita N.V	3634.0	90.0	5000.0	3318.0
Rotork	293.8	1.6	324.2	235.7
Spirax-Sarco Engi	7475.0	10.0	9400.0	5900.0
Weir Group	1356.5	6.0	1814.0	1240.0

INDUSTRIAL METALS & MINING

	Price	Chg	High	Low
Evraz	393.0	12.8	709.4	375.2
Ferrexpo	132.2	2.1	301.3	127.9

INDUSTRIAL TRANSPORTATION

	Price	Chg	High	Low
BBA Aviation	299.8	2.6	324.8	207.0
Clarkson	2860.0	-5.0	2900.0	1878.0
Fisher (James) &	1980.0	24.0	2260.0	1600.0
Royal Mail	222.0	2.7	367.7	188.4

NON LIFE INSURANCE

	Price	Chg	High	Low
Admiral Group	2037.0	-4.0	2300.0	1935.0
Beazley	580.0	-17.0	628.0	492.6
Direct Line Insur	287.1	-0.8	366.5	273.2
Hastings Group Ho	189.5	-0.1	231.6	174.0
Hiscox Limited (D	1480.0	-44.0	1777.0	1418.0
Lancashire Holdin	676.0	-19.5	746.0	561.5
RSA Insurance Gro	526.6	-1.0	597.0	496.6
Sabre Insurance G	296.5	2.5	306.5	249.0

LIFE INSURANCE

	Price	Chg	High	Low
Aviva	421.5	2.9	438.8	352.3
Legal & General G	270.8	0.6	291.2	216.7
Phoenix Group Hol	713.1	-0.4	724.8	544.0
Prudential	1437.0	33.5	1790.0	1326.0
St James's Place	1025.0	-20.0	1143.0	913.6

MEDIA

	Price	Chg	High	Low
4Imprint Group	2960.0	0.0	3130.0	1800.0
Ascential	358.6	3.0	411.0	337.2
Bloomsbury Publis	262.0	5.0	264.0	190.5
Centaur Media	32.5	0.0	56.5	31.2
Entertainment One	558.5	0.5	589.0	336.4
Euromoney Institu	1418.0	14.0	1498.0	1132.0
Future	1246.0	34.0	1324.0	412.0
Goco Group	100.6	-0.4	103.8	64.6
Haynes Publishing	326.0	0.0	328.9	160.0
Huntsworth	90.8	-0.8	118.0	81.0
Hyve Group	80.5	0.6	85.3	56.3
Informa	762.4	-0.6	892.0	605.8
ITV	137.7	1.9	158.8	103.6
Moneysupermarket	333.6	-2.1	417.7	267.0
Pearson	678.6	4.4	1027.5	670.0
Reach	94.6	-3.6	102.0	54.6
Relx plc	1769.5	7.5	2011.0	1506.0
Rightmove	576.4	2.8	585.1	420.9
STV Group	392.0	0.5	400.0	318.0
WPP	920.8	5.0	1056.0	800.4

MINING

	Price	Chg	High	Low
Anglo American	1979.8	19.8	2266.0	1539.0
Antofagasta	865.2	7.6	1022.5	727.2
BHP Group	1639.6	21.2	2049.0	1490.6
Centamin (DI)	111.6	4.5	152.4	79.8
Fresnillo	639.2	-10.8	1027.5	601.0
Glencore	234.0	2.7	340.3	222.2
Hochschild Mining	190.9	4.5	227.0	149.9
Kaz Minerals	451.7	9.8	738.4	380.3
Polymetal Interna	1184.5	9.0	1208.5	700.2
Rio Tinto	4058.0	30.0	4976.5	3513.5

MOBILE TELECOMS

	Price	Chg	High	Low
Inmarsat	554.4	3.6	608.2	362.8
Vodafone Group	162.7	2.7	168.9	123.3

OIL & GAS PRODUCERS

	Price	Chg	High	Low
BP	506.4	7.3	582.5	484.9
Cairn Energy	197.1	1.9	213.8	140.0
Energean Oil & Ga	949.0	14.0	1082.0	568.0
Premier Oil	86.3	0.9	108.0	55.6
Royal Dutch Shell	2303.0	21.5	2612.0	2213.0
Royal Dutch Shell	2304.5	29.5	2622.0	2226.5
Tullow Oil	210.9	3.5	250.0	165.2

OIL EQUIPMENT & SERVICES

	Price	Chg	High	Low
Hunting	416.8	11.8	697.5	400.0
Petrofac Ltd.	407.0	0.0	595.4	381.5
Wood Group (John)	354.2	1.3	720.2	327.4

PERSONAL GOODS

	Price	Chg	High	Low
Burberry Group	1942.5	12.0	2345.0	1623.5
PZ Cussons	205.5	-0.5	244.0	178.6

PHARMACEUTICALS & BIOTECH

	Price	Chg	High	Low
AstraZeneca	6919.0	116.0	7533.0	5325.0
Dechra Pharmaceut	2558.0	14.0	3036.0	2014.0
Genus	2920.0	-16.0	3062.0	2124.0
GlaxoSmithKline	1682.6	27.4	1745.2	1418.0
Hikma Pharmaceuti	1960.0	-5.0	2200.0	1510.5
PureTech Health	255.0	2.0	292.0	160.5

REAL ESTATE INVEST. & SERV.

	Price	Chg	High	Low
BMO Commercial Pr	121.4	0.6	141.8	106.0
Capital & Countie	270.5	1.5	279.5	184.9
CLS Holdings	259.5	5.0	266.5	195.4
Daejan Holdings	4970.0	30.0	6160.0	4715.0
Grainger	265.2	0.0	267.4	205.8
NewRiver REIT	210.5	-3.0	260.0	147.6
Safestore Holding	694.5	-0.5	700.0	506.5
Savills	957.0	11.0	959.0	678.5
Sirius Real Estat	75.0	0.0	75.9	55.6
St. Modwen Proper	454.0	1.0	472.0	366.6
UK Commercial Pro	89.9	1.3	92.7	79.9

REAL ESTATE INVEST. TRUSTS

	Price	Chg	High	Low
Big Yellow Group	1132.0	0.0	1152.0	855.5
British Land Comp	630.4	-8.0	638.8	468.3
Derwent London	3634.0	-4.0	3644.0	2779.0
Great Portland Es	797.8	0.2	801.0	649.4
Hammerson	321.7	1.8	446.0	203.9
Land Securities G	954.0	-9.0	963.0	735.4
LondonMetric Prop	230.6	0.6	231.0	172.7
Primary Health Pr	141.6	0.2	142.0	108.0
SEGRO	826.4	-4.0	835.0	585.2
Shaftesbury	979.5	4.0	981.5	739.5
Tritax Big Box Re	150.8	0.2	159.7	129.0
Unite Group	1129.0	-17.0	1174.0	797.5
Workspace Group	1016.0	-8.0	1031.0	789.5

SOFTWARE & COMPUTER SERV.

	Price	Chg	High	Low
Avast	407.6	1.0	408.8	259.6
Aveva Group	3920.0	-34.0	4170.0	2284.0
Computacenter	1230.0	-15.0	1525.0	952.0
FDM Group (Holdin	723.0	17.0	994.0	647.0
Kainos Group	496.0	0.0	676.0	372.0
Micro Focus Inter	1012.0	8.0	2491.6	998.0
Playtech	391.6	-1.4	500.6	360.5
Sage Group	694.4	6.4	820.4	525.6
Softcat	918.5	-23.0	1044.0	565.0
Sophos Group	566.0	3.4	577.0	298.2

SUPPORT SERVICES

	Price	Chg	High	Low
Aggreko	785.0	-2.0	858.4	691.8
Ashtead Group	2199.0	44.0	2344.0	1586.5
BCA Marketplace	236.2	0.2	247.0	178.5
Bunzl	1978.0	35.0	2551.0	1914.0
Capita	171.4	-1.6	173.4	99.9
DCC	7020.0	-82.0	7184.0	5555.0
Diploma	1613.0	-42.0	1696.0	1150.0
Electrocomponents	672.6	6.4	674.2	480.0
Equiniti Group	219.0	1.0	236.2	186.2
Essentra	425.0	10.0	442.0	325.4
Experian	2342.0	-5.0	2631.0	1750.0
Ferguson	6504.0	28.0	6536.0	4749.0
Finablr	160.0	1.0	180.0	140.0
G4S	208.2	3.1	234.3	168.3
Grafton Group Uni	806.0	-10.0	937.0	630.0
Hays	159.1	0.5	165.3	135.7
Homeserve	1157.0	7.0	1263.0	849.0
Howden Joinery Gr	572.6	6.8	580.0	416.4
Intertek Group	4971.0	-24.0	5962.0	4387.0
Network Internati	515.0	-11.0	628.0	500.0
Pagegroup	445.0	5.2	539.0	367.8
PayPoint	916.0	6.0	1118.0	748.0
Rentokil Initial	438.0	-7.8	467.8	284.8
Robert Walters	500.0	1.0	475.0	814.0
Serco Group	149.8	-1.7	156.1	84.1
SIG	119.6	-0.1	153.0	99.4
Travis Perkins	1476.5	-12.5	1490.0	997.0

