CITY A.M.

BUSINESS WITH PERSONALITY

TWO DAYS TO GO SOUTH AFRICA PLOT SATURDAY SURPRISE FOR JONES **P24**

THE MAGAZINE OUR LATEST ISSUE HITS THE CITY'S STREETS THIS MORNING

THURSDAY 31 OCTOBER 2019 | ISSUE 3,490 CITYAM.COM FREE

TORIES TAP UP CITY FOR WAR CHEST

CATHERINE NEILAN

@CatNeilan

THE CONSERVATIVES are tapping up donors for £30m to counter Labour's twin threat of donations from unions and grassroots activists, *City A.M* understands.

The party has been spooked by Labour's successful 2017 election fundraising effort, which saw record sums of £56m raised.

Tory fundraisers have managed to regain some ground, with Electoral Commission figures showing the party has raised £38m since that summer's election, compared with £33.8m raised by Labour.

However sources spoken to by *City A.M.* suggested the party would have its work cut out to keep up with unions, "now an election has been called and the taps are on".

The UK's largest union Unite has handed Labour more than £1m in the first two quarters of the year, with unions as a whole donating nearly £3.5m, according to the Commission.

Grassroots activist groups such as Momentum similarly pose a huge challenge, with one Conservative figure estimating that every marketing email sent out was worth £500,000 in donations.

Polling stations will open on 12 December for the hotly contested election

One Labour fundraising email yesterday claimed "Britain is run for the selfish interests of the top one per cent" and that "the billionaires will do anything to stop us", along with a call to donate sums as small as £1 to Labour's election effort.

The Tories are now turning to donors who have pledged previously, with one source close to the fundraising effort saying that "there's been good pick up" since the election was confirmed yesterday and "some old donors are coming back". The source noted that support from entrepreneurs was particularly strong.

Another said: "People recognise the outcome is binary — either you'll have Corbyn or Boris, therefore they want it to be Boris."

A further City source said the party's issue could be campaign spending limits, rather than raising the cash. "People have been waiting. They will have as much money as they need," they said.

A veteran fund manager and Tory donor told *City A.M.* they had been impressed with Johnson's start in the role, both in Brussels and in parliament, saying: "I am still very much a Boris-backer, and I am close to being very, very supportive.

"I say three cheers for Boris."

While many MPs readied for the first December election since 1923 yesterday, others chose to bow out. Amber Rudd, Sir Patrick McLoughlin and a host of others have opted not to fight in this coming election.

PARTIES PLOT VICTORY ROUTE: P10

MAX HARVEST Apple predicts a strong sales return at Christmas

EMILY NICOLLE

@emilyjnicolle

APPLE last night painted a picture of bumper Christmas sales, casting off concerns regarding the impact of the US-China trade war on its health.

The iPhone maker forecast revenue for the upcoming quarter at between $85.5bn (£66.3bn) and $89.5bn, signalling a return to annualised growth as it comfortably beat last year's $84.3bn for the same period.

For its fiscal fourth quarter ending 30 September, Apple posted a record in earnings per share of $3.03, surpassing analyst expectations of $2.84 per share. It also reported record revenue of $64bn. Costs were minimised, coming in at $8.7bn.

Chief executive Tim Cook called the results "groundbreaking", with a boom in its wearables and services divisions powering sales thanks to popular products such as its Airpods headphones, Apple Music and iCloud.

iPhone sales fell nine per cent to $33.4bn, but increased their share of Apple's overall revenue to 52 per cent.

US President Donald Trump has threatened to impose a new round of tariffs against Chinese imports in December, which had caused fears for Apple's prospects at Christmas.

FTSE 100 ▲ 7,330.78 +24.52	FTSE 250 ▼ 20,115.10 -53.23	DOW ▲ 27,186.69 +115.27	NASDAQ ▲ 8,303.98 +27.12	£/$ ▲ 1.290 +0.004	£/€ ▼ 1.157 -0.001	€/$ ▲ 1.115 +0.004

CITY A.M.

THE CITY VIEW

Who will take the chair at Threadneedle St?

REMEMBER Sir Paul Tucker? In the six years since he stepped down as Bank of England deputy governor, the City heavyweight has largely kept out of the spotlight, busying himself in academia, serving on boards and even writing a book — Unelected Power — in 2018. But now the central bank veteran could be set for a dramatic return to Threadneedle Street, with chatter that he has won favour with Boris Johnson to replace Mark Carney as governor. Nine candidates are understood to have been interviewed for the top role, but Tucker is one of the more surprising names to have emerged.

His legacy at the Bank of England was ultimately tainted by a scandal over the way Libor was being set during the 2008 crisis, in a saga that ended with him being hauled in front of the Treasury Select Committee. While he was exonerated, Tucker's closeness to the City during the period, including a series of eyebrow-raising emails with Barclays boss Bob Diamond, left something of a smell at a time when the relationship between regulator and regulated was under scrutiny. Hopes for the top job were then dashed when George Osborne chose Mark Carney as governor. The Bank of England lifer, who joined after graduating from Cambridge in 1980, was said to have left in a sulk. Yet some of those who know Tucker well say they are not surprised by the news, first reported by ITV, that he is now being mooted by Johnson. Whitehall sources are playing down the rumours, but Tucker's possible return is being talked about in the Square Mile. One former colleague of his at the Bank says: "I don't know where he is in terms of voting Remain or Leave, but in a Leave situation he will greatly relish freedom in policy making. He really didn't like working under constraints of the EU making all the decisions." The process to replace Carney, however, is extremely fluid. Boris Johnson's team might be hoping to fit in a nomination for the role in the days after the election (presuming they win) and before Christmas, giving them little time to make the decision. But there is every chance Carney could stay on longer, especially now that any hopes he might have had of moving into Canadian politics can be put on hold following Justin Trudeau's slim election victory.

As the turmoil rumbles on in Westminster, the City is left to grapple with yet more uncertainty and the prospect of 2020 heralding a new government, a new governor and a new relationship with the EU — all at the same time.

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UP IN FLAMES Edenbridge prepare an effigy of leading political figures as centrepiece for annual Guy Fawkes firework display

AN 11-METRE effigy of John Bercow, Boris Johnson and Jeremy Corbyn was being given the finishing touches yesterday, ahead of its use at the Edenbridge bonfire society's Guy Fawkes night on Saturday. Previous famous effigies have included footballer Wayne Rooney and US President Donald Trump. Organisers described Bercow, who is resigning from his role, as "infuriating".

Fed lowers rates but flags pause

HARRY ROBERTSON

@henrygrobertson

THE US Federal Reserve took the axe to interest rates for the third time in a row yesterday, just hours after data showed the US economy slowed in the third quarter.

Fed president Jay Powell struck a more cautious tone than at past meetings, however, suggesting the central bank will not chop back rates again in December.

"We see the current stance of monetary policy as likely to remain appropriate," Powell said following the decision, "as long as incoming information about the economy remains broadly consistent with our outlook."

That outlook predicted "moderate economic growth, a strong labour market, and inflation near our symmetric two per cent objective," Powell said.

The Federal Open Market Committee (FOMC) opted for a third 25 basis point (0.25 percentage point) cut in as many meetings, taking the central bank's target interest rate to between 1.50 and 1.75 per cent.

Powell said the FOMC "took this step to help keep the US economy strong in the face of global developments, and to provide some insurance against ongoing risks".

"Business investment and exports remain weak and manufacturing output has declined over the past year," the Fed chair said.

He blamed "sluggish growth abroad and trade developments".

The benchmark S&P 500 stock index closed at a record high of 3,046.77 after rising 0.3 per cent over the day.

The Fed's decision came soon after data showed that US economic growth slowed to 1.9 per cent in the third quarter.

MPs call for an election rethink on rates reform

SEBASTIAN MCCARTHY

@SebMcCarthy

CALLS for the government to rethink its business rates system are being made in the run-up to the general election, with politicians and businesses urging reform amid mounting pressure on Britain's high streets.

An influential group of MPs has today asked the government to examine alternatives to the controversial property tax, which generated more than £30bn for Treasury coffers during 2018/19.

The Treasury Select Committee branded the current business rates system "unfair" and "broken" in a report, echoing calls from business leaders and firms for ministers to find an alternative to the policy.

British Retail Consortium chief Helen Dickinson urged parties to include the report's suggestions as part of their election manifestos.

WHAT THE OTHER PAPERS SAY THIS MORNING

FINANCIAL TIMES

US JUSTICE DEPARTMENT REACHES 1MDB SETTLEMENT

Jho Low, the Malaysian financier at the centre of the 1MDB scandal, has struck a $700m (£542m) settlement with the US Department of Justice that resolves a string of civil forfeiture lawsuits targeting assets including luxury properties and a private jet. The settlement, the largest civil forfeiture ever agreed by the justice department, fully resolves 10 lawsuits brought by the department as it sought to recover cash allegedly stolen from 1MDB, Malaysia's government investment fund.

FORMER UNAOIL CHIEFS PLEAD GUILTY TO BRIBERY

The former heads of Monaco-based oil consultancy Unaoil have pleaded guilty to arranging millions of dollars worth of bribes to officials across Africa and the Middle East, according to US prosecutors.

THE TIMES

M&S ANSWERS DEMAND FOR HALAL MEAT IN READY MEALS

Marks & Spencer is to become the first major British retailer to sell own-brand halal ready-meals in response to the growing demand from Muslim customers. From next week halal versions of six dishes, including chicken arrabbiata, and mushroom tagliatelle, will be on sale in 36 stores from Bath to Wycombe Marsh.

CALIFORNIA FIRE REACHES RONALD REAGAN LIBRARY

Another wildfire broke out north of Los Angeles yesterday and quickly surrounded the Ronald Reagan Presidential Library as hurricane-force winds roared into southern California.

THE DAILY TELEGRAPH

RESCUED UK TECH STARTUP BLIPPAR REPLACES CHIEF

The controversial founder of tech firm Blippar has stepped aside as chief executive, nine months after it collapsed into administration and was rescued by property mogul Nick Candy. Ambarish Mitra, who founded the so-called augmented reality company in 2011 will be replaced by former Skype executive Faisal Galaria.

JEWELLER BOODLES TEAMS WITH AFRICAN GOLD MINE

Luxury jeweller Boodles has joined forces with an African miner to produce ethically mined gold in what it claims to be the first collaboration of its kind using so-called single mine origin gold.

THE WALL STREET JOURNAL

BOLTON CALLED TO TESTIFY IN TRUMP-UKRAINE INQUIRY

US House committees called for John Bolton to testify at their impeachment inquiry, after a series of witnesses have claimed the former national security adviser raised alarms about efforts by Rudy Giuliani and US President Donald Trump's administration officials to push for investigations in Ukraine.

LYFT RAISES GUIDANCE AS IT REPORTS BOOSTED REVENUE

Lyft raised its outlook for the year and built on recent Wall Street momentum yesterday with results that showed a 63 per cent increase in revenue and more earnings per rider using its ride-hailing app.

Facebook profit jumps despite intense scrutiny

HARRY ROBERTSON

@henrygrobertson

FACEBOOK beat third-quarter earnings forecasts last night despite the social media giant facing intense scrutiny from politicians globally, sending shares up as much as five per cent in after-hours trading.

Profit at the Instagram and Whatsapp owner grew 19 per cent to $6.1bn (£4.7bn) in the three months to the end of September, exceeding expectations of $5.5bn and pushing earnings per share up to $2.12.

Politicians in the US and around the world have turned an increasingly bright spotlight on Facebook, due to concerns over privacy and use of the social media website during elections by hackers and policymakers alike.

Earlier in the day yesterday Facebook abandoned its appeal against a £500,000 fine imposed by the UK after the Cambridge Analytica scandal.

However Facebook's third-quarter results demonstrated the company's ability to generate a huge profit even while under heavy scrutiny.

Facebook founder and chief executive Mark Zuckerberg said: "We had a good quarter and our community and business continue to grow."

Crucially, the company's advertising revenue rose 28 per cent to $17.4bn in the third quarter compared to a year earlier.

It met expectations for user growth, reaching 2.8bn monthly users and 2.2bn daily users across Facebook, Messenger, Instagram and Whatsapp.

Nicholas Hyett, equity analyst at Hargreaves Lansdown, said: "What's miraculous about Facebook is that where most companies would be bumping up against the sides of the tank, it continues to grow."

"User numbers continue to swell and advertising revenues are growing even faster." He added that "unless regulators get tough" it does not look as if profit growth will stop.

BOWING OUT More Tory big beasts stand down ahead of the pre-Christmas ballot

THREE more high-profile Tories have confirmed that they will not be standing as candidates in the upcoming General Election amid a slew of MP exits yesterday. Culture secretary Nicky Morgan, former home secretary Amber Rudd and Derbyshire Dales MP Sir Patrick McLoughlin said yesterday they will not fight the 12 December ballot. They join almost 60 MPs who have bowed out of the upcoming plebiscite.

Twitter pulls political adverts off platform ahead of election

JAMES WARRINGTON

@j_a_warrington

TWITTER last night announced that all paid political advertising would be banned from its platform from 22 November, in a move that piled pressure on Facebook to do the same.

Founder Jack Dorsey tweeted: "We believe political message reach should be earned, not bought."

Facebook boss Mark Zuckerberg told reporters that less than 0.5 per cent of its 2020 revenue would come from such ads.

The news came as a poll by YouGov and Grey showed 80 per cent of people strongly supported regulation of political ads on social media sites.

IN BRIEF

UK TO DELAY HUAWEI 5G DECISION UNTIL 2020

The UK government is set to once again delay a decision on whether Chinese telecoms giant Huawei should be part of the construction of the UK's next-generation 5G networks until after the December General Election, according to people familiar with the plans who spoke to Bloomberg. A decision is now unlikely to be made before 2020, which means it could be a Labour government making the decision.

CAR MAKERS SUFFER AS BREXIT WOE CONTINUES

The malaise that has gripped Britain's car makers for the last year deepened in September, as the threat of a no-deal Brexit slammed the brakes on investment and caused production to stall. Car manufacturing, an industry which has felt the effects of Brexit uncertainty more sharply than most, fell 3.8 per cent last month to 122,256 vehicles, according to data published today by the Society of Motor Manufacturers and Traders.

BOEING CHIEF RESISTS CALLS FOR RESIGNATION

Boeing chief executive Dennis Muilenburg was repeatedly hammered by US politicians at a hearing yesterday over his compensation and key mistakes in development of the 737 Max that he newly acknowledged. Muilenburg repeatedly told politicians that he would not resign as chief executive of the world's largest plane maker.

UK charges heave down quarterly profit at Spanish bank Santander

SEBASTIAN MCCARTHY

@SebMcCarthy

SANTANDER's net profit slumped during the third quarter as one-off charges in the UK blighted Europe's biggest lender.

The Spanish bank reported attributable profit of €501m (£432m) in the last three months, diving 75 per cent when compared to the same quarter a year ago.

Brexit uncertainty and regulatory pressures have dented Santander's UK business, which has posted a €1.5bn charge related to goodwill. The bank also set aside more than €100m for the mis-selling of payment protection insurance (PPI).

A solid performance in Latin America helped offset the charges, with net profit in Brazil jumping by almost 25 per cent.

Nathan Bostock, boss of the firm's UK business, said that the "uncertain economic environment looks set to continue for some time".

Statutory profit before tax tumbled 43 per cent year-on-year to £785m, with Bostock citing "competitive income pressure, additional PPI costs as well as transformation programme investment" for the drop.

Excluding charges, profit in the first nine months of 2019 edged up two per cent year on year to €6.18bn.

READ ALL ABOUT IT

Marie Claire owner TI Media sold for £140m

BRITISH private equity firm Epiris will sell Marie Claire UK owner TI Media to Bath-based company Future for £140m, it announced yesterday. Epiris bought TI Media, then called Time Inc UK, from US media group Meredith in February 2018 for an undisclosed fee.

Next beats sales forecasts while investors worry

JOE CURTIS

@joe_r_curtis

NEXT sales beat guidance in the retailer's third quarter with a two per cent rise, it revealed yesterday.

However, retail sales dropped 6.3 per cent in the three months to the end of October, saved by a 9.7 per cent increase in online revenue.

Warm weather knocked sales in September, when they rose just one per cent, before October enjoyed a five per cent jump in sales.

Next said the change was weather-related, adding that November and December will not see such strong sales growth.

"Sales in September were adversely affected by unusually warm weather and we saw a significant improvement in October when temperatures fell," the retailer said.

"We believe the improved sales growth in October recouped some of the lost sales in September and we do not expect sales growth for the rest of the year to be as strong as October."

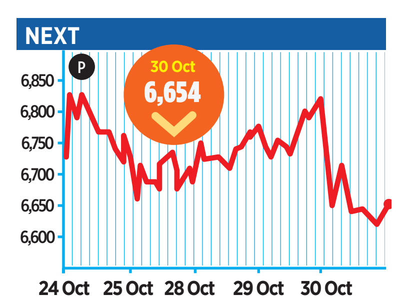
Overall sales rose two per cent over the three months and were up 3.5 per cent in the year to the end of October.

The high street giant, seen as an economic bellwether, stuck to full year guidance given in September that will see it earn £725m in profit before tax, up 0.3 per cent year on year.

Full price sales are expected to rise 3.6 per cent year on year. And earnings per share are set to grow 5.2 per cent compared to last year, according to the guidance.

Investors expected a better sales performance under chief executive Lord Simon Wolfson, but warned that Next's stores are a cause for shareholder concern despite its successful transition to digital.

Next's share price fell almost three per cent to 6,654p yesterday.



Mike Ashley slams competition watchdog over JD Sports probe

JESS CLARK

@jclarkjourno

SPORTS Direct tycoon Mike Ashley has slammed the UK's competition watchdog for its investigation into the merger between rivals JD Sports and Footasylum, saying it has overstated Sports Direct's market share.

The Competition and Markets Authority (CMA) is investigating JD Sports' £90m takeover of Footasylum.

Documents showed the regulator said Sports Direct will be the "only retailer with a comparable share of supply to the merged entity", although it acknowledged that Ashley's company has a "lack of access" to premium products.

However, the sports retailer hit back at the claim yesterday, saying the watchdog's findings "substantially overstate its presence on each of the markets which are the subject of investigation".

Chief executive Mike Ashley said: "I would now welcome the opportunity to provide the CMA with the correct market data."

Deutsche Bank losses hit €832m amid restructure

SEBASTIAN MCCARTHY

@SebMcCarthy

DEUTSCHE Bank posted deepening losses during the last three months as the troubled German lender pressed ahead with a costly turnaround plan.

A double-digit drop in revenues and costs from the firm's major restructuring pushed losses down to €832m (£718m) over the quarter, compared with profit of €229m in the same period last year.

Revenue at the bank hit €5.3bn, slumping 15 per cent and missing Refinitiv estimates of €5.6bn.

Deutsche Bank's share price edged down almost eight per cent on the news yesterday.

The embattled banking giant has now posted its second consecutive quarterly loss after unveiling a huge overhaul of the business in the summer, when the lender revealed its retreat from investment banking after decades of trying to rival its Wall Street peers.

Further signs of trouble in the firm's investment divisions were underlined yesterday when Deutsche Bank posted a 13 per cent year-on-year drop in its key bond-trading division.

