CITY A.M.

BUSINESS WITH PERSONALITY

NAUGHTY OR NICE? WE RATE THE BIG BUDGET CHRISTMAS ADS **P22–23**

LISTEN UP SAJID JAVID PUTS HIS PARTY'S PITCH TO THE CITY **P15**

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AFTER LABOUR'S NATIONALISATION PLANS FOR WATER, RAIL, ENERGY AND BROADBAND, A NERVOUS CITY ASKS...

WHO'S NEXT?

STEFAN BOSCIA

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THE HEAD of Britain's biggest business group warned yesterday that Jeremy Corbyn's policies could "crack the foundations of the economy" at the start of a week which holds the potential to define the upcoming General Election.

Carolyn Fairbairn, head of the CBI, told Sky News that business leaders are asking "who's next" after the "bolt from the blue" plan to part-nationalise BT, announced by the Labour party on Thursday evening.

Labour's nationalisation proposals would "freeze investment", she added, saying the party did not seem to "value (any) of the contribution that business makes".

City commentator David Buik said last night that "a business environment threatened by public ownership... will not encourage investors to set down their stalls here in Old Blighty".

The warning comes ahead of the big business lobby group's annual conference in London today, during which Prime Minister Boris Johnson will promise a slew of business tax cuts.

He will confirm plans to cut business rates, reduce national insurance contributions for 500,000 employers and increase the scope of research and development tax credits.

Writing in today's *City A.M.*, chancellor Sajid Javid has pledged a full review of the business rates regime, saying: "The system didn't work properly when my dad ran a shop, and it certainly doesn't work properly in the digital age."

Johnson is expected to say: "Let's not beat around the bush, big business didn't want Brexit.

"But what is also clear is that what you want now — and have wanted for some time — is certainty."

Labour leader Corbyn and Lib Dem supremo Jo Swinson will also address delegates at the event.

The Prime Minister will face off against Corbyn tomorrow at the first of several election debates. The main parties' respective election manifestos are also due to be released this week.

Labour's manifesto will launch on Thursday, amid chatter that it will be even more radical than the 2017 version. Party insiders hope it will turn ominous-looking polls in Labour's favour.

US investors continue to pick London

JAMES WARRINGTON

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US VENTURE capital firms have pumped record amounts of money into London and UK companies this year as flourishing fintech firms continue to charm investors, new data has revealed.

American investors have been involved in $4.4bn (£3.4bn) worth of deals into UK firms so far in 2019, with London businesses accounting for more than three-quarters of the investment, according to research from Pitchbook and London & Partners.

City fintech darling Monzo attracted one of the largest cash injections of the year, pulling in $144m in a series F round led by Silicon Valley investment mainstay and prominent startup accelerator Y Combinator.

UK data privacy firm Onetrust bagged a bumper $200m series A round led by New York investor Insight Partners, while cybersecurity company Snyk raised $70m from Accel Partners.

The research showed US investors have shrugged off concerns about Brexit as London continues to produce high volumes of unicorns — companies with a valuation of more than $1bn.

They have also taken advantage of the weak pound to swoop on some of the UK's best tech businesses.

FTSE 100 ▲7,302.94 +10.18 FTSE 250 ▲20,404.40 +172.60 DOW ▲28,004.89 +222.93 NASDAQ ▲8,540.83 +61.81 £/$ ▲1.290 +0.002 £/€ ▼1.167 -0.002 €/$ ▲1.106 +0.004

CITY A.M.

THE CITY VIEW

The City is wise to wince at McDonnell's statism

THIS newspaper has, in the past, given credit to John McDonnell for his honesty and for his openness with the City. We may not have welcomed his ideas, but we've often acknowledged that he has at least been upfront about his plans for government and has ventured into City boardrooms to explain his thinking more than anyone else from the Labour frontbench. His favourite line was "there's nothing up my sleeve". He also said, not very long ago, that his bid to nationalise the water companies was the limit of his ambition when it comes to Labour's public ownership programme. People with a drinking problem try to set limits on how many glasses of wine they'll have, and in the same way that some can't help reaching for another bottle, McDonnell has decided that — in fact — his desire doesn't stop at owning the rail companies, the postal service, the energy network and the utility companies. He wants broadband, too. Specifically, he wants large parts of BT and its offshoot Openreach operation. He says that Labour's plan to provide free full-fibre broadband to every home and business by 2030 will set the Treasury back about £20bn, but already that figure looks laughably insufficient. Analysts have pointed out flaws in Labour's sums, including the absence of any provision for BT's whopping pension liabilities, while BT's current boss has said £100bn would be a more realistic figure once all elements of broadband provision are taken into account. Then there's the cost to BT's shareholders — so many of whom are small investors who rode the original privatisation wave. McDonnell says nobody will lose out but he would say that, wouldn't he? The current broadband sector — the one Labour wants to do away with — would be left in a highly precarious (and uninvestable) position as a result of these plans. Competition would be killed off and any provider that remains in the game risks being appropriated by McDonnell. The final cost to consider is more intangible but is, perhaps, the most significant. Who in their right mind would invest a penny in Britain if it's run by such an avaricious and capricious government? McDonnell may say that broadband nationalisation really is the limit of his ambition, that this time he means it, but who can be sure that he doesn't have another industry in his sights? The City is right to wonder if his ambition has no limits at all.

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VELVET UNDERGROUND Celebrations and commemorations in Prague as Czechs mark 30th anniversary of Velvet Revolution

THE WEEKEND marked the 30th anniversary of the start of the Velvet Revolution, when Czechoslovakian citizens began protests against the one-party government of the Communist regime. Beginning in Prague, the uprising — known in Slovakia as the Gentle Revolution — saw a non-violent transfer of power and democratic elections just a year later.

Middle class fear drop in living standards by 2030

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ECONOMIC insecurity has become the "new normal" for Brits as millions fear their living standards will fall over the next decade, the boss of a top charity is set to warn.

Matthew Taylor, chief executive of the Royal Society for the Encouragement of Arts, Manufactures and Commerce (RSA), will today argue that changes in the economy and government policy have made insecurity "endemic" across the UK.

New research commissioned by the RSA revealed that 40 per cent of UK adults — roughly 21m people — are not confident of having a decent standard of living in 10 years' time. This is compared to just 43 per cent who said they were confident.

The vast majority of respondents cited increased uncertainty about the labour market, while almost two-thirds said they received "little or no help" from the government.

"There is no question that economic worry is the new normal for millions of people in this country," Taylor, a former head of policy under Tony Blair, will say during a speech in central London today.

Just over 40 per cent of respondents said they believe poverty and economic insecurity are the result of government policy, while roughly a quarter blamed individuals' own choices. Just 17 per cent cited the impact of business and employment practices such as zero-hour contracts.

Taylor, who penned a major 2017 review into working practices in the modern economy, will call for tough new measures to reduce precarity, including a pilot of universal basic income, as well as measures to address the causes of this insecurity.

He will also call for a new economic focus away from free-market neoliberalism towards a more "communitarian capitalism" favouring mutuals and cooperatives.

But Mark Littlewood, director general of free market think tank the Institute for Economic Affairs, said Taylor's criticism of free market capitalism was "badly misplaced", arguing that cooperatives and mutuals already exist in the current system.

"An economy which creates diversity and choice is far preferable to one that would restrict people to a few, limited options," he said.

"The best way to tackle the insecurity some people feel about their future living standards is to promote strong economic growth through market mechanisms, not to seek more and more government intervention in the economy and, by extension, people's lives."

WHAT THE OTHER PAPERS SAY THIS MORNING

FINANCIAL TIMES

TIKTOK OWNER BYTEDANCE PLOTS STREAMING LAUNCH

The Chinese company behind the popular video app Tiktok is set to go head-to-head with the likes of Spotify and Apple in the music streaming market with the launch of its own rival service. Bytedance is in talks with the world's largest record companies — Universal Music, Sony Music and Warner Music — for global licensing deals to include their songs on its new music subscription service.

EXTRA YEAR OF BREXIT PREP FOR DERIVATIVES INDUSTRY

Brussels is expected to grant the derivatives trading industry an extra year to prepare for a no-deal Brexit by prolonging existing emergency access for European institutions to crucial UK market infrastructure. Contingency plans for accessing UK-based clearing houses are due to end in March 2020.

THE TIMES

PHONE GIANTS 'EXPLOITING' DELAY TO HUAWEI REVIEW

British telecoms giants have been accused of exploiting delays in a Whitehall review on 5G networks to install Chinese kit that could pose a security risk. Critics have raised concerns about equipment provided by Huawei, the Chinese technology company, amid fears that it poses espionage and sabotage threats.

HONG KONG POLICE LAUNCH 16-HOUR UNIVERSITY SIEGE

Hong Kong protesters were last night besieged by police in a university campus as both sides fought to control an undersea tunnel used by commuters to reach the former British colony.

THE DAILY TELEGRAPH

HS2 'COULD SAVE BILLIONS' BY DITCHING EUSTON ROUTE

Billions could be cut from the soaring £88bn cost of the High Speed 2 (HS2) rail link with a private-sector overhaul of the London end of the scheme, backers of an alternative route have claimed. Cross City Connect's proposals come in the wake of a public row between the two most senior officials conducting a review of the HS2 project.

PREMIER FOODS PLOTS US EXPANSION FOR MR KIPLING

He has been exceedingly successful in Britain, but Mr Kipling now wants to conquer America. The move comes as owner Premier Foods tries to fend off pressure from activist investors.

THE WALL STREET JOURNAL

AIRLINES STEER AWAY FROM PURCHASES OF LARGE JETS

Airlines are shying away from buying more of the biggest jetliners made by Boeing and Airbus due to slowing passenger growth and a slump in air cargo traffic. Sales this year of the twin-aisle jets — mainstays of intercontinental travel — are on track to be the lowest in a decade and their rental rates have fallen sharply.

US POLITICIANS ARGUE OVER IMPACT OF TRUMP HEARINGS

Democrats and Republicans sparred yesterday over whether testimony during the first public hearings presented evidence of impeachable conduct by US President Trump.

TSB's head of IT slammed over tech meltdown

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TSB BANK'S head of IT is said to have failed to warn board members about "shortcomings" with the testing of a new technology system days before it suffered a huge meltdown.

TSB is facing a lengthy investigation by City law firm Slaughter and May into the botched rollout of a new IT system that caused nearly 2m customers to lose access to online banking in April last year.

The findings of the probe, due to be published tomorrow, will accuse IT chief Carlos Abarca of making an "ill-judged" assessment of the company's readiness to go ahead with the launch, Sky News reported.

Abarca is said to have been named and shamed in the report for failing to escalate concerns about the IT upgrade, which was intended to migrate millions of customers from its old Lloyds Banking Group system to one designed by Spanish owner Sabadell.

Sources said Abarca's move in March this year from the role of TSB's chief information officer to chief technology innovation officer was significant because he was no longer subject to the City watchdog's Senior Managers' Regime (SMR).

The SMR, introduced by the Financial Conduct Authority in 2016, means executives in banking and insurance can be held personally responsible for their actions.

It comes amid reports that Sabadell refused to help Slaughter and May with its long-awaited inquiry, meaning the probe only looked into the Spanish firm's tech subsidiary Sabis.

A source close to Sabadell told the Sunday Times it was "right" that the Spanish firm had steered clear of the investigation, as the migration was Sabis' responsibility.

A spokesperson said TSB was reviewing the report and would provide a further update in due course.

Frankie & Benny's is among several chains facing branch closures across the UK

Top 100 UK restaurants swing to loss as costs rise and sales drop

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THE UK'S top 100 restaurants swung to a collective loss this year as they struggled to stay afloat under the increasing pressure of rising overheads and falling sales, which are taking their toll on the casual dining sector.

The industry has plunged to a £93m loss in the last 12 months, in a year which saw the collapse of Jamie's Italian, while Frankie & Benny's, Chiquito, Giraffe and Ed's Easy Diner faced branch closures.

In the year before, the top 100 restaurants reported profit of £37m, according to analysis today by accountants at UHY Hacker Young.

Xerox's $33.5bn takeover offer rejected by HP

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TECH GIANT HP last night said it had rejected a $33.5bn (£26bn) takeover offer by printer manufacturer Xerox.

HP said the bid "significantly undervalues" the company, but added that it remained open to a potential merger and hoped for further engagement with Xerox management.

"[The board] has unanimously concluded that [the offer] significantly undervalues HP and is not in the best interests of HP shareholders," the firm said.