TOBACCO

	Price	Chg	High	Low
British American	2716.5	48.5	3619.0	2375.0
Imperial Brands	1853.6	2.8	2750.0	1774.6

TRAVEL & LEISURE

	Price	Chg	High	Low
Carnival	3118.0	62.0	4650.0	3048.0
Cineworld Group	222.9	1.5	321.0	212.0
Compass Group	1966.0	25.0	2138.0	1483.0
Domino's Pizza Gr	284.6	-1.4	297.2	221.2
EI Group	282.2	0.6	285.0	161.8
FirstGroup	128.7	-0.2	137.5	79.3
Flutter Entertain	7578.0	-32.0	8164.0	5525.0
Go-Ahead Group	2174.0	-10.0	2246.0	1480.0
Greene King	849.0	0.2	850.0	480.0
GVC Holdings	873.4	-6.6	950.5	507.5
InterContinental	4550.0	11.5	5738.0	3958.4
International Con	511.8	-3.4	667.6	413.5
Marston's	120.6	-0.5	131.3	90.6
Merlin Entertainm	454.7	0.3	454.7	307.1
Millennium & Copt	687.0	0.0	690.0	436.0
Mitchells & Butle	422.5	2.0	432.0	238.0
National Express	448.2	-8.4	462.0	361.4
PPHE Hotel Group	1850.0	20.0	1990.0	1525.0
Rank Group	247.5	8.0	249.5	135.0
Restaurant Group	143.8	-1.8	217.1	111.9
Stagecoach Group	145.0	-2.4	177.0	115.5
TUI AG Reg Shs (D	1003.5	12.7	1334.5	698.0
Wetherspoon (J.D.	1492.0	-14.0	1624.0	1066.0
Whitbread	4180.0	55.0	5114.0	3988.0
William Hill	205.2	2.6	221.1	132.3
Wizz Air Holdings	3800.0	-27.0	3902.0	2369.0

AIM 50

	Price	Chg	High	Low
Abcam	1138.0	-19.0	1500.0	1017.0
Advanced Medical	242.5	2.5	354.5	225.0
Alliance Pharma	71.1	0.1	80.4	60.0
ASOS	3513.0	34.0	5882.0	2107.0
Blue Prism Group	788.0	-26.0	2002.0	784.6
Brooks Macdonald	2090.0	-5.0	2100.0	1367.5
Camellia	9150.0	50.0	11750.0	9000.0
CareTech Holding	384.0	-1.0	406.0	325.0
Central Asia Meta	213.5	0.5	266.5	180.0
Ceres Power Holdi	209.0	-2.0	220.0	130.0
Clinigen Group	793.0	-4.0	1069.0	721.0
CVS Group	940.0	-15.5	1029.0	395.0
Dart Group	1245.0	4.0	1258.0	709.5
Diversified Gas &	111.0	0.5	134.0	97.0
Draper Esprit	461.5	-0.5	610.0	410.0
Eland Oil & Gas	163.0	0.0	164.6	97.0
EMIS Group	1078.0	4.0	1242.0	864.0
Fevertree Drinks	2125.0	-10.0	3199.0	2070.0
First Derivatives	2140.0	40.0	3555.0	2050.0
Frontier Developm	1070.0	18.0	1160.0	740.0
Gamma Communicati	1085.0	-20.0	1195.0	688.0
GB Group	527.0	-7.0	631.0	410.5
Gooch & Housego	1090.0	-27.5	1795.0	954.0
Hurricane Energy	44.6	2.2	60.8	38.7
Impax Asset Manag	259.0	1.5	295.0	184.0
Iomart Group	372.5	-3.5	425.0	308.0
IQE	68.9	2.9	98.0	47.6
James Halstead	520.0	4.0	532.0	367.0
Johnson Service G	174.6	1.0	183.2	113.6
Keywords Studios	1172.0	12.0	1838.0	900.0
Learning Technolo	99.0	-2.4	130.0	62.2
M. P. Evans Group	661.0	13.0	722.0	612.0
Midwich Group	508.0	-5.0	633.0	474.5
Mortgage Advice B	578.0	-7.0	620.0	490.0
Next Fifteen Comm	501.5	1.0	658.0	471.0
Nichols	1582.5	-5.0	1880.0	1240.0
Numis Corporation	241.0	9.0	301.0	212.0
Pan African Resou	11.3	0.1	14.5	8.0
Polar Capital Hol	510.0	2.0	604.0	448.0
Purplebricks Grou	112.8	1.6	216.8	90.0
Redde	118.0	0.0	187.0	90.0
Renew Holdings	376.5	-3.0	436.5	333.0
RWS Holdings	577.0	1.0	652.0	450.0
Scapa Group	222.0	-2.0	445.0	157.0
Secure Income Rei	433.0	-2.0	454.0	371.0
Serica Energy	133.4	2.6	142.0	103.6
Smart Metering Sy	461.2	-13.6	665.0	310.0
Thorpe (F.W.)	281.0	-7.0	340.0	248.0
Watkin Jones	238.5	2.0	241.9	192.2
Young & Co's Brew	1605.0	7.5	1885.0	1322.5
Young & Co's Brew	1150.0	10.0	1195.0	1030.0

EU SHARES

	Price	Chg	High	Low
AB INBEV	82.22	-0.62	92.71	56.32
ADIDAS N	274.30	-5.10	297.95	178.30
AIR LIQUIDE	117.00	0.90	119.70	92.59
AIRBUS BR	120.16	-1.70	133.86	77.50
ALLIANZ	221.15	0.40	221.50	170.50
AMADEUS IT GRP BR-A	65.36	-0.04	74.94	58.06
ASML HLDG	230.05	-1.75	243.85	130.12
AXA	24.14	0.05	24.27	18.40
BANCO SANTANDER	3.99	0.02	4.68	3.39
BASF N	67.40	0.11	74.62	55.72
BAYER N	66.40	1.12	74.30	52.00
BBVA	4.91	0.02	5.68	4.19
BMW	68.86	0.54	79.00	58.10
BNP PARIBAS A	47.96	0.14	49.32	38.14
CRH PLC	32.25	0.72	34.87	26.53
DAIMLER N	50.26	0.79	59.90	40.35
DANONE	73.40	0.52	82.38	59.72
DEUTSCHE BOERSE N	140.30	-1.00	145.55	102.50
DEUTSCHE POST N	31.82	0.25	31.96	23.43
DEUTSCHE TELEKOM N	16.20	0.02	16.26	13.98
ENEL N	6.75	-0.09	6.91	4.31
ENGIE	14.97	0.01	15.24	11.31
ENI N	14.07	0.12	16.06	12.92
ESSILORLUXOTT	132.40	-0.35	137.30	95.50
FRESENIUS	43.31	0.41	60.12	38.50
IBERDROLA	9.13	0.03	9.58	5.93
INDITEX	28.05	-0.24	29.00	21.85
ING GROUP	10.33	-0.02	12.14	8.20
INTESA SANPAOLO N	2.27	-0.01	2.36	1.80
KERING	480.35	2.30	539.80	351.70
KON AH DEL BR	22.74	-0.06	24.01	19.36
L'OREAL	239.10	-0.10	258.90	184.05
LINDE	174.60	2.30	0.00	0.00
LVMH	375.00	-1.65	392.65	242.30
MUENCHENER RUECKV N	250.00	1.20	250.00	181.20
NOKIA	4.73	0.01	5.76	4.17
ORANGE	14.92	-0.02	15.25	13.08
ROY.PHILIPS	39.13	0.15	44.60	29.05
SAFRAN	138.10	-0.95	145.40	99.98
SANOFI	81.97	-0.10	85.90	71.74
SAP I	118.34	-1.00	125.00	84.02
SCHNEIDER EL	84.16	0.24	84.42	57.54
SIEMENS N	103.80	0.62	108.62	84.72
SOCIETE GENERALE	26.49	0.04	31.47	20.81
TELEFONICA	7.22	0.07	8.06	5.86
TOTAL	47.32	0.14	52.02	42.65
UNILEVER	53.14	-0.57	57.77	45.60
VINCI	96.68	-0.12	101.70	69.98
VIVENDI	24.89	-0.06	26.69	20.80
VOLKSWAGEN VZ I	171.48	0.44	172.82	131.02