Neil Wilson, chief market analyst at Markets.com, said: "Can it get any wurst? Management are comfortable with the figures, largely because they reflect large restructuring costs that they think will not last forever and the core bank posted a pre-tax profit of €352m."

He added: "Restructuring takes time, of course, and may be more expensive than analysts think, but Deutsche has had a decade and several attempts at this already."

Spiralling costs, a swathe of high-profile financial investigations and botched merger plans have contributed towards struggles at Deutsche Bank. In July its chief executive Christian Sewing announced the firm was axing thousands of jobs.

Chief executive Tidjane Thiam said the company had thrived amid challenges

Credit Suisse profit doubles as wealth management arm gains

SEBASTIAN MCCARTHY

@SebMcCarthy

PROFIT at Credit Suisse more than doubled during the last three months following a robust performance in its flagship wealth management arm.

The Swiss lender reported net profits of SFr751m for the third quarter, jumping 108 per cent when compared with the same period in the previous year.

"We have continued, in a challenging environment, to grow our wealth management franchises, increasing our revenues and gathering record net new assets," said Credit Suisse chief executive Tidjane Thiam.

StanChart beats forecasts with $1.2bn quarter

SEBASTIAN MCCARTHY

@SebMcCarthy

STANDARD Chartered shrugged off troubles in its embattled Hong Kong market yesterday after trumping estimates with a double-digit rise in profit.

Adjusted pre-tax profits climbed 16 per cent year-on-year to $1.2bn (£900m) during the last quarter, surging 17 per cent ahead of the City's consensus forecasts.

A sharp rise in business from corporate clients helped the lender to turn a profit despite economic turmoil in its core market of Hong Kong, where civil unrest has been mounting since the summer.

The banking giant's common equity tier one ration — a key measure of its financial health — was 13.5 per cent, slightly missing expectations of 13.7 per cent and falling from 14.5 per cent a year ago.

Despite a swathe of headwinds in the banking industry, from slowing growth to lower interest rates, the company said it was sticking to a return on tangible equity (Rote) of 10 per cent by 2021.

Shares in the Hong Kong-listed firm rose 2.6 per cent yesterday.

Q&A

WHY ARE CAR FIRMS ALL GETTING TOGETHER?

Car makers are racing to develop electric vehicle (EV) technology and bring it to the mass market — in the industry's most extreme period of innovation for decades.

But it doesn't come cheap. About €300bn (£259.3bn) has been invested by car manufacturers into EVs over the last few years. At the same time, global revenues are slowing at an alarming rate. The industry's biggest market, China, suffered a fall in sales in September for the 15th month out of 16.

WHAT ABOUT FIAT AND PSA?

Even worse for Fiat, the Italian giant is widely seen as lagging behind its peers in this department.

The firm has spent comparatively little on EVs, but still has to find a way to meet new EU emissions rules which come into place next year.

Earlier this year, Fiat Chrysler entered a so-called pooling deal with Tesla, in which it agreed to pay hundreds of millions of euros to include the electric car maker's vehicles in its fleet.

Peugeot owner PSA, meanwhile, lacks exposure to the US. Merging with Fiat would give the French firm a bigger footprint across the globe, at a time when its core markets are struggling.

COULD THE MERGER BE BLOCKED?

Fiat's proposed merger with Renault fell apart over the summer because the French government — a major shareholder — effectively blocked it.

That is the same French government that also holds a major stake — 14 per cent — in Peugeot.

"It is hard not to see that this attempt by Fiat might well go the same way," said CMC Markets analyst Michael Hewson.

"Business and government always make uncomfortable bedfellows... It is important not to underestimate the political obstacles to a deal."

Nevertheless, Fiat Chrysler chairman John Elkann will hope Paris is reluctant to block another deal.

As the car industry hurtles towards an uncertain future, the fate of his company could depend on it.

PSA said the Fiat deal will create "one of the world's leading automotive groups"

Fiat Chrysler and Peugeot confirm talks of merger

ALEX DANIEL AND JOE CURTIS

@alexmdaniel @joe_r_curtis

CAR MANUFACTURER Fiat Chrysler yesterday confirmed "ongoing discussions" are taking place with Peugeot and Vauxhall owner PSA over a potential merger.

The tie-up could create a $50bn (£40bn) company if the automotive behemoths pull it off.

Fiat Chrysler abandoned an attempt to merge with French car manufacturer Renault earlier this year.

PSA said the talks could lead to "creating one of the world's leading automotive groups".

The merger discussions come as the car manufacturing sector faces a huge sales slowdown due to a variety of factors such as Brexit uncertainty and global trade wars.

US tariffs have severely dampened Chinese demand for cars.

At the same time the industry is investing large sums of money to introduce electric vehicles.

Fiat Chrysler's share price leapt 9.5 per cent on Wall Street yesterday. But the tie-up would face political and financial hurdles.

PSA chief executive Carlos Tavares is tipped to lead the merged companies if they do combine. Fiat Chrysler chairman John Elkann would keep his position in the new firm.

The merger would bring huge brands including Alfa Romeo, Vauxhall, Peugeot, Citroen, Jeep and Opel together under one roof.

PSA has mooted plans to build its next Vauxhalll Astra model in the UK at Ellesmere Port, but warned that depends on the nature or existence of a Brexit deal. Trade union Unite said the talks, combined with Brexit uncertainty, were "deeply unsettling" for workers at British plants, and that it would arrange talks with Peugeot.

UK consumer confidence plummets


British shoppers' confidence this month fell to the joint-lowest level in six years

HARRY ROBERTSON

@henrygrobertson

BRITS' confidence in the economy fell back to its joint-lowest in six years this month, a survey showed today, as yet more Brexit uncertainty increased consumers' gloom.

The consumer confidence index from market research institute GFK fell to minus 14 in October. This was down from minus 12 in September and was the joint-lowest reading since July 2013.

The survey was carried out between 1 and 14 October, however, meaning those asked did not yet know about Prime Minister Boris Johnson's new Brexit deal, which was struck on 17 October.

Yet uncertainty has since returned, with Johnson's deal shelved ahead of a General Election on 12 December.

The GFK survey showed that in October, Brits grew more pessimistic about their recent financial situation as well as their situation over the next 12 months.

Joe Staton, client strategy director at GFK, said the survey be an "early sign of long-running weak economic confidence spreading to the way we view money matters".

"Brexit's continuing uncertainty and the spectre of a general election is not helpful," he added.

TfL forces Uber to tighten driver identity checks

STEFAN BOSCIA

@Stefan_Boscia

UBER's licensing restrictions have been revealed to include stringent checks on drivers' documentation and insurance, prompting claims the ride-hailing app has in the past harboured unlicensed drivers.

Restrictions were placed on the Silicon valley giant by Transport for London (TfL) in September as part of a two-month licence extension in September.

The ride-hailing company was offered only a short extension by TfL as it wanted to see more information to demonstrate Uber could "ensure passenger safety".

A Freedom of Information request sent by the Licensed Taxi Drivers' Association (LTDA) revealed the set of requirements meant Uber had to send regular reports to TfL on any "potentially fraudulent" licensing documents produced by drivers.

The requirements also force Uber to have systems in place to check drivers have insurance, a private hire vehicle licence and are not using technology to evade regulation.

Steve McNamara, general secretary of the Licensed Taxi Drivers' Association, said the licensing requirements show it is likely Uber has had past problems with unlicensed drivers.

A spokesperson for the ride-hailing giant did not deny that this was the case.

"It is crystal clear that Uber cannot guarantee the basics, that the vehicle is insured and that the driver even has a licence," McNamara said.

An Uber spokesperson said the company had made "significant changes" over the past two years.

"This includes launching new safety features for riders, introducing better protections for licensed drivers and we've improved our corporate governance and compliance," they said.

Daiwa confronts $150m bill after court decision

JAMES BOOTH

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DAIWA Capital Markets Europe faces an $150m (£116m) bill after losing an appeal to the UK Supreme Court yesterday.

The court ruled in favour of Singularis Holdings — now in liquidation — in a claim for negligence against the English subsidiary of the Japanese bank.

The case relates to a payment Daiwa made at the request of the main shareholder in Singularis and whether it had sufficiently carried out its duty to guard against fraud.

It was the first time that courts have found against a bank in respect of the so-called Quincecare duty of care for banker-customer relations.

Jenner & Block partner Christian Tuddenham, acting for liquidators Grant Thornton, said: "The Supreme Court's decision develops the law with regard to the nature and scope of the duty owed by financial institutions to their corporate customers in situations where fraud is suspected."

The Supreme Court unanimously dismissed Daiwa's appeal and upheld an earlier High Court order.

"Denial of the claim would undermine the public interest in requiring banks to play an important part in uncovering financial crime," the court said.

The High Court had upheld an $150m damages claim by Singularis.

Grant Thornton said it expects the total amount to be about $200m, including interest and costs.

Herbert Smith Freehills partner Chris Bushell said the court's judgment "appears to set the bar quite high for an illegality defence to be able to operate in response to a Quincecare claim.

"This may now mean that it'll be more difficult to defend these claims and they could represent an increased litigation risk for banks."


Chief executive Emma Walmsley said the firm had made "further good progress"

Vaccines propel GSK's third-quarter growth

EDWARD THICKNESSE

@edthicknesse

GLAXOSMITHKLINE (GSK) yesterday reported group sales of £9.4bn for the third quarter, with a total operating profit of £2.1m, compared with £1.9m for the same period in 2018.

The drug manufacturer raised its forecast for 2019, saying that it now expected profit to be flat compared to last year, up from a previous estimate of a maximum five per cent fall.

The growth was primarily driven by vaccines and the acquisition of Pfizer's consumer healthcare business to form a new joint venture.

Sales of shingles drug Shingrix, rose 76 per cent to £535m, far ahead of analysts' expectations of £464m, leading vaccines unit sales to rise 15 per cent to £2.31bn.

Chief executive Emma Walmsley said: "GSK has made further good progress. This quarter we have [strengthened] our pipeline and have advanced assets in respiratory, HIV and, notably, oncology, where we are on track to file three innovative medicines by year end, following positive pivotal trial data."

GSK's shares closed up 2.4 per cent on the news yesterday.

De La Rue share price sinks amid profit warning

JOE CURTIS

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DE LA RUE's share price crumbled yesterday after it warned investors that full-year profit would fall "significantly lower" than current market expectations.

Britain's former passport maker also warned that adjusted operating profit for its half-year period to the end of September would only be in the low-to-mid single digits.

Shares sank 20.3 per cent to 149p at the bell yesterday as more investors abandoned the struggling company.

Chief executive Clive Vacher, a turnaround veteran airlifted in at the start of the month, is now undertaking a "detailed review" of the business, the firm said.

De La Rue expects "full-year adjusted operating profit will be significantly lower than market expectations".

"Management, led by the new [chief], is conducting a detailed review of the business," the company said.

The banknote printer had already warned in May that operating profit for the 2020 financial year would be "somewhat lower" than 2019.

It revealed a 78 per cent plunge in profit before tax to £25.5m in its full-year results in May, down from £113.6m a year earlier.

That prompted the resignation of chief Martin Sutherland, who Vacher did not replace until early October.

It also replaced its chairman after months of pressure on its top level leadership after it failed to win a government contract to print Britain's post-Brexit blue passports last year.

De La Rue drafted in Micro Focus' chairman Kevin Loosemore in September to replace former chairman Philip Rogerson, who stepped down.

De La Rue has suffered a spate of profit warnings despite making almost one-third of the world's banknotes, including those for the Bank of England.

WHAT A SAVE Soccerworld closes in on sale of beleaguered football company Goals

SCOTTISH leisure group Soccerworld is edging near a deal to buy embattled five-a-side football chain Goals Soccer Centres, Sky News reported yesterday. The sale would see Goals temporarily enter administration, but would save hundreds of jobs.

Corbyn lashes out against City figures in campaign speech

POPPY WOOD

@poppeyh

LABOUR leader Jeremy Corbyn will today launch his party's election campaign with a stinging attack on "the privileged few," in a marked move away from focus on Brexit.

Corbyn is expected to name Sports Direct tycoon Mike Ashley, the Duke of Westminster, fund manager Crispin Odey and media magnate Rupert Murdoch as representatives of "a corrupt system".

His campaign speech is expected to pit Labour against what he will call "the billionaire media barons" and "greedy bankers who makes million betting against our country and on other people's misery".

Standard Life to introduce paid paternity leave

ANNA MENIN

@annafmenin

INVESTMENT company Standard Life Aberdeen (SLA) is to offer all its employees nine months of fully-paid leave when they become parents, and one year's total leave.

SLA said the leave would be available to all new parents, irrespective of gender, family situation, or how long they have worked for the company.

"Current arrangements — whether statutory or enhanced — can mean new parents have to make difficult decisions about who can afford to take leave and whether one parent's time with the child takes away from the other," said chief HR officer Rose Thomson."We think that needs to change."

Contractually employed staff in the UK are currently entitled up to 52 weeks of maternity leave, 39 of which should be paid — but not fully-paid. New fathers get two weeks of paid paternity leave.

Under the new policy, set to start at the beginning of next year, SLA employees will have the option to take the full year's leave in one go, or in three blocks over two years.

Parties plot winning end to Winter's Tale

Cat Neilan tells us how poll battle lines are emerging

VOTERS should forget any pretence that this election is about anything but Brexit — for most parties, at least. That message came loud and clear from pro-EU group Best for Britain, which yesterday revealed some of the tactics it is planning in the hope of derailing Boris Johnson's much hyped plan to "get Brexit done".

Confirming that he will stand as an independent MP, former Tory Dominic Grieve revealed that the Liberal Democrats would not be standing a candidate against him in the Beaconsfield seat he has held since 1997. No such luck will be on offer from the Tories, however.

Yesterday afternoon, the last Prime Minister's Questions before the election offered a glimpse of what the electorate can expect. Johnson couldn't mention his Brexit deal enough — along with plenty of rhetorical flourishes warning the country of the "toxic torpor", and economic "catastrophe" it would face with a Labour government.

But though Brexit will dominate plenty of headlines, Labour want anything but. His questions yesterday, pressing the PM on the NHS and railing against the privileged few, make it clear that Corbyn wants to fight this ballot on social issues with a radical domestic agenda.

Indeed today he'll launch his campaign calling out the representatives of a "rigged system" — from Sir Jim Ratcliffe to Rupert Murdoch.

Indeed both parties are already in full campaign mode. Labour and Lib Dem will make key campaign launch announcements today, whilst Boris Johnson will make a trio of appearances — at a school, a hospital and a police unit — as he looks to advance the domestic component of what will become his strategy. But even then, Brexit will play a starring role.

Once we enter full-blown election mode the Tory strategy is expected to borrow from the"Rugby League Town" approach put forward by think tank Onward in a report published yesterday — targeting Labour-held seats such as Workington, Warrington and Wigan.

Coincidence or not, health secretary Matt Hancock referenced those last two towns during a broadcast interview yesterday, and the party has made no secret of its desire to get out of London and win new ground in the Midlands and the north; with towns, rather than cities, the key to election success.

However, that leaves some Conservative MPs in the commuter belt looking vulnerable.

It also paves the way for a Liberal Democrat success in parts of the capital such as Kensington — currently held by Labour's Emma Dent Coad with a majority of just 20 — likely to swing to former Tory Sam Gyimah, while Conservative marginals such as Richmond Park and Putney, may struggle.

Unsurprisingly given the involvement of Vote Leave and Momentum campaigners — combined with the harsh reality of the December weather — this election war will be waged online.

Sources and strategists told *City A.M.* this would have the added benefit of targeted messaging, meaning Conservatives can try to appeal to Remainers in London as well as Leavers in other parts of the country. Having been burned so badly in the last two elections, pollsters are nervous about making any forecasts, especially so far out.

At the Best for Britain briefing pollster Lewis Baston revealed that the 2017 campaign saw 35 to 45 per cent of voters change their minds — a level not experienced since the 1920s. With Brexit dominating the headlines and questions over turnout due to the weather, there's no reason to think that will come down — the volatility might well already be out there.

Almost 60 MPs have already announced their decision to resign, rather than fight, the election. One thing is for sure: it's going to be a bumpy, and very noisy, ride between here and 12 December.


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Business administrations tower as Brexit uncertainty hits confidence

JESS CLARK

@jclarkjourno

BUSINESS administrations in England and Wales jumped 20 per cent in the third quarter, rising to the highest level for more than five years as Brexit uncertainty dents consumer confidence and business sentiment.

The number of companies entering administration in the third quarter rose to 484 from 403 in the previous quarter, according to the latest statistics published by the Insolvency Service.

Company insolvencies rose 0.4 per cent on the previous quarter to 4,355 in the three months to the end of September.

Meanwhile, compulsory liquidations decreased for the third consecutive quarter, falling 16.4 per cent compared to the second quarter.

The third quarter included 89 company voluntary arrangements (CVAs) compared with 92 between April and June and 94 the previous year.

In the 12 months to the end of September, the construction industry suffered the highest number of new underlying company insolvencies, which reached 3,106.

Recent corporate failures include package holiday firm Thomas Cook

Audit watchdog urges companies to warn over risk

JAMES BOOTH

@Jamesdbooth1

THE AUDIT watchdog yesterday called for firms to provide more information on strategic risks to help improve public trust in business.

High-profile failures like travel agent Thomas Cook and outsourcer Carillion have led to fingers pointed at companies and their auditors with questions raised over why risks were not set out in the company's accounts.

Paul George, executive director of corporate governance and reporting at the Financial Reporting Council (FRC), said: "Users want to get a better understanding of what types of issues could emerge that might have an adverse effect on a company's sustainability and long-term prospects.

"If a company fails everyone is quickly asking questions around 'why wasn't that apparent from the last set of accounts?'"

In an open letter to audit committee chairs and finance directors, FRC chief executive Sir Jonathan Thompson called for greater transparency.

"In times of uncertainty, whether created by political events, general economic conditions or operational challenges, investors look for greater transparency in corporate reports to inform their decision-making," Thompson wrote.

The FRC also raised concerns about the reporting of cash flow, an area where it saw "basic errors".

Nigel Sleigh-Johnson of the Institute of Chartered Accountants in England and Wales said: "Recent corporate failures have highlighted the need to secure an improvement in both the reporting and assurance of going concern, viability, and internal controls over financial reporting.

"This should be a priority for business, regulators and the profession in the coming months."

Transport for London Public Notice

ROAD TRAFFIC REGULATION ACT 1984

THE A10 GLA ROAD (BISHOPSGATE CITY OF LONDON) (TEMPORARY PROHIBITION OF STOPPING) ORDER 2019

1. Transport for London hereby gives notice that it has made the above named Traffic Order under section 14(1) of the Road Traffic Regulation Act 1984 for the purpose specified in paragraph 2. The effect of the Order is summarised in paragraph 3.
2. The purpose of the Order is to enable water disconnection works to take place on A10 Bishopsgate.
3. The effect of the Order will be to prohibit any vehicle from stop in the loading, unloading and disabled person's vehicles bay outside Nos.154-164 Bishopsgate.

   The Order also permits all vehicles to use the bus lanes on both carriageways of Bishopsgate between its junctions with New Street and Liverpool Street/Devonshire Row.