"In reaching this determination, the board also considered the highly conditional and uncertain nature of the proposal, including the potential impact of outsized debt levels on the combined company's stock."

HP added that it had taken Xerox's annual revenue decline into consideration.

Xerox had offered $22 per share, made up of $17 in cash and 0.137 Xerox shares for each HP share. The deal would have given HP shareholders control of roughly 48 per cent of the company.

Eddie Stobart: Ex-boss Tinkler says Stobart Group backs his rescue bid

JAMES BOOTH

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FORMER Stobart Group boss Andrew Tinkler said the group is supportive of his proposal to save haulier Eddie Stobart, despite the bad blood between the pair.

Tinkler told *City A.M.* he was putting together a £50m package to save the business and said existing shareholders could raise up to £25m.

"Shareholders do take my offer seriously, and even Stobart Group has supported me," he said.

Stobart Group declined to comment.

Tinkler stepped down as boss of Stobart in 2017 and then fought unsuccessfully to eject its board.

On Friday, Eddie Stobart recommended an offer from ex-owner Dbay for a £55m cash injection in exchange for a 51 per cent stake.

The cash would carry an 18 per cent rate of interest if approved by shareholders next month.

Tinkler said: "I haven't talked to any shareholders yet that feel this deal is in their best interests."

Sources close to Dbay said: "If Tinkler has a proposal he should make it."

On Friday, Eddie Stobart said it will run out of cash by the end of the year if it cannot secure new financing.

Saudi Aramco to list in record $1.7 trillion valuation

EDWARD THICKNESSE

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SAUDI Aramco has released the official price range for its long-awaited initial public offering (IPO) in December, giving the company a preliminary value between $1.6 trillion (£1.2 trillion) to $1.7 trillion.

Although this is considerably below the company's desire for a $2 trillion valuation, it would still make the IPO the world's biggest to date.

In a statement yesterday, Saudi Aramco said it would sell 1.5 per cent of the company's shares on Riyadh's Tadawul exchange at a price of 30 Saudi riyals (£6.20) to 32 Saudi riyals.

At the top end of the price range a sale of this size would give the oil giant a value of $25.6bn, just surpassing the $25bn raised by Chinese retailer Alibaba in its debut in New York in 2014.

The final offer price will be announced on 5 December.

The sale is expected to be hugely popular with Saudi nationals, for whom 0.5 per cent of the shares have been reserved.

Retail investors have until 28 November to sign up for the IPO while institutional investors can subscribe until 4 December, with company management going on marketing roadshows this week.

After much delay Aramco's IPO process began on 3 November, with the sale a central pillar of Crown Prince Mohammed bin Salman's plan to diversify the gulf state's economy away from oil.

There had been much speculation from investors as to the value of the world's most profitable company, with a range as wide as $1.2 trillion to $2.3 trillion.

Aramco, which produces 10 per cent of the world's oil, was initially expected to sell up to five per cent of its shares, with both a local and an international offering. However, plans to list on an overseas exchange have now been shelved.

For the first nine months of 2019, Aramco's income slipped from $83.3bn in 2018 to $68.2bn this year, with revenue down from $233.3bn to $217.1bn. The sum was still more than Apple and Google's profits combined.

RENT REBEL Mike Ashley urges landlords to link property rents to in-store revenue

RETAIL tycoon Mike Ashley, the founder of Sports Direct, has demanded that new rent deals are tied to sales across his high street empire. Ashley has asked landlords to agree to turnover rents, where up to 15 per cent of the rent due is linked to in-store sales, the Sunday Times reported. The scheme allows retailers to share their risk — and reward — with landlords.

Dividend growth drags in third quarter as profit slowdown bites

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DIVIDEND growth has slowed globally, according to figures published today by asset manager Janus Henderson.

The trend began in the second quarter and continued into the third. Dividends have still continued to grow, but at a slower pace than previously.

Payouts rose 2.8 per cent on a headline basis to reach a third-quarter record of $355.3bn (£275bn).

On an underlying basis, dividends grew 5.3 per cent. UK dividend growth remained lacklustre, with underlying growth of 0.6 per cent.

US dividends grew eight per cent on an underlying basis, but a slowdown in profit growth began to make its effect felt.

One in six US companies held their dividends flat in the third quarter, up from one in 10 in the first quarter.

The largest dividend payer in the US this year is set to be AT&T, jumping ahead of Apple, Exxon Mobil and Microsoft.

ELECTION 2019

Border row over free movement

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LABOUR and the Conservatives traded blows over immigration policy yesterday, as both shed light on their respective plans.

The Tories revealed details of a points-based immigration system that would see "equal" treatment of EU and non-EU citizens.

The vast majority of immigration applicants would need a job offer under the policy and would need to wait five years to be eligible to claim benefits.

Shadow home secretary Diane Abbott labelled the plans as a "Tory race to the bottom" and that "Trump would be proud" of the proposals.

Meanwhile, Labour leader Jeremy Corbyn told the BBC there would be a "great deal" of EU immigration if he becomes Prime Minister. However, he stopped short of saying freedom of movement with the EU would continue.

Foreign secretary Dominic Raab said Corbyn "refuses to be straight with people on immigration" and that a Labour government would lead to a surge in new arrivals.

Foreign secretary Dominic Raab hit out at Labour proposals

Raab revealed further details of the Tories' immigration plans, which include banning serious criminals from moving to the UK, increasing the health surcharge for international workers and spending £20m on border protection.

Then-mayor of London Boris Johnson with entrepreneur Jennifer Arcuri in 2014

Arcuri hits out at Prime Minister

HARRY BANKS

THE US tech entrepreneur Jennifer Arcuri last night commented on her relationship with Boris Johnson, saying: "[He] cast me aside like I am some gremlin."

Questions have been asked over the pair's relationship after Arcuri's businesses were given more than £100,000 of public money whilst Johnson was London mayor.

Arcuri addressed the PM directly on ITV, saying: "I've kept your secrets, I've been your friend."

"You've blocked me and ignored me as if I was some fleeting one night stand," she continued.

A Conservative spokesman said claims of impropriety in office were "untrue and unfounded". A review ruled the funding was "appropriate".

POLL WATCH

Elections are enough to drive anyone to drink but it appears from FTI Consulting polling that Labour could be hit harder by Christmas party season. **Twenty-seven per cent** of intended Labour voters admit they're likely to be hungover on election day, versus just **19 per cent** of those planning to vote Conservative. Something for Boris to raise a glass to.

GOOD DAY

Election **strategists and spinners** spend most of their time on campaigns desperately hoping that whichever politician they put up for prolonged questioning on TV will get through unscathed. Those on all sides breathed a sigh of relief watching Prince Andrew's interview over the weekend, knowing that the bar for a so-called car crash interview is now in the stratosphere.

BAD DAY

New polling in key seats has revealed terrible news for **Labour candidates in London**. Deltapoll's constituency profiling shows the party's support collapsing by 25 points from 2017 in Finchley, by 16 in Kensington and by 13 in Wimbledon. The Lib Dems, by contrast, are up by more than 20 points in each. Bad news indeed for Labour's Emma Dent Coad in Kensington.

Election concern causes sellers to pause business

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THE NUMBER of new sellers advertising their properties for sale slumped by the largest amount in a decade this month, as a Brexit deadline and a looming General Election spooked prospective sellers.

According to the latest research, the number of new sellers dropped 14.9 per cent — the largest year-on-year fall since August 2009 — while the price of property coming to market slumped 1.3 per cent.

The upcoming election on 12 December is potentially causing prospective sellers to press pause on their plans, as they wait for a resolution on Brexit and to see whether the new government will make changes to housing related policies such as stamp duty.

Rightmove director and housing market analyst Miles Shipside said: "I've seen lots of unusual events affecting the property market in my 40-year career, but a Brexit deadline followed by a snap General Election six weeks later is obviously a new combination for me and for many thousands of buyers and sellers.

"Elections normally dampen activity as uncertainty causes a degree of hesitation but this one is being called to try to break the deadlock after three years of uncertainty.

"A more certain outlook, whatever it may be, would be a welcome change for those who are contemplating moving."

Hunters chief executive Glynis Frew added: "The reality is that the market will continue to experience the Brexit jitters until the impasse in Westminster comes to an end."

The number of sales agreed was 2.9 per cent lower than last year, suggesting there are still buyers in the market seeking to take advantage of lower prices, according to the latest research published this morning by online property platform Rightmove.

Larger properties — detached houses with four bedrooms or any house with five or more bedrooms — were the most active sector, with the number of sales down just 1.4 per cent.

The City accounts for 45 per cent of all office construction activity in central London

Building work on new offices in London slumps to five-year low

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THE NUMBER of new construction projects for office blocks in London has fallen by almost half in the last six months, according to data published today.

Work has started on only 24 new schemes totalling 1.8m square feet (sq ft) in the capital over the last six months, compared to 37 schemes totalling 3.5m sq ft in the previous half-year period.

This marks the lowest level of new starts for five years, according to a survey by Deloitte Real Estate.

The total volume of ongoing office construction in central London is 11.9m sq ft across 92 projects, a 10 per cent drop since the last survey but above the long-term average.

Deloitte Real Estate director Mike Cracknell said that while the figures marked a sharp drop in new starts to office construction, they came hot on the tail of a three-year high.

He said: "These figures indicate a rebalancing of office development, rather than a worrying decline."

Berkeley Homes boss backs radical reform of laws to end land banking

JESS CLARK

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BERKELEY Homes chairman Tony Pidgley has backed an overhaul of property laws to end land hoarding in a bid to boost home ownership.

Pidgley, the founder of the FTSE 100 housebuilding giant, said land owners and developers should work with local authorities on "planning uplift" to tackle the shortage of affordable homes.

Pidgley said the system is in "dire need of reform" in order for more homes to be built to solve the housing crisis.

"We need a central body that buys land, awards planning permission, then passes on the returns to the local community," he said in a book entitled Home Truths, the Sunday Telegraph reported.

"We're in the building business and that's where we should compete, not in trading land — as long as there is room to make a decent margin on housebuilding," he reportedly continued.

Tony Pidgley founded Berkeley Homes

Rate of manufacturing firms going bust at its highest level in five years

EDWARD THICKNESSE

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THE NUMBER of manufacturing businesses entering insolvency has reached its highest level in five years in the last 12 months, rising seven per cent to 1,466 from 1,373 in the previous year.

Research from global accountancy firm Moore found that a combination of uncertainty over Brexit and a slowdown across Europe was responsible for the rise.

The company said that there were increased levels of concern about the future financial requirements that businesses might require after Brexit, which have led to UK customers deferring significant purchases.

There are also worries from businesses that European manufacturers are seeking to cut UK-based companies out of their supply chains to guard against the possibility of a no-deal Brexit.

UK manufacturing orders fell for the sixth month in a row in October.

Robert Branch, managing partner at Moore South West, said: "The latest figures show that the doom and gloom around the UK's manufacturing sector continues."

"Many are having to save as much cash as they can to tide them through until order books recover," he added.

STEERED CLEAR Sir Jim Ratcliffe granted victory over Jaguar Land Rover car shape

JAGUAR Land Rover's (JLR) efforts to thwart billionaire Sir Jim Ratcliffe's plans to model the shape of his new 4×4 on JLR's Defender have failed. The Sunday Times reported that Ratcliffe defeated JLR's attempt to trademark the Defender's shape.

Providers slam Labour over BT takeover plans

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BRITISH broadband providers have slammed Labour's proposals to nationalise parts of BT, saying the plans show a "fundamental misunderstanding" of how the industry works.

Shadow chancellor John McDonnell last week said Labour would take Openreach and other parts of BT into public ownership, and promised free full-fibre broadband for every UK household.

Richard Tang, chief executive of challenger broadband firm Zen Internet, told *City A.M.* the move would "decimate" the industry at the expense of consumers.

He argued that the plan was flawed, as Openreach merely builds and runs the UK's broadband infrastructure, while internet service providers (ISPs) deliver the product to consumers.

"Nationalising Openreach doesn't actually deliver free broadband for all," Tang said. "To provide free broadband to all, Labour would also need to nationalise the end-user ISPs."

"This shows a fundamental lack of understanding by Labour of how the industry works."

While the market is dominated by the so-called Big Four of BT, Talktalk, Sky and Virgin, there are hundreds of smaller broadband firms across the country.

Providers have also raised concerns about the impact nationalisation would have on investment in the UK's expanding full-fibre network, as well as the reduction in consumer choice and thousands of potential job losses.