CRYPTO A.M. DAILY POWERED BY BEQUANT

CRYPTOCURRENCIES

Name	Price (USDT)	↑/↓(24h)
Bitcoin (BTC)	$ 7,538.07	-8.59%
Ethereum (ETH)	$ 160.81	-7.41%
Ripple (XRP)	$ 0.27	-6.86%
Bitcoin Cash (BCH)	$ 210.69	-8.51%
Litecoin (LTC)	$ 49.57	-9.26%
EOS.IO (EOS)	$ 2.77	-5.66%
Bitcoin SV (BSV)	$ 95.53	-12.04%
TRON (TRON)	$ 0.01	-7.16%
NEO (NEO)	$ 6.88	-7.56%
Cardano (ADA)	$ 0.03	-7.73%
CryptoCompare Large Cap Index		-8.50%
CryptoCompare Small Cap Index		-7.27%

Market	$205,334,370,133	
Bitcoin Volatility	9.63%	
Bitcoin Volume on BEQUANT Exchange (USDT)	256,178,956	

Sources: Bequant.io, CryptoCompare.com
Prices and data are correct as of 15:30, 23.10.2019
Crypto AM features in City AM every Tuesday.
Previous Editions:www.cityam.com/crypto-insider
Read more at: https://bequant.pro/cityam

CRYPTO & COFFEE

Consider this, ex-CFTC chair has stated that the CFTC, the Treasury, the SEC and the National Economic Council director at the time, Gary Cohn, believed that the launch of Bitcoin futures would have the impact of popping the Bitcoin bubble. And as it happens, it worked. He further cited research by the San Francisco Federal Reserve that also credits the introduction of Bitcoin futures for reining in a market driven by optimists.

Regardless whether one believes the bombshell of a statement, the volatility of digital assets has continued to subside ever since and as it stands, the 10-day volatility is well within historic lows.

Interestingly, the low volatility comes even in spite of the rather key deadline for Bitfinex and Tether, who are due to present their case for the lawsuit by the NYAG to be dismissed.

At the same time, there appears to be elevated correlation between the top 10 crypto assets, which as it stands is near 6-month high. Combination of volume low, steep term structure and high correlations is not something that a healthy market should be exhibiting and at this stage, it is good time to bet on a major shakeout.

COMMODITIES

Gold	1485.35	-6.30
Silver	17.63	-0.10
Brent Crude	59.70	0.74
Krugerrand	1519.25	-3.00
Palladium	1756.00	-6.00
Platinum	888.00	-5.00
Tin Cash Official	16825.00	-95.00
Lead Cash Official	2188.00	11.00
Zinc Cash Official	2500.00	3.00
Copper Cash Official	5818.00	-24.00
Aluminium Cash Official	1735.00	-28.00
Nickel Cash Official	16215.00	-195.00
Aluminium Alloy Cash Official	1240.00	8.00
Cocoa Futures	2455.00	-25.00
Coffee 'C' Futures	97.73	-1.17
Feed Wheat Futures	136.50	1.10
Soybeans Futures Continuation Contract	934.60	0.60

CREDIT & RATES

BoE IR Overnight	0.750	0.00
BoE IR 7 days	0.750	0.00
BoE IR 1 month	0.750	0.00
BoE IR 3 months	0.750	0.00
BoE IR 6 months	0.750	0.00
LIBOR Euro - overnight	-0.573	0.00
LIBOR Euro - 12 months	-0.314	0.00
LIBOR USD - overnight	1.813	0.00
LIBOR USD - 12 months	1.967	0.01
Halifax mortgage rate	3.990	0.00
Euro Base Rate	0.000	0.00
Finance house base rate	1.000	0.00
US Fed funds	2.00	0.00
US long bond yield	2.25	-0.01
Euro Euribor	-0.482	0.01
The vix index	14.01	-0.45
The baltic dry index	1806.00	-40.00
Markit iBoxx EUR	247.37	0.32
Markit iBoxx GBP	354.51	1.43
Markit iBoxx USD	261.64	0.27

WORLD INDICES

	Price	Chg	%chg
FTSE 100	7260.74	48.25	0.67
FTSE 250	20180.94	-0.97	0.00
FTSE All-Share	4003.99	21.33	0.54
FTSE AIM All-Share	886.02	1.87	0.21
S&P 500	3004.52	8.53	0.28
Dow Jones I.A.	26833.95	45.85	0.17
Nasdaq Composite	8119.79	15.50	0.19
Xetra DAX	12798.19	43.50	0.34
CAC 40	5653.44	-4.25	-0.08
Swiss Market Index	10023.52	6.17	0.06
ISEQ Overall Index	6522.20	22.34	0.34
FTSEurofirst 300	1549.32	0.95	0.06
Hang Seng	26566.73	-219.47	-0.82
Shanghai Composite	2941.62	-12.76	-0.43
STI Index	3142.52	-21.22	-0.67
ASX All Ordinaries	6778.20	-0.40	-0.01

US SHARES

	Price	Chg	High	Low
3M	168.76	1.22	219.75	150.58
ABBOTT LABORATOR	81.27	0.73	88.76	65.44
ADOBE	261.32	0.23	313.11	204.95
ALPHAB RG-C-NV	1259.13	16.33	1289.27	970.11
ALPHABET-A	1257.63	16.43	1296.98	977.66
AMAZON.COM	1762.17	-3.56	2035.80	1307.00
AMERICAN EXPRESS	116.49	-2.12	129.34	89.05
AMGEN	203.32	-1.51	211.90	166.30
APPLE	243.18	3.22	243.24	142.00
AT&T	37.74	-0.43	38.75	26.80
BANK OF AMERICA	31.42	0.22	31.44	22.66
BERKSHIRE HATH RG-B	210.96	0.34	223.59	186.10
BOEING CO	340.50	3.50	446.01	292.47
CATERPILLAR	135.34	1.65	144.77	111.75
CHEVRON	117.98	0.18	127.34	100.22
CISCO SYSTEMS	47.05	-0.50	58.26	40.25
CITIGROUP	72.45	0.39	73.09	48.42
COCA-COLA CO	54.64	0.79	55.92	44.42
COMCAST-A	45.72	-0.05	47.27	32.61
COSTCO WHSL	297.32	-2.65	307.34	189.51
DOW	47.23	0.41	0.00	0.00
EXXON MOBIL	69.75	0.66	83.75	64.65
FACEBOOK-A	186.15	3.81	208.66	123.02
GOLDMAN SACHS GR	211.32	1.72	234.06	151.70
HOME DEPOT	234.67	-2.53	238.99	158.09
IBM	134.38	0.42	152.95	105.94
INTEL	51.72	-0.29	59.59	42.36
JOHNSON&JOHNSON	129.90	0.70	148.99	121.00
JPMORGAN CHASE	125.12	0.33	125.15	91.11
MASTERCARD RG-A	260.85	-0.41	293.69	171.89
MCDONALD'S	199.21	-0.06	221.93	169.04
MEDTRONIC	105.22	0.73	112.05	81.66
MERCK	82.87	1.57	87.35	66.10
MICROSOFT	137.24	0.87	142.37	93.96
NIKE -B-	92.32	-3.28	96.87	66.53
ORACLE	54.13	0.02	60.50	42.40
PEPSICO	137.45	0.79	140.45	105.03
PFIZER	36.77	0.34	46.47	33.97
PHILIP MRRS INT	81.78	0.61	92.74	64.67
PROCTER&GAMBLE	123.00	0.82	125.36	86.01
SALESFORCE.COM	145.13	2.80	167.56	113.60
TRAVELERS COS	132.16	2.01	155.09	111.08
TWITTER	38.83	0.02	45.86	26.26
UNITEDHEALTH GRO	247.80	-1.68	287.94	208.07
UTD TECHS	139.91	-1.50	144.40	100.48
VERIZON COMM	60.88	0.11	61.58	52.28
VISA RG-A	171.32	0.46	187.05	121.60
WALGREENS BOOTS	54.56	-0.76	86.31	49.03
WALMART	119.35	-0.23	120.71	85.78
WALT DISNEY	131.13	-1.27	147.15	100.35
WELLS FARGO	50.93	0.31	55.04	43.02

DATA AND BUSINESS

Luke Graham looks at the risks posed by facial recognition software to privacy, civil liberties, and society

FACING THE THREATS

FACIAL recognition software feels like it has stepped out of the realms of science fiction and into reality. Thanks to massive developments in artificial intelligence (AI), cameras and surveillance systems can now check and analyse someone's facial features in real time.

This is a profound step forward in the realms of biometric security, and major tech companies like Amazon, Microsoft, and IBM have started selling such systems.

The technology has huge potential to help with policing and crime prevention. Recording a face in a crowd and checking it against a watchlist of suspects could potentially prevent acts of terrorism or violence. It is already in use by police forces in some countries, and even in schools in the US in the hope of preventing active shooter situations.

It could also boost productivity in other sectors of the economy. Airports have been using facial recognition software for years to speed up passport checks, leading to a more convenient experience for travellers.