   The Order will be effective at certain times from 8:00 AM on 1st November 2019 and 5:30 PM on 18th November 2019 or when the works have been completed. The prohibition will apply only during such times and to such extent as shall from time to time be indicated by traffic signs.
4. The prohibitions will not apply in respect of:

   (1) any vehicle being used for the purposes of those works or for fire brigade, ambulance or police purposes;

   (2) anything done with the permission or at the direction of a police constable in uniform or a person authorised by Transport for London.

Dated this 31st day of October 2019

Paul Matthews
Co-ordination and Permitting Area Manager
Transport for London, Palestra, 197 Blackfriars Road, London, SE1 8NJ

MAYOR OF LONDON

Transport for London

Total's quarterly profit dips amid weak oil prices

EDWARD THICKNESSE

@edthicknesse

OIL SUPERMAJOR Total's profit slumped 24 per cent yesterday as it became the latest company to be hit by low oil and gas prices.

The French company's third-quarter results reported a profit of $3bn (£2.3bn), down from $6.2bn in the same three months in 2018. Total's debt-adjusted cash flow fell two per cent to $7.4bn.

However, the company said that record production over the quarter helped keep cash flow steady despite the low prices.

Production rose 8.4 per cent to a record output in the quarter at over 3m barrels of oil equivalent per day compared with the same period last year. Total said it was on track to hit nine per cent output growth this year.

Chief executive Patrick Pouyanne said: "The group continues to achieve solid results despite a third-quarter environment compared to a year ago that was marked by an 18 per cent decrease in the Brent price to $62 per barrel and gas prices that fell by about 55 per cent in Europe and Asia."

Chief financial officer Jean-Pierre Sbraire said the company's $5bn asset sale programme was well advanced.

He told analysts during a conference call that the firm has sold but not yet closed about $1bn in the programme, with sold assets including the Trapil pipeline network in France and some UK operations.

However, he said it was too early to say when a final investment decision on its Uganda oil project would be taken, potentially delaying a decision that was initially expected last year.

Weak oil prices — the result of a worldwide glut — have led to challenging market conditions for many oil suppliers.

Yesterday fellow oil giant BP announced it suffered a $749m loss in the quarter, due to a combination of oil prices and hurricane damage.

Despite its poor profit showing, the company still managed to beat analysts' expectations.

Total's share price fell a mere 0.28 per cent by the end of trading.

Volkswagen delivers strong quarter as it powers ahead of global slump

ALEX DANIEL

@alexmdaniel

VOLKSWAGEN yesterday overtook the gloom engulfing the global car industry, with rising summer profit driven by sport utility vehicle (SUV) sales.

Despite this, the German giant warned that the global car market will "contract faster than previously anticipated in many regions of the world", and that deliveries to customers would be flat.

Volkswagen reported a more than 43 per cent year-on-year rise in pre-tax profit for the third quarter to €5bn (£4.3bn), bringing the total cars it has delivered in the first nine months of the year to 8m.

This came despite slowing sales at its premium brand Audi, while sales at Porsche rose nearly eight per cent as it gears up to launch its all-electric Taycan model.

Meanwhile at its luxury Bentley brand, it sold 7,224 vehicles over the first nine months of the year, up from 6,654 cars at the same point last year.

Sales revenue increased to €1.3bn over the period from €1.1bn. Nine-month adjusted operating profit rose to €14.8bn, up from €13.3bn.

Volkswagen's share price rose 0.74 per cent to €174.58.

AIRBUS STALLS Production delays slow down delivery targets at aerospace giant

DELAYS at its Hamburg plant forced Airbus to revise its delivery numbers for commercial jets yesterday. The company, Europe's largest aeroplane manufacturer, now hopes to produce 860 airliners by the year-end, not the 890 previously targeted.

IN BRIEF

SMURFIT KAPPA'S FINANCIAL UPDATES PACK A PUNCH

Packaging company Smurfit Kappa Group (SKG) yesterday announced 11 per cent growth for 2019 so far, with the Dublin-based company's earnings growing to €1.3bn (£1.1bn). SKG returned revenue of €6.8bn in the nine-month period ended 30 September, three per cent above the same period last year. The FTSE 100 company's sustainable packaging products appear to have captured the European market amid the increasing demand for eco-friendly solutions. Tony Smurfit, group chief executive, said: "While there have been, and continue to be, obvious macro-economic and political challenges, SKG's very strong performance against this backdrop shows, once again, the quality of our business."

WOODFORD'S SUSPENDED FUND SMASHES BENCHMARK

Former star fund manager Neil Woodford's suspended Income Focus Fund has outperformed the FTSE all-share benchmark in the two weeks since it was frozen. In a letter to investors yesterday morning, Link Fund Solutions — which is managing the suspension — revealed that the fund's returns had grown 1.4 per cent, while its benchmark return index increased 1.1 per cent. Link said several investment managers had expressed interest in taking over the running of the £253m Income Focus Fund, the smallest of Woodford's funds. The fund was suspended the day after Woodford's investment empire imploded following Link's decision to wind up his flagship Equity Income Fund, which had been frozen since June.

HKEX boss blasts mainland's rule over Hong Kong

ANNA MENIN

@annafmenin

CHARLES Li, head of the Hong Kong stock exchange (HKEX), has publicly questioned the "one country, two systems" framework governing the territory's relationship with mainland China.

In a speech in London on Tuesday, Li said the model had "fundamental flaws" in how it was implemented from the outset, the Financial Times reported.

Li's comments come shortly after concerns that HKEX's autonomy from Beijing helped scupper its unsolicited £32bn bid for the London Stock Exchange (LSE), which the bourse abandoned earlier this month.

"One country, two systems" is the model under which the financial hub was granted a degree of autonomy after it was returned to Chinese rule in 1997.

Speaking at the London Metal Exchange's annual dinner, Li said mainland China had never trusted the people of Hong Kong to respect the "one country" aspect of the framework.

"That lack of trust is a key reason why China is reluctant to give Hong Kong people… self-determination — two systems," he said.

Hong Kong has been wracked by often violent anti-government protests for months, sparked by a proposed bill that would have allowed suspects to be extradited to mainland China, and was seen by demonstrators as an erosion of the territory's autonomy.

Although the bill was scrapped earlier this month, the protests have evolved into calls for greater freedom from Beijing.

Charles Li was speaking at the London Metal Exchange's annual dinner

In his speech Li said "the only thing" Hong Kongers are denied under the "one country, two systems" framework is "political rights".

He said if Hong Kong's residents want to use political rights "to oppose China's sovereignty" over the city, "that's a dead end", but if Hong Kongers want to use them to solve local issues, Beijing "shouldn't have a problem".

ALL BARK NO BITE

Trump tweets fake picture of himself awarding medal to Isis raid police dog

US PRESIDENT Donald Trump raised eyebrows yesterday as he tweeted a fake picture of himself awarding a medal to a dog that was used by US special operations forces in the raid that killed so-called Islamic State (Isis) leader Abu Bakr al-Baghdadi in Syria. Trump called the dog, which was injured in the raid, an "American hero".

Gatwick trials new boarding methods in bid to cut queues

ALEX DANIEL

@alexmdaniel

LONG queues to board passenger flights could soon be a thing of the past, if new methods being trialled at Gatwick are successful.

Britain's second-biggest airport is working with Easyjet on plans to get people on planes more efficiently.

Screens at boarding gates at the airport will show passengers how to get on board their plane, and will trial several sequences over the two-month test period.

One method will involve boarding people in window seats first, working from the back seats to the front.

Gatwick said the techniques may shave off a tenth of the amount of time it takes to board a plane.

The airport serves over 46m passengers a year, flying them to 74 different countries.

Abhi Chacko, head of enabling technologies and digital innovation at Gatwick, said: "We want to explore whether boarding by seat number will avoid queues in the gate room and when boarding the aircraft.

"Early indications are that this new technique has the potential to reduce the overall boarding time."

Whatsapp sues Israeli hackers for cyber-attack

EDWARD THICKNESSE

@edthicknesse

WHATSAPP is suing Israel's NSO Group, saying that the firm was behind cyber-attacks that infected devices with malware.

The Facebook-owned messaging service yesterday accused the company of sending malicious software to around 1,400 mobile phones for spying purposes.

Journalists, human rights activists, political dissidents, and diplomats were targeted by the hack.

NSO, which makes software for surveillance, disputed the claims.

In a court filing, Whatsapp said NSO "developed their malware in order to access messages and other communications after they were decrypted on target devices".

It said the software firm created various Whatsapp accounts and transmitted the malicious code over Whatsapp's servers in April and May.

Whatsapp is seeking a permanent injunction banning NSO from using its service. This is the first time an encrypted messaging provider has taken legal action of this kind.

Whatsapp's messages are end-to-end encrypted, meaning they should only be legible on the sender or recipient's device. However, the malware would have allowed the attacker to read messages on a third device.

NSO told the BBC it would fight the allegations: "In the strongest possible terms, we dispute today's allegations and [we] will vigorously fight them."

HSBC-backed fintech to re-focus product stream after restructuring

EMILY NICOLLE

@emilyjnicolle

A FINTECH startup backed by HSBC is to open up its software to businesses outside of banking, as part of a restructuring of the business that included a swathe of lay-offs.

Bud, which passes financial data made available through Open Banking legislation to banks in order to help them innovate, will now make its platform open to businesses from all sectors.

Chief executive Ed Maslaveckas told *City A.M.* it hopes to attract retailers, utility providers and insurance companies among others.

The move comes as Bud laid off 20 per cent of its staff last month, as it reorganised its internal structure to skew towards sales and engineering.

"Over the last four years we've been working with some of the largest banks in the world, and [the dismissals] were kind of understanding what teams and skill-sets are required to deliver to those people," said Maslaveckas. "It's a new opportunity for growth, and we'd be remiss if we had those opportunities in front of us and we didn't take advantage of them."

Bud closed a $20m (£15.3m) funding round in February led by investors such as HSBC, Goldman Sachs and former Man Group boss Lord Stanley Fink.

An earlier iteration of today's launch is being wound down to make room for the new portal.

He said: "Originally we had Bud X that was out there, and essentially we realised we needed to change the focus of this [and] have a much more sales-driven approach in running the developer portal."

Pensions minister pushes schemes to be green

ALEX DANIEL

@alexmdaniel

PENSIONS minister Guy Opperman will today ramp up the pressure on pension scheme trustees to hold investment managers to account on climate change.

In a speech to a trustees' autumn conference, Opperman will urge pension schemes to sign up for a new climate change framework drawn up at the request of Bank of England governor Mark Carney.

The framework, written by the Task Force on Climate-related Financial Disclosures (TCFD), pushes for improved information sharing and reporting to savers.

Opperman will say: "Pension schemes need to get ready to implement these TCFD recommendations. I am of the view that TCFD-aligned disclosures be made mandatory.

"The [government] will be delivering guidance on this soon. I want to empower trustees to challenge their investment managers and ultimately deliver real environmental change through the companies they invest in."

New rules at the start of October mean defined-contribution schemes have to set out how they are addressing environmental factors.

Plans for smoke-free generation at risk amid 'moral panic' over vaping

JAMES WARRINGTON

@j_a_warrington

THE HEALTH of an entire generation of young Brits could be under threat if the UK falls victim to a "moral panic" over vaping, a new report has warned.

Free market think tank the Adam Smith Institute (ASI) last night urged the government to take a more liberal approach to e-cigarettes if it wanted to achieve its aim of a smoke-free generation by 2030.

Regulators in the US have launched a crackdown on vaping products amid concerns about the potential health implications.

Vaping has been linked with a recent outbreak of lung illnesses and at least 34 deaths, according to the Centers for Disease Control and Prevention, which has discouraged the sale and use of e-cigarettes.

However, the ASI argued that the US health body's response represented a "moral panic without scientific evidence".

The report stated that the injuries and deaths were likely to have been caused by the use of unregulated black market products containing THC — the psychoactive ingredient in cannabis.

Moreover, the think tank cited a "very strong correlation" between the reduction in UK smokers and the increase in vaping usage in recent years and warned that Britain risked "going backwards" if it did not embrace vaping as a safer alternative to smoking.

US regulators are cracking down on the use of vaping products

Johnson's deal could slap £70bn hit on economy

SEBASTIAN MCCARTHY

@SebMcCarthy

THE UK economy could suffer a £70bn hit from Boris Johnson's Brexit deal, according to a new report from an influential think tank.

New research from the National Institute of Economic and Social Research (Niesr) has claimed that GDP in 10 years would be 3.5 per cent weaker under Johnson's deal than if Britain were to remain in the EU.

The economy is estimated to be 2.5 per cent smaller now than it would otherwise have been as a result of the 2016 Brexit vote, Niesr added.

In one of the first major financial assessment's of Downing Street's agreement with Brussels, Niesr said that it did "not expect economic activity to be boosted by the approval of the government's proposed Brexit deal".

The think tank concluded that customs and regulatory barriers would "hinder goods and services trade with the continent leaving all regions of the United Kingdom worse off than they would be if the UK stayed in the EU".

The Treasury said it plans to deliver a "more ambitious" agreement with the EU than "Niesr is basing its findings on".

A spokesman said: "We are aiming to negotiate a comprehensive free trade agreement with the European Union, which is more ambitious than the standard free trade deal that Niesr has based its findings on."

The report, which said that Johnson's deal would not generate a "deal dividend", comes a day after parliament gave the go-ahead for a General Election on 12 December.

The vote before Christmas could be seen as a proxy for a second referendum, with the PM hoping to land a majority to ratify his deal with the EU early next year.

Niesr said a no-deal Brexit, meanwhile, would have seen the economy shrink by 5.6 per cent. It added that GDP will take an estimated two per cent hit over the next 10 years if the current "chronic uncertainty" over Brexit persisted.

"The economic outlook is clouded by significant economic and political uncertainty and depends critically on the United Kingdom's trading relationships after Brexit," the Niesr report said.

Wework was rescued by Softbank in a $9.5bn deal last week

Wework could be worth 'zero', says influential investor Ackman

ANNA MENIN

@annafmenin

VETERAN investor Bill Ackman said he thinks there is a risk of Softbank having to write off the entirety of its multi-billion-dollar investment in Wework.

"I think Wework has a pretty high probability of being a zero for the equity, as well as for the debt," Ackman told the Robin Hood investor conference in New York on Tuesday, the Financial Times reported.

"As someone who has put good money after bad, I think this looks like putting good money after bad, and Softbank should have walked away," said the hedge fund manager.

Ackman described Wework co-founder Adam Neumann as "an amazing salesman" but warned the company remained "enormously levered".

His warning comes shortly after ratings agency Fitch said Wework had "minimal headroom" to weather operational challenges, even after it accepted Softbank's $9.5bn (£7.4bn) rescue package last week.

Citi political risk guru jumps to legal boutique

JAMES BOOTH

@Jamesdbooth1

INVESTMENT bank Citi's chief global political analyst Tina Fordham is moving to new boutique law firm Avonhurst as a partner and head of global political strategy, the firm announced today.

The hire is an unusual one as law firms have not traditionally advised their clients on political risk.

Speaking to *City A.M.* Fordham said: "It was unusual for Citi to take me on to start political analysis for investors and corporates and I think that firms like Avonhurst, which are law firms for the post-modern era, are the next frontier."

Fordham spent 17 years at Citi and prior to that acted as a senior adviser in the Prime Minister's strategy unit.

Avonhurst was launched in July by former Jones Day finance partner Jonathan Bloom.

Bloom said: "With Brexit and upcoming elections in the UK and US, our client base is seeking guidance in this area more than ever."

Citi analyst Tina Fordham

Severn is about to begin implementing a new business plan

Severn Trent hires Capgemini chair as firm rolls out new business plan

EDWARD THICKNESSE

@edthicknesse

SEVERN TRENT announced yesterday that Christine Hodgson had been appointed as the next chair of the FTSE 100 water company.

Hodgson will succeed Andrew Duff as chair in April 2020, but will the board as a non-executive director from 1 January. Hodgson is currently the chair of Capgemini, one of the world's largest technology and professional services groups.

Since joining the French company in 1997, she has held roles including chief financial officer for Capgemini UK, chief executive of technology services, and global head of corporate social responsibility.

Duff, who leaves the company after nine years in charge, said: "Severn Trent is a great company and one that I have been incredibly proud to work for.

"As we prepare to implement our new business plan, following selection as one of only three companies awarded fast track status by Ofwat, I wish Christine every success as she sets out to lead Severn Trent into its next important phase."

Kevin Beeston, senior independent director, said: "I would like to thank Andy Duff for his outstanding leadership of the company."

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

LONDON REPORT

FTSE sinks on Next share slide as UK gears for election

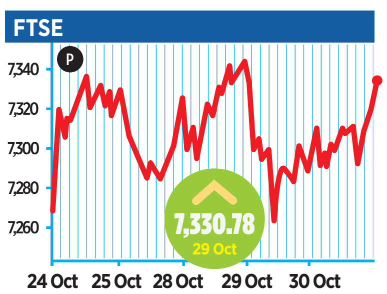
RESULTS-DRIVEN falls in **Next** shares pulled the UK blue-chip index lower yesterday, while markets braced for a wide array of possibilities for the way forward on Brexit after parliament approved a December election.

Next dropped almost three per cent to the bottom of the FTSE 100 after the company said sales in September were hit by unusually warm weather, while small-cap passport maker **De La Rue** plunged nearly 30 per cent to its lowest in two decades after another profit warning.

Standard Chartered added 2.2 per cent after a forecast-beating rise in quarterly profit, even though it flagged headwinds from a likely drop in global growth and lower interest rates.

The FTSE is set to record its third month of losses for 2019 in October, as its exporter stocks have been knocked by a firmer sterling due to no-deal Brexit fears abating.

The FTSE 100 has gained just 15 per cent since the EU referendum — a far cry from the Dow's 50 per cent rise.



BEST OF THE BROKERS

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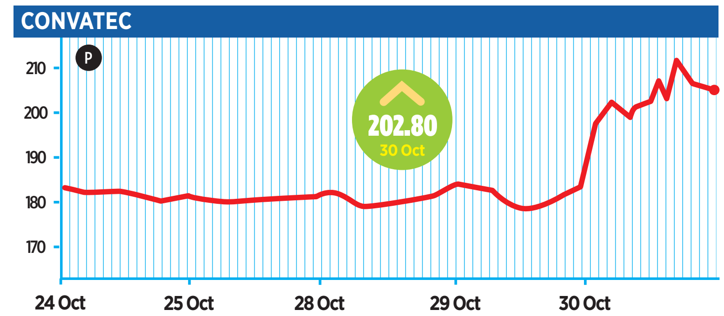
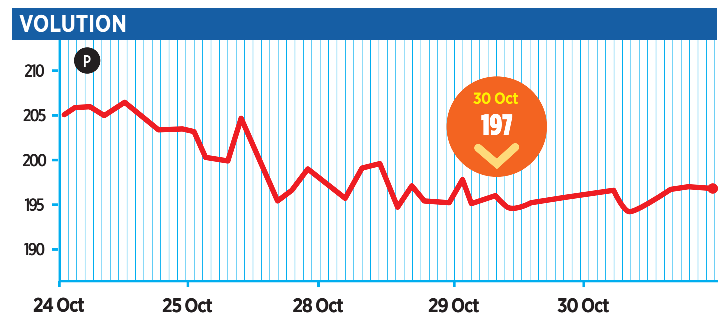


Colostomy bag maker Convatec remains a good bet, broker Peel Hunt says. Its third-quarter results show it beat sales targets and organic growth targets. The broker says it sees the "robust result" as "likely to drive further positive sentiment in the shares" and reiterates its "buy" rating and 280p target price.