"The diverse telecoms sector has already committed billions into rolling out broadband, but Labour's plans would cause this private sector investment to grind to a halt," top industry figures wrote in a joint letter.

"There is no such thing as 'free' broadband and these proposals wildly underestimate the level of investment required to deliver full nationwide coverage and the operational costs of delivering services."

The letter was signed by Tech UK, the Internet Service Providers' Association, the Independent Networks Cooperative Association and the Broadband Stakeholder Group.

Talktalk pauses Fibrenation deal as nationalisation plot emerges

EDWARD THICKNESSE

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BROADBAND provider Talktalk's chief executive Tristia Harrison said that Labour's plans to nationalise BT's Openreach arm had forced the company to pause negotiations over the sale of its Fibrenation sister business.

On a call with reporters last week, Harrison said: "Negotiations are going very well, but the news overnight means that we are all pausing, considering and digesting what it means."

It followed reports that Cityfibre, a Goldman Sachs-backed alternative broadband provider, had been close to signing a deal to take full control of Fibrenation.

Instead, the signing will be delayed for at least a month. The agreement was meant to be unveiled with the firm's half-year results on Friday.

Talktalk said that it was in "ongoing advanced negotiations with interested parties". Shares in the company closed down almost three per cent last week.

Greg Hands is defending the seat he won in 2005

CHELSEA BOOT?

Tory MP Greg Hands tells **Cat Neilan** that voting for the Lib Dems could hand prime west London seat over to Labour

BEING a Conservative candidate in some of London's most exclusive constituencies used to be a walk in one of their leafy parks. But such is the political realignment in the wake of Brexit that things just aren't what they used to be.

Greg Hands, who is hoping to retain the Chelsea and Fulham seat he has held since 2005, is a polyglot Europhile who campaigned for Remain in 2016 and resigned his ministerial post over Heathrow — a key constituency issue.

On a personal level, he seems to be the very embodiment of the constituency. And yet, as becomes clear during one morning shadowing him on the campaign trail, he has his work cut out convincing lifelong Tory voters to stick with him.

The chief "threat", as one of those campaigning alongside him says, is Nicola Horlick, seeking election as a Liberal Democrat. She is wooing Remainers who can stomach neither Brexit nor voting Labour, and the impact is showing.

"This is the toughest election I've had since I won the seat from Labour in 2005," Hands says.

"The Liberal Democrats can't win here. They got 11 per cent last time, they haven't won here for 100 years. But the danger is flirting with Lib Dems over Brexit delivers a Labour MP, just like it did in Kensington."

The "vote Lib Dem, get Corbyn" message is one Hands and his team roll out to any wavering voters.

But these warnings receive a mixed reaction — some shrugs and one resident who remains resolute that he cannot vote for the Conservatives, despite his candidate's cheery attempts at persuasion.

Hands concedes there are "one or two people who are prepared to risk Corbyn over Brexit", but by and large he thinks the message is going down well, as long as they are considering "the next five years" rather than the next couple of months. What about the next 20 years, as some fear the economic impact of Brexit could last?

Hands insists a Corbyn government would be worse for his constituents.

"Whichever way Brexit moves the economic dial, the potential of some of the policies McDonnell and Corbyn are talking about could dwarf that," he says.

Corbyn gets a mention on Hands' leaflet — but not the Prime Minister. It's apparent that it's not just Brexit that is turning people off. Boris Johnson is also making Hands' job more difficult. One resident tells me it's "Brexit and Boris" in equal measure that is making her waver.

Hands insists his boss hasn't been snubbed. Instead he is running on his record, including the fact he is the only government minister to have resigned over a constituency issue in 100 years, namely Heathrow.

Unlike Johnson, I note. That's a question for him, Hands tells me.

"The Heathrow vote is coming to me anyway — we own Heathrow as an issue amongst people for whom it is a very big issue."

The question of Johnson's likeability is no small one. Some Tories have told *City A.M.* they struggle with the PM's personal life on the doorstep of affluent, older neighbourhoods. And, while it might be working in parts of the country that Tory HQ wants to conquer, some of the language Johnson is using has gone down poorly.

With his focus on the north, Johnson might not be visiting anytime soon, but chancellor Sajid Javid swings by to visit a few local businesses — whose customers talk of their concerns both of Corbyn and the current Prime Minister.

> "The Lib Dems can't win here. They got 11 per cent last time

In a brief chat with *City A.M.*, Javid acknowledges the party is "not complacent" about the struggle London MPs face, but insists the message that a deal is "ready to go if only we get a majority" is going down well.

Javid insists London is not being neglected. "The battleground seats [are] in the north and midlands, but equally we are putting just as much effort into keeping and winning seats here," he says.

After his whistlestop visit, the chancellor is whisked away into his ministerial car. Hands and his team, a mixture of younger residents and business owners, plus retirees who have been pounding the streets for hours, disband.

The team believes constituents have a "simple choice" between backing their incumbent or backing an anti-capitalist — there is no alternative. "For most Remainers, they may be unhappy about Brexit, but I meet very few people who are unhappy about me," says Hands.

The question remains whether tribal ties and a fondness for the incumbent will be enough to keep him in place.

TECH DRIVE Direct Line signs insurance deal with UK car subscription firm Drover

DIRECT Line has signed a deal with vehicle subscription service Drover, integrating its insurance policy into the car firm's platform. Drover offers exclusive use of a car with insurance, maintenance and breakdown cover under one monthly payment.

Zizzi owner Azzurri shrinks losses despite ongoing sector challenges

JESS CLARK

@jclarkjourno

AZZURRI, the owner of casual dining restaurants Ask Italian and Zizzi, reported shrinking losses this year despite the challenges facing the sector in the UK.

Azzurri reported a loss before tax of £16.3m in the 12 months to 30 June, compared to a loss of £23.4m last year, and said it remained confident despite "ongoing sector-wide challenges".

Sales were up seven per cent year on year to £299.4m, driven by new openings in the UK, Ireland and China, which took the group's portfolio to 311 restaurants.

The group, which also owns Italian cafe group Coco di Mama and London pizza chain Radio Alice, reported £20m of capital expenditure as it opened 10 new restaurants in the year including it's first Chinese branch in Shanghai.

It accelerated the expansion of its Coco di Mama chain through the acquisition of 13 "pod" sites, four of which have been converted so far.

Azzurri chief executive Steve Holmes said: "We remain conscious of the current cost environment and continue to take a thoughtful approach to increased operational efficiencies."

Audit watchdog could claw back partner bonuses

JAMES BOOTH

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THE AUDIT watchdog could push for powers to claw back bonuses from audit partners if an audit falls below a certain level of quality.

The Financial Reporting Council (FRC) is thinking of asking the government for powers to set remuneration standards for auditors, the Sunday Times reported.

The FRC would lobby for the powers in the event that the audit practices of the major firms were separated from their consulting arms.

A clawback clause could lead to audit partners being forced to return some of their bonuses if audits have fallen below a certain standard.

The Sunday Times cited sources close to the FRC who said there had been talks of pushing for a system similar to the senior managers' regime in banking, which increases accountability for senior bankers.

The potential proposals follow a series of scandals in the sector, including the failures of outsourcing giant Carillion and department store BHS which both received clean bills of health from their auditors, KPMG and PwC respectively, in advance of their collapses.

Cake chain Patisserie Valerie, audited by Grant Thornton, went bust after a black hole was found in its accounts.

Earlier this year, the Competition and Markets Authority proposed an operational split between the audit and non-audit arms of the big firms to reduce conflicts of interest.

It also proposed the introduction of joint audits to help boost competition in a sector which remains dominated by the Big Four firms.

Legal & General chairman Sir John Kingman led a separate review of the sector last year, which recommended the replacement of the FRC with new regulator the Audit, Reporting and Governance Authority (Arga).

The government has said it is waiting on a third review by Sir Donald Brydon before bringing forward legislation to reform the sector.

The FRC declined to comment.

Octopus seeks £250m to launch new renewables investment trust

EDWARD THICKNESSE

@edthicknesse

THE RENEWABLES investment arm of Octopus Group will list a new trust next month, it was revealed yesterday, which will buy and operate renewable energy infrastructure assets such as wind farms and solar panels.

The Octopus Renewables Infrastructure Trust is seeking to raise about £250m in December's float, and has forecast a three per cent return for the first year of trading, which will rise to seven to eight per cent thereafter.

The move comes as more and more firms invest in renewable energy sources over growing environmental concerns.

According to the Association of Investment Companies, a record £1.1bn was raised for renewable energy and infrastructure trusts in the first six months of this year.

Matt Setchell, co-head of Octopus Renewables, said: "This will bring direct access to renewable assets for investors."

TRADING AMBITION in association with IG

Joshua Warner

Senior Writer, IG

LABOUR'S NATIONALISATION PLANS: THE THREAT AND OPPORTUNITY

The Labour Party is expected to release its manifesto this week, with leader Jeremy Corbyn promising to publish "the most transformative, radical and exciting programme ever put before the British electorate".

The party is set to recommit to some of its major pledges made in 2017, including plans to bring energy, water, rail and mail delivery companies into public ownership. It confirmed last week that it would nationalise BT Group's Openreach network so it can roll-out ultrafast broadband across the country for free.

There have been some wild claims about Labour's nationalisation plans, all of which should be taken lightly. For example, one highly cited figure from the Confederation of British Industry claims it would cost £196 billion. But that was based on old data, didn't weigh-up any potential economic benefits and assumed Labour would pay market value.

Labour's shadow chancellor John McDonnell has said it would be "cost neutral" because it intends to compensate shareholders by issuing bonds, meaning it is trading a liability for a profitable asset. Labour has said its manifesto will be fully-costed when it is released.

But make no mistake, for those that have invested in companies like National Grid, Centrica, United Utilities, Severn Trent, Royal Mail and the number of rail operators, a Labour government could pose a huge threat. Shareholders have usually lost-out when firms have been nationalised in the past and they have rarely been happy with the compensation they have (or haven't) received.

Labour looks highly unlikely to pay a fair price to investors. For example, it has said it needs to take "pension fund deficits; asset stripping since privatisation; stranded assets; the state of repair of assets; and state subsidies given to the energy companies since privatisation" into account when judging the worth of National Grid and others that manage the countries energy network. It said it would pay BT an undisclosed fee for Openreach.

If Labour intends to pay below market value, it will face problems. Nationalisation has mostly been used to cure companies that are in financial distress, and there are concerns this is what Labour is basing its model on. Labour has said, in its 2018 proposals for nationalising the water industry, that it was looking to use the same legislative tools that were used to nationalise failed bank Northern Rock, which, in the end, saw its shareholders completely wiped out.

The problem is, the companies that Labour is targeting don't fit that bill – they are healthy, profitable businesses that have raised investment in infrastructure while delivering returns for investors. Labour's discontent comes from a belief that no-one should be profiting from the provision of crucial public services and that more money could be freed up to reinvest by redirecting the sums currently dished out in dividends each year. It also thinks services should be of a higher standard considering the amount consumers are being charged for their energy and travel, and that the energy firms are unable to truly tackle climate change because they put profits first.

The threat is more immediate for some. The party said "energy distribution and transmission will be brought into public ownership immediately" after it is elected, and water companies are a high priority too. Royal Mail could also be an early target as Labour hopes to use it to launch a new nationalised bank, and investors in the Royal Bank of Scotland should also be alert as Labour has previously said it wants to keep the bank in public ownership. Private companies operating rail services will probably be ousted when existing contracts expire.

Ultimately, we won't know how far Labour will take its nationalisation pledges until the manifesto is released. However, it would be unsurprising if Labour decided to water-down or soften its approach somewhat. It is ambitious to nationalise one industry, let alone four at the same time. The state of the economy and the public purse also remain uncertain whilst Brexit is up in the air, so Labour may want to avoid over-stretching its spending plans. Either way, don't expect it to be a quick process as a Labour government would undoubtedly face legal challenges regardless what approach is taken.

The latest polls suggest the chances of the UK having a Labour government on December 13th is highly unlikely. But it is early days in this election and the political picture is more volatile and uncertain than ever. If Labour gains in the polls then investors will feel an urge to flee the usual safety that energy, water, rail and mail stocks usually offer. However, for those that doubt that Labour can win the election or push through such radical plans, any undue selling pressure could present a cheap entry point for investors seeking a bargain or regular dividends – assuming they remain private, that is.

Harry Robertson explores what the General Election could mean for the British pound

IN FOR A POUND...

WITH Brexit and a global economic slowdown, the pound has had a wild time in 2019. Now, City economists have said sterling is at a crossroads, with the upcoming General Election poised to send sterling soaring — or diving.