Similarly, the analyst firm CCS Insight predicts that, within a few years, organisations like football clubs will adopt facial recognition ticketing systems, allowing ticket-holders to gain entry to an event more quickly, while enabling staff to identify possible troublemakers.

And there are plenty more potential applications, from use in recruitment to retail, which sound fantastic on paper. But if we're not careful, the technology poses a threat to our personal privacy and civil liberties – fundamental principles of society .

For a start, facial recognition's ability at present to identify individuals is far from perfect, especially those from minority communities.

Civil liberties groups in the US, concerned that the software will lead to more false arrests, have highlighted how Amazon's cloud-based Rekognition wrongly identified 28 non-white members of Congress and two dozen professional athletes as people who had committed crimes.

Meanwhile, a recent study from the University of Colorado Boulder found that several facial recognition platforms regularly misidentify trans and non-binary people.

Work is underway to address these inaccuracies. Nick McQuire, head of enterprise and AI research at CCS Insight, predicts that a new industry will emerge to tackle the biases that may be causing these mistakes.

"The need to resolve these data and compliance challenges will spark the emergence of firms such as algorithmic auditors and companies that help source high-quality, diverse and unbiased training data," he says.

Algorithmic auditors may sound like characters from sci-fi, but these kinds of businesses are already emerging, according to McQuire, who cites O'Neil Risk Consulting and DefinedCrowd as examples.

However, even if the tech worked perfectly, the implications are immensely worrying.

Its use by government authorities, especially in mainland China, has raised fears that individuals – perhaps taking part in a peaceful demonstration – could be picked out of a crowd, followed, and punished at a later point. This threat of repercussions has forced protesters in Hong Kong to use face paint and masks to avoid being identified by AI-enabled cameras.

Fearing the impact on civil liberties, several US cities, including San Francisco, have placed bans on the tech. And earlier this year, Amazon had to face down a rebellion by shareholders who wanted to block it from selling Rekognition to US police forces.

Here in the UK, a developer faced a similar backlash after admitting to using facial recognition surveillance at the King's Cross Estate, while the use of the technology by police in south Wales is being challenged in the courts.

Defenders of facial recognition technology point to the public acceptance of CCTV, which has been used for decades for security and crime prevention. But while CCTV simply records video which later has to be checked by a human, facial recognition software can identify and keep track of an individual's face, analyse the data, and store it in a database – without the person's consent or even knowledge.

And it's not just police and security forces who could exploit the ability to identify and track any individual caught on camera. Andrew Liles, chief technology officer at experience agency Tribal Worldwide London, gives me just one chilling example of how private companies could misuse this data.

"A social media platform has filed a patent to tell a retailer something about a customer who is in their shop," he says.

"They do this by finding the person based on their social profile – perhaps they can guess your income bracket and what you have searched for beforehand. It could reveal that information to the retailer, and you'd be none the wiser. That's scary."

> "Facial recognition is a powerful tool, transforming the way we live

Clearly, facial recognition offers new potential for private organisations to collect huge amounts of sensitive personal data without individual consent.

No technology is inherently good or evil – the problem lies in how it is used. Rules and regulations are needed to prevent both governments and companies from abusing facial recognition software.

And, indeed, due to fears about the risk of its misuse, the European Commission is planning legislation that will extend the general data protection regulation (GDPR) to cover AI, and give EU citizens explicit rights over the use of their facial recognition data – which is a good start. The key will be ensuring the protection of consumers without stifling innovation.

"Facial recognition is a powerful tool, transforming the way we live," says Anton Christodoulou, group chief technology officer at experience agency Imagination.

"Legislation and regulation is required to ensure that it is implemented within the right privacy framework, and the boundaries of its use are clearly defined and enforced. Once regulated, we will all be able to enjoy the benefits to their full effect."

Some companies are already trying to get ahead of any new regulations. Amazon's Jeff Bezos revealed in September that the company has its own public policy team working on proposals which it hopes governments will adopt, although politicians and activists are likely to balk at the idea of trusting big tech to write its own rules. Expect more scrutiny on these companies and their efforts in the near future.

Facial recognition has developed incredibly fast, perhaps faster than regulators and governments know how to deal with. The big tech companies will need to work with them, as well as the new breed of AI-auditors, to address the risks to privacy, consent, and civil liberties.

Otherwise, we risk stumbling into a science-fiction dystopia, rather than a technological paradise.

FORUM

EDITED BY RACHEL CUNLIFFE

This House divided must act with honour and stop hiding

Alan Mendoza

AT TIMES of crisis, it is sometimes tempting to seek solace in scripture. As the US Civil War approached in 1858, a senatorial candidate for Illinois – a certain Abraham Lincoln – clearly thought so.

In his famous "House Divided" speech – during what proved to be a failed campaign but one that set him up for his presidential run – Lincoln decried the continued impasse within the Union between northern and southern states on the issue of slavery.

Utilising Mark 3:25 for inspiration, he argued that "a house divided against itself cannot stand", pointing out that a perpetual failure to resolve a debate vital to the nation's future would eventually dissolve the nation itself.

Thus it proved when the guns started firing just two years later.

Mercifully, heated an issue though it has been, Brexit has not engendered the same level of animosity that rent the US asunder in the mid-nineteenth century. But given the antics of the past few days, when parliament again did its utmost to frustrate the progress of a timely Brexit, Lincoln's statement once more rings true.

We have a House of Commons irrevocably divided. There is seemingly no end to the Brexit process in sight. And the nation is suffering because of it.

It did not, of course, need to happen this way. Last week, Boris Johnson achieved what was commonly regarded as unachievable. Having promised never to renegotiate the deal it had agreed with Theresa May, the EU did just that.

At the Prime Minister's behest, the UK secured the great prize of freedom from the EU customs union, the great flaw in May's plan where the UK could have been trapped within it in perpetuity.

Unionist hackles were raised by the deal requiring a de facto, if not de jure, customs border to be set up in the Irish Sea. But Northern Ireland's population was offered a consent mechanism to prevent their being corralled into this arrangement – and continued membership of the Single Market – without their ongoing approval.

No negotiated deal was ever going be perfect or meet every goal of every party to it. That is the nature of compromise. But this deal proved that the EU would give ground from the absolute certainty of its previous backstop position, as long as checks and balances were instituted to give its movement into fuzzy grey areas some cover.

In short, Boris' deal is a better deal than that of his predecessor. Unless of course the beholder is a diehard Remainer – and by extension willing to ignore the mandate of the 2016 referendum – angry at a further movement away from EU institutions and towards the reclamation of national sovereignty that this new deal represents.

Even this deadlocked House of Commons has recognised the reality of the situation, and that this deal is about as good as it gets.

On Tuesday, for the first time since early 2017, the House made a positive statement about Brexit, providing its support for the second reading of the Withdrawal Agreement Bill. A victory that had eluded May at three times of asking had been chalked up by Boris.

For while parliament fiddles, the country burns figuratively in terms of domestic and foreign policy being ignored

But old habits of delay die hard for this set of MPs. Having perhaps surprised themselves by making serious progress, they chose to slam the brakes on just as momentum was finally building towards the exit. The government's speedy legislative timetable was rejected, thereby virtually ensuring we will not now depart the EU on 31 October.

Some will say that the House is perfectly within its rights to request as much time as it wants to scrutinise legislation. But delay serves no positive purpose. All of the arguments that we will hear in the coming weeks will have been rehashed from those first heard months ago over May's deal.

Unlike that ill-fated venture, this deal has received initial support. But what lies ahead is the same: a parliamentary effort to frustrate and obfuscate when it is endgame action that is urgently required.

For while parliament fiddles, the country burns figuratively in terms of domestic and foreign policy being ignored.

The government has no majority and cannot pass major domestic initiatives. The UK is running on policy fumes from whatever remains of past legislation. And Britain's international voice is stifled as we lack the bandwidth to intervene decisively in foreign policy issues given the intensity of the Brexit discussion.

The only debate that matters right now is therefore whether our House divided will finally recognise the quagmire it has created, and take the only course of action honourably open to it at this point in time: to dissolve itself and allow the people to reconstitute it according to their wishes and desires.

The government has asked for this twice, only to be rebuffed by opposition claims about needing to prevent a no-deal Brexit first. With a likely EU extension of membership to 31 January now in the offing, that excuse has evaporated.

The people are waiting. It is time for politicians to stop hiding, and finally start taking responsibility for their actions.

Alan Mendoza is executive director of the Henry Jackson Society.

The AI talent race just stepped up a gear

Matt Warman

TECHNOLOGY has the power to improve lives and tackle the great challenges of our time. At the University of Exeter, for example, Tim Dodwell is about to start a five-year project looking into how technology can make the aviation industry more sustainable and safer.

He is one of the first five recipients of a new government fund for research fellowships into artificial intelligence (AI). His work will focus on how we can use machine learning and data processing to understand complex mathematical problems and build lighter and faster aircraft.