Liberum has increased its target price to 250p and reiterated its "buy" rating for ventilation products firm Volution. The broker says it expects the share price to rise as "management tightens its focus on improving margin". It also cites stricter building regulations as a potential boost for the company.

NEW YORK REPORT

S&P hits record on Fed bump

US STOCKS advanced yesterday with the S&P 500 closing at a record for the second time in three sessions, after a policy statement by the US Federal Reserve that cut interest rates by a quarter of a percentage point.

The Fed lowered its policy rate to a target range between 1.5 per cent and 1.75 per cent, but dropped a previous reference in its statement to "act as appropriate" to sustain the economic expansion, which could signal the Fed may hold off on future rate cuts.

The Dow Jones Industrial Average rose 115.54 points, or 0.43 per cent, to 27,186.96, the S&P 500 gained 9.92 points, or 0.33 per cent, to 3,046.81 and the Nasdaq Composite added 27.12 points, or 0.33 per cent, to 8,303.98.

Investors also dealt with the latest round of corporate earnings.

Shares of **General Electric** jumped 11.47 per cent after the industrial conglomerate beat quarterly profit estimates and raised its cash forecast for the year.

Mattel surged nearly 13.78 per cent after the US toy maker reported a surprise jump in quarterly revenue.

CITY MOVES WHO'S SWITCHING JOBS

OXFORD BIODYNAMICS

Biotechnology company Oxford Biodynamics has announced the appointment of Professor Iain McInnes to its scientific advisory board. Iain will apply his expertise and insight as the company's Episwitch technology continues to be adopted by leading pharmaceutical and biotechnology companies. Iain is currently the director of the Institute of Infection, Immunity, and Inflammation. He is also Muirhead professor of medicine and rheumatology at the University of Glasgow. Moreover, Iain serves as the president of the European League against Rheumatism (EULAR). In May this year, he was recipient of the Carol Nachman prize for rheumatology. Last year, he was awarded a CBE for his services to medicine.

HARNESS

Algorithmic data specialist Harness Property Intelligence has announced the appointment of Edwin Groenendaal as chief technology officer (CTO). Edwin brings over 20 years' worth of experience in building technology solutions to the role, which most recently included a five-year stint at property market analyst Hometrack, which is owned by Zoopla. Prior to joining Hometrack, Edwin was the CTO at a leading educational consultancy firm. His key responsibilities at Harness will include oversight of the group's overall technological strategy and development. Edwin's appointment comes at a pivotal time for the company, which has been developing a range of advanced data science capabilities encompassing data extraction, cleansing, fusion and address matching services, to enable organisations to extract insights from data.

RESOLUTION LIFE

Life insurance company Resolution Life has appointed Rachel Lomax as one of its new non-executive directors. Rachel is an economist and the former deputy governor of the Bank of England. She has held a range of responsibilities within the government including permanent secretary of the Department for Work and Pensions, the Department for Transport, and other senior positions within the World Bank, the cabinet and the Treasury. Rachel is currently deputy chair of the British Council and holds non-executive positions on the boards of FTSE 250 outsourcer Serco and Heathrow Airport. Her considerable board experience includes directorships at HSBC, Reinsurance Group of America, Scottish American Investment and the Arcus European Infrastructure Fund. Her appointment comes at a time of rapid growth for Resolution Life since September 2018 following the completion of a reinsurance transaction with Symetra Life Insurance.

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

NEWS

India's Kashmir region set to lose its autonomy in government break-up

DEVJYOT GHOSHAL

INDIA'S government will formally break up Jammu and Kashmir state into two federal territories today, as part of a sweeping move to tighten its grip over the restive region that is at the heart of more than 70 years of hostility with Pakistan.

The Himalayan state comprises the Muslim-majority Kashmir Valley which is the bone of contention, the Hindu-dominated Jammu region and the remote, high altitude Buddhist enclave of Ladakh.

Under the new arrangement, Jammu and Kashmir will be clubbed as one union territory with some 12.2m people and Ladakh, with a population of less than 300,000 spun off into another, both ruled directly by Delhi.

The Kashmir valley region of the state is one of the world's most militarised regions, where militants have waged a decades-long war against Indian rule, killing tens of thousands of people.

It has long been one of the world's most dangerous flashpoints. Nuclear-armed India and Pakistan both claim Kashmir in full but rule in part, and have fought two of their three wars over the region.

In February, the rivals nearly went to war again, after a suicide attack in Indian Kashmir killed 40 paramilitary troopers. India sent warplanes into Pakistan, which then mounted a counter-attack, and an Indian pilot was shot down and captured in the ensuing skirmish.

It comes after Indian Prime Minister Narendra Modi revoked Article 370 — which gives Jammu and Kashmir its own constitution — in June. There has been apprehension, particularly in the Muslim-majority Kashmir Valley, that the scrapping of Article 370 will lead to an influx of outsiders buying land. *Reuters*

Nordic arm of Thomas Cook rescued by buyers

ANNA RINGSTROM

NORWEGIAN property tycoon Petter Stordalen and private equity firms Altor and TDR Capital have agreed to buy the Nordic business of collapsed British travel company Thomas Cook.

The profitable Thomas Cook Northern Europe, also known as the Ving Group, has been looking for a buyer since Thomas Cook's liquidation in September and this week said it had attracted several bids.

The buyers said in a joint statement they had agreed a financial reconstruction package for the business that would provide about 6bn Swedish crowns (£479m) in liquid funds and guarantees.

Stordalen's Strawberry Group and Altor will each take a 40 per cent stake in the new group, and TDR Capital the remaining 20 per cent.

Thomas Cook, the world's oldest travel firm, went bust in September when it failed to service debts, leaving over 100,000 customers stranded abroad. Ving, however, made an operating profit of 1.4bn Swedish crowns last year.

"Ving has always been a solid company," Stordalen said. "The truth is, Ving did everything right. Thomas Cook did everything wrong". *Reuters*

FTSE 100	FTSE 250	FTSE ALL SHARE	DOW JONES	NASDAQ	S&P 500
7330.78	20115.10	4032.80	27186.69	8303.98	3046.77
24.52	53.23	8.76	115.27	27.12	9.88

£/€ 1.1566	0.0009	€/$ 1.1151	0.0047
£/$ 1.2903	0.0040	€/£ 0.8645	0.0006
£/¥ 140.41	0.4020	€/¥ 121.40	0.4514

GILTS

	Price	Chg	High	Low
Tsy 2.000 20	100.95	0.00	102.2	100.9
Tsy 3.750 20	102.64	0.00	105.6	102.6
Tsy 4.750 20	101.41	-0.01	105.4	101.4
Tsy 2.500 20	354.46	0.00	360.9	354.2
Tsy 8.000 21	111.90	-0.01	118.6	111.5
Tsy 1.875 22	114.09	-0.10	118.3	113.9
Tsy 0.500 22	100.13	0.03	100.8	98.2
Tsy 4.000 22	108.27	0.01	110.6	108.2
Tsy 2.250 23	106.85	0.05	108.0	105.3
Tsy 2.500 24	366.53	-0.12	377.9	360.3
Tsy 0.125 24	111.83	-0.16	115.8	110.9
Tsy 5.000 25	124.01	0.16	126.1	122.9
Tsy 4.250 27	129.81	0.13	132.8	124.0
Tsy 1.250 27	133.68	-0.29	141.1	129.2
Tsy 6.000 28	148.20	0.14	152.2	142.1
Tsy 0.125 29	127.14	-0.37	134.7	119.8
Tsy 4.125 30	380.93	-0.37	404.2	361.1
Tsy 4.750 30	143.41	0.15	147.9	133.9
Tsy 1.250 32	154.87	-0.52	167.7	145.5
Tsy 4.250 32	141.21	0.14	146.4	130.3
Tsy 0.125 36	146.11	-0.90	162.5	135.4
Tsy 4.250 36	149.01	0.09	155.7	135.0
Tsy 4.750 38	163.73	0.05	171.8	147.0
Tsy 0.625 40	165.48	-1.13	185.7	153.4
Tsy 4.500 42	167.66	-0.03	176.7	147.2
Tsy 3.500 45	150.21	-0.06	159.0	128.9
Tsy 4.250 46	170.76	-0.07	181.0	146.4
Tsy 4.025 49	177.35	-0.10	188.9	150.5
Tsy 0.500 50	191.74	-1.83	222.9	173.7
Tsy 0.250 52	188.03	-2.06	221.1	168.8

AEROSPACE & DEFENCE

	Price	Chg	High	Low
BAE Systems	575.8	5.6	588.2	443.9
Cobham	158.7	0.1	168.3	96.8
Meggitt	625.8	6.6	643.0	458.0
QinetiQ Group	313.0	2.6	314.4	267.0
Rolls-Royce Holdi	712.4	-3.0	988.4	702.0
Senior	184.0	1.8	278.6	174.0
Ultra Electronics	1943.0	3.0	2252.0	1232.0

BANKS

	Price	Chg	High	Low
Bank of Georgia G	1284.0	3.0	1755.0	1252.0
Barclays	168.4	-3.3	178.9	136.2
Close Brothers Gr	1388.0	-28.0	1605.0	1227.0
CYBG	137.6	0.5	275.8	104.4
HSBC Holdings	588.0	0.0	680.6	580.9
Lloyds Banking Gr	57.6	-0.7	66.6	48.6
Royal Bank of Sco	213.7	-5.5	270.4	177.7
Standard Chartere	712.8	17.8	736.8	532.7
TBC Bank Group	1294.0	2.0	1710.0	1150.0

BEVERAGES

	Price	Chg	High	Low
Barr (A.G.)	555.0	-2.0	975.0	540.0
Britvic	996.5	-3.5	1068.0	782.5
Coca-Cola HBC AG	2347.0	27.0	3074.0	2244.0
Diageo	3178.0	72.5	3625.5	2634.0

CHEMICALS

	Price	Chg	High	Low
Croda Internation	4804.0	-12.0	5375.0	4564.0
Elementis	148.6	-2.7	214.2	129.8
Johnson Matthey	3071.0	-51.0	3454.0	2620.0
Sirius Minerals	3.0	-0.1	24.2	2.9
Synthomer	280.6	-3.8	428.1	279.2
Victrex plc	2186.0	0.0	2720.0	1845.0

CONSTRUCTION & MATERIALS

	Price	Chg	High	Low
Balfour Beatty	225.0	-2.4	295.0	194.2
CRH	2850.0	-23.0	2893.0	1971.5
Galliford Try	739.0	-4.5	900.5	512.0
Ibstock	244.8	-0.4	262.0	193.1

	Price	Chg	High	Low
Marshalls	713.5	6.5	740.0	415.2
Polypipe Group	448.8	1.2	466.0	312.8

ELECTRICITY

	Price	Chg	High	Low
Contour Global	210.5	2.5	218.0	150.1
Drax Group	302.6	4.6	427.2	251.0
SSE	1280.5	9.0	1322.5	1008.0

ELECTRONIC & ELECTRICAL EQ.

	Price	Chg	High	Low
Halma	1882.5	22.5	2094.0	1282.0
Morgan Advanced M	242.0	-1.6	281.2	232.4
Oxford Instrument	1296.0	2.0	1424.0	842.0
Renishaw	3800.0	74.0	4670.0	3232.0
Spectris	2435.0	4.0	2898.0	1992.5

EQUITY INVESTMENT INSTRUM.

	Price	Chg	High	Low
Aberforth Smaller	1306.0	-4.0	1346.0	1114.0
Alliance Trust	791.0	0.0	838.0	672.0
Apax Global Alpha	160.5	1.5	165.5	127.0
AVI Global Trust	746.0	10.0	781.0	660.0
Baillie Gifford J	788.0	-2.0	840.0	663.0
Bankers Inv Trust	933.0	3.0	970.0	766.0
BBGI SICAV S.A. (	162.5	0.0	168.0	149.5
BlackRock Smaller	1476.0	-6.0	1500.0	1160.0
BMO Global Smalle	1360.0	-2.0	1406.0	1220.0
Caledonia Investm	2995.0	10.0	3110.0	2670.0
City of London In	417.5	0.0	431.5	376.0
Edinburgh Inv Tru	602.0	-1.0	654.0	535.0
F&C Investment Tr	708.0	0.0	731.0	616.0
Fidelity China Sp	209.0	-1.5	250.0	182.8
Fidelity European	251.0	2.0	257.5	202.0
Fidelity Special	267.0	0.0	269.0	220.0
Finsbury Growth &	886.0	5.0	958.0	741.0
Foresight Solar F	117.5	-0.5	126.0	107.5
GCP Infrastructur	129.4	-0.4	131.6	122.4
Genesis Emerging	760.0	0.0	783.0	618.0
Greencoat UK Wind	146.6	0.4	148.6	124.4
HarbourVest Globa	1668.0	-24.0	1786.0	1326.0
Herald Investment	1296.0	0.0	1364.0	1055.0
HGCapital Trust	240.5	3.0	240.5	175.0
HICL Infrastructu	173.2	0.8	173.2	149.9
International Pub	159.0	1.2	165.4	146.8
JPMorgan American	463.5	-2.0	494.5	386.5
JPMorgan Emerging	965.0	-4.0	1066.0	759.0
JPMorgan Indian I	754.0	3.0	790.0	587.0
JPMorgan Japanese	444.5	-1.5	457.0	367.0
Jupiter European	775.0	2.0	875.0	666.0
Law Debenture Cor	602.0	8.0	618.0	534.0
Mercantile Invest	225.0	0.0	230.0	168.0
Monks Inv Trust	896.0	-1.0	964.0	710.0
Murray Internatio	1218.0	-2.0	1222.0	1058.0
NB Global Floatin	89.4	0.0	91.8	87.6
NextEnergy Solar	120.5	0.0	124.5	109.5
Pantheon Internat	2255.0	-25.0	2330.0	1955.0
Perpetual Income	319.0	-0.5	341.0	284.5
Pershing Square H	1432.0	-6.0	1570.0	990.0
Personal Assets T	41900.0	0.0	43150.0	38900.0
Polar Capital Tec	1422.0	0.0	1500.0	1066.0
RIT Capital Partn	2135.0	0.0	2170.0	1892.0
Riverstone Energy	445.0	-33.0	1256.0	440.0
Schroder Asia Pac	434.0	-2.0	469.5	379.0
Scottish Inv Trus	820.0	-4.0	843.0	748.0
Scottish Mortgage	503.5	-5.5	568.5	441.4
Sequoia Economic	114.0	-0.2	117.6	108.5
Smithson Investme	1202.0	-6.0	1280.0	1000.2
Syncona Limited N	226.5	1.5	294.0	213.5
Temple Bar Inv Tr	1332.0	-4.0	1366.0	1116.0
Templeton Emergin	760.0	0.0	829.0	656.0
The Renewables In	131.0	-1.0	133.2	109.3
TR Property Inv T	442.0	0.5	450.0	353.5
Vietnam Enterpris	489.0	0.0	509.0	421.5
VinaCapital Vietn	347.0	-1.5	357.5	323.0
Witan Inv Trust	217.5	0.0	225.5	189.6
Worldwide Healthc	2630.0	0.0	2835.0	2325.0

FINANCIAL SERVICES

	Price	Chg	High	Low
3i Group	1133.0	-20.0	1184.5	756.2
3i Infrastructure	287.5	0.0	306.5	241.3
AJ Bell	381.0	1.5	477.0	220.0
Allied Minds	51.7	2.7	84.2	37.3
Amigo Holdings	70.8	-0.4	297.5	67.8
Arrow Global Grou	237.4	4.0	273.0	167.2
ASA International	280.0	-1.0	481.0	275.0
Ashmore Group	476.8	0.2	542.5	341.2
Brewin Dolphin Ho	334.2	-1.0	358.0	287.6
City of London In	432.5	12.5	440.0	360.0
CMC Markets	128.8	2.8	132.0	77.4
Coats Group	73.9	0.1	91.3	69.1
Georgia Capital	980.0	-1.0	1260.0	941.0
Hargreaves Lansdo	1777.0	28.0	2433.0	1633.0
IG Group Holdings	640.6	-0.6	646.6	474.8
IntegraFin Holdin	371.5	-1.5	406.1	269.0
Intermediate Capi	1494.0	9.0	1501.0	899.0
International Per	128.6	-4.6	222.2	87.0
Investec	438.6	-7.8	518.6	395.3
IP Group	56.5	-1.0	122.0	55.5
John Laing Group	367.6	2.4	402.0	298.2
JTC	355.0	1.0	440.0	287.0
Jupiter Fund Mana	346.3	-1.8	432.0	287.6
Liontrust Asset M	804.0	-2.0	816.0	532.0
LMS Capital	59.0	0.0	59.5	44.0
London Finance &	36.5	0.0	41.5	36.5
London Stock Exch	7102.0	56.0	7514.0	3867.0
Man Group	147.1	-0.7	175.2	126.8
OneSavings Bank	364.0	-6.6	447.4	313.6
Paragon Banking G	507.5	-2.5	512.5	379.2
Plus500 Ltd (DI)	828.2	-3.8	1647.0	495.0
Provident Financi	445.1	-0.6	658.6	356.0
Quilter	137.2	-3.7	156.6	110.6
Rathbone Brothers	2130.0	-20.0	2540.0	2085.0
Real Estate Credi	166.5	-0.5	175.5	163.0
Record	41.2	0.2	42.0	27.3
River and Mercant	240.0	-5.0	302.0	212.0
S&U	2080.0	-30.0	2440.0	1767.5
Sanne Group	549.0	-15.0	752.0	450.0
Schroders	3101.0	-12.0	3210.0	2334.0
Standard Life Abe	306.2	0.8	310.4	224.9
TP ICAP	344.3	0.3	348.1	270.0
Walker Crips Grou	26.5	0.0	35.5	24.0
XPS Pensions Grou	113.5	1.0	171.0	95.0

FIXED LINE TELECOMS

	Price	Chg	High	Low
BT Group	202.0	0.8	264.7	158.9
TalkTalk Telecom	110.5	-1.6	132.8	96.6
Telecom Plus	1192.0	30.0	1528.0	1130.0

FOOD & DRUG RETAILERS

	Price	Chg	High	Low
Greggs	1771.0	-8.0	2476.0	1153.0
Morrison (Wm) Sup	200.6	-2.5	255.1	176.9
Ocado Group	1322.5	-36.0	1435.0	749.8
Sainsbury (J)	205.7	-5.1	324.0	177.1
SSP Group	628.0	-14.0	721.0	608.0
Tesco	235.7	-3.1	253.0	189.6
UDG Healthcare Pu	768.0	8.0	821.0	551.0

FOOD PRODUCERS

	Price	Chg	High	Low
Associated Britis	2232.0	8.0	2638.0	2041.0
Bakkavor Group	118.2	-2.8	170.0	93.3
Cranswick	3120.0	-4.0	3408.0	2472.0
Greencore Group	234.2	-1.8	238.6	162.9
Hilton Food Group	1016.0	-24.0	1088.0	884.0
Tate & Lyle	675.8	4.0	800.4	658.4
Unilever	4652.0	56.5	5324.0	3941.0

FORESTRY & PAPER

	Price	Chg	High	Low
Mondi	1588.0	-12.5	1898.0	1510.5

GAS, WATER & MULTIUTILITIES

	Price	Chg	High	Low
Centrica	72.2	0.8	155.6	64.6
National Grid	901.9	7.4	925.8	748.7
Pennon Group	890.6	5.6	924.0	684.2
Severn Trent	2247.0	13.0	2317.0	1770.0
United Utilities	861.0	4.8	891.4	718.4

GENERAL INDUSTRIALS

	Price	Chg	High	Low
Smith (DS)	357.5	-3.9	392.9	292.2
Smiths Group	1623.0	0.5	1692.0	1315.0
Smurfit Kappa Gro	2596.0	54.0	2686.0	1934.0
Vesuvius	401.4	0.6	642.0	341.0

GENERAL RETAILERS

	Price	Chg	High	Low
Auto Trader Group	562.4	-1.2	606.0	402.1
B&M European Valu	366.2	-3.4	426.3	278.6
Card Factory	171.9	-3.3	209.0	151.2
Dixons Carphone	134.6	-1.5	178.6	104.9
Dunelm Group	844.0	-8.0	981.0	482.8
Inchcape	653.0	-25.0	681.0	510.0
JD Sports Fashion	769.6	-2.8	781.0	318.5
Just Eat	740.4	-8.0	812.0	533.8
Kingfisher	205.4	-7.1	266.2	185.9

MAIN CHANGES UK 350

Risers	%	Fallers	%
Convatec Group 202.8	10.8	NMC Health 2183.0	-7.9
Computacenter 1375.0	9.0	Riverstone Energy 445.0	-6.9
Future 1360.0	5.4	Whitbread 4011.0	-4.8
Reckitt Benckiser 6024.0	3.2	Hammerson 290.5	-4.7
Airtel Africa 64.2	2.6	Wood Group (John) 333.7	-3.8
AstraZeneca 7580.0	2.6	Marks & Spencer Gr 180.3	-3.7
Telecom Plus 1192.0	2.6	Inchcape 653.0	-3.7
Standard Chartered 712.8	2.6	Antofagasta 881.8	-3.5
Intertek Group 5328.0	2.5	Kingfisher 205.4	-3.3
GlaxoSmithKline 1782.0	2.4	Essentra 392.0	-3.2

	Price	Chg	High	Low
Marks & Spencer G	180.3	-7.0	299.1	163.9
Next	6654.0	-196.0	6850.0	3991.0
Pets at Home Grou	203.8	-3.6	239.4	110.0
Sports Direct Int	313.6	-4.6	340.3	214.0
Vivo Energy	123.6	-1.4	139.5	96.0
WH Smith	2176.0	-54.0	2288.0	1697.0

HEALTH CARE EQUIPMETN & S.