A Conservative majority could fire the pound above $1.40, analysts said, but a Labour victory may plunge it to a 35-year low of below $1.15.

The pound has lost around 15 per cent of its value since the 2016 Brexit vote. In August it hit a low of $1.20, a value not seen since the 1980s (excluding 2016's "flash crash") when it looked as though new Prime Minister Boris Johnson was gunning for a no-deal Brexit.

Sterling has since rebounded somewhat to around $1.28, however, after Johnson struck a new Brexit deal with the European Union and called a General Election to try to win a majority big enough to steer it through parliament.

"I would expect a move towards the $1.40 area" should Johnson succeed, says Michael Hewson of trading platform CMC Markets.

Ruth Lea, economic adviser to Arbuthnot Banking Group, says: "The worst scenario [for sterling] is a Labour government." She says the pound could "sink to $1.15 or lower," driving up the cost of the imports the economy relies on.

Other analysts were less pessimistic about a Labour victory, arguing that the party's radicalism would likely be checked in a minority government. It has also pledged to hold a second referendum — an idea currency traders like.

Here are the most likely election outcomes and what City analysts think they would do to the pound:

A CONSERVATIVE MAJORITY

An outright Tory victory is the most likely outcome of the election.

And a Tory win would boost sterling, say analysts, likely pushing it up to between $1.35 and $1.40. It would make leaving with a Brexit deal almost certain, providing the confidence that investors have long been desperate for.

Hewson says the best scenario for sterling would be if the Tories "manage to push through the Withdrawal Agreement and make speedy progress with respect to sorting out the future relationship".

Business investment has slumped in 2019, as firms have held off on spending until more certainty emerged. Johnson's deal includes a transition period until the end of 2020 during which firms are likely to release some money.

Yet Oliver Brennan, FX and macro strategist at consultancy TS Lombard, is cautious: "A strong Tory showing implies a new wave of Eurosceptic MPs."

"The deal itself is actually a hard Brexit," he says, adding that if Johnson "will not be looking for an extension, then we will be looking at a guaranteed hard Brexit by the end of 2020".

He says the pound would likely go to $1.35 or $1.40, adding: "I would be a seller above $1.40... as the market will have to discount increased trade frictions again."

WHAT NEXT FOR STERLING AFTER ITS FIVE-YEAR SLIDE?

A LABOUR MAJORITY

Although an outright Labour victory is highly unlikely, the lesson of recent elections and referendums has been that modern politics is far from predictable.

A Labour majority would give the party free rein to implement its radical economic agenda, which could send the rich scrambling to withdraw money from the country.

Lea says markets would "have to face up to the prospect of dealing with an anti-capitalist, fiscally irresponsible government".

Hewson says the pound would "at the very least move through $1.20 to towards $1.10" if Labour enacted all their pledges. They include seizing 10 per cent of big firms to hand over to workers, and broad re-nationalisation.

Yet Jordan Rochester, FX strategist at financial services firm Nomura, says Labour's policy to hold a second Brexit referendum would be a "big positive".

Labour has said it would try to renegotiate a Brexit deal to be more closely-aligned with the EU — something investors are by and large keen on — and then put the deal to the public, with an option to remain.

Ruth Gregory, senior UK economist at consultancy Capital Economics, says that "a softish Brexit under a Labour government that could potentially implement policies designed to squeeze profits" would likely see the pound fall slightly to $1.25.

However, Rochester says a second referendum boost would in the short term "get outweighed by a Labour budget", sending the pound down to around $1.16.

A HUNG PARLIAMENT

Johnson called the election to try to cut the Brexit Gordian Knot and finally get a deal through parliament, but the poll could bring about another deadlock.

The Tories look set to lose seats to the Scottish National Party (SNP) in Scotland and the Liberal Democrats in London and may well fail to take enough seats off Labour in the north of England to secure a majority.

Brennan says a "Conservative minority government propped up by the Brexit Party and Democratic Unionist Party (DUP)" could lead to a no-deal Brexit, sending the pound to $1.20.

Joshua Mahony, market analyst at trader IG, agrees. He says that "any greater influence from hard-line Brexiteers" could scupper a free-trade deal with the EU, hurting the pound.

Rochester says a Labour minority government, with its more radical instincts limited by coalition, would likely see sterling fall to $1.25 in the near term.

Swedish venture giant Northzone secures $500m

EMILY NICOLLE
@emilyjnicolle

EARLY Spotify investor Northzone has today announced its ninth fund at $500m (£387.5m), which it said was raised at "record speed".

The oversubscribed pot attracted both new and existing investors, as a result of increasing interest in European early-stage startups. It takes the total amount raised by the Swedish venture capital giant to €1.5bn (£1.3bn).

Northzone said the fund will hone in on both consumer and business-focused companies across Europe and the US eastern coast, targeting those at series A and B stages of growth.

Founded in 1996, it has made its name through a number of notable investments in companies such as iZettle, Trustpilot and Klarna.

Highlighted sectors for the new fund include fintech, health, education, mobility and construction.

Dubbed Northzone IX, some of the fund has already been distributed through rounds for London's Generation Z marketing platform Pollen, construction startup Spacemaker in Oslo, and Livepeer in New York City.

"The startup ecosystems beyond Silicon Valley have seen a step change in recent years in quality, scale and an abundance of experienced founder and operator talent, along with deeper pockets of capital," said Northzone partner Paul Murphy.

"There has never been a better time for tech entrepreneurs in Europe."

Following the launch of Northzone IX, the firm said it had promoted Hello Fresh co-founder Jessica Schultz and Dots co-founder Murphy to the role of general partner. It has also promoted Wendy Xiao Schadeck and Chris Steinau as principals.

Schultz said: "This latest fund puts us in a strong position, together with our collective experience as investors, founders and operators, to back early-stage founders with the greatest potential."

MMC Ventures has previously backed delivery florist startup Bloom & Wild

London's MMC reveals first fund for portfolio scaleups at £100m

EMILY NICOLLE
@emilyjnicolle

MMC VENTURES has today revealed the close of its first fund for re-investing in its own portfolio of mature companies at £100m.

The Scaleup Fund will provide capital to current firms in MMC's roster that have outgrown the firm's other funds, such as Interactive Investor and Safeguard Global.

MMC, which was an early investor in the likes of Bloom & Wild, Gousto and healthcare app Echo, has now raised £200m in the last 12 months alone alongside its early-stage and EIS relief funds.

The firm relocated to Holborn earlier this year as it grows its team.

IN BRIEF

TRUMP WELCOMES CASH PAYOUT TO US FARMERS

US President Donald Trump yesterday welcomed a cash payout to American farmers before the Thanksgiving Day holiday that he attributed to China tariffs. "Our great farmers will receive another major round of 'cash,' compliments of China Tariffs, prior to Thanksgiving," he wrote on Twitter. However, the payments are in fact part of a $16bn (£12.4bn) US government aid package announced in May to compensate farmers for the US-China trade war.

PROTESTERS IN GEORGIA DEMAND SNAP ELECTION

About 20,000 people rallied in the centre of the Georgian capital Tbilisi yesterday to protest against the government and to demand an early parliamentary election. The protest took place days after the parliament failed to pass a planned electoral reform, a move to full proportional representation from the present mixed system.

ETHIOPIAN AIRWAYS UNDECIDED ABOUT JETS

Ethiopian Airlines has not yet decided whether to take more deliveries of the 737 Max, the jet grounded worldwide in the wake of crashes in Ethiopia and Indonesia, the airline's chief said yesterday, as Boeing completes revisions to the aircraft's design. "It is still [a] work in progress... We will have to see it completed and the result of the further tests that are still to come," said boss Tewolde Gebremariam.

Javid: My pitch to the businesses of Britain

Chancellor Sajid Javid tells *City A.M.* readers why his party wants their vote, and the threat he sees from Labour

BRITAIN's 6m businesses are the lifeblood of our economy. They have driven employment to record highs, with wages outstripping inflation. And they have made our country a hotbed of furious innovation in products and services. We would all like to see higher economic growth — after a decade of recovery from the last Labour government our economy remains strong compared to its neighbours and competitors.

Now it's time to build on that with low taxes, clear fiscal rules and support for free enterprise. Conservatives understand that a dynamic free market economy is the best and only way to fund our public services. That's why we've already reduced corporation tax to just 19 per cent, the lowest of major advanced economies.

At this election, and in the budget that follows it, we'll focus on helping business in other ways too — with lower business rates and tax cuts to help firms invest in their people and their plans. When you cut some taxes, investment and productivity rises, and so does the tax yield. The left have never understood that, and never will.

But the contrast at this election is not about who will set what rates at which level, it is far more fundamental. The Labour party is now led by two people who have never accepted the broad consensus of the past 30 years that vibrant business and a competitive market economy is what drives growth. Jeremy Corbyn and his shadow chancellor John McDonnell are hoping that people forget what happened with the failed policies of the past so they can indulge in ideological experiments.

DELIVERING BREXIT

Beware of Marxists bearing gifts. We will all pay the price for their fantasy economics — it will destroy jobs, burn people's hard-earned pension funds and set our nation back. Their latest wheeze for "free" broadband is their most audacious con trick yet. It means yet another commitment to seize the private investments of millions of people who own a piece of BT.

It wouldn't be free. All of us would still have to pay through our taxes, and it could destroy major firms like BT, Virgin Media and Sky in our country. And why would we want politicians running our broadband businesses any more than we'd want them running a bakery?

Why would anyone invest in our country with such a threat hanging over them? That's on top of the £300bn McDonnell has already said he wants to take from people who own shares in Britain's best firms.

So the risk from Labour at this election is clear. But Boris Johnson and I know we have questions to answer from business. First and foremost we must tackle the uncertainty around Brexit. We must get Brexit done.

I know many business groups and employers were hesitant about the prospect of a no-deal Brexit. We were right to prepare properly, but we always wanted to avoid it. Only a majority Tory government can finally do this. Our deal is ready to go and we'll put it through within weeks.

We'll then benefit from a significant deal dividend, unlocking pent up demand across our economy — a vital step to reinforce our strength in the face of global turbulence. And once the deal is through parliament, we can get on with building the full future partnership with our EU friends, including an ambitious best-in-class deep free trade agreement.

Bringing certainty and ending the political paralysis in parliament is just the first step that allows us to get on with everything else that matters to people. We know there is much more to do to help businesses, particularly for smaller firms.

That's why at the CBI today, the Prime Minister will set out more on how we will make Britain the best country in the world to start, grow and run a business.

Most important of the plans we are announcing today is a full review of business rates. The system didn't work properly when my dad ran a shop, and it certainly doesn't work properly in the digital age so it's important to look at it in the round and ultimately lower the burden of rates. That's on top of the immediate help we announced last week for local services like shops and pubs.

> Beware of Marxists bearing gifts — We will all pay the price for their fantasy economics

A BUSINESS ELECTION

We'll also cut business taxes on jobs, construction and research and development to help ensure firms are in the best possible position to take advantage of Brexit.

And we'll do it while delivering an infrastructure revolution that will lay the foundations for a decade of renewal and connect us better together as a country. Last week I set out plans to borrow responsibly through clear fiscal rules to ensure we have 21st century road and rail links, the best broadband and the greenest economy.

So we will offer businesses certainty, reduced costs, smart long-term investment and responsible economic management. The alternative is what would surely be the worst government for business and the economy in modern history.

On 12 December the very people who drive our growth and prosperity face the prospect of a government that loathes them and wants to strangle their businesses.

Labour's agenda is one of straightforward theft from investors, and spiralling debt that would destroy everything the British people have worked so hard for. That's the cost of Corbyn — and it's a cost our businesses and everyone who relies on them simply cannot afford.

PARTNER CONTENT

THE KIDS ARE ALRIGHT: UNLOCKING THE SKILLS OF LONDON'S NEXT GENERATION

LONDON CITY AIRPORT

Liam McKay, Director of Corporate Affairs, London City Airport

Last week, the Turner prize and Oscar winning artist, Steve McQueen, launched a ground-breaking work at Tate Britain, and on 600 billboards across the capital, featuring 76,000 portraits of Year 3 London schoolchildren. It seems like a very timely exhibit - a reminder of the importance of a whole generation of kids looking towards their future in the week that political parties launch their election manifestos and we find out what the next Government could bring, for people of all ages.

For the industry I work in, we want to inspire this next generation of school children and, in particular, to encourage them to embrace science, technology, engineering and maths (STEM) as vital skills for their future. These are the subjects not just where there is a talent shortage, but where Britain's future success can be turbo-charged.