The UK is the birthplace of AI, and it is fitting that these new fellowships are named after the man credited with inventing machine learning: Alan Turing.

I believe that Turing would champion the successes of technology, and in particular British digital leadership and our place as the birthplace of the World Wide Web. But he would surely also want to know that these revolutionary inventions were improving the lot of humanity.

To make sure that we are at the forefront of global technological development, carving ourselves out as a pioneer in its ethical evolution, another name confirmed today as a prestigious Turing AI fellow is Maria Liakata.

Her work at the University of Warwick will look at the impact of social media on mental health, helping doctors support their patients' needs. She will investigate how the daily use of digital technologies such as social media can affect people's mood and cognition.

Alongside new money for research fellowships – backed by the Alan Turing Institute and UK Research and Innovation – we are today announcing a bumper investment in skills training to attract, nurture and retain the best talent so that we can lead the world in research and development.

This £370m package of government and industry investment includes funding to help 14 universities and 300 businesses, such as AstraZeneca, Google, Rolls-Royce and NHS Trusts, support and train 200 AI PhD students across 16 new centres for doctoral training.

Bioscience also has a critical role to play in protecting populations from environmental changes and underpins sectors such as farming, food supply and pharmaceuticals, so £170m will go to support for 1,700 bioscience PhD researchers across the country.

As the global population grows, these researchers will find innovative ways to feed nine billion people sustainably by 2050 – developing renewable, low-carbon sources of energy, transport fuels and chemicals to reduce dependency on fossil fuels, and helping people stay healthier for longer.

We are also investing £13m in masters programmes so more people can develop fruitful careers in AI. This is supported by leading technology companies such as DeepMind, QuantumBlack and Amplyfi.

Graduates will be able to apply for new conversion courses regardless of whether they studied a science, maths or technology subject at undergraduate level. Many of the first cohort of students will today gather in London to launch the programme with academics and firms working on the scheme.

There are fantastic opportunities in technology, and they should be for everyone. And so we are also launching a new £10m fund for scholarships for students from underrepresented communities, particularly female, disabled and black students, and funding AI and data science conversion courses for those who want to take a new direction in their careers.

The UK has a long-standing reputation as one of the world's greatest and earliest pioneers in artificial intelligence technology. Today's funding announcement shows how we are making sure we have the talent for it to continue.

Matt Warman is minister for digital.

LETTERS

TO THE EDITOR

Licence to disagree

[Re: We all need a refresher course in how to disagree with civility]

Timandra Harkness makes some very good points about the shift from disagreeing on matters of policy to interpreting dissent as a personal attack. But she stops short of fingering the chief culprit: the tacit encouragement of identity politics over the last half century.

The moment we decided that people "should" hold certain views by virtue of who they were, rather than what they believed, the well of political discourse was poisoned. Thereafter any attack on an idea is by definition an assault on a person or group.

We saw this most recently in the attacks on the ethnic minority members of Boris Johnson's cabinet, branded "tokenistic" at best and "turncoats" at worst. Conservative women are regularly told that they cannot be "real" feminists.

Nor is this the sole prerogative of the sanctimonious left. The right is equally fond of lobbing accusations of hypocrisy or downright treachery at those they feel ought by background, birth or income to belong to "their" side.

Voltaire never said the quote famously attributed to him about defending to the death his opponents' right to disagree – that was his biographer Evelyn Hall – but in these febrile times, perhaps no one should be allowed to assert their opinion without first affirming their tolerance of dispute.

Name withheld

BEST OF TWITTER

When will Brexit be finished? 15% think by the end of October, 22% think by the end of this year, 43% think by the end of next year, 5% think not until after 2025 and 31% think the issue of Brexit will never be finished.
@JoeTwyman

I want to meet those 15%. I bet they are very jolly and lovely people
@lukemcgee

John Bercow: "The bill is not dead, but it is inert. It is not on a journey... it is static. But it is not a corpse." Hope that clears things up.
@elashton

If Labour will only support a general election when "the threat of a disastrous No Deal is taken off the table" (Corbyn Sep 19), we will oppose an election until the future EU-UK free trade deal is successfully negotiated. Which can't be what he means. So what's the actual test?
@StewartWood

No-Deal is a weird version of Boy Who Cried Wolf. The boy really is seeing wolves near the village, and is right to urge preparations. But the villagers are rightly frustrated, spending resources on prep over and over only for no wolf to appear. Everyone gets eaten.
@DmitryOpines

There's a man walking up Whitehall carrying a three foot long plastic model of the Titanic. This no longer seems strange
@ShippersUnbound

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

We need social enterprise to help business rediscover its purpose

Victor Adebowale

WHAT seemed like a lifetime ago, former Prime Minister David Cameron used to talk about the "global race".

When he spoke about getting fit for this race, his argument was that the state needed to shed a few pounds in order to free up businesses to drive growth. Like most politicians at the time, he had an optimistic view about business and its ability to deliver a better society.

Now as we race around the track, we find that the problem isn't so much the state but business itself which is out of shape.

Business seems addicted to an unhealthy diet of short-termism, share buybacks and debt. In a hyper-competitive global economy, many companies would rather make a quick buck and sell out, rather than invest for the future – the Bank of England has found that just one in four businesses prioritised investment with internal funds.

This failure of business is why we have an economy with low levels of investment, stagnant productivity, and squeezed living standards. This is driving a lack of trust in business.

Against the backdrop of the climate crisis and high levels of social division, we simply don't have the luxury of waiting to see whether the private sector can get its act together. We need business to step up.

Capitalism only has a future if we reform it. To reform capitalism, we have to reform business, promoting models which can combine dynamism with long-termism while respecting both people and planet. The inconvenient truth is that the profit motive, which once spurred the industrial revolution, is now a barrier to progress.

As a centre for global business, the UK has been at the forefront of developing new models that put purpose before profit. Social enterprises, businesses which have a legally binding social and environmental mission and reinvest their profits to achieve that goal, have been growing.

We now have 100,000 social enterprises in the UK, and the majority are reporting growth. They also reporting higher levels of innovation than traditional businesses, as well as paying their workers higher wages and having more women and BAME leaders.

The benefits are obvious. Innovation is essential for boosting productivity, higher pay will help reduce poverty, and more diverse leaders will not only produce better businesses but also help heal our divided society. Any economy heavily populated with social enterprises is likely to have a big competitive advantage over its rivals.

> **The profit motive, which once spurred the industrial revolution, is now a barrier to progress**

The rest of the world is now waking up to this, and social enterprise has become a global business movement. A new Thomson Reuters Foundation report released this week has highlighted the best countries in the world for social entrepreneurs.

Western countries such as Canada and France are in the top 10, but so too are Asian economies like Singapore and Indonesia. Mapping exercises have showed large numbers of social enterprises in India and China. All over the world, social enterprises are springing up as governments encourage entrepreneurs to use business for good.

The UK, which was the first to create a legal form for social enterprise and to set up the original social investment bank, is now not even in the top 10. While the UK government has applauded itself for its good work, global competitors have caught up.

Britain doesn't even recognise these growing businesses as businesses, treating them as a novel variation of charity. The rest of the world is not making the same mistake.

The global race is not about reforming the state. It won't be won by having the biggest research budget. Rather, it is a race to develop the next evolution of business. The countries that will succeed will be those that take the best of business, its creativity and innovation, and blend it with social purpose and environmental sustainability. Who will win this race is now up for grabs. The time has come for the UK to pick up the pace.

Lord Victor Adebowale CBE is chair of Social Enterprise UK and a crossbench peer.

DEBATE

In the wake of the Woodford scandal, is there enough oversight of fund managers?

YES

DARIUS MCDERMOTT

There were a number of issues I took strong exception to in this week's BBC Panorama programme on the Woodford saga, but the conclusion that there is very little regulatory oversight of fund managers was the most inaccurate.

I fully accept that, like all industries, there are going to be a few people who break the rules. But while Neil Woodford certainly made mistakes, it is totally unfair to suggest that the whole industry is full of crooks and gamblers.

UK asset management is in fact one of the most regulated industries in the world. The vast majority of companies take those regulations extremely seriously, which is why they have compliance teams to oversee all the functions of the firm.

In addition, most firms also have independent risk teams to oversee the investment side of the business. One of the key functions is to make sure that fund managers stay within the remit of the fund as stated in the prospectus. So there is plenty of oversight, from both regulators and the firms themselves.

Darius McDermott is managing director of FundCalibre.

NO

BEV SHAH

Like with investing, oversight is an art not a science. In order to truly protect the end investor and future-proof our industry, we need to widen our scope and revisit the current frameworks we use to plug the blind spots.

As an entity, an investment management company should be holistically scrutinised, with the focus going beyond a set of quantifiable audited accounts or a self-attested due diligence questionnaire. We need to start fully respecting and recognising that examining qualitative aspects, such as corporate culture and behaviour, can raise more red flags than any spreadsheet will.