	Price	Chg	High	Low
Assura	74.8	0.8	75.4	52.4
Convatec Group	202.8	19.8	211.6	118.6
Mediclinic Intern	371.2	-3.3	403.2	293.4
NMC Health	2183.0	-188.0	3678.0	1801.5
Smith & Nephew	1715.0	24.5	1990.0	1264.5

HHOLD GDS & HOME CONSTR.

	Price	Chg	High	Low
Barratt Developme	637.8	-4.8	683.0	434.0
Bellway	3204.0	-1.0	3536.0	2419.0
Berkeley Group Ho	4465.0	9.0	4541.0	3226.0
Bovis Homes Group	1188.0	-11.0	1226.0	828.0
Countryside Prope	359.2	3.0	368.0	276.8
Crest Nicholson H	409.4	-3.6	435.2	309.4
McCarthy & Stone	145.6	-1.2	158.8	123.5
Persimmon	2298.0	-29.0	2471.0	1836.0

	Price	Chg	High	Low
Reckitt Benckiser	6024.0	187.0	6703.0	5593.0
Redrow	612.0	-8.0	674.6	460.8
Taylor Wimpey	166.5	-0.8	192.3	129.3

INDUSTRIAL ENGINEERING

	Price	Chg	High	Low
Bodycote	717.0	0.5	903.0	652.0
Hill & Smith Hold	1320.0	-4.0	1343.0	972.5
IMI	1012.0	-20.5	1069.5	870.0
Melrose Industrie	215.7	-2.3	218.4	146.3
RHI Magnesita N.V	3420.0	-24.0	5000.0	3318.0
Rotork	302.3	-0.5	324.2	235.7
Spirax-Sarco Engi	7965.0	150.0	9400.0	5900.0
Weir Group	1378.5	-16.5	1814.0	1240.0

INDUSTRIAL METALS & MINING

	Price	Chg	High	Low
Evraz	378.8	-8.0	709.4	372.4
Ferrexpo	123.0	-4.0	301.3	121.3

INDUSTRIAL TRANSPORTATION

	Price	Chg	High	Low
BBA Aviation	301.4	-0.2	324.8	207.0
Clarkson	2785.0	-10.0	2900.0	1878.0
Fisher (James) &	1950.0	-44.0	2260.0	1600.0
Royal Mail	210.9	-0.6	367.7	188.4

NON LIFE INSURANCE

	Price	Chg	High	Low
Admiral Group	2032.0	15.0	2300.0	1958.0
Beazley	596.0	2.5	628.0	492.6
Direct Line Insur	276.5	-0.8	366.5	273.2
Hastings Group Ho	184.4	1.4	231.6	174.0
Hiscox Limited (D	1491.0	5.0	1777.0	1418.0
Lancashire Holdin	715.5	8.5	746.0	561.5
RSA Insurance Gro	523.8	0.4	597.0	496.6
Sabre Insurance G	294.5	1.5	306.5	253.5

LIFE INSURANCE

	Price	Chg	High	Low
Aviva	416.4	-7.2	438.8	352.3
Legal & General G	263.0	-5.5	291.2	216.7
Phoenix Group Hol	700.0	-7.5	724.8	544.0
Prudential	1366.5	-13.5	1790.0	1326.0
St James's Place	1034.0	9.0	1143.0	913.6

MEDIA

	Price	Chg	High	Low
4imprint Group	2950.0	-40.0	3130.0	1800.0
Ascential	349.0	-1.0	411.0	337.2
Bloomsbury Publis	246.0	-7.0	262.0	190.5
Centaur Media	31.0	0.0	56.5	30.3
Entertainment One	556.5	0.5	589.0	336.4

	Price	Chg	High	Low
Euromoney Institu	1422.0	-12.0	1498.0	1132.0
Future	1360.0	70.0	1372.0	414.0
Goco Group	97.5	0.2	103.8	64.6
Haynes Publishing	367.0	-2.0	372.0	160.0
Huntsworth	88.0	-2.2	118.0	81.0
Hyve Group	76.0	-1.1	85.3	56.8
Informa	780.2	8.2	892.0	605.8
ITV	132.6	-2.4	158.8	103.6
Moneysupermarket	345.4	1.4	417.7	267.0
Pearson	688.0	8.0	1027.5	674.2
Reach	98.7	1.2	102.0	54.6
Relx plc	1872.5	31.0	2011.0	1518.0
Rightmove	597.0	0.6	602.8	420.9
STV Group	385.0	-8.0	400.0	318.0
WPP	974.2	-14.8	1038.0	800.4

MINING

	Price	Chg	High	Low
Anglo American	1998.0	-50.5	2266.0	1539.0
Antofagasta	881.8	-32.0	1022.5	738.0
BHP Group	1653.0	-24.6	2049.0	1497.2
Centamin (DI)	115.1	1.0	152.4	79.8
Fresnillo	691.8	12.4	1027.5	601.0
Glencore	237.4	-3.5	340.3	222.2
Hochschild Mining	199.1	3.3	227.0	149.9
Kaz Minerals	478.1	-9.7	738.4	380.3
Polymetal Interna	1245.0	16.0	1253.0	700.2
Rio Tinto	4063.0	-92.0	4976.5	3513.5

MOBILE TELECOMS

	Price	Chg	High	Low
Inmarsat	552.0	0.0	608.2	362.8
Vodafone Group	157.5	-0.7	168.9	123.3

OIL & GAS PRODUCERS

	Price	Chg	High	Low
BP	500.6	8.1	582.5	484.9
Cairn Energy	175.1	-5.5	213.8	140.0
Energean Oil & Ga	896.0	-13.0	1082.0	568.0
Premier Oil	83.4	-1.7	108.0	55.6
Royal Dutch Shell	2329.0	-0.5	2612.0	2213.0
Royal Dutch Shell	2322.5	-12.0	2622.0	2226.5
Tullow Oil	209.6	-1.9	250.0	165.2

OIL EQUIPMENT & SERVICES

	Price	Chg	High	Low
Hunting	404.2	-11.8	675.0	399.4
Petrofac Ltd.	394.7	-7.5	595.4	381.5
Wood Group (John)	333.7	-13.1	714.2	327.4

PERSONAL GOODS

	Price	Chg	High	Low
Burberry Group	2052.0	3.0	2345.0	1623.5
PZ Cussons	200.0	0.0	244.0	178.6

PHARMACEUTICALS & BIOTECH

	Price	Chg	High	Low
AstraZeneca	7580.0	193.0	7580.0	5325.0
Dechra Pharmaceut	2638.0	46.0	3036.0	2014.0
Genus	2848.0	8.0	3062.0	2124.0
GlaxoSmithKline	1782.0	42.2	1788.2	1418.0
Hikma Pharmaceuti	2010.0	4.0	2200.0	1510.5
PureTech Health	250.0	-5.0	292.0	160.5

REAL ESTATE INVEST. & SERV.

	Price	Chg	High	Low
BMO Commercial Pr	118.6	0.4	141.8	106.0
Capital & Countie	257.7	-4.2	279.5	184.9
CLS Holdings	256.5	-2.5	266.5	195.4
Daejan Holdings	4855.0	-60.0	6160.0	4715.0
Grainger	260.0	-2.4	267.4	205.8
NewRiver REIT	203.0	-1.5	255.5	147.6
Safestore Holding	707.5	5.0	709.0	506.5
Savills	929.5	-5.5	957.0	678.5
Sirius Real Estat	73.8	-1.2	75.9	55.6
St. Modwen Proper	452.0	-5.0	472.0	370.2
UK Commercial Pro	88.8	1.0	92.7	79.9

REAL ESTATE INVEST. TRUSTS

	Price	Chg	High	Low
Big Yellow Group	1135.0	15.0	1152.0	858.5
British Land Comp	624.2	3.8	638.4	468.3
Derwent London	3564.0	24.0	3638.0	2779.0
Great Portland Es	789.6	2.4	799.6	649.4
Hammerson	290.5	-14.3	446.0	203.9
Land Securities G	942.8	1.4	963.0	735.4
LondonMetric Prop	234.2	1.8	234.2	172.7
Primary Health Pr	141.8	1.0	141.8	108.0
SEGRO	850.8	9.6	850.8	585.2
Shaftesbury	955.0	-11.5	979.5	739.5
Tritax Big Box Re	151.7	1.7	159.7	129.0
Unite Group	1132.0	2.0	1174.0	797.5
Workspace Group	1016.0	-8.0	1042.0	789.5

SOFTWARE & COMPUTER SERV.

	Price	Chg	High	Low
Avast	413.6	-8.0	422.4	259.6
Aveva Group	4182.0	28.0	4192.0	2284.0
Computacenter	1375.0	114.0	1525.0	952.0
FDM Group (Holdin	731.0	-10.0	994.0	647.0
Kainos Group	502.0	2.0	676.0	372.0
Micro Focus Inter	1069.6	-4.6	2491.6	1004.0
Playtech	396.2	0.7	500.6	360.5
Sage Group	719.2	3.0	820.4	536.2
Softcat	936.5	-7.5	1044.0	565.0
Sophos Group	569.0	0.8	577.0	298.2

SUPPORT SERVICES

	Price	Chg	High	Low
Aggreko	792.0	-1.2	858.4	691.8
Ashtead Group	2360.0	22.0	2360.0	1586.5
BCA Marketplace	236.2	0.2	247.0	178.5
Bunzl	1990.5	6.0	2551.0	1943.0
Capita	159.4	-0.6	173.1	99.9
DCC	7250.0	-20.0	7270.0	5555.0
Diploma	1576.0	-8.0	1696.0	1150.0
Electrocomponents	687.2	-0.8	690.6	480.0
Equiniti Group	217.6	-5.0	236.2	186.2
Essentra	392.0	-13.0	442.0	325.4
Experian	2446.0	29.0	2631.0	1763.0
Ferguson	6586.0	74.0	6602.0	4749.0
Finablr	160.0	1.0	180.0	140.0
G4S	207.3	-4.5	234.3	168.3
Grafton Group Uni	782.0	-2.0	937.0	630.0
Hays	157.6	-0.1	165.3	135.7
Homeserve	1151.0	12.0	1263.0	849.0
Howden Joinery Gr	579.4	0.6	582.2	416.4
Intertek Group	5328.0	132.0	5962.0	4494.0
Network Internati	543.0	5.0	628.0	500.0
Pagegroup	451.6	6.0	539.0	367.8
PayPoint	913.0	-9.0	1118.0	748.0
Rentokil Initial	454.5	6.6	467.8	307.1
Robert Walters	520.0	-18.0	475.0	814.0
Serco Group	156.5	1.4	158.2	84.1
SIG	112.2	-3.1	153.0	99.4
Travis Perkins	1434.5	-40.0	1490.0	1004.5

TOBACCO

	Price	Chg	High	Low
British American	2746.5	30.5	3448.0	2375.0
Imperial Brands	1750.6	-8.0	2750.0	1727.4

TRAVEL & LEISURE

	Price	Chg	High	Low
Carnival	3137.0	-88.0	4650.0	3056.0
Cineworld Group	224.1	-0.9	321.0	212.0
Compass Group	2047.0	21.0	2138.0	1515.0
Domino's Pizza Gr	290.4	2.6	297.2	221.2
EI Group	281.8	-0.6	285.0	164.2
FirstGroup	130.7	0.5	137.5	79.3
Flutter Entertain	7770.0	102.0	8164.0	5525.0
Go-Ahead Group	2118.0	-12.0	2234.0	1480.0
Greene King	849.2	0.2	850.0	482.6
GVC Holdings	874.6	0.4	950.5	507.5
InterContinental	4638.0	7.0	5738.0	4001.6
International Con	519.8	-3.8	667.6	413.5
Marston's	123.1	-1.0	131.3	90.6
Merlin Entertainm	454.6	-0.2	454.9	307.1
Millennium & Copt	687.0	0.0	690.0	436.0
Mitchells & Butle	421.0	-9.0	432.0	238.0
National Express	446.2	-1.8	462.0	361.4
PPHE Hotel Group	1840.0	-50.0	1990.0	1525.0
Rank Group	246.5	4.5	247.5	135.0
Restaurant Group	134.9	1.7	189.3	111.9
Stagecoach Group	139.3	-0.7	177.0	115.5
TUI AG Reg Shs (D	1001.5	-18.5	1334.5	698.0
Wetherspoon (J.D.	1469.0	-1.0	1624.0	1066.0
Whitbread	4011.0	-204.0	5114.0	3988.0
William Hill	195.2	-4.1	221.1	132.3
Wizz Air Holdings	3807.0	36.0	3902.0	2571.0

AIM 50

	Price	Chg	High	Low
Abcam	1169.0	25.0	1500.0	1017.0
Advanced Medical	240.0	0.5	354.5	225.0
Alliance Pharma	73.1	0.7	80.4	60.0
ASOS	3512.0	-54.0	5700.0	2107.0
Blue Prism Group	833.0	13.0	2002.0	788.0
Brooks Macdonald	1880.0	-17.5	2100.0	1367.5
Camellia	9250.0	-200.0	11750.0	9050.0
CareTech Holding	398.5	6.0	406.0	325.0
Central Asia Meta	213.0	1.5	266.5	180.0
Ceres Power Holdi	210.0	2.0	220.0	130.0
Clinigen Group	825.0	15.0	1069.0	721.0
CVS Group	946.0	-8.5	1029.0	395.0
Dart Group	1259.0	9.0	1260.0	709.5
Diversified Gas &	110.0	2.5	134.0	97.0
Draper Esprit	445.0	-1.0	610.0	410.0
Eland Oil & Gas	164.6	0.0	165.0	101.0
EMIS Group	1080.0	-6.0	1242.0	864.0
Fevertree Drinks	1900.0	-81.0	3199.0	1852.5
First Derivatives	2255.0	5.0	3555.0	2050.0
Frontier Developm	1092.0	2.0	1160.0	740.0
Gamma Communicati	1195.0	75.0	1205.0	688.0
GB Group	613.0	-1.0	631.0	410.5
Gooch & Housego	1100.0	-5.0	1755.0	954.0
Hurricane Energy	44.0	0.8	60.8	38.7
Impax Asset Manag	257.0	-1.5	295.0	184.0
Iomart Group	373.0	1.5	425.0	308.0
IQE	73.8	2.7	98.0	47.6
James Halstead	511.0	-3.0	532.0	367.0
Johnson Service G	173.4	0.0	183.2	113.6
Keywords Studios	1105.0	-28.0	1838.0	900.0
Learning Technolo	107.6	1.0	130.0	62.2
M. P. Evans Group	655.0	-1.0	722.0	612.0
Midwich Group	508.0	-1.0	633.0	474.5
Mortgage Advice B	590.0	-4.0	620.0	490.0
Next Fifteen Comm	492.5	7.5	658.0	471.0
Nichols	1537.5	-32.5	1880.0	1320.0
Numis Corporation	240.5	-4.5	301.0	212.0
Pan African Resou	11.6	-0.2	14.5	8.0
Polar Capital Hol	492.0	-14.0	604.0	448.0
Purplebricks Grou	113.4	0.4	198.5	90.0
Redde	111.8	0.0	187.0	90.0
Renew Holdings	385.0	2.0	436.5	333.0
RWS Holdings	609.0	15.0	652.0	450.0
Scapa Group	228.5	-2.5	445.0	157.0
Secure Income Rei	433.0	-1.0	454.0	371.0
Serica Energy	138.6	-0.4	143.4	103.6
Smart Metering Sy	479.2	19.2	665.0	310.0
Thorpe (F.W.)	271.0	0.0	340.0	248.0
Watkin Jones	240.0	0.0	241.5	192.2
Young & Co's Brew	1587.5	-2.5	1885.0	1322.5
Young & Co's Brew	1140.0	-10.0	1195.0	1030.0