And there is much room for optimism, as I found standing in ExCeL London a few days ago in front of 500 East London school pupils, aged between 14 and 16. I was there for London City Airport's 'STEM in Aviation Day' - a celebration of the 'Future of Flight' and how STEM subjects will drive forward aviation innovation and an invigorated sustainability agenda. Pupils joined hands-on sessions from the likes of BA CityFlyer, Cranfield University, Bechtel, University of East London and Widerøe, a Scandinavian airline that has partnered with Rolls-Royce to electrify its 30+ fleet of regional aircraft by 2030.

Listening to the young voices present, their concern about climate change was clear, and that's why accelerating the decarbonisation of aviation is at the top of the agenda for industry leaders, investors and governments. Given the talented pool of young people that we have in this city, and specifically in East London, some of the next innovators for a new era of clean aviation were probably sat in that room. And I hope some of them will be working at London City, in one of the 2,000 jobs we expect to create over the next 15 years. Perhaps they will fill the role of air traffic controller, hybrid electric propulsion engineer, sustainable fuels chemical engineer or pilot.

It was also a group of East London's bright young things that helped the airport to achieve Living Wage accreditation. The powerful advocacy of pupils of St Antony's R C Primary School

> STEM subjects will drive forward aviation innovation and an invigorated sustainability agenda.

in Newham, along with the guidance of The Living Wage Foundation, supported the airport's journey to becoming a London Living Wage employer within seven months, a process I would encourage other businesses to consider. Being an accredited employer means that all of our staff and key direct suppliers - many of whom live locally - receive a sustainable and decent living, which increased last week by 20p, to £10.75 per hour.

So for local people of all ages, through partnership with schools and businesses, we are finding ways to support the development of skills alongside the creation of lifelong careers. With Steve McQueen's hopeful glimpse to the future of London schoolchildren acting as a backdrop to another noisy week on the campaign trail, let's listen out for the proposals that support the future success of Generation Z, who will be instrumental to our future economy.

If you are interested, or want to know more, please visit: www.londoncityairport.com

Crossrail is set to pay out millions more to US firm to keep project on track

MICHAEL SEARLES

*@Michaelsearles_*

CROSSRAIL is set to pay out additional incentives worth millions of pounds to a US company originally hired to keep the project on track and in budget.

Officials on the taxpayer-funded railway scheme are close to agreeing a deal with US partner Bechtel for a new "incentive scheme" in the next few weeks, the New Civil Engineer reported.

Crossrail is already facing a three-year delay and has gone more than £2bn over budget.

Other contractors are also in talks to agree fresh incentives, the publication reported.

It comes after public spending watchdog the National Audit Office said project leaders are not applying enough financial pressure on the contractors responsible to deliver the programme efficiently.

A Crossrail spokesman said: "Crossrail and Bechtel have been in discussion on agreement of an incentive scheme which reflects the one team approach to achievement of this highly complex and vital programme for London.

"We expect it to be concluded within the next few weeks."

A fresh delay to the project's completion until 2021 was announced last week with costs set to reach £18.3bn.

The railway line, which will provide a high-speed connection between Reading, Heathrow airport and central London, was initially due to open in late 2018 and budgeted to cost £15.9bn.

London mayor Sadiq Khan later agreed to increase this figure to £17.6bn.

US firm Bechtel was awarded a £400m contract in 2009 to create a huge tunnel under central London for the Crossrail project and manage the overall design process.

Boris Johnson, who was mayor of London at the time, called Bechtel's appointment a "significant step towards the delivery of Crossrail".

A Bechtel spokesperson said: "Bechtel has always supported Crossrail management and will continue to do so throughout the extended project period."

Business leaders have labelled Crossrail a "national embarrassment" following the latest set of delays and additional costs.

This is not the first time Crossrail has had to change its incentive structure for its suppliers due to the revised schedule.

In January, Crossrail bosses were found to be awarding one-off payments to contractors to incentivise them to pick up the pace at remaining stations.

Crossrail boss Mark Wild said the central part of the line will be mostly complete by March next year, except for at Bond Street and Whitechapel stations.

Crossrail has been hit with a series of delays

The 73-mile rail network will be renamed the Elizabeth Line, in honour of the Queen, and be characterised with a lilac colour when it opens in central London.

It is estimated to provide £1.6bn of annual economic benefit. Further delays could mean the country misses out on £4bn of income.

ANNOUNCEMENTS

LEGAL AND PUBLIC NOTICES

CITY OF LONDON

Fore Street, King Street, Moor Lane, Queen Street, Silk Street and Wood Street – Introduction of loading restrictions along the Q11 Cycleway

The City of London (Loading Bays) (Amendment No. *) Order 201*
The City of London (Waiting and Loading Restriction) (Amendment No. *) Order 201*

1. NOTICE IS HEREBY GIVEN that the Common Council of the City of London propose to make the above Orders under sections 6 and 124 of the Road Traffic Regulation Act 1984.

2. The effect of the Orders would be in:
(a) **Fore Street** to introduce 'at any time' loading restrictions on both sides at the junction with Wood Street;
(b) **King Street** to extend the existing loading restrictions that operate 'between 7 am and 7 pm on Mondays to Fridays inclusive' to include all of the remaining lengths of the street;
(c) **Moor Lane** to introduce 'at any time' loading restrictions on both sides at the junction with Silk Street;
(d) **Queen Street** to introduce loading restrictions that operate 'between 7 am and 7 pm on Mondays to Fridays inclusive' on the west side outside Nos. 6 to 9;
(e) **Silk Street** to introduce 'at any time' loading restrictions on both sides at the junction with Moor Lane;
(f) **Trump Street** to introduce a loading bay on the north side outside No. 2 operating 'between 7 am and 7 pm on Mondays to Fridays and between 7 am and 11 am on Saturdays' where waiting is limited to 40 minutes with no return within 1 hour; and
(g) **Wood Street** to introduce 'at any time' loading restrictions on:-
(1) the east side north of St. Alphage Garden and at the junction with Fore Street; and
(2) the west side for the whole length from London Wall to the junction with Fore Street.

3. Copies of the proposed Orders, of the statement of reasons for proposing to make the Orders and of a plan showing the proposals can be inspected during normal office hours on Monday to Fridays inclusive at the Planning Enquiry Desk, North Wing, Guildhall, London, EC2P 2EJ.

4. Further information may be obtained from City Transportation, City of London, PO Box 270, Guildhall, London EC2P 2EJ or by telephone 020 7332 1108.

5. Persons desiring to object to the proposed measures should send a statement of their objection and the grounds thereof in writing to the Traffic Orders Officer at the above address by **11 December 2019** quoting the reference TraffOrder/DBE/CT-GL.

Dated 18 November 2019

Zahur Khan
Transportation and
Public Realm Director

CITY LONDON

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

LONDON REPORT

Politics pushes domestic shares higher up index

LONDON's mid-cap index outperformed its European counterparts on Friday after the Brexit Party lent further clarity ahead of the 12 December election, while hopes that a US-China trade deal may be imminent helped the FTSE 100 eke out gains.

The FTSE 250 advanced 0.9 per cent as domestically-focused stocks rose after Nigel Farage's party stood down from more seats not held by the Conservative Party, which could help Tories gain a majority in the upcoming election.

As a result, the index bagged its third straight week of gains.

A Conservative victory is being considered most likely to push Brexit through. Blue-chip homebuilders **Persimmon** and **Taylor Wimpey**, traditionally more exposed to Brexit developments, also rose.

The main index inched 0.1 per cent higher, boosted by miners, as well as oil majors **BP** and **Shell** , after White House economic adviser Larry Kudlow said Washington was getting close to a trade pact with Beijing.

That outweighed a dip in exporter stocks as sterling rose to a 10-day high after political developments at home.

Shares of telecom companies were a major blip on the index after the Labour party vowed to nationalise parts of the telecoms provider **BT** if it won power in the 12 December election.

BT slipped one per cent, while peers **Vodafone** and **Talktalk** gave up roughly three per cent each, after Labour's latest salvo less than a month out from the election, in which Credit Suisse believes Tories currently have the edge.

Vodafone shares dipped more than three per cent on Friday

Some other firms at risk of being nationalised under a Labour government, though initially muted, gained after prospects of a Tory victory increased.

Royal Mail added 2.7 per cent and **RBS** climbed 1.5 per cent.

Firstgroup led mid-cap gainers with an eight per cent rise after Britain's competition watchdog said it could accept undertakings offered by the company and Italy's Trenitalia for the West Coast rail franchise.

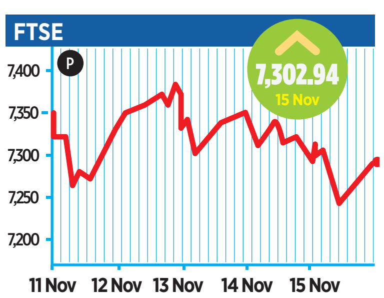
TOP RISERS

1. **Whitbread** Up 4.83 per cent
2. **NMC Health** Up 3.41 per cent
3. **IAG** Up 2.80 per cent

TOP FALLERS

1. **Coca-Cola HBC** Down 3.13 per cent
2. **Vodafone** Down 3.12 per cent
3. **Hiscox** Down 2.57 per cent

FTSE



BEST OF THE BROKERS

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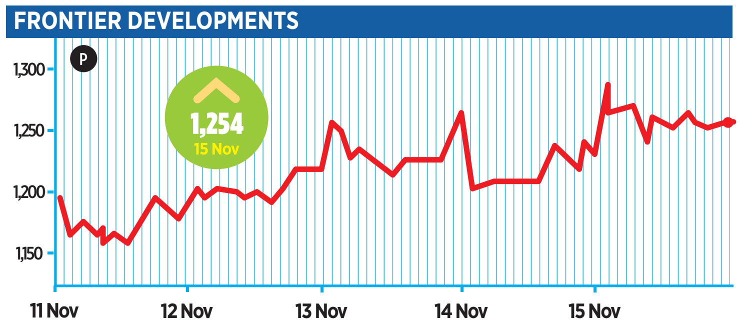
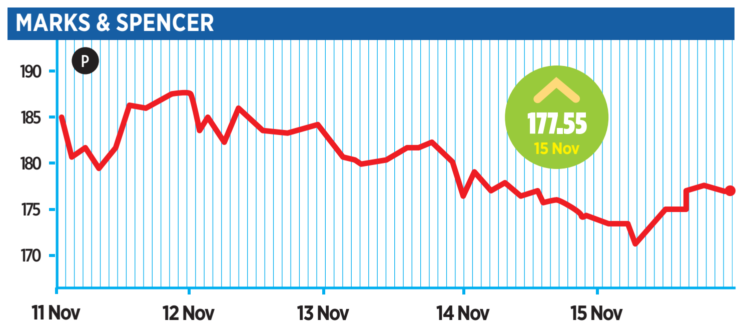
FRONTIER DEVELOPMENTS



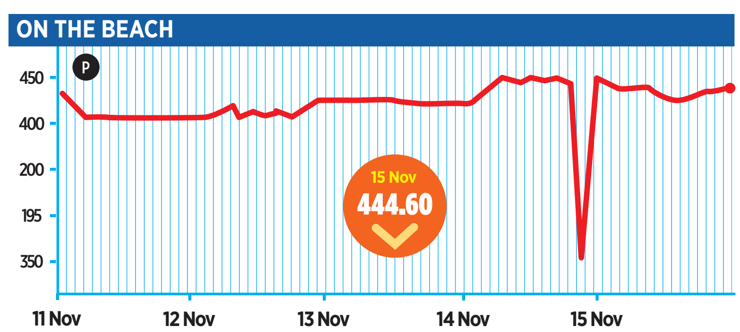
Videogame creator Frontier Developments last week said it was confident it will meet expectations in this financial year following the recent launch of new game Planet Zoo, which allows players to create and run their own zoos. The game and its deluxe product hit the global number one and number two bestseller spots earlier this month. The company also revealed its theme park game Planet Coaster will be available on games consoles next year. Liberum issued a "buy" recommendation and a target price of 1,800p.

MARKS & SPENCER



Barclays has slashed its earnings per share forecast for Marks & Spencer by nine per cent for the next three years, following dismal half-year results earlier this month and its shift to IFRS 16 accounting. Weak clothing and home sales knocked M&S' profit 17 per cent lower in the six months to the end of September. Barclays said the performance was "every bit as difficult as we had expected" but said an uptick in October sales could offer "reason for cautious optimism". Barclays issued an "overweight" rating and a price target of 265p.