But red flags aren't much use unless they are acted on, as we have seen with the Woodford saga, where early concerns were ignored.

Policymakers need to collaborate with those who do the day job and understand the real-world implications of the system, to modify and test any oversight framework to ensure that it is robust and has a positive impact with some form of independent verification.

Bev Shah is founder and chief executive of City Hive.

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TECHNOLOGY

EDITED BY STEVE HOGARTY

Pixel 4 XL review: Google grows up

With Jedi-style motion controls and a camera capable of astrophotography, the new **Pixel 4 XL** is out of this world...

PHONE

PIXEL 4 / PIXEL 4 XL
£699 / £829, STORE.GOOGLE.COM
★★★★☆ | BY STEVE HOGARTY

The fourth generation Pixel phone is the prettiest object Google has ever created. Whereas Apple has gone rogue with the boggle-eyed triple lens design of its latest iPhone, the Android flagbearer more closely resembles hardware that, before now, could have come from those same designers in Cupertino.

The camera bump on the rear is a postage stamp sized square disguising two lenses, a flash and sensors. It's precisely positioned near the corner, its curve running neatly parallel to the phone's own rounded edge. A grippy aluminium trim runs around the entire phone, broken only by a bold pop of colour on the power button.

The matte orange Pixel 4 XL is the only variant Google offers besides black and white, and it's utterly lovely, the shade of new Monzo cards and aeroplane black boxes, of old Olivetti typewriters and fluorescent bakelite. Looking directly at it makes your eyes feel funky, like vitamin C is being beamed into your corneas.

Gushing over pantones aside, what does this new Pixel actually do? The back of the phone no longer has a fingerprint sensor, as unlocking the device is now achieved exclusively through whip-fast facial recognition.

Unique to both Pixel 4 phones, a radar sensor on the phone's front creates a hemisphere of spatial awareness around the device, which can detect your hand as it reaches for the phone and preemptively wakes up the infrared face sensors.

This shaves just fractions of a second off the unlock speeds of rival phones, which use the accelerometer to guess when you're about to need to unlock. On paper that sounds inconsequential, but in practice this little boost, along with the new high-refresh rate screen, makes the Pixel 4 feel zippy and responsive from the moment you pick it up.

The radar sensor is also used for gesture controls. You sweep your hand above the phone to skip tracks or silence calls and alarms like a crap Jedi, though elsewhere on the phone the feature is barely utilised.

THE CAMERA

The camera on the Pixel 3 was one of the best you could get in a smartphone, and drew upon Google's vast software and image processing capabilities to squeeze incredibly high quality photos out of a single lens.

The Pixel 4 improves on this, and gains a second telephoto lens, which works together with the camera software to produce digitally zoomed-in pics that don't lose clarity.

The lack of a wide-angle lens is disappointing, but the introduction of an improved night photography mode sensitive enough to take long-exposure shots of starry skies should excite astronomers and photography nerds in equal measure. Assuming, that is, they don't live beneath the starless brown void of London's light polluted night sky.

THE VERDICT

The Pixel series has always been Google's guiding example of the best that Android can be, and the Pixel 4 continues that tradition. Under the bonnet, the specs haven't improved by much, but the ruthlessly streamlined operating system ekes more performance out of modest tech.

There aren't enough new features that a Pixel 3 XL owner should feel the need to upgrade yet, but the Pixel 4 XL is exceptional nonetheless.

WANT SOMETHING TO PLAY? HERE'S OUR PICK OF THE BEST GAMES OUT THIS MONTH

UNTITLED GOOSE GAME
PLATFORMS: NINTENDO SWITCH, MAC, WINDOWS

This is a game in which you play the role of a rascal goose, performing mischievous acts on the unsuspecting residents of a British village. The game features a dedicated 'honk' button, which can be used to startle or distress the locals, while the ability to flap your wings and grab things with your bill are useful tools in your quest to steal apples, break brooms and untie shoelaces. Simple, soul-enriching catharsis in a time of strife.

DISCO ELYSIUM
PLATFORM: WINDOWS

In Disco Elysium you play an alcoholic noir detective recovering from a hangover so bad he's forgotten every detail about his life. It's an isometric RPG that combines aspects of deeply nerdy games like Planescape: Torment with more whimsical LucasArts point-and-clicks. It's mostly reading, though: there are a million words hidden in there altogether, so it's just as well it's exceptionally well written, both tragic and hilarious.

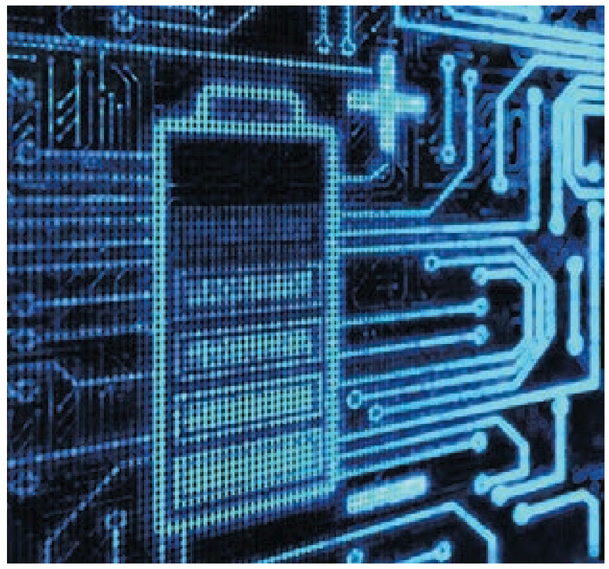
CALL OF DUTY: MODERN WARFARE
PLATFORMS: PLAYSTATION, XBOX, WINDOWS

Activision's long running series about a man who joins the army in search of spiritual fulfilment but finds nothing but hollow joy in the death and destruction of his enemies, Call of Duty returns tomorrow with a brand new instalment. Modern Warfare promises innovative multiplayer modes, a gripping and ultra-realistic globe-trotting campaign, and hundreds upon hundreds of unlockable hats to dress your soldier up in.

OFFICE POLITICS

Enlightened: How businesses can take power into their hands

If unprepared, an outage can have far-reaching consequences, warns **Andrew Donoghue**



HAVING your phone run out of power is one of the pitfalls of modern living, which is why battery packs are a must in most people's bags.

But while we are happy to be proactive about power protection in some ways, that usually doesn't extend to our homes and businesses where it is even more critical.

In August, Britain suffered its worst power cut in over a decade, after a lightning strike to the grid triggered an unexpected electrical failure. Over one million electricity customers were without power for up to 50 minutes. Hospitals, train services, and an airport were put out of action.

The National Grid has admitted that a power back-up failure led to the blackouts. With one gigawatt of back-up in place, it wasn't enough to compensate for the 1.3 gigawatts of generating capacity lost from the grid. To put these numbers into perspective, the 300 megawatt shortfall is enough to power 33m LED light bulbs.

Admittedly, these kinds of outages are fairly rare in the UK, but the fact that they happen at all is worrying.

When you consider how much utility companies and the government have been investing into smart grids, smart meters, and other forms of technology that promise to improve power management, questions naturally arise as to whether the UK has really got an energy grid that is fit for purpose.

These power cuts should act as a wake-up call for organisations that continue to believe that energy continuity is someone else's problem. The assumption that power will always be available is challenged by various factors, including the introduction of more renewable energy sources to the grid, varying degrees of investment in energy infrastructure, climate change, and the rising threat of cyber attacks.

These power cuts should act as a wake-up call for organisations that continue to believe that energy continuity is someone else's problem

Power loss can have far-reaching consequences for businesses, especially if you consider the increasing reliance on IT infrastructure, where the majority of the working population needs to be online to do their job.

Loss of production, revenue, and reputation are all risks that businesses want to avoid.

So what's the alternative to total reliance on the external grid? Many large enterprises will already have invested in equipment, such as generators and uninterruptible power supply technology.

But this sort of resilience shouldn't be reserved for the biggest businesses – smaller firms can take steps to keep themselves powered too.

Some businesses are using smaller-scale, usually renewable power generation in order to have less reliance on large centralised power plants. That could mean being integrated into a micro-grid, or even a business campus located next to a solar farm with energy storage.

What these approaches amount to is a shift in thinking, with businesses taking on a more proactive approach to energy by being "prosumers" – that is, they both consume and produce energy. The term can also apply to consumers who take a proactive approach to energy management, and don't rely wholly on a third-party provider.

The prosumer approach can play a role in mitigating wider grid issues. For example, the technology now exists to enable organisations to feed existing generator and battery capacity into the electricity network during times of peak demand. This has the benefit of not only helping to improve grid stability, but also generating revenue for those organisations involved.