EU SHARES

	Price	Chg	High	Low
AB INBEV	72.53	0.34	92.71	56.32
ADIDAS N	277.40	1.85	297.95	178.30
AIR LIQUIDE	117.20	-0.10	119.70	92.59
AIRBUS BR	129.98	4.22	133.86	77.50
ALLIANZ	220.45	-0.55	223.60	170.50
AMADEUS IT GRP BR-A	66.02	-0.52	74.94	58.06
ASML HLDG	237.50	-2.05	243.85	130.12
AXA	23.83	-0.32	24.39	18.40
BANCO SANTANDER	3.71	-0.16	4.68	3.39
BASF N	68.73	-1.09	74.62	55.72
BAYER N	67.20	1.23	73.06	52.00
BBVA	4.73	-0.12	5.68	4.19
BMW	69.14	-0.79	79.00	58.10
BNP PARIBAS A	46.93	-1.07	49.32	38.14
CRH PLC	33.02	-0.37	34.87	26.53
DAIMLER N	53.04	-0.35	59.90	40.35
DANONE	74.82	0.46	82.38	59.72
DEUTSCHE BOERSE N	140.55	0.35	145.55	102.50
DEUTSCHE POST N	31.87	-0.09	32.32	23.43
DEUTSCHE TELEKOM N	15.70	0.03	16.26	13.98
ENEL N	6.90	0.03	6.91	4.32
ENGIE	14.83	0.03	15.24	11.41
ENI N	13.70	-0.13	16.06	12.92
ESSILORLUXOTT	135.05	1.40	137.30	95.50
FRESENIUS	46.74	0.74	58.68	38.50
IBERDROLA	9.13	-0.02	9.58	5.95
INDITEX	28.50	0.01	29.00	21.85
ING GROUP	10.14	-0.19	12.14	8.20
INTESA SANPAOLO N	2.25	-0.02	2.36	1.80
KERING	510.90	0.40	539.80	368.20
KON AH DEL BR	22.50	-0.05	24.01	19.36
L'OREAL	263.10	18.50	265.10	184.05
LINDE	177.70	-2.85	184.80	130.75
LVMH	384.45	4.20	392.65	242.30
MUENCHENER RUECKV N	250.90	0.20	252.00	184.70
NOKIA	3.24	0.01	5.76	3.17
ORANGE	14.33	0.16	15.25	13.08
ROY.PHILIPS	38.82	0.33	44.60	29.05
SAFRAN	142.80	0.40	145.40	99.98
SANOFI	84.98	0.81	85.90	71.74
SAP I	119.62	0.66	125.00	84.02
SCHNEIDER EL	83.92	-1.08	85.46	57.54
SIEMENS N	104.46	-1.18	108.62	84.72
SOCIETE GENERALE	25.68	-0.65	31.47	20.81
TELEFONICA	6.87	-0.05	8.06	5.86
TOTAL	47.67	-0.01	52.02	42.65
UNILEVER	52.95	0.46	57.77	45.60
VINCI	99.78	-0.62	101.70	69.98
VIVENDI	25.00	-0.04	26.69	20.80
VOLKSWAGEN VZ I	174.50	0.70	177.84	134.30

CRYPTO A.M. DAILY POWERED BY BEQUANT

CRYPTOCURRENCIES

Name	Price (USDT)	↑/↓(24h)
Bitcoin (BTC)	$ 9,094.56	-2.74%
Ethereum (ETH)	$ 181.94	-2.18%
Ripple (XRP)	$ 0.29	-3.16%
Bitcoin Cash (BCH)	$ 289.16	1.21%
Litecoin (LTC)	$ 57.92	-2.49%
EOS.IO (EOS)	$ 3.25	-3.35%
Bitcoin SV (BSV)	$ 133.43	-4.25%
TRON (TRON)	$ 0.02	-7.05%
NEO (NEO)	$ 10.53	-1.68%
Cardano (ADA)	$ 0.04	-3.61%
CryptoCompare Large Cap Index		-1.83%
CryptoCompare Small Cap Index		-1.53%

Market	$243,325,771,081	
Bitcoin Volatility	2.85%	
Bitcoin Volume on BEQUANT Exchange (USDT)	460,890,318	

Sources: Bequant.io, CryptoCompare.com
Prices and data are correct as of 15:30, 30.10.2019
Crypto AM features in City AM every Tuesday.
Previous Editions:www.cityam.com/crypto-insider
Read more at: https://bequant.pro/cityam

CRYPTO & COFFEE

The already fragile sentiment headed south and the FOMO effect post China's comments on blockchain has all but disappeared. World-renowned Yale professor Robert J. Shiller wrote once - "Irrational exuberance is the psychological basis of a speculative bubble. I define a speculative bubble as a situation in which news of price increases spurs investor enthusiasm, which spreads by psychological contagion from person to person, in the process amplifying stories that might justify the price increases..." This narrative is particularly relevant in the world of digital asset trading and it appears that China FOMO is yet another example of this.

The other recent events include flash crash of the Bitcoin network hashrate from 98 to 67 exahashes per second that occurred in September and somewhat anticlimactic launch of Bakkt's physically settled Bittcoin futures trading. Nonetheless, this does not mean that the asset class is headed for failure, instead these aforementioned market inefficiencies continue to present an opportunity for market participants to generate alpha, be that through relative value, arbitrage and many other strategies.

Looking at the market, despite the contango widening, the spot market looks soft and there is a risk of another break to the downside.

US SHARES

	Price	Chg	High	Low
3M	168.37	-0.44	219.75	150.58
ABBOTT LABORATOR	84.01	0.56	88.76	65.44
ADOBE	278.41	6.96	313.11	204.95
ALPHAB RG-C-NV	1261.29	-1.33	1299.31	970.11
ALPHABET-A	1260.70	0.04	1299.24	977.66
AMAZON.COM	1779.99	17.28	2035.80	1307.00
AMERICAN EXPRESS	118.07	0.65	129.34	89.05
AMGEN	210.88	1.89	211.90	166.30
APPLE	243.26	-0.03	249.75	142.00
AT&T	38.20	0.14	38.87	26.80
BANK OF AMERICA	31.62	-0.45	32.23	22.66
BERKSHIRE HATH RG-B	213.25	0.24	223.59	186.10
BOEING CO	346.06	-2.87	446.01	292.47
CATERPILLAR	140.34	-0.99	144.77	111.75
CHEVRON	116.36	-1.77	127.34	100.22
CISCO SYSTEMS	47.56	0.32	58.26	40.25
CITIGROUP	72.97	-0.12	74.28	48.42
COCA-COLA CO	53.94	0.53	55.92	44.42
COMCAST-A	44.69	-0.66	47.27	32.61
COSTCO WHSL	299.84	3.98	307.34	189.51
DOW	51.03	-0.46	0.00	0.00
EXXON MOBIL	67.72	-0.72	83.75	64.65
FACEBOOK-A	188.25	-1.06	208.66	123.02
GOLDMAN SACHS GR	215.81	-1.83	234.06	151.70
HOME DEPOT	236.24	2.10	238.99	158.09
IBM	135.25	1.43	152.95	105.94
INTEL	56.60	0.26	59.59	42.86
JOHNSON&JOHNSON	132.84	3.72	148.99	121.00
JPMORGAN CHASE	125.73	-0.70	127.42	91.11
MASTERCARD RG-A	277.15	2.86	293.69	171.89
MCDONALD'S	196.89	4.27	221.93	169.04
MEDTRONIC	108.55	1.00	112.05	81.66
MERCK	86.22	1.12	87.35	70.12
MICROSOFT	144.61	1.78	145.67	93.96
NETFLIX	291.45	10.24	385.99	231.23
NIKE -B-	90.19	0.91	96.87	66.53
ORACLE	54.85	0.05	60.50	42.40
PEPSICO	136.90	0.82	140.45	105.03
PFIZER	38.48	0.27	46.47	33.97
PROCTER&GAMBLE	124.94	1.34	125.77	86.74
SALESFORCE.COM	158.28	3.19	167.56	113.60
TRAVELERS COS	129.78	0.85	155.09	111.08
TWITTER	29.86	0.01	45.86	26.26
UNITEDHEALTH GRO	254.80	2.51	287.94	208.07
UTD TECHS	143.84	1.84	144.63	100.48
VERIZON COMM	60.82	0.63	61.58	52.28
VISA RG-A	179.25	1.62	187.05	121.60
WALGREENS BOOTS	55.86	-0.41	86.31	49.03
WALMART	118.10	0.95	120.71	85.78
WALT DISNEY	129.60	0.12	147.15	100.35
WELLS FARGO	52.03	-0.14	55.04	43.02

COMMODITIES

Gold	1486.75	-5.65
Silver	17.66	-0.40
Brent Crude	61.57	-0.45
Krugerrand	1516.70	-12.85
Palladium	1800.00	17.00
Platinum	916.00	-12.00
Tin Cash Official	16875.00	-150.00
Lead Cash Official	2232.00	33.00
Zinc Cash Official	2518.00	69.00
Copper Cash Official	5879.00	-9.50
Aluminium Cash Official	1726.00	11.00
Nickel Cash Official	16675.00	5.00
Aluminium Alloy Cash Official	1240.00	110.00
Cocoa Futures	2468.00	-18.00
Coffee 'C' Futures	99.33	0.38
Feed Wheat Futures	147.50	8.00
Soybeans Futures Continuation Contract	918.25	4.10

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	-0.569	0.00
LIBOR Euro - 12 months	-0.299	0.00
LIBOR USD - overnight	1.801	0.00
LIBOR USD - 12 months	1.988	-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	2.26	-0.07
Euro Euribor	-0.482	-0.02
The vix index	12.33	-0.87
The baltic dry index	1802.00	-1.00
Markit iBoxx EUR	246.65	-0.03
Markit iBoxx GBP	354.11	1.35
Markit iBoxx USD	260.77	0.21

WORLD INDICES

	Price	Chg	%chg
FTSE 100	7330.78	24.52	0.34
FTSE 250	20115.10	-53.23	-0.26
FTSE All-Share	4032.80	8.76	0.22
FTSE AIM All-Share	889.80	-0.51	-0.06
S&P 500	3046.77	9.88	0.33
Dow Jones I.A.	27186.69	115.27	0.43
Nasdaq Composite	8303.98	27.12	0.33
Xetra DAX	12910.23	-29.39	-0.23
CAC 40	5765.87	25.73	0.45
Swiss Market Index	10254.95	-2.74	-0.03
ISEQ Overall Index	6594.18	24.83	0.38
FTSEurofirst 300	1564.32	2.45	0.16
Hang Seng	26667.71	-119.05	-0.44
Shanghai Composite	2939.32	-14.86	-0.50
STI Index	3206.16	10.38	0.32
ASX All Ordinaries	6794.70	-53.80	-0.79

FORUM

EDITED BY RACHEL CUNLIFFE

Boris the conjurer faces his most crucial magic trick yet

Alan Mendoza

DYNAMO and Derren Brown had better watch out, for there is a new challenger looking to break through and compete for the title of Britain's finest practitioner of magical arts: Boris Johnson.

For his first act, our putative contender conjured up a Brexit deal with the EU that had previously been described as impossible to perform by all manner of experts.

Showing a mastery of different disciplines, Boris shifted gears this week into the area of mind control. Having had a few false starts with unusually strong-willed members of the political coterie, he finally lulled his opponents into acquiescence of his desire for a General Election.

As they emerged from Tuesday's momentous vote blinking into the light of the assembled TV cameras, opposition party leaders will be entitled to wonder exactly what they have signed up for.

For all their outward bravado, this election is taking place on the Prime Minister's terms – even if they will have the opportunity to try and overturn those – and they will be fearful that the first December election in nearly a century may deliver the verdict of the electorate on their parliamentary obstructionism of Brexit to date.

As with all of the best stage performers, Boris benefited from the distraction tactics employed by those around him which obscured where he was ultimately heading.

The Liberal Democrats and SNP stepped up to offer him a crucial lifeline, just as the Fixed-term Parliaments Act looked impossible to circumvent. These two strange bedfellows offered an earlier election date in December – which they felt would benefit them – and suggested they would vote with the government if it used a different parliamentary procedure to secure a simple majority.

Seizing his chance, Boris switched mechanisms and dared his opponents to vote him down even though he would not compromise on dates.

Having done his best Grand Old Duke of York impersonation for several weeks now in relation to promising support for an election, but only under specific terms, Jeremy Corbyn realised that the Lib Dem-SNP alliance had undercut his stance, and that he now had to march his troops to a definitive position or risk looking frit.

But Boris had help from a further source. For the second father of this election was the deputy speaker, Sir Lindsey Hoyle.

In a quirk of parliamentary procedure, it was Sir Lindsey who was in the chair – not the performing artist formerly known as John Bercow – when the moment came to select which amendments to the election bill would be called. His clerks advised him to reject Labour amendments seeking votes for 16-year-olds and EU nationals, and he agreed.

A deflated Labour split both ways on the final vote. But it was too late, for the election trap had been sprung, with Corbyn falling into it.

That both the Liberal Democrats and SNP mostly abstained on the final election vote despite having been the handmaidens of its germination, and that Labour ended up supporting it formally in spite of its initial desire to avoid doing so, shows the extent of the skewering they had received.

There will not be a voter in the country who isn't dreaming of a post-Brexit resolution Britain

But what now awaits will surely be the greatest feat of all: winning the election. It may well yet prove that Boris will rue getting what he wished for, as Theresa May did before him.

He does, however, start with some important advantages because of the three grounds on which this election will likely be fought.

The first is the question of leadership, where his effervescence and ability to bring people together will be contrasted to the divisiveness and past extremist associations of Corbyn, who is no longer seen as the kindly grandfather of 2017 who can brush aside questions of anti-semitism within his party.

Second, Boris has a clear Brexit message – his confirmed deal with the EU – to sell. With the smaller Remain parties having a similarly firm stance the other way, Labour is caught in the middle and will have to decide which set of supporters to alienate.

Finally, Boris is unlikely to replicate the Conservative manifesto mistakes of 2017. The Tories will be fighting this election by waving the wand of a conventional feel-good platform, not one of austerity, and will set this against an agenda that Labour is promising will be their most radical ever.

While none of this means that Boris is pre-destined to win on December 12, it means that the odds are certainly against his losing.

That this is the case at all given the hand he was dealt upon taking over the premiership owes something to the shill of his principal adviser, Dominic Cummings.

Cummings is regarded as the Antichrist by parts of the Westminster firmament. But the reality is that he voluntarily pays a reputational price for being disinterested in conventional popularity while single-mindedly pursuing his goals. An election victory will be the vindication of his Odyssean project of integrative thinking.

Whatever the outcome, there will surely not be a voter in the country who isn't dreaming of a post-Brexit resolution Britain. The UK needs deliverance. At last, it will have the opportunity to determine its destiny.

Alan Mendoza is executive director of the Henry Jackson Society.

Tax cuts could do for our economy today what the Reformation did 502 years ago

Ben Ramanauskas

ON THIS day in 1517, German monk Martin Luther nailed his 95 Theses to the door of All Saints' church in Wittenberg. In so doing, Luther set in motion a series of events which would have a dramatic impact on the political landscape of Europe, transform the economy, and alter the lives of ordinary people across the world.

Luther's Theses contained a list of examples where he believed that the teaching and practices of the Catholic Church were contrary to the Bible. He argued that the Bible taught that forgiveness of sins and eternal life were obtained not by performing good works or at the say-so of a priest, but through faith in Jesus Christ.

The central tenet of the Reformation – that a person is justified by faith – produced an economic shift in sixteenth-century Europe.

For example, a 2017 study found that the Reformation led to a drop in the number of people training to be priests and a move towards degrees in law and the arts.

This makes perfect sense. If you believe that your soul will spend eternity in Hell if you don't behave, it is wise to lock yourself away and devote yourself to prayer and good works. But if justification is a gift obtained through faith, you are freed up to do something more productive with your time.

This paradigm shift also impacted what ordinary people spent their money on. In Luther's day it was common for people to buy indulgences from the Church. These "guaranteed" purchasers or their loved ones time off from Purgatory and a fast track to Heaven in exchange for money.

This was a good deal for the Church. Pope Leo X increased the use of indulgences in order to finance the rebuilding of St Peter's Basilica, complete with the catchy marketing slogan: "as soon as a coin in the coffer rings, a soul from Purgatory springs". But as a result of the Reformation, people's beliefs evolved and they started spending their money on other things, such as food and drink (spurring the economy), or on educating their children (upskilling the workforce).

Liberated from external market distortions, people were free to earn and spend their money in the most productive ways. Economic growth boomed as a result.

This goes to show that what we believe matters – for politics, for the economy, and for society. It was true in the sixteenth century and, as our political parties gear up for an election campaign, it is true today. People work in order to provide for themselves and their families. When they are in control, they make more efficient decisions.

However, the high level of taxation in this country leads to the belief that people are working for the taxman, not for themselves. This results in people engaging in unproductive activity, such as working fewer hours or trying various methods to pay less tax.

The UK has been suffering years of stagnant productivity, and the tax code is part of the problem. Allowing people to keep more of their own money and spend it on what they value will go some way to tackling this productivity puzzle.

Half a millenium on from the start of the Reformation, our beliefs still shape what we do for a living and how we spend our money. Whoever triumphs in this election, they would do well to remember this, and give us all a tax cut.

Ben Ramanauskas is a research economist at Oxford University.

LETTERS TO THE EDITOR

Work in progress

[Re: Have government efforts so far to reform the audit market failed?]

The statistics published this week by the Financial Reporting Council make clear that the audit market has not widened. However, it is far too early to describe government efforts as a failure. "Work-in-progress" would be a better description. The Competition and Markets Authority has come up with some fairly radical proposals to seek to broaden the audit market, which the government has recently consulted upon. Certain of those proposals (e.g. the introduction of joint audits) are not supported by ACCA, but there is no doubting the seriousness of the government to address the challenge of widening the audit market. It remains to be seen what shape the government's final proposals take. What is clear is that sustained change in the market will only occur over a period of years – not only for any structural changes to be implemented, but also for those "challenger" audit firms being encouraged to enter the market for key FTSE 350 audits to build the necessary capacity and expertise.

Mike Suffield, director of professional insights, ACCA

[Re: The economic impact of Brexit tariffs only tells us half the story]

I always enjoy Paul Ormerod's contrarian view, however his most recent piece is an apposite example of economists being out of touch with reality. He rightly states that introducing complexities like tariffs affects the amount that's traded, and then goes on to posit that Britain could side-step this hindrance post Brexit by innovating in biotech or AI-related products and services. As someone whose business and livelihood would be directly affected by the imposition of tariffs, telling me to wind up my company, reskill in computing while still paying my mortgage, and hope that there will be a job for me once that is all completed is far easier said than done. Ormerod's view is essentially the same as Patrick Minford's in forgetting the human cost and reality involved in economics.

Arthur Coggill, senior wine trader, Vintage Capital

BEST OF TWITTER

I was given a lift back by Ken Clarke after we'd done Any Questions. He was wonderful. He said: "Let's talk for an hour then I want some sleep." As he slept, he managed something physically impossible – to blow large puffs of smoke from his cigar while breathing in deeply
@stephenpollard

I met Ken Clarke once. I was 22, and it was vv late, and I came back, exhausted, from some grim temp job I had, and he was drinking whisky with my dad on my dad's sofa, which was awkwardly also my bed. So I had one, too, and quietly went to dose in the kitchen. Seemed fun, tho.
@hugorifkind

UKIP leader Richard Braine resigns after three months in the job
@Usherwood

"Name all of UKIP's leaders between the 2015 and 2019 elections" will be a tough pub quiz question a few years from now.
@robfordmancs

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This may be the ideal time for a debate on a written constitution

Samantha Davies

RECENT events in parliament have led many people to ask whether this country needs a proper – or at least written – constitution. This suggests that we do not possess either of these things already.

This is to some degree misguided, as significant parts of our constitution are already written and enshrined in legislation, all of which can be referenced and relied upon by any citizen. Constitutional principles, however, are less clear to the non-lawyer.