ON THE BEACH



The failure of Thomas Cook earlier this year has removed a key competitor for holiday bookings site On the Beach, giving it an opportunity to grow its market share. "If the General Election delivers political certainty and stronger sterling, On the Beach should be a beneficiary of a surge in bookings post-Christmas," Peel Hunt analysts said. However, the company faces tough competition also eyeing Thomas Cook's market share, as Tui and Jet 2 have outlined plans to boost capacity for next summer. Peel Hunt issued a "buy" recommendation and a target price of 550p.

NEW YORK REPORT

Trade hopes and earnings boost Wall St

WALL Street's main indexes hit fresh record highs on Friday, led by gains in technology stocks as upbeat comments related to US-China trade talks, while solid earnings from semiconductor industry bellwether **Applied Materials** brightened sentiment.

Shares in Applied Materials jumped 9.2 per cent and pushed the Philadelphia Semiconductor index to an all-time high after the chip gear maker forecast first-quarter results above estimates.

Nine of the 11 major S&P 500 sectors were higher. Healthcare shares gained 1.3 per cent and provided the biggest boost followed by the trade-sensitive technology sector, which rose 0.65 per cent.

White House economic adviser Larry Kudlow said late on Thursday that the world's two largest economies were getting close to a trade agreement, citing what he called very constructive talks with Beijing.

Wall Street's main indexes have been powered recently by hopes of a trade deal, largely better-than-expected third-quarter earnings and a third interest rate cut by the Federal Reserve.

Data showed US retail sales rebounded in October, but consumers cut back on purchases of big-ticket household items and clothing, which could temper expectations for a strong holiday shopping season.

The report comes a day after the benchmark S&P hit an all-time closing high after retail giant **Walmart**'s robust earnings.

Qualcomm gained 1.1 per cent after Mizuho upgraded its rating on the stock to "buy" from "neutral", while JP Morgan raised its price target.

But **Nvidia** fell 2.3 per cent as the company said it expects its gaming chip business to be impacted by seasonal weakness in the fourth quarter.

The S&P index recorded 39 new 52-week highs and one new low, while the Nasdaq recorded 73 new highs and 62 new lows. Advancing issues outnumbered decliners by a 1.70:1 ratio on the NYSE.

CITY MOVES WHO'S SWITCHING JOBS

COLLIERS INTERNATIONAL

Global real estate company Colliers International has appointed Mark Colclogh as its new chief financial officer for the UK. Mark joined Colliers in 2014 from LSL Property Services . He was promoted to director in 2015 and has overseen the business' acquisition of four companies, reduced its tax bill, simplified the reporting structure and supported the senior leadership team's plans for investments. Tony Horrell, Colliers International's chief executive officer for the UK and Ireland said: "Mark has been instrumental in helping our business to grow, become more efficient and more effective and with his increased leadership responsibilities, I look forward to seeing how we will develop going forward."

SHOOSMITHS

UK law firm Shoosmiths has appointed Thomas Morrison as a key hire within its financial services team. Thomas joins from Addleshaw Goddard. His area of legal expertise includes current accounts and savings, e-money, online financial services, payment services, credit cards, personal loans, mortgages, private banking and tailored solutions for consumers and small businesses. For more than 20 years, he has worked with household name banks and building societies, fintech companies and private, specialised and challenger banks. His strategic appointment will expand the firm's market-leading financial services offering. Stephen Dawson, sector head of financial services, said: "We are a diverse team with a broad skillset and Thomas' experience in the regulation of fintech and payments solutions is very exciting for us in particular. We are keen to add to this recruitment and see it as a very exciting step forward for the firm as a whole."

REVIEWED & CLEARED

Media law practice Reviewed & Cleared has announced the appointment of Sara Vandore-Mackay to its TV and film legal team. Sara qualified as a solicitor in the commercial litigation department of magic circle law firm Allen & Overy in 2006, before moving to Schillings. Sara joined Channel 4 in 2011, where she advised editorial teams and broadcast and digital producers on pre- and post-broadcast media law and regulatory issues, across all genres including investigative journalism and undercover filming, complex factual and documentaries, drama, entertainment, and live television, including innovative and award-winning programmes such as 24 Hours in Police Custody, The Undateables and Naked Attraction. David Burgess, founder of Reviewed & Cleared, said: "I am so pleased that Sara has joined us; she is a superb addition to our TV and film team."

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FORUM

EDITED BY RACHEL CUNLIFFE

This election is too serious for business to sleepwalk through

Michael Hayman

THINGS can only get better — 1997, and not only a song for D:ream but an anthem that swept Tony Blair's New Labour from obscurity to office.

His hand-written message to the nation was "do it". Do what? None of us knew, but who cared? The country opened its heart in droves at the ballot box, and voted big time to give Blair a massive majority.

After all, what did we have to lose? The stakes for most voters didn't seem high enough to not give New Labour the nod to have its turn. Back then, life seemed a lot simpler. The only referendum many of us were interested in was whether Pierce Brosnan was a better Bond than Timothy Dalton. Now that would have been a meaningful vote.

Fast-forward to today, and Labour's playlist is a very different one to 1997. Forget D:ream — this election needs to dance to the tune of disaster, heralding in great reckoning: elites that have had it too easy for too long.

For most of this year, that message has had many in business running scared — a feeling magnified by the volatility around Brexit, parliament in paralysis, and Boris Johnson on the back foot in government. This is why so many business leaders will tell you privately that their number one worry is no longer our relationship with Europe, but the spectre of Jeremy Corbyn in Downing Street.

And yet, rather than focusing minds, this election seems to have quietened them. One of the most exciting chapters in British politics has moved on to one of its most boring elections, where the name of the game for the major parties is to say as little of real meaning as they can get away with.

This is having a calming effect on business, which looks to the opinion polls and assumes that the Conservatives have opened up an unassailable lead, meaning that companies can keep quiet, say little, and get back to the day job.

To return to the past again, after a year of Tony at Number 10, Sash! was belting out Mysterious Times in the top 10 of the charts. And that might be a better piece of mood music for today. Granted, as a song it might struggle to make the all-time hall of fame, but consider the lyrical genius of "in a world of illusion you only see what you feel".

As I have always told my business partner, in dance music there is truth. This is the election of illusion, where the political bet is that we will vote on what we feel rather than what we know to be true.

Take the release of UK growth figures by the Office of National Statistics last week, which revealed that our GDP rose by a fairly unexceptional 0.3 per cent in the third quarter of this year.

These results aren't great, but they're not recession either. And ordinarily, they would have hardly raised an eyebrow.

But if you're in the doom and gloom game, arguing that the UK is rocketing towards an unstoppable recession, the third quarter data was expected to be the big reveal. Last week's economic reality was therefore an inconvenient truth.

And the trouble with truth is that sometimes it gets in the way of a good story. So the GDP figures which undermine the narrative that everything is awful sparked a dismissive and vitriolic response, and a pivot to a new goal to prove that growth is a sign of weakness.

After all, if you've bet the house on pessimism, you can't afford balance in how you respond. And that's why political discourse right now is so much noise and so little signal.

Beneath the static is a nation that soldiers on. The UK economy, given everything that has been thrown at it over the last few years, has shown remarkable resilience in its ability to endure in the face of enormous volatility. But for business to draw the conclusion that this proves politics doesn't matter to the day-to day-reality is a short-lived dream that could very quickly turn into a nightmare.

Business has barely featured as an election message. When it has, it has been about dodgy billionaires and the nationalisation of huge industries, so far away from the reality of most of the UK's 5.8m firms that it's easy to conclude this is all about someone else.

But business needs to wake up and make its case in the coming weeks — not least because the void created if it doesn't is unlikely to be filled with sympathetic views.

This is the election of mysterious times, and business must not sleepwalk into the complacency of thinking that things can only get better.

> **If you've bet the house on pessimism, you can't afford balance in how you respond — and that's why political discourse right now is so much noise and so little signal**

Michael Hayman MBE is co-founder of Seven Hills and co-author of Mission: How the Best in Business Break Through.

To tackle the challenges of our age, UK and EU finance firms must work together

Catherine McGuinness

THE ECONOMY is a hot topic this election campaign, but one issue which is attracting little attention so far is the value and significance of financial and professional services.

According to new data from the Office for National Statistics, the UK exported £82bn of financial services last year, up £4bn on 2017. This gives us the biggest financial services trade surplus globally at £63bn, and has helped cement our place as a leading international financial centre.

Much of this rise was due to increased trade with our partners across the world, including the US (£21.7bn), Japan (£4.4bn) and Canada (£2bn). In fact, overall trade with non-EU countries as a whole rose from £47.6bn to £49.6bn, providing the finance and services needed by our international partners.

It's not just London that is behind this growth. Regional hubs up and down the country are playing a crucial role in driving financial services exports. In Edinburgh, for example, they accounted for almost half of all its services exports in 2017, while in cities like Birmingham and Leeds, financial services amounted to close to 40 per cent of all their services exports.

But what's particularly telling from the statistics is the growing trade with the European Union, our closest neighbour and by far our largest partner in financial services. Financial and professional services exports to the EU rose nearly £3bn to £32.6bn in 2018, with the overall share of UK financial services and insurance exports going to this market climbing to 40 per cent of the whole.

Amid all the debate about Brexit and the future EU-UK relationship, this is an important statistic to remember, especially given the challenges that both sides must face.

I spoke last week to European Commission vice president Valdis Dombrovskis, who was in the Square Mile to talk about the importance of EU-UK cooperation, particularly in sustainability and green finance. These two topics are vitally important for both sides, and whatever happens with Brexit, we will need continued cooperation and engagement between the UK and the EU on many shared challenges, including green growth.

Tackling climate change requires international partnership. And if we want the City to become an engine of the UK's transition to a low-carbon economy — a global hub not only for green investment, but also for green arbitration, accounting, and technology — we will need new forms of cross-sector and cross-border collaboration.

That includes the removal of barriers to investment, and ultimately the redirection of more private capital towards climate change mitigation and resilience.

A welcome signal of intent on future collaboration was given by Dombrovskis' announcement at Guildhall that he will propose an extension of temporary equivalence for UK clearing houses. This is encouraging news for the central counterparty clearing houses and their customers across the EU, and would help to remove the immediate risk of disruption to EU clearing services.

Whatever the outcome of this election or of the Brexit process, our EU neighbours will remain crucial partners as UK financial and professional services firms work together to tackle global challenges and deliver a sustainable future.

Catherine McGuinness is policy chair at the City of London Corporation.

LETTERS
TO THE EDITOR

Round the houses

[Re: Sadiq Khan misses his affordable housing target for second straight quarter]

This headline is misleading — because there is no quarterly housing target. The mayor has an annual target, which he is on track to deliver, of starting 17,000 affordable homes in 2019/20 and 116,000 affordable homes by 2022.

Due to the nature of construction practices, affordable housing reporting is typically backloaded within financial years, meaning that quarterly numbers increase in the third and fourth quarters in all housing programmes. Therefore, simply dividing the annual total by four to create a "quarterly target" is incorrect.

Furthermore, the latest statistics show an increase in housebuilding compared to the same quarter last year.

In the year 2018/19, 14,544 affordable homes were started — more than in any year since the GLA took control of housing investment in the capital, and exceeding the 14,000 target agreed with the government. This total included more homes at social rent levels than ever before, and 1,916 council homes — more than in any year since 1984/85.

Jules Pipe CBE, deputy London mayor for planning, regeneration and housing

Head in the cloud

Free broadband is the most game-changing announcement of the election so far, and would be the final nail in the coffin for privatised utilities if Labour wins a majority. But that's a big if. Let's remember that it took Margaret Thatcher three terms to achieve privatisation, and there's only ever been one Labour government lasting more than two. A Labour government will face a long legislative and funding journey towards nationalisation, and there's bound to be numerous legal challenges as well. Despite the uproar from the industry, it's likely that what's said on the campaign trail may end up having to stay there.