So while grids may be getting slowly smarter, undoubtedly the smartest plan for organisations looking to improve their energy resilience and efficiency is to prepare by becoming proactive prosumers.

Andrew Donoghue is director of analyst relations at Vertiv.

BRIGHT IDEA

Mapdwell Solar System
Free

If you want to find out the solar power potential of your office building, you can with this app. Using state-of-the-art technology, Mapdwell considers aspects like the shape of your rooftop, the local weather, and shading from nearby structures. The app has been developed by a team at the Massachusetts Institute of Technology, which has licensed the tech exclusively to Mapdwell.

COFFEE BREAK

SUDOKU

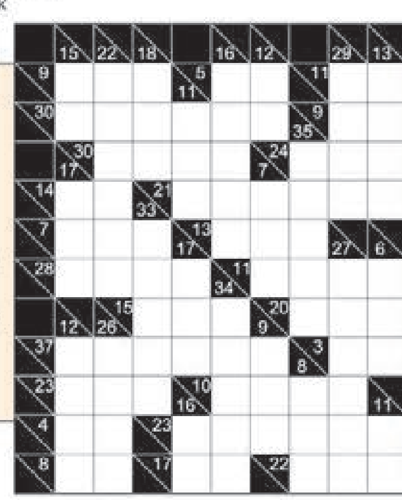
Place the numbers from 1 to 9 in each empty cell so that each row, each column and each 3x3 block contains all the numbers from 1 to 9 to solve this tricky Sudoku puzzle.

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

KAKURO

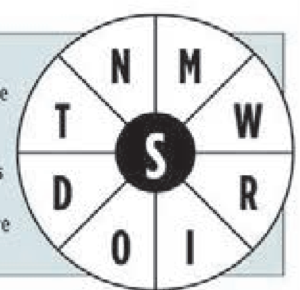
Fill the grid so that each block adds up to the total in the box above or to the left of it.

You can only use the digits 1-9 and you must not use the same digit twice in a block. The same digit may occur more than once in a row or column, but it must be in a separate block.

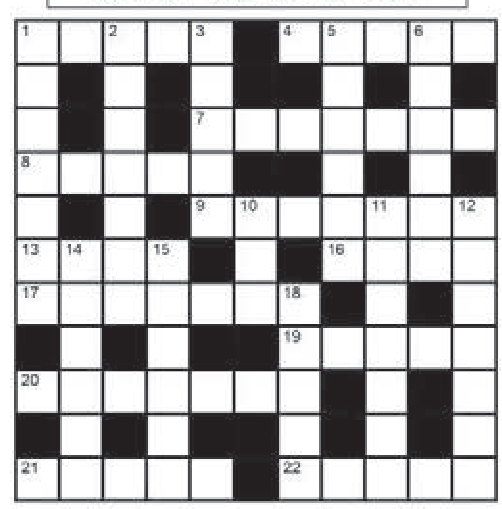


WORDWHEEL

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



QUICK CROSSWORD



ACROSS

1 Birthstone for November (5)
4 Goods carried by a large vehicle (5)
7 England, Scotland and Wales (7)
8 Heavy wooden pole tossed as a test of strength (5)
9 General pardon (7)
13 Animal hunted or caught for food (4)
16 County in the Republic of Ireland (4)
17 By unspecified means (7)
19 From the Orient (5)
20 Painfully desirous of another's advantages (7)
21 Understood (5)
22 Come into (5)

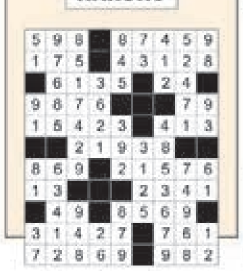
DOWN

1 Skeletal muscle having three origins (7)
2 Difficulty (7)
3 Equine creature with black and white stripes (5)
5 Song of devotion or loyalty (6)
6 Responsible for a reprehensible act (6)
10 Chinese leader (1893-1976) (3)
11 Most noticeable or important (7)
12 Not so old (7)
14 Persuade to take part (4,2)
15 Colour associated with cowardice (6)
18 Use inefficiently (5)

LAST ISSUE'S SOLUTIONS

QUICK CROSSWORD

KAKURO



SUDOKU

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

WORDWHEEL

The nine-letter words were ADMINICLE and MEDICINAL


ALL BLACKS®
TUDOR
#BORN
TODARE
BLACK BAY
DARK

FROM NAIVETY TO MATURITY

Chelsea out-play Ajax to make it six straight wins and provide Lampard with his best night yet. By **Felix Keith**

YOUTHFUL exuberance is a phrase which has generally defined Chelsea's 2019-20 season so far under Frank Lampard. With a former player in charge and a transfer ban in effect the Blues have called back youngsters from loan deals and integrated them into the first team.

That has lead to a lot of excitement and impressive performances but, under a rookie manager, also a fair share of naivety. Last night, away in the Champions League against last year's semi-finalists and one of the most eye-catching sides of recent years, they were anything but naive.

Chelsea put in a solid, mature display in Amsterdam and were rewarded with a well-deserved scalp. Ajax hadn't lost since 8 May. They had won their first two Group H games 3-0. And they were outplayed at home.

SOLID SPINE

Last season Ajax wowed the competition with free-flowing, interchanging intelligent football which was proficient enough to see off both Real Madrid and Juventus. Yesterday they were nullified to the extent that they mustered just two shots on target.

The key to Chelsea's shut-out was their solid spine. Jorginho was partnered by Mateo Kovacic in central midfield and the duo were exceptional. They shielded their defence expertly, shutting down the dangerous roaming of Donny van der Beek which unpicked so many more experienced sides last year. Behind them Kurt Zouma and Fikayo Tomori were imperious, sweeping up loose balls and dominating the aerial battle.

CLOSE ENCOUNTERS

That said there were a few close encounters for Lampard's side. Quincy Promes appeared to have given the hosts the lead 35 minutes in when he turned home Hakim Ziyech's deflected cross, only for VAR to rule it out for a very marginal offside.

Edson Alvarez also came close to an opening goal when his diving header at the near post from a corner flicked the outside of the post on 59 minutes.

Lampard said afterwards that his side "deserved" the luck and looking at the performance as a whole he has a valid point.

CHAMPIONS LEAGUE

AJAX	CHELSEA
0	1
	Batshuayi 86'

SUPER SUBS

As good as Chelsea had been for the opening 65 minutes, they hadn't created a great deal of chances.

Andre Onana kept out a low drive from Mason Mount at the near post, while Callum Hudson-Odoi smashed a loose ball wide, but their solidity didn't bear fruit until the closing stages.

That owed a lot to Chelsea's fitness and persistence in their pressing and boldness, but mainly to their substitutes. Christian Pulisic entered the pitch for Willian on 65 minutes, while Michy Batshuayi joined him five minutes later for Tammy Abraham and they set about clinching the game.

The attacking duo combined on three separate occasions – notably when Batshuayi chested down a deflected shot from the American but skied his finish – before they combined for the winner.

Pulisic's shimmy, run to the byline and cut-back was dummied by Marcos Alonso and Batshuayi thundered it in off the bar to give the team's performance the goal it needed.

LAMPARD'S STOCK RISES

Of course it was Lampard who decided to bring them on, and it was the former midfielder who also chose the personnel and the tactical system which out-smarted Ajax.

Just as Lampard deserved criticism for some of his decision-making early in the season, he warrants praise now. With six successive wins in all competitions now under his belt the blueprint he is trying to create has well and truly taken shape.

"To play and beat them – and we deserved to beat them – is so satisfying," he beamed post-match. "I am so, so proud of the performance."

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Savea and Sam Crane who lost just five of their 105 attacking rucks last weekend.

England must be aggressive but not over-commit, or risk exposing their defence.

One tactic England could adopt is for scrum-half Ben Youngs to man-mark his opposite number Aaron Smith. This is a tactic South Africa No9 Faf de Klerk has enjoyed some success with, applying continual pressure to Smith in their previous encounters.

LINE-OUT OPPORTUNITIES

From set-pieces England have plenty of strengths too and while the New Zealand scrum looks fairly solid, the line-out could be a good opportunity for England to gain territory.

Maro Itoje led the line-out against the Wallabies and blindside flanker Curry has become increasingly used as a jumper. However, Jones might be tempted to recall line-out specialist George Kruis to the team to bolster England's options, after Courtney Lawes was preferred against Australia.

> They're human. They bleed, they drop balls and they miss tackles

Last November the All Blacks turned the tables on England's line-out during the second-half with five steals and England must make sure their strategy is watertight this time around.

Another aspect of last year's match that benefitted England was the bad weather. The torrential rain also played into the hands of the British and Irish Lions in 2017, limiting New Zealand's slick passing, and Jones may hope the weather Gods are looking down on him again in Yokohama.

While the weather, much like the psychological stability of New Zealand, will not be in England's hands, there are bound to be opportunities for Jones's team to take advantage.