For example, how do the various constitutional principles interact with each other? The recent Supreme Court judgment saw the interaction of different constitutional principles – in particular the matter of parliamentary sovereignty – at play.

These matters can be distilled by the most senior judges in the land, but it is clear that an uncodified constitution can be less easily debated and considered by the non-expert (to use what is now a very loaded term).

So how do we determine how constitutional principles interact with each other when they appear to be in conflict, and how should principles such as parliamentary sovereignty, the separation of powers, and the rule of law work in practice?

This is just one of the challenging questions which Brexit has unearthed concerning our constitution – on issues that were never previously considered.

There have been many others. What is the constitutional status of a referendum? What are the circumstances in which the Prime Minister may prorogue parliament, and for how long? Can the court adjudicate on the exercise of a prerogative power? What even is a prerogative power? The list goes on.

The nineteenth-century journalist, historian and barrister Sir Sidney Low described our constitution as "a system of tacit understandings – but these understandings themselves are not always understood". Two centuries later, it appears that this description still rings true.

How many people (lawyers aside) can explain what a prerogative power actually is? How many members of the public can identify all the sources of our constitution?

As the system which determines the framework of government and sets out the relationship between citizen and state, it is curious that, in a developed democracy such as ours, fundamental issues concerning our constitution remain hidden and opaque to a large number of citizens.

Many would struggle to even name the sources of our unwritten and unconsolidated constitution. The constitutional principles which underpin its various parts remain lesser known still, and are the subject of debate among academics and, more recently, legal argument in the courts.

> **How many people (lawyers aside) can explain what a prerogative power is?**

Against this backdrop, it is hardly surprising that calls are growing for a written constitution which everyone can read and understand. Formed of various sources, not all of which can be found to be enumerated in a single document, the flexibility which has defined our uncodified constitution up until this point may now present its greatest challenge.

A constitution should put certain fundamental issues beyond the agenda of day-to-day politics. Codifying at least parts of ours would provide greater clarity for citizens as they participate in the democratic process.

The danger presented by fully codified constitutions is that they can often very quickly become fossilised, reflecting social norms of a by-gone era. The American constitution has had to be amended 27 times.

However, as we prepare to leave the European Union with the possible repeal of existing legislation arising from our membership, now may be the opportune and necessary moment to determine the rights we wish to see protected as fundamental.

The codification of certain procedural and substantive elements of our constitution may now require our full and proper consideration.

Samantha Davies is a barrister and writer. She is speaking in the debate "A British bill of rights: Guarantee or threat to freedom" at the Battle of Ideas festival this weekend at the Barbican Centre.

DEBATE

Is Labour set to outperform its 2017 result in this election?

YES

JAMES MEADWAY

A solid guide to forecasting British politics is to look at whatever the Westminster consensus thinks, and assume the opposite. The pundits got Jeremy Corbyn's leadership victory wrong, they got the referendum wrong, they got the 2017 election wrong.

Today, they think that Labour will be crushed by Boris Johnson's Tories. They will be wrong.

First, forget the headline polling – it's not designed to work in volatile political times. Second, Labour has 500,000 members, and the Tories under 200,000. When voters no longer trust mainstream news sources (let alone politicians), face-to-face contact matters more than ever. A bigger membership means more chances to get a party message over.

Third, the Conservatives have been in power for almost a decade, and from crumbling public services to low pay, their record is dismal. People will vote not only on Brexit, but on the state of the country and their future prospects. Unlike the single-issue Tories, Labour offers a bold plan for real change.

James Meadway is an economist and former adviser to John McDonnell.

NO

FINN MCREDMOND

Jeremy Corbyn will try to make this election campaign about domestic issues unrelated to Brexit, focusing on the NHS, the environment, policing, and local government. But that will do little to distract from the fact that this is as close to a single-issue election as conceivable – and the parties' positions on Brexit will determine their fate.

The Conservatives may have ditched their traditional political calling card as the party of fiscal responsibility in favour of trying to "get Brexit done", but they will benefit at the polls from that clarity of message. Likewise, the Liberal Democrats' stance on Brexit could not be clearer. Labour, in contrast, will suffer from Remain voters believing that Corbyn is a Brexiteer, and Leave voters alienated by the party's policy of holding a second referendum.

In 2017, Corbyn brandished his campaigning credentials against the robotic Theresa May, and it paid dividends. But this time he faces Boris Johnson – a man so charismatic he managed to turn London blue in 2008.

This Christmas, Labour simply faces a tougher opponent under tougher circumstances.

Finn McRedmond is a journalist and commentator.

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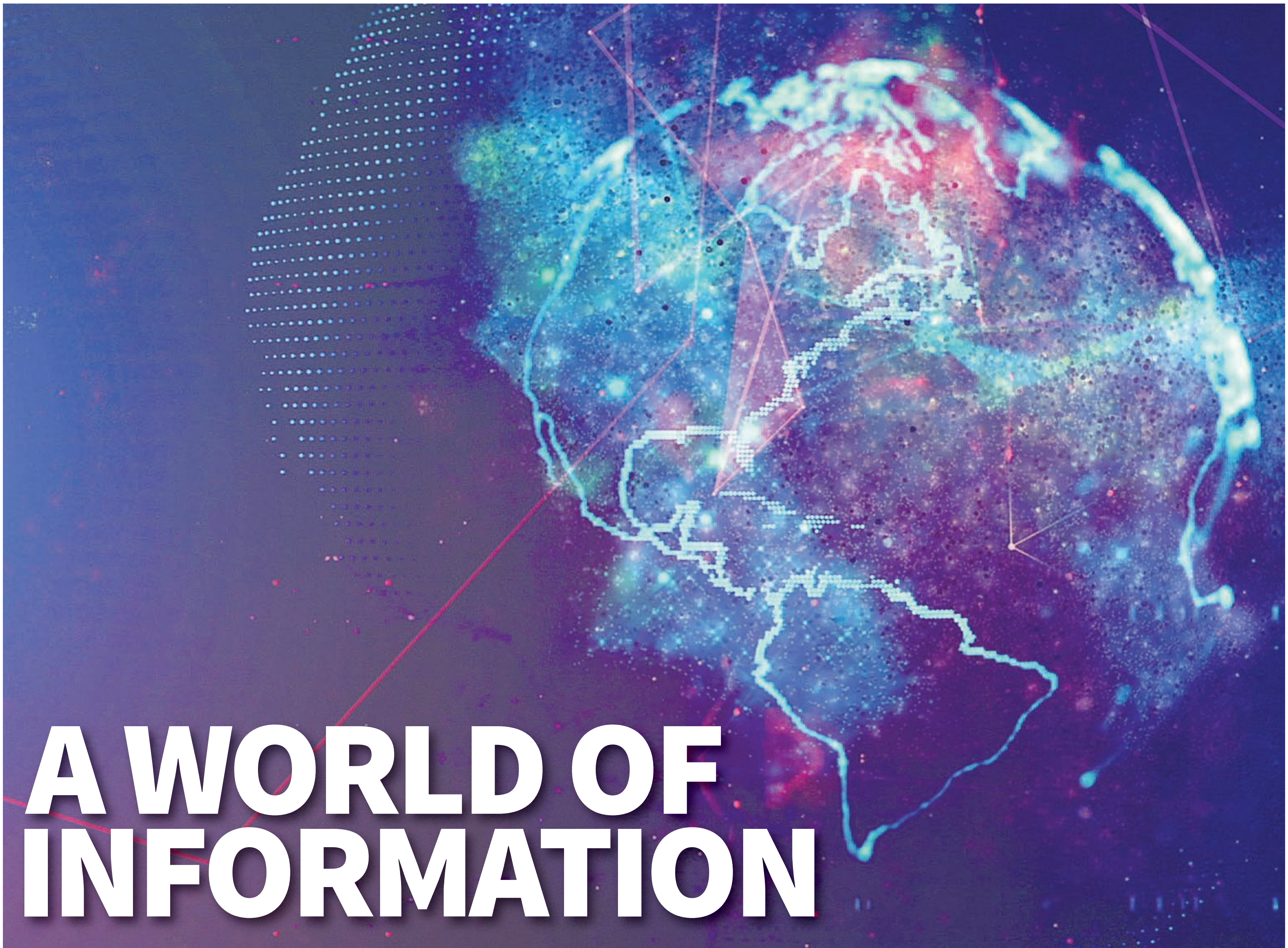


A WORLD OF INFORMATION

Technology has challenged journalism. Now **Luke Graham** looks at how it can help

JOURNALISM is in a tough spot. For decades, money and jobs in the industry have been in decline. The government's Cairncross review, released last year, revealed the scope of the problem.

It found that total press industry revenues had declined by more than half over the previous 10 years, and that the number of full-time journalists had fallen by over 25 per cent since 2007. This problem isn't unique to the UK – US newsroom employment has also dropped by a quarter since 2008.

The review also found that a quarter of all regional and local newspapers have closed in the past decade. This should ring alarm bells – these news organisations do an essential job of holding local government to account in a way that is difficult for national newspapers, and can also uncover important stories.

What's to blame for this decline? Obviously, a major culprit has been the growth of the internet, with audiences switching from buying print newspapers to accessing news online for free.

But if technology caused this problem, perhaps it can also help fix it. One company, Dataminr, is doing just that. It uses artificial intelligence (AI) to help organisations find breaking news stories faster and more easily.

Dataminr works by trawling through social media, blogs, and other public sources of data, such as from aeroplanes and maritime shipping. Its algorithm, which has been developed and honed over the last 10 years, looks for patterns and events that are relevant to journalists based on their preferences, and sends real-time alerts and live updates to them.

Of course, this data is already available, so you'd think that journalists could simply find it themselves, especially on platforms like Twitter. But as Jonathan Barrett, managing director EMEA of Dataminr, points out, around 500m tweets a day are posted on social media.

"How do you find the right valuable information for news entities in that huge sea of data?" he asks. "Unless you know exactly where to go to, the probability of you finding it is very small. Some of our news company partners refer to it as not just finding a needle in a haystack, it's finding a needle in multiple haystacks."

In practice, Dataminr could spot several tweets from different accounts that are from similar geographical locations and all mention an event – perhaps through a keyword such as "fire" or "protest" – and alert a local journalist, who could then decide whether it's a story worth investigating.

Barrett recalls one client case study about a journalist with the publishing house Reach who reported on a security scare in Cardiff in December 2018. Police had evacuated part of a shopping street after threats were made to a hotel. The reporter received alerts about the incident from Dataminr, contacted the police to check its veracity, and was able to break the story.

"It was Reach's biggest story that month, and one of its top five stories for the year. That's a pretty strong endorsement of how Dataminr can support local news," Barrett says.

Journalists may worry that this algorithm is out to replace them, but Dataminr does seem to winning them over. It is now being used in 600 newsrooms around the world, and journalists appear to find it helpful. Jonah Bromwich, a reporter for The New York Times, wrote an article last year about his experiences with the service. He described it as "handy", adding that it is his most important tool for breaking news.

I also asked Reach about its experiences with the platform.

"When an incident is ongoing, we are able to set searches and geographical boundaries in Dataminr to bring us all the tweets and other social conversation from that place or about that event," says Karyn Fleeting, head of audience engagement at Reach.

"It acts as our virtual eyes and ears on the ground, and helps ensure that we don't miss a thing."

> "Dataminr acts as our virtual eyes and ears on the ground, and helps ensure that we don't miss a thing

By helping reporters, Dataminr is also providing a way for news organisations to build their readership with more breaking news stories. Barrett points out that by attracting the right audience, sites can generate more revenue from advertising.

"Yes, big stories like Brexit are important to someone in Scotland or Cornwall, but equally a story breaking in their community that is relevant to them and with a local angle is compelling," he says. "If there's a breaking news story, and you're the first to break it, people will then keep coming back to your publication."

Journalism is at a crisis point. The combination of squeezed budgets and declining ad revenues are causing many – if not most – publications to struggle. Dataminr's value proposition is that it can help these beleaguered institutions use their limited resources efficiently, and report stories that are potentially more relevant to their core readers – that should sound appealing, especially to local and regional press.

"We're enabling news organisations to have many more feet on the street," says Barrett. "You don't have to have a journalist on every street corner, instead you can harness the power of technology."

TECHNOLOGY

EDITED BY STEVE HOGARTY

New iPad is a real bargain

Almost 10 years since the first iPad, Apple has released its best value version to date

GADGET

APPLE iPAD

FROM £349, APPLE.COM/UK

★★★★☆ | BY STEVE DINNEEN

Almost a decade has passed since the release of the first generation iPad, a device that created an entire category of consumer tech and cemented Apple as the world's hottest purveyor of shiny gadgetry.

And looking at the latest entry-level iPad – the 7th generation, if you're keeping score – you'd be forgiven for thinking not much has changed. It's still virtually the same size (although the display has jumped from 9.7 to 10.2 inches). It has the same home button below the screen, which now doubles up as a fingerprint scanner. It even has the same curved aluminium design and neatly bevelled edge. Inside it's a different story, of course, but before we get to that, let's talk about the most remarkable thing about this iPad: the fact it's £70 *cheaper* than the 2010 model. To put that in perspective, the standard iPhone 11 is £460 *more* expensive than the first iPhone.

That makes the new iPad the best value for money proposition in the entire Apple portfolio, and a no-brainer for anyone looking to upgrade from a model that's even a couple of years old. For a company that's not exactly associated with bargain basement prices, this iPad is an absolute steal. (You could point to Samsung's £199 Galaxy Tab A 10.1 as even better value, but you can really see where those savings have been made).

So what's new in the 2019 iPad? For starters, it's now compatible with Apple's excellent snap-on keyboard, which is a game-changer for anyone seriously considering ditching their laptop. It makes typing far more comfortable, which I can vouch for, given I'm typing on it right now. It's also compatible with the Apple Pencil, allowing you to take notes and use the wide selection of art apps available.

I went along to one of Apple's (free) Art Walk experiences, which involved creating a piece of abstract art, and the ease of use and almost complete lack of latency is hugely impressive, even if my creation left something to be desired. The only disappointing thing is that it only works with the first-gen Apple Pencil rather than the far superior second-gen model (for that you'll need to upgrade to the Pro series iPad, which means splashing out an additional £420).

It's worth bearing in mind that the Pencil and Smart Keyboard aren't bundled and they will set you back £89 and £159 respectively, which is a pretty significant price supplement.

The new iPad has the A10 Fusion chip, which means it's super speedy, able to handle anything I could throw at it, including some of the more graphically intensive games on the App Store. It's not in the same league as the iPad Pro, but that's to be expected given it costs less than half the price.

You also get the latest iPadOS, which gives you improved multi-tasking and file management – both areas in which previous versions of the software lagged behind rivals.

For virtually everyone, this is all the iPad you'll need for the foreseeable future. That you can pick it up for £349 is genuinely surprising – get in there quick before Tim Cook changes his mind.

PHONE

SONY XPERIA 5

£699, SONYMOBILE.COM

★★★★☆

Hats off to Sony. Where most phones strive to become more rectangular, more black and more shiny than the last, the Xperia phones defy convention. This June's Xperia 1 was a refreshingly novel design, a mega-tall skyscraper of a phone with a 21:9 aspect ratio, giving it the same proportions of an ultra-wide cinema screen in the palm of your hand.

The confusingly labelled Xperia 5 is not the fourth follow up to the Xperia 1 in four months. Rather, it's a more compact version of the flagship device, retaining the distinctive letterbox shape and high-end specs while trimming down the overall size and price of the phone.

If you're more used to the chunky width of typical six-inchers, the Xperia 5 will feel curious in the hand. It's thin, like a television remote, but also very long, like a magic wand or a swan's neck, so that your thumb can only really reach the bottom half of the screen.

Sony mitigates this profane narrowness with some gesture controls and a split-screen option that tries to position every button within thumb's reach. These efforts are successful to varying degrees, but the dizzying proportions still take some getting used to.

The payoff is a screen that's better suited to watching movies than any other phone on the market, bar the original Xperia 1. The OLED screen has been tuned down to Full HD (which is easily sharp enough for a display of this size, the Xperia 1 boasted a pointlessly high resolution 4K screen).

Find the right movie – there are some available on Netflix, but most are formatted for 16:9 TVs rather than cinema-style widescreen – and the Xperia 5 looks glorious. Blacks are inky and colours pop. I can't imagine what would compel you to watch a movie on something as wide as a credit card, but if you insist on trying, this is the way to do it.

The Xperia 5 is also compatible with the PlayStation's DualShock 4 controller, connecting wirelessly to allow you to play games without fumbling around with on-screen controls. Something of a footnote in the feature list, it's literally a game changer for anyone interested in playing Fortnite or Call of Duty Mobile on the train. This feature isn't exclusive to Xperia phones however. Every iOS 13 and Android 10 device can now connect to PlayStation and Xbox controllers without much hassle.

> "If you must watch a full movie on something as wide as a credit card, this is the way to do it

Inside the Xperia 5's smaller shell sit the same specifications found in the Xperia 1. This is a powerful phone with an uncompromised triple-lens camera – the best you can get on a Sony phone – and the same set of professional grade video and photography features. It's also £150 cheaper than the Xperia 1, which curiously makes Sony's best phone also its least recommended.

Tall as it is, the Xperia 5 doesn't measure up to the best Android phones at this price – the superior Pixel 4 is £30 cheaper – but its unmatched screen and outrageously elongated design make it ideal for on-the-go entertainment fans.

OFFICE POLITICS

Beware the horror of an inescapable deadline

This Halloween, the Brexit cauldron bubbles on in the haunted house of Westminster

Benedict Spence

BY THE pricking of my thumbs, something wicked this way comes. And, though it may not be the devilry and delight of a Halloween Brexit, the new horror of an Advent election should fill us all with dread.

Of the many spooky things in this world, the deadline is perhaps the most tense, highly-strung genre of all.

Beaten into us from an early age, from the approach of the first day of school to the first spelling test, the first exam, and ever onwards, it is a suspense-filled timeline that promises stomach-churning, skin-crawling, heart-stopping panic as the countdown to the moment of reckoning draws nearer.

The two outcomes, you see, are terrifying. The anguish, pain and gore of things going badly is, mysteriously, the lesser of the pair. What is actually worse is the second scenario, the one where everything seems to be okay, and as you venture out of the haunted house/exam hall/boardroom into the sunshine, the true nightmare – the next deadline – suddenly grabs you from the shadows and pulls you, kicking and screaming, back in.

A deadline is a suspense-filled timeline that promises skin-crawling, heart-stopping panic

What's more, you can never escape. We are all of us trapped in a cycle of deadlines, a deadloop if you will, until the final deadline of death gets us all in the end.

That this is the existence of so many people, living day-to-day for the promise of tomorrow (and tomorrow, and tomorrow) only to see all their yesterdays lighting the way to dusty death has, one feels, escaped a great many MPs for some time.

Deadlines approaching, whooshing by, and nothing improving has been the problem of the office worker, the shop hand, the doctor, the teacher – not the Westminster elite.

Now, MPs have been locked in a horror franchise of perpetual deadlines for the best part of three years. It is a torture chamber of their own making – and how they have howled – that has forced them to grapple with something they don't want to do, but that will not go away.

Down every avenue lurk bumps in the night – hard Brexit one way, loss of sovereignty another, and the hot, nervous sense on the nape of the neck that they are being watched by some vengeful, unknown force. (Not that they'd ever say that of the electorate, but there we are.)