Dominic Church, managing director, WA Communications

BEST OF TWITTER

The good thing is that, if a Corbyn/McDonnell government took over control of all broadband in Britain, it would be free to all and they'd be able to monitor and control everything we do and see online. Oh, hold on a minute...
@JuliaHB1

My completely apolitical boyfriend — who gets very bored when I go on at all about politics and policy— just texted to say "woo hoo free broadband from Labour". Was not interested in my explanations of the range of poss downsides at all. That's who Labour are chasing. May work too
@AllieRenison

Don't know how Boris Johnson can top Labour's free broadband pledge — except, perhaps, giving everyone his login and password for Netflix.
@timothy_stanley

Is Labour going to promise any more free stuff if we vote for them? For example I'd quite like a Rembrandt
@JamesLDouglass

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

Creative monetary policy alone won't spur sustainable growth

Ismail Ertürk

THE LATEST decision from the European Central Bank to reactivate quantitative easing to revitalise the comatose Eurozone economy has been met with scepticism – this time even by central bankers in the Eurozone.

The doubters within the central banking community are now openly voicing their disagreement with such monetary policy tools.

Monetary policy in the US and the UK too is ever more widely critiqued for being ineffective and for causing inequality and asset bubbles. Low interest rates and cash injections into the financial system are not translating into significant private sector investments and well-paid employment.

Rather, cheap central bank money ends up in financial markets and real estate, increasing the wealth of those who own shares, bonds and property.

Consequently, the wealth inequality in the US and Europe is reaching worrying levels, fuelling the rise of populist parties with policies that are economically protectionist and socially reactionary.

To give central bankers some credit, their interventions succeeded in preventing a meltdown of financial markets and collapse of national and global economies when the historically huge banking crisis in the US and then the sovereign debt crisis in the Eurozone erupted a decade ago.

However, continuing with measures that had worked to prevent a financial disaster in order to achieve a sound economic recovery and sustainable growth is a mistake – and one that now even central bankers themselves belatedly seem to admit.

The main reason that these kinds of policies do not work is that the economic models on which they are based fail to accurately reflect today's unruly and complex financial system.

Central bank models assume the unproblematic flow of funds from the financial system to a real economy, guided by profit seeking and increased productivity through long-term investments. This is no longer true in a financialised economy where the pursuit of short-term speculative gains in financial markets blocks the flow of money into job-creating productive investments in the real economy.

We now have a financial sector where the primary goal is to search for high yields without considering the consequences of bubbles in the market. When these bubbles burst (as they have been doing since the late 1980s everywhere from emerging markets to the US and Europe), there are significant economic and social costs – such as fiscal deficits, low wages, unemployment, and productivity losses.

Central bank economic models fail to reflect real-world behaviour

The shareholder primacy of the corporate world incentivises executives to use resources to maximise share prices, at the expense of paying high wages and increasing investments. The profits generated are often spent on stock buybacks, high dividends, and M&A activity – because this is the way to drive stock market value. Executives tend to have remuneration packages that are linked to the share prices of the companies they manage.

Central bank economic models fail to reflect this real-world behaviour. And that needs to be addressed, for the sake of our economic future.

As more and more chief executives, fund managers, and politicians begin to argue that the short-termist shareholder value model should be replaced by long-term societal and environmental goals, we need to combine a coordinated monetary and fiscal policy with reform of capital markets.

Monetary and fiscal policies cannot produce investment-led sustainable growth without capital market reform. To that end, a new public institution with democratic accountability should be created that coordinates monetary and fiscal policies, as well as overseeing such reforms.

Endless central bank activism without radical reform of the financial system and the governance of monetary and fiscal policy will never produce the results that we desperately need.

Ismail Ertürk is a senior lecturer in banking at the Alliance Manchester Business School. He will be speaking at the Radix conference "What Next for Monetary Policy" on 27 November. Find out more at radixuk.org/events.

DEBATE

Is there a case for Labour's 'free broadband' proposals?

YES

MIRANDA HALL

Without internet you can't look for a job, receive childcare and housing benefits, or keep in touch with friends. But across the UK, digital inequalities persist because telecoms providers avoid areas where they can't make a profit. The market has failed to deliver full-fibre, with only eight per cent coverage, compared to 75 per cent in Spain.

Bringing BT's broadband network into public ownership would ensure universal access. And – according to the government's own analysis – a single provider would deliver full fibre for £12bn cheaper than the market competition. The gains are substantial: full-fibre coverage is estimated to provide a potential boost of £59bn to UK productivity.

Fibre networks will be the backbone for essential services like energy, transport and healthcare, so who owns them will shape society. Profit-driven investors should not have this kind of control over the things we need to live.

If publicly owned, in addition to free broadband, this backbone could underpin smart, green public services. Let's design digital infrastructures to serve people, not shareholder profit.

Miranda Hall is a researcher at the New Economics Foundation and co-author of forthcoming report on digital infrastructure for Common Wealth.

NO

JULIA BEHAN

First, there is no such thing as free broadband. While Labour's new policy may sound appealing, you will end up facing higher taxes to pay for it.

More fundamentally, we don't need Jeremy Corbyn to fix access to broadband – we need competition. A state-run system means poor customer service and excessive waiting times for installation and repairs, much like we already see with NHS waiting times.

Spending £20.3bn to build a state broadband network and £230m a year on upkeep is a costly attempt by Labour to bribe voters with their own money. And the party had already done damage. The mere threat of nationalisation has driven BT's share prices down three per cent and deterred TalkTalk from unveiling its plans for FibreNation, a multi-billion-pound project to invest in fibre.

Anyway, Australia tried Labour's plan a decade ago. Unsurprisingly, it proved to be a costly, unpopular strategy that has failed to meet targets and actually caused slower speeds.

BT claims that "technology will save us." And so it will – as long as it's not gripped by the dead hand of the state.

Julia Behan is a research economist at the Adam Smith Institute.

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/$	1.2900	0.0022	€/£	0.8564	0.0009
/¥	140.48	0.8306	€/¥	120.31	0.9102

	Price	Chg	High	Low
GILTS				
Tsy 2.000 20	100.87	0.02	102.2	100.8
Tsy 3.750 20	102.45	0.00	105.5	102.5
Tsy 4.750 20	101.22	-0.01	105.3	101.2
Tsy 2.500 20	354.20	0.00	360.5	353.5
Tsy 8.000 21	111.47	0.02	118.5	111.2
Tsy 4.000 22	108.01	0.05	110.6	108.0
Tsy 1.875 22	113.32	0.04	118.3	113.2
Tsy 0.500 22	100.04	0.07	100.8	98.7
Tsy 2.250 23	106.59	0.10	108.0	105.7
Tsy 2.500 24	364.03	0.11	377.9	360.6
Tsy 0.125 24	111.11	0.07	115.8	111.0
Tsy 5.000 25	123.50	0.15	126.1	122.9
Tsy 1.250 27	133.02	0.25	141.1	130.0
Tsy 4.250 27	129.12	0.28	132.8	125.2
Tsy 6.000 28	147.37	0.31	152.2	143.2
Tsy 0.125 29	126.59	0.31	134.7	121.3
Tsy 4.125 30	379.17	0.27	404.2	364.2
Tsy 4.750 30	142.38	0.36	147.9	135.4
Tsy 1.250 32	153.99	0.26	167.7	147.0
Tsy 4.250 32	140.06	0.33	146.4	131.7
Tsy 0.125 36	145.65	0.26	162.5	135.4
Tsy 4.250 36	147.73	0.42	155.7	135.4
Tsy 4.750 38	162.20	0.42	171.8	147.0
Tsy 0.625 40	165.01	0.16	185.7	153.4
Tsy 4.500 42	165.82	0.49	176.7	147.2
Tsy 3.500 45	148.45	0.56	159.0	128.9
Tsy 4.250 46	168.71	0.55	181.0	146.4
Tsy 4.025 49	174.96	0.60	188.9	150.5
Tsy 0.500 50	191.42	0.37	222.9	173.7
Tsy 0.250 52	187.46	0.32	221.1	168.8
AEROSPACE & DEFENCE				
BAE Systems	573.2	1.6	588.2	443.9
Cobham	154.4	-0.4	168.3	96.8
Meggitt	628.8	5.8	643.0	458.0
QinetiQ Group	338.8	-12.8	355.0	267.0
Rolls-Royce Holdi	733.2	3.6	988.4	702.0
Senior	184.6	4.9	260.0	174.0
Ultra Electronics	2138.0	36.0	2252.0	1232.0
BANKS				
Bank of Georgia G	1492.0	12.0	1755.0	1252.0
Barclays	170.7	0.6	172.8	136.2
Close Brothers Gr	1442.0	20.0	1605.0	1227.0
HSBC Holdings	573.7	3.4	680.6	565.9
Lloyds Banking Gr	59.2	0.5	66.6	48.6
Royal Bank of Sco	224.7	3.4	270.4	177.7
Standard Chartere	703.2	-0.4	736.8	575.7
TBC Bank Group	1330.0	-22.0	1706.0	1150.0
Virgin Money UK	141.0	-0.6	263.0	104.4
BEVERAGES				
Barr (A.G.)	582.0	21.0	975.0	540.0
Britvic	955.0	10.5	1068.0	782.5
Coca-Cola HBC AG	2476.0	-80.0	3074.0	2244.0
Diageo	3096.5	-27.0	3625.5	2701.0
CHEMICALS				
Croda Internation	4746.0	-12.0	5375.0	4564.0
Elementis	177.7	3.2	199.1	129.8
Johnson Matthey	3236.0	67.0	3454.0	2620.0
Sirius Minerals	3.4	0.2	24.2	2.9
Synthomer	304.4	3.4	414.8	279.0
Victrex plc	2356.0	8.0	2680.0	1845.0
CONSTRUCTION & MATERIALS				
Balfour Beatty	228.2	-0.8	295.0	194.2
CRH	2886.0	23.0	2908.0	1971.5
Galliford Try	702.5	23.0	845.0	512.0
Ibstock	258.2	4.8	262.0	193.1
Marshalls	730.0	3.5	742.0	415.2

	Price	Chg	High	Low
Polypipe Group	476.8	3.8	477.0	312.8
ELECTRICITY				
Contour Global	210.0	0.0	222.5	159.1
Drax Group	290.2	4.8	413.8	251.0
SSE	1309.0	2.5	1322.5	1008.0
ELECTRONIC & ELECTRICAL EQ.				
Halma	1880.0	7.0	2094.0	1282.0
Morgan Advanced M	278.0	2.2	281.2	232.4
Oxford Instrument	1552.0	-40.0	1609.1	842.0
Renishaw	3948.0	-22.0	4670.0	3232.0
Spectris	2636.0	23.0	2898.0	2103.0
EQUITY INVESTMENT INSTRUM.				
Aberforth Smaller	1336.0	8.0	1346.0	1114.0
Alliance Trust	814.0	3.0	838.0	672.0
Apax Global Alpha	164.0	0.5	168.0	132.0
AVI Global Trust	765.0	12.0	781.0	660.0
Baillie Gifford J	812.0	10.0	840.0	663.0
Bankers Inv Trust	942.0	2.0	970.0	766.0
BBGI SICAV S.A. (	163.5	0.5	168.0	150.5
BlackRock Smaller	1520.0	16.0	1522.0	1160.0
BMO Global Smalle	137.1	-0.7	140.6	122.0
Caledonia Investm	3035.0	10.0	3110.0	2740.0
City of London In	416.5	-0.5	431.5	376.0
Edinburgh Inv Tru	596.0	2.0	652.0	535.0
European Opportun	788.0	4.0	875.0	666.0
F&C Investment Tr	724.0	4.0	731.0	616.0
Fidelity China Sp	215.5	0.5	250.0	183.4
Fidelity European	254.0	1.0	257.5	202.0
Fidelity Special	266.5	1.0	270.0	220.0
Finsbury Growth &	887.0	0.0	958.0	741.0
Foresight Solar F	120.0	0.0	126.0	107.5
GCP Infrastructur	130.0	-0.6	131.6	122.4
Genesis Emerging	765.0	0.0	785.0	618.0
Greencoat UK Wind	145.4	0.0	148.8	124.4
HarbourVest Globa	1672.0	-6.0	1786.0	1326.0
Herald Investment	1358.0	6.0	1364.0	1055.0
HGCapital Trust	253.0	2.0	254.0	175.0
HICL Infrastructu	169.0	-0.4	174.0	149.9
International Pub	160.2	0.8	165.4	146.8
JPMorgan American	475.0	3.5	494.5	386.5
JPMorgan Emerging	989.0	9.0	1066.0	794.0
JPMorgan Indian I	730.0	0.0	790.0	633.0
JPMorgan Japanese	458.0	6.0	462.0	367.0
Law Debenture Cor	606.0	6.0	618.0	534.0
Mercantile Invest	231.5	2.0	231.5	168.0
Monks Inv Trust	916.0	3.0	964.0	710.0
Murray Internatio	1208.0	4.0	1248.0	1058.0
NB Global Floatin	90.8	0.5	91.8	87.6
NextEnergy Solar	121.5	-0.5	124.5	109.5
Pantheon Internat	2295.0	15.0	2330.0	1955.0
Perpetual Income	313.0	1.0	339.0	284.5
Pershing Square H	1426.0	0.0	1570.0	990.0
Personal Assets T	42100.0	-50.0	43150.0	38900.0
Polar Capital Tec	1482.0	14.0	1500.0	1066.0
Pollen Street Sec	820.0	-6.0	862.0	780.0
RIT Capital Partn	2155.0	0.0	2170.0	1892.0
Riverstone Energy	434.0	-1.0	1214.0	431.0
Schroder Asia Pac	447.0	8.0	469.5	389.0
Schroder Oriental	253.0	0.0	274.0	228.0
Scottish Inv Trus	819.0	4.0	843.0	748.0
Scottish Mortgage	515.5	4.0	568.5	441.4
Sequoia Economic	115.6	-0.2	117.6	108.5
Smithson Investme	1238.0	6.0	1280.0	1000.2
Syncona Limited N	224.0	3.5	294.0	213.5
Temple Bar Inv Tr	1328.0	-2.0	1366.0	1116.0
Templeton Emergin	787.0	8.0	829.0	670.0
The Renewables In	126.0	0.2	133.2	109.3
TR Property Inv T	449.5	3.5	450.0	353.5
Vietnam Enterpris	496.5	3.5	509.0	421.5
VinaCapital Vietn	339.0	1.0	357.5	323.0
Witan Inv Trust	219.5	1.0	225.5	189.6
Worldwide Healthc	2805.0	40.0	2835.0	2325.0