"They're human. They bleed, they drop balls, they miss tackles like every other player," Jones said. "We can just go out there and play our game. If we're good enough we'll win; if we're not good enough we've done our best."

Mindset change is needed to make Hundred a success

CRICKET COMMENT

Chris Tremlett

I watched about an hour of The Hundred draft on Sunday evening before I fell asleep. The concept was good, but I found it long-winded and boring. The interviews were generally inane and some of the players looked like they didn't want to be there.

When The Hundred was first announced I was in the camp which said 'why is it needed?' I wasn't convinced a whole new format was the answer. However, it is here to stay and now it's all out in the open, there are encouraging aspects to the tournament.

Watching the draft I was very pleased to see some of the consistent domestic performers of the last few years rewarded with big contracts. The likes of Liam Livingstone, Tom Abell and Dane Vilas were all picked in the higher brackets with teams clearly valuing their leadership qualities. Top county players have been crying out for something like this which allows them to earn more money. Even those on decent county deals will have been able to double their earnings. Only 96 players were picked from a pool of 600, so the bog-standard players were filtered out.

With some big-name overseas stars involved I'm sure the quality of the cricket will be high next summer.

Players from the bigger counties whose grounds will host games seemed to have an advantage in the draft, with Trent Rockets, for example, picking seven Nottinghamshire players. Leicestershire, on the other hand, had no-one selected.

But that is nothing new really. One of the reasons I joined Surrey was because I knew they had more traction and media attention, which would help my England Test ambitions.

On paper I like the look of Southern Brave's squad, with Jofra Archer, Andre Russell, David Warner, as well as James Vince, Liam Dawson and others giving them a strong look.

But as we've seen in the Indian Premier League, and with the likes of Surrey in the T20 Blast, it isn't about who has the best players. You can't just throw 15 strangers together and expect them to click straight away – gelling as a team is vital.

It's also hard to predict because it's a brand new format. Tactical tweaks like 10-ball overs will take a little bit of getting used to, but many players have already featured in T10 leagues so will be used to slogging from the off. I expect the scores to be similar to T20s, with 20 fewer balls per innings cancelled out by the extra intent.

More important than the format is the way it's presented. Many people's perception of cricket is that it's boring and traditional. The Hundred is about attracting new fans so I think it needs to be marketed well by the England and Wales Cricket Board over the next six months.

The London teams won't have any trouble attracting crowds no matter what they do, but its success will be judged elsewhere. I think they need to follow the example of Australia's Big Bash, which took its cues from American baseball in its brash style, bright kits, commentary style, fireworks and entertainment.

We need to change our ingrained mindset in this country. If it takes a bit of glitz and glamour to make The Hundred a success then so be it.

Chris Tremlett is a former England and Surrey fast bowler. @ChrisTremlett33

CHRIS TREMLETT We must change our mindset to make The Hundred a success PAGE 31

SPORT

OX OUTSIDE THE BOX Liverpool midfielder strikes twice from range to down Genk

Alex Oxlade-Chamberlain scored twice as Liverpool eased past Genk 4-1 in the Champions League last night. Oxlade-Chamberlain found the bottom corner from outside the area to put Jurgen Klopp's side ahead after just two minutes and he curled in spectacularly with the outside of his foot to double his tally in the second half. Sadio Mane chipped the goalkeeper from Mohamed Salah's through-ball to make it 3-0 and Salah tucked home a fourth smartly before Stephen Odey swivelled late on to give the Belgian side a consolation. Liverpool's second win in Group E leaves them second, behind Napoli, who beat Red Bull Salzburg 3-2 thanks to two goals from Dries Mertens. Barcelona overcame Slavia Prague 2-1, while Inter Milan beat Borussia Dortmund 2-0. Elsewhere, Michy Batshuayi struck late as Chelsea beat Ajax 1-0. Turn to P31 to read Felix Keith's analysis.

SPORT DIGEST

MITROVIC HAT-TRICK FIRES FULHAM PAST HATTERS

Aleksandar Mitrovic's hat-trick helped Fulham beat Luton 3-2 and move up to seventh place in the Championship last night. The Serbian striker moved onto 11 league goals for the season – three more than any other player in the Championship – with a powerful strike, close-range finish and stooping header. Dan Potts' header had given Luton hope, but Kazenga Lua Lua's 93rd-minute goal came too late for the away side. Elsewhere, Bristol City came from behind to beat Charlton 2-1. Macauley Bonne gave the Addicks the lead but a goal from Famara Diedhiou and a 98th-minute winner from Josh Brownhill turned the game around for City.

TUILAGI: ENGLAND MUST EMBRACE THE PRESSURE

England must embrace the pressure of facing New Zealand in their Rugby World Cup semi-final on Saturday, says Manu Tuilagi. The All Blacks are aiming for their third successive title in Japan and the world No1 side will present England with by far the toughest test of their campaign in Yokohama on Saturday. "This is the place you want to be," said Tuilagi. "You dream of it as a young kid, being involved on the big stage. Now you're here, you have got to embrace it."

ARSENAL CRITICISM IS TO BE EXPECTED, SAYS EMERY

Unai Emery says that criticism of his Arsenal side is "normal" and to be expected ahead of their Europa League match against Vitoria Guimaraes this evening. The Gunners lost 1-0 to Sheffield United on Monday evening, but can make it three successive wins in Group F if they beat their Portuguese opponents. "In my career it's normal to have difficult moments and criticism for our work and my job," said Emery. "The supporters' opinion, we need to accept that."

ALL BLACKS ARE BEATABLE

The areas England can exploit in World Cup semi-final with New Zealand. By **Michael Searles**

IT HAS been a while since England beat the All Blacks – seven years to be precise – but last year's narrow 16-15 defeat at Twickenham was the first time they had played since 2014.

In the 11 months since, both teams have come a long way. On Saturday, ranked as the No1 and No2 sides in the world, they will go head to head in a Rugby World Cup semi-final.

It is a clash which would have made for an ultimate final, but if England are to lift the Webb Ellis Cup they were always going to have to go through New Zealand.

Eddie Jones hailed the All Blacks as "the greatest team that has ever been in sport" this week, but also maintained that they are "beatable".

"They're a great side, we know that. They've got a 90 per cent winning record since the World Cup," Jones said. "But, like any team, there are areas you can get at and our job this week is to find those areas, and be able to execute it."

MENTAL STRENGTH

One area Jones clearly feels they could be vulnerable is mentally. He claimed all the pressure is on New Zealand as they search for a third successive World Cup.

"No-one thinks we can win. New Zealand talk about walking towards pressure – well, this week the pressure is going to be chasing them down the street," he said. "The busiest bloke in Tokyo this week will be Gilbert Enoka, their mental skills coach."

He also accused someone of spying on their training sessions – which he also did when head coach of the Wallabies before their semi-final win over New Zealand in 2003 – and claimed there are 120m Japanese fans "whose second team are the All Blacks."

Whether those mind games have any impact remains to be seen, but on the field there are areas England can take advantage of too.

KICKING

One of England's best strengths is their kick-and-chase game and utilising this on Saturday will be crucial.

At Twickenham 11 months ago Owen Farrell's kick-off led to Chris Ashton's early try and it will be vital England kick accurately throughout the 80 minutes to pin the All Blacks back and maintain territory.

England will have undoubtedly analysed which areas are most likely to reap rewards from kicks. As good as full-back Beauden Barrett is, opportunities could present themselves by virtue of his dovetailing with No10 Richie Mo'unga, while 22-year-old Sevu Reece has been relatively untested under the high-ball so far.

Winger Reece makes up a youthful backline, which also includes Jack Goodhue, Anton Lienert-Brown and George Bridge, all of whom are 24.

England will hold an advantage here in terms of experience and it may raise questions of the All Blacks' ability to cope in a game of this magnitude.

While that may be true, it is also true they possess enormous quality as individuals and collectively, and with that in mind, England will need to disrupt their slick passing game as much as possible.

SLOWING THE BREAKDOWN

Stopping the quick ball from breakdowns was something Ireland failed to do in their quarter-final last weekend, and it was a factor which contributed to their downfall.

This challenge will largely come down to flankers Sam Underhill and Tom Curry, who performed so well last week against Australia. They will come up against the in-form Ardie

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KEY BATTLES

YOUNGS V SMITH: All Blacks' scrum-half Aaron Smith may be 30 but still orchestrates New Zealand's game. Some responsibility will fall to England No9 Ben Youngs to stop him.

BREAKDOWN: Winning turnovers and releasing the ball quickly is more important than ever. New Zealand's imperious flankers Sam Crane and Ardie Savea will face Tom Curry (pictured) and Sam Underhill, who have been labelled the "Kamikaze Kids".

ITOJE V RETALLICK The clash between the best locks in the world will be another one to watch and their battle at the line-out could be vital.