For three years, they have huffed and puffed, plotted and schemed. And, for all their toil and trouble, their nights remain sleepless, and the Brexit cauldron continues to bubble.

But it's not just their horror show. It's everyone's. For though we have forced them to live out this drama, we live it with them. Not for no reason are so many – even those who voted for this – thoroughly sick to death of it.

An election may break the spell, but it is the most nerve-wracking option; the moment when, against better judgement, the protagonists of this sorry tale enter the dark forest to face the unknown. What will they find there? Can we escape? Will the price be bearable? Are we set for a Tory or Labour winter of discontent? Will the Liberal Democrats rise from the dead? And what hand will the Scottish play?

We haven't missed the Halloween deadline – it has just grown into the Nightmare Before Christmas. The new deadline – the election – is a knell that summons Boris Johnson to Heaven, or to Hell.

Benedict Spence is a freelance writer.

I AIN'T AFRAID OF NO GHOST

Ghost Hunting Tools
Free

Bored of being an actuary? Craving a career that offers excitement, chills and thrills? Then why not become a professional ghostbuster? Well, sort of. This app turns your phone into a paranormal device able to detect spooks and spirits. Now you can find out if that flickering light in our office is just faulty wiring or actually the ghost of Gladys the tea lady, trying to communicate with the living.

COFFEE BREAK

SUDOKU

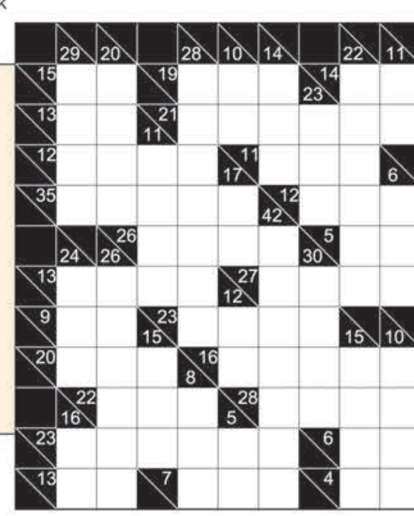
Place the numbers from 1 to 9 in each empty cell so that each row, each column and each 3x3 block contains all the numbers from 1 to 9 to solve this tricky Sudoku puzzle.

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

KAKURO

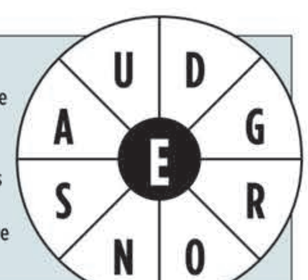
Fill the grid so that each block adds up to the total in the box above or to the left of it.

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

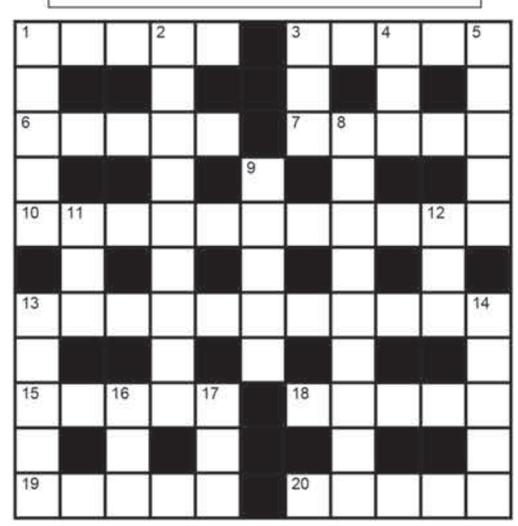


WORDWHEEL

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



QUICK CROSSWORD



ACROSS

1 Holding device used in woodworking (5)
3 Blood pump (5)
6 Inappropriate, not justified (5)
7 Apparatus for receiving radio signals (5)
10 Armoured seagoing vessels (11)
13 Illegal trade in scarce commodities (5,6)
15 Change (5)
18 Drink made from fermented apple juice (5)
19 Containing nothing (5)
20 Allow to enter (5)

DOWN

1 Tiny morsel of bread (5)
2 Growth of hair on the upper lip (9)
3 Shack (3)
4 Stiff bristle on an ear of rye (3)
5 Gets weary (5)
8 Relaxed and leisurely (9)
9 Patty Bouvier's twin sister in TV's *The Simpsons* (5)
11 Trouble (3)
12 Pastry dish (3)
13 Fearless (5)
14 Fortune-teller's pack of cards (5)
16 Toy that can be made to spin (3)
17 Fish with enlarged wing-like fins (3)

LAST ISSUE'S SOLUTIONS

QUICK CROSSWORD

B	A	B	E	L	■	C	H	A	N	T
L	■	■	M	■	■	A	■	M	■	H
I	N	S	U	P	E	R	A	B	L	E
N	■	A	■	R	■	T	■	E	■	I
K	E	N	D	O	■	R	A	R	E	R
■	■	M	A	T	T	I	N	G	■	■
B	E	A	N	O	■	D	A	R	N	S
Y	■	R	■	T	■	G	■	I	■	I
R	A	I	N	Y	S	E	A	S	O	N
O	■	N	■	P	■	■	S	■	■	U
N	O	O	S	E	■	C	H	E	S	S

KAKURO

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

SUDOKU

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

WORDWHEEL

The nine-letter word was HINDRANCE

GUNNERS SUCCUMB TO REDS FIGHTBACK

Arsenal let a lead slip in enthralling end-to-end Cup clash at Anfield, writes **Felix Keith**

IT'S probably unwise to draw any firm conclusions from a game that open, unpredictable and madcap but both Jurgen Klopp and Unai Emery learned something about their players after making 11 changes to their starting XIs.

Last night's match at Anfield was a contest for a place in the quarter-finals of the Carabao Cup, and yet it felt like a playground match of next goal wins in which every participant was desperate to one-up each other.

NO WAY BACK FOR MUSTAFI

By the end of the shoot-out it felt like an age ago, but Emery should not forget the way his side fell behind in the sixth minute. Shkodran Mustafi has long been on the outside looking in at the Gunners' first-team plans and his performance was confirmation it should stay that way.

Alex Oxlade-Chamberlain did well to get in the right channel and deliver a cross, but Mustafi did not need to go to ground and use his opposite foot to clear. His own-goal was not unfortunate. He managed to avoid any other major mishaps, but his Arsenal career is still on the permanent decline.

KEITA STRUGGLING

The prognosis is less dramatic for Naby Keita, but it's fair to say a player who arrived for £52m and with a great deal of hype back in July 2018 is still yet to live up to it. The midfielder was substituted in the 55th minute having contributed nothing apart giving the ball away. Despite playing alongside several youth team graduates it was he who looked out of his depth and way off the pace.

OZIL STILL CLASSY

He was one of few players who didn't manage to get his name on the scoresheet, but despite defeat, he is the main thing weighing on Emery's mind. Mesut Ozil had been frozen out, without an appearance in over a month, and yet managed to ooze class when plonked back in the line-up.

He coolly picked out Bukayo Saka before Lucas Torreira's goal, sent the winger on his way for the in-form Gabriel Martinelli's first and casually flicked the ball back in play for Ainsley Maitland-Niles to make it 4-2.

Emery said before kick-off that the game was "important for him". Now the manager has a decision to make.

ORIGI STANDS UP

Divock Origi was poor in the first half and yet came out in the second and scored not one but two equalisers to send Liverpool into the penalty shootout. His spin and blast past Emiliano Martinez from Curtis Jones's pass and 94th-minute volley from Neco Williams' cross showed his unique ability to score when it matters.

While his consistency can be questioned, having scored twice in the Champions League semi-final and once in the final last season his temperament is not.

ARSENAL LET IT SLIP

This match meant more for Emery. While Klopp is concentrated on other fronts, the Arsenal manager needed a performance to ease pressure. He got some positives, and yet he will be gutted they didn't hang on.

The Gunners boss may reflect on quality strikes – Oxlade-Chamberlain's swerving half-volley in particular – and suspect goalkeeping from Martinez, but really his more experienced team should have shut up shop.

LEAGUE CUP

LIVERPOOL	ARSENAL
5	5
Mustafi og 6', Milner pen 43, Oxlade-Chamberlain 58', Origi (62', 90+4')	Torreira 19', Martinelli (26', 36'), Maitland-Niles 54', Willock 70'

Liverpool won 5-4 on penalties

SPORT DIGEST

RASHFORD'S SET PIECES FIRE UNITED PAST CHELSEA

Marcus Rashford fired in a long-range free-kick as Manchester United beat Chelsea 2-1 at Stamford Bridge to reach the quarter-finals of the League Cup last night. The United striker scored from the penalty spot after Dan James was fouled by Marcos Alonso but Michy Batshuayi levelled with a strong run and finish. Rashford's swerving free-kick from 30 yards put Ole Gunnar Solskjaer's side into the draw, which takes place at 8:45am this morning. Elsewhere, Aston Villa beat rivals Wolves 2-1. Anwar El Ghazi put Villa ahead from a through-ball before Patrick Cutrone netted from close-range to equalise. Ahmed Elmohamady won it with a flick from a free-kick.

GATLAND BACKS ENGLAND TO BEAT SOUTH AFRICA

Wales coach Warren Gatland has wished England well for their Rugby World Cup final against South Africa following his exchange of words with Eddie Jones. England's coach told Gatland to enjoy Friday's third place play-off after he had warned of exhaustion, but the Kiwi has now backed them win on Saturday. "I thought England were excellent against the All Blacks, it was the best I've seen England play in the last 10 years," he said. "I hope a northern hemisphere team can win the World Cup."

KEIGHTLEY MADE ENGLAND WOMEN'S HEAD COACH

Lisa Keightley has been appointed as the first full-time female head coach of the England women's team. The former Australian international, 48, will take up her new post in January at the end of the Women's Big Bash League, where she coaches Perth Scorchers. Keightley, the former head coach of England Women's Academy, was "the best candidate for the role by some distance," according to director of women's cricket Clare Connor.

EDMUND SETS UP DJOKOVIC TIE WITH SECOND VICTORY

Kyle Edmund beat Diego Schwartzman in the Paris Masters yesterday to suggest he may be finding form again following a poor run. Edmund, 24, won 7-5, 6-3 against the Argentine 14th seed to set up a last 16 meeting with world No1 Novak Djokovic. The former British No1 has slipped down to No75 in the world rankings and hadn't won since August before he beat Ricardas Berankis in the first round on Tuesday.

Gough a perfect fit for England bowling role

CRICKET COMMENT

Chris Tremlett

DARREN Gough has been brought in by England head coach Chris Silverwood as a bowling consultant for the upcoming test series against New Zealand and I think it's an appointment which makes a lot of sense.

Former England bowler Gough may have spent his time in the media in recent years, rather than coaching, but he is a great guy for a short-term role.

England are only playing two Test matches at the end of November, so Gough won't be helping remodel anyone's bowling action.

Instead he'll be passing on the experience which helped him take 229 wickets in 58 Tests for England at an average of 28.39 and become a brilliant death bowler.

I think the players will relate to him well. He's probably going to take more of an old-school approach, but I'm sure the younger bowlers will enjoy picking his brains.

Although he is ECB Level 3 qualified, his worth will come more from his experiences as a player. He's performed in front of big crowds and under great pressure so can offer a different perspective.

The fact he is good friends with Silverwood, having opened the bowling with him for a long period at Yorkshire, is a bonus because it ensures he will settle in straight away.

Gough has been pursuing a career in the media and has admitted being a bowling consultant might not be for him full-time, but I don't think there is any harm in appointing someone for just a single tour.

England have done similar things before with former players like Saqlain Mushtaq, who has been very successful as a spin consultant.

FRESH FACES

Before we get to the Tests there is a Twenty20 series, which starts on Friday, and England's team has an exciting look to it.

England are keen to try young players a year out from the T20 World Cup in Australia, so Tom Banton, Saqib Mahmood, Matt Parkinson and Pat Brown are all involved.

Although the core of their squad for that tournament will be made up of the players who so memorably won the 50-over World Cup in July, it makes sense to introduce fresh faces now.

Gough, who retired in 2008, is England's second highest ODI wicket taker

Liam Plunkett has been a stalwart for the last few years but he's 34 now, so fast bowlers Mahmood and Brown in particular have a chance of staking a claim.

England lost their second warm-up match earlier this week, but I wouldn't read too much into the result. Warm-ups don't have the same intensity as competitive games, so wait until the first T20 international to pass judgement.

As well as the up-and-coming players, the T20s are a chance for Jonny Bairstow to find form after being dropped from the Test team.

It was a strong call from the selectors to exclude him but it showed the consequences of poor form and I think it comes at a good time. Playing in all three formats is difficult and a break gives him the opportunity to mentally refresh.

He's a hard worker and once he's back at home watching others play it will only make him even hungrier to earn a Test recall.

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

SPORT

GOALS GALORE Liverpool pip Arsenal on penalties after 10 strikes in League Cup tie PAGE 23

FAMILIAR FOE

What England can take from their recent battles with Rugby World Cup final opponents South Africa. By **Felix Keith**

WHEN pondering England's Rugby World Cup final against South Africa on Saturday there is one obvious point of reference to consider.

The two teams met in the 2007 tournament showpiece in Paris, where the Springboks kicked five penalties to England's two in a 15-6 win remembered for Mark Cueto's disallowed try. But whether Cueto's foot was marginally in touch before he grounded the ball in the 42nd minute isn't particularly relevant to the events in Yokohama Stadium this weekend.

By contrast, the most recent meetings between the two sides can offer some insight into the contest in prospect this weekend in Yokohama.

When England travelled to South Africa for their three-Test series in June 2018, both teams were at a crossroads. The hosts were beginning a new era under head coach Rassie Erasmus, while the visitors were desperate to bounce back following a chastening Six Nations in which they had lost to Scotland, France and Ireland, finishing fifth.

FIRST-HAND EXPERIENCE

Just over a year out from the World Cup, the summer of 2018 was a time for Erasmus and England's Eddie Jones to rebuild, settle on personnel and establish an identity. It was a period of flux but, given that they have both now led their teams to the final, it clearly served a purpose.

South Africa won the first two Tests at Johannesburg and Bloemfontein to secure the series before England ended a six-match losing streak by winning the last in Cape Town. They subsequently met once more in an autumn international at Twickenham in November, where Jones's side edged a close contest 12-11 to make it 2-2 over the four matches.

The majority of the players involved in those four matches – 47 of the 60 starters – remain important parts of Jones's squad now, while the core of South Africa's team has also been retained by Erasmus.

In this age of in-depth analysis, players are hardly going to be in the dark about their opponents ahead of the biggest game of their careers, but the recent sparring between the sides means they also have first-hand experience to draw upon.

DE KLERK'S IMPORTANCE

His man-of-the-match performance in the quarter-final win over Japan and crucial role in the semi-final defeat of Wales means Faf de Klerk is far from hidden. The fact South Africa's most influential player also plies his trade in the Premiership doesn't help him stay under the radar.

De Klerk, of Sale Sharks, has his hand firmly on the rudder of the Springbok ship at all times. The 5ft 7in scrum-half was on the comeback trail last summer, having spent two years out of the side.

Recalled by Erasmus, he immediately set about showing his qualities – namely a phenomenal engine, quick thinking, rapid ball distribution and signature box-kick.

> "Jonny May scored in all three matches, his pace deadly when any space was offered

It was he who instigated South Africa's fightback from 24-3 down in the first Test, sniping around a ruck to touch down, and it was his instincts which set up the move from which winger S'busiso Nkosi scored the second try.

The No9, who Sale team-mate Ben Curry says "you hear before you see" is far from their only weapon, however.

The first Test, which finished 42-39, was also notable for Willie Le Roux's class on the ball. The full-back, then playing for Wasps, fizzed a flat pass into Nkosi for another score before displaying his speed and upper-body strength to fend off tacklers and put his side ahead at half-time.

May has enjoyed facing the Boks

POWER IN OPEN PLAY

The second Test didn't contain as many tries and it was other players and qualities which saw the Springboks home 23-12.

Experienced prop Tendai Mtawarira – affectionately known as "The Beast" – showed his power in open play, but it was No8 Duane Vermeulen who did the most damage, producing a nimble step before rumbling over as England squandered a 12-0 lead.

Vermeulen continued to wreak havoc as England conceded three penalties – two from rucks and one at the line-out – which fly-half Handre Pollard slotted over from all distances and angles. Meanwhile, power from the bench in the form of prop Steven Kitshoff forced opposite number Kyle Sinckler to stand up and England to concede a penalty try.

This toughness and focus on physical prowess is what has defined South Africa at the World Cup and, just as it has done for Japan and Wales, it proved effective against England last year. Erasmus has vowed to stick to what they're good at, so Eddie Jones will expect another battle.

DEADLY MAY

Even while in the depths of a drastic dip in form, England did not allow South Africa to have things their own way on the tour. The visitors led in all three games and it was their defence, rather than their attack, which was deficient.

One man in particular has the attributes to cause the Springboks damage. Jonny May scored in all three matches, with his pace deadly when any space was offered to motor into.

When England moved the ball swiftly across the line, the likes of George Ford and Elliot Daly created openings for their dangerous winger time and again, while May himself also assisted two scores for others.

May is England's joint highest try-scorer at the World Cup with three, and although South Africa won't be short of pace themselves with Cheslin Kolbe back from injury, the Leicester winger will surely back himself to make the most of any openings down the flanks.

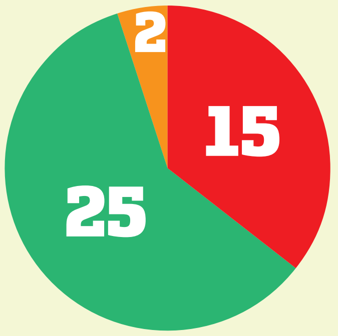
The fact that England's two wins over South Africa – 25-10 in the final summer Test and 12-11 at Twickenham in the autumn – owed much to their discipline and ability to grind out ugly points rather than flair won't be lost on Jones either.

It was on the tour of South Africa that England's current first-choice front row of Sinckler, Jamie George and Mako Vunipola established themselves and where Tom Curry's star rose. They are all now battle-hardened.

Both sides have come a long way since their most recent encounters, and yet both have reasons to take the confidence gleaned from those experiences into the Yokohama Stadium this weekend.

ENGLAND V SOUTH AFRICA

ALL-TIME WINS



LAST 10 MATCHES

- **ENGLAND 12-11 SOUTH AFRICA** Twickenham, 3/11/18
- **SOUTH AFRICA 10-25 ENGLAND** Cape Town, 23/6/18
- **SOUTH AFRICA 23-12 ENGLAND** Bloemfontein, 16/6/18
- **SOUTH AFRICA 42-39 ENGLAND** Johannesburg, 9/6/18
- **ENGLAND 37-21 SOUTH AFRICA** Twickenham, 12/11/16
- **ENGLAND 28-31 SOUTH AFRICA** Twickenham, 15/11/14
- **ENGLAND 15-16 SOUTH AFRICA** Twickenham, 24/11/12
- **SOUTH AFRICA 14-14 ENGLAND** Port Elizabeth, 23/6/12
- **SOUTH AFRICA 36-27 ENGLAND** Johannesburg, 16/6/12
- **SOUTH AFRICA 22-17 ENGLAND** Durban, 9/6/12