	Price	Chg	High	Low
FINANCIAL SERVICES				
3i Group	1063.0	-10.5	1184.5	756.2
3i Infrastructure	292.5	-0.5	306.5	249.3
AJ Bell	398.0	0.5	477.0	220.0
Allied Minds	49.9	0.2	84.2	37.3
Amigo Holdings	59.5	-0.3	297.5	59.0
Arrow Global Grou	213.4	3.8	273.0	167.2
ASA International	279.0	3.0	481.0	276.0
Ashmore Group	494.4	2.8	542.5	342.6
Brewin Dolphin Ho	340.4	2.6	344.8	287.6
City of London In	418.5	0.0	440.0	360.0
CMC Markets	127.2	0.2	132.0	77.4
Coats Group	75.0	0.4	91.3	69.1
Georgia Capital	990.0	8.0	1183.0	941.0
Hargreaves Lansdo	1739.0	14.0	2433.0	1633.0
IG Group Holdings	667.2	11.4	667.2	474.8
IntegraFin Holdin	385.0	0.0	406.1	271.8
Intermediate Capi	1491.0	12.0	1501.0	918.5
International Per	141.2	0.2	222.2	87.0
Investec	434.0	6.9	518.6	395.3
IP Group	58.3	0.2	122.0	55.7
John Laing Group	361.4	3.4	402.0	298.2
JTC	367.5	-7.5	440.0	287.0
Jupiter Fund Mana	359.2	1.8	432.0	287.6
Liontrust Asset M	930.0	50.0	930.0	532.0
LMS Capital	54.8	0.8	59.5	44.0
London Finance &	37.5	0.0	41.5	36.5
London Stock Exch	6840.0	-94.0	7514.0	3867.0
Man Group	141.4	0.2	175.2	126.8
OneSavings Bank	367.2	5.0	447.4	313.6
Paragon Banking G	501.0	9.4	518.0	379.2
Plus500 Ltd (DI)	748.8	0.2	1647.0	495.0
Provident Financi	439.3	4.3	658.6	356.0
Quilter	141.2	1.5	156.6	110.6
Rathbone Brothers	2140.0	45.0	2540.0	2075.0
Real Estate Credi	168.0	0.5	175.5	163.0
Record	38.3	0.1	41.2	27.3
River and Mercant	236.0	-4.0	300.0	212.0
S&U	2100.0	10.0	2440.0	1767.5
Sanne Group	540.0	-3.0	752.0	450.0
Schroders	3243.0	33.0	3262.0	2334.0
Standard Life Abe	311.4	2.2	313.8	224.9
TP ICAP	373.8	3.8	377.7	270.0
Walker Crips Grou	26.5	0.0	35.5	24.0
XPS Pensions Grou	125.0	6.5	171.0	95.0
FIXED LINE TELECOMS				
BT Group	193.0	-2.2	263.0	158.9
TalkTalk Telecom	105.6	-3.0	130.0	96.6
Telecom Plus	1278.0	2.0	1528.0	1130.0
FOOD & DRUG RETAILERS				
Greggs	2056.0	-2.0	2476.0	1183.0
Morrison (Wm) Sup	196.4	2.0	251.2	176.9
Ocado Group	1152.0	-5.0	1435.0	749.8
Sainsbury (J)	204.8	3.5	318.0	177.1
SSP Group	659.0	9.0	721.0	608.0
Tesco	233.8	2.9	253.0	189.6
UDG Healthcare Pu	789.5	-2.0	821.0	551.0
FOOD PRODUCERS				
Associated Britis	2462.0	23.0	2575.0	2041.0
Bakkavor Group	127.0	3.2	170.0	93.3
Cranswick	3198.0	50.0	3408.0	2472.0
Greencore Group	246.5	3.7	246.5	162.9
Hilton Food Group	1004.0	-10.0	1088.0	884.0
Tate & Lyle	713.2	-2.6	800.4	658.4
Unilever	4568.0	-35.0	5324.0	3941.0
FORESTRY & PAPER				
Mondi	1675.5	26.5	1898.0	1510.5

	Price	Chg	High	Low
GAS, WATER & MULTIUTILITIES				
Centrica	73.6	-0.1	145.8	64.6
National Grid	895.1	1.2	925.8	748.7
Pennon Group	915.0	-3.4	925.6	684.2
Severn Trent	2315.0	15.0	2317.0	1770.0
United Utilities	874.0	9.4	891.4	718.4
GENERAL INDUSTRIALS				
Smith (DS)	388.1	2.9	389.6	292.2
Smiths Group	1635.0	2.5	1692.0	1340.0
Smurfit Kappa Gro	2732.0	12.0	2761.4	1934.0
Vesuvius	423.0	15.0	642.0	341.0
GENERAL RETAILERS				
Auto Trader Group	535.4	6.4	606.0	417.0
B&M European Valu	377.8	6.4	399.6	278.6
Card Factory	161.0	2.5	209.0	151.2
Dixons Carphone	120.0	2.0	167.2	104.9
Dunelm Group	831.0	1.5	981.0	482.8
Inchcape	654.0	17.0	678.0	519.5
JD Sports Fashion	757.0	10.2	781.0	318.5
Just Eat	749.8	3.8	812.0	533.8
Kingfisher	209.9	3.0	266.2	185.9

MAIN CHANGES UK 350

Risers		%
FirstGroup	113.7	7.9
Mediclinic Interna	401.3	6.5
Spirent Communicat	219.0	5.3
Sirius Minerals	3.4	5.2
Whitbread	4386.0	4.8
Ferrexpo	134.4	3.8
Barr (A.G.)	582.0	3.7
Vesuvius	423.0	3.7
NMC Health	2368.0	3.4
Galliford Try	702.5	3.4

Fallers		%
PureTech Health	219.0	-9.5
QinetiQ Group	338.8	-3.6
Coca-Cola HBC AG	2476.0	-3.1
Vodafone Group	154.6	-3.1
TalkTalk Telecom G	105.6	-2.8
Hiscox Limited (DI	1249.0	-2.6
Oxford Instruments	1552.0	-2.5
Dechra Pharmaceuti	2716.0	-2.3
Hastings Group Hol	171.3	-2.3
Fresnillo	624.4	-1.9

	Price	Chg	High	Low
Marks & Spencer G	177.6	4.1	296.1	163.9
Next	6640.0	154.0	6850.0	3991.0
Pets at Home Grou	207.0	1.8	239.4	111.5
Sports Direct Int	321.6	7.6	325.6	214.0
Vivo Energy	123.0	0.6	139.5	105.6
WH Smith	2330.0	30.0	2340.0	1697.0
HEALTH CARE EQUIPMETN & S.				
Assura	71.5	-0.5	75.4	52.5
Convatec Group	188.0	-2.0	202.8	118.6
Mediclinic Intern	401.3	24.3	401.3	293.4
NMC Health	2368.0	78.0	3678.0	1801.5
Smith & Nephew	1654.5	-1.0	1990.0	1380.5
HHOLD GDS & HOME CONSTR.				
Barratt Developme	651.8	9.4	683.0	434.0
Bellway	3297.0	77.0	3536.0	2419.0
Berkeley Group Ho	4544.0	-33.0	4589.0	3226.0
Bovis Homes Group	1160.0	35.0	1226.0	828.0
Countryside Prope	371.4	10.0	373.8	276.8
Crest Nicholson H	368.8	8.4	435.2	309.4
McCarthy & Stone	138.4	2.0	158.8	123.5
Persimmon	2478.0	45.0	2489.4	1836.0

	Price	Chg	High	Low
Reckitt Benckiser	5841.0	44.0	6703.0	5593.0
Redrow	648.0	14.0	674.6	460.8
Taylor Wimpey	171.6	2.2	192.3	129.3
INDUSTRIAL ENGINEERING				
Bodycote	817.0	3.5	903.0	652.0
Hill & Smith Hold	1361.0	16.0	1377.0	1049.0
IMI	1113.0	12.0	1136.0	870.0
Melrose Industrie	222.7	3.0	226.0	146.3
RHI Magnesita N.V	3976.0	68.0	5000.0	3318.0
Rotork	339.6	5.6	339.6	235.7
Spirax-Sarco Engi	8425.0	75.0	9400.0	5900.0
Weir Group	1423.5	2.0	1814.0	1240.0
INDUSTRIAL METALS & MINING				
Evraz	363.3	6.8	709.4	351.0
Ferrexpo	134.4	4.9	301.3	123.0
INDUSTRIAL TRANSPORTATION				
BBA Aviation	306.8	4.2	324.8	207.0
Clarkson	2770.0	15.0	2900.0	1878.0
Fisher (James) &	1900.0	60.0	2260.0	1600.0
Royal Mail	232.1	6.1	340.0	188.4

	Price	Chg	High	Low
NON LIFE INSURANCE				
Admiral Group	2049.0	-2.0	2300.0	1958.0
Beazley	536.0	1.5	628.0	492.6
Direct Line Insur	275.3	4.7	366.5	270.5
Hastings Group Ho	171.3	-4.0	231.6	170.3
Hiscox Limited (D	1249.0	-33.0	1777.0	1213.0
Lancashire Holdin	696.0	3.0	746.0	561.5
RSA Insurance Gro	537.6	-0.4	597.0	496.6
Sabre Insurance G	295.0	2.5	306.5	253.5
LIFE INSURANCE				
Aviva	434.4	3.4	438.8	352.3
Legal & General G	276.7	5.1	291.2	216.7
Phoenix Group Hol	722.0	9.4	724.8	544.0
Prudential	1311.5	3.5	1790.0	1294.5
St James's Place	1062.0	17.5	1143.0	913.6
MEDIA				
4Imprint Group	3000.0	20.0	3130.0	1800.0
Ascential	338.0	-0.4	411.0	332.4
Bloomsbury Publis	261.0	4.0	264.0	195.0
Centaur Media	34.5	0.0	56.5	31.0
Entertainment One	557.0	1.0	589.0	336.4

	Price	Chg	High	Low
Euromoney Institu	1310.0	-2.0	1498.0	1132.0
Future	1492.0	38.0	1560.0	465.0
Goco Group	102.0	0.4	103.8	64.6
Haynes Publishing	425.0	20.0	455.0	160.0
Huntsworth	88.4	1.4	112.5	81.0
Hyve Group	83.6	0.9	85.3	57.0
Informa	793.0	1.0	892.0	605.8
ITV	134.1	1.3	153.4	103.6
Moneysupermarket.	353.0	3.2	417.7	267.0
Pearson	678.4	-8.2	1027.5	674.2
Reach	95.9	1.9	102.0	54.6
Relx plc	1849.0	-19.5	2011.0	1581.5
Rightmove	593.8	-0.2	602.8	420.9
STV Group	394.0	6.0	401.0	318.0
WPP	987.8	-3.6	1038.0	800.4
MINING				
Anglo American	2037.5	16.0	2266.0	1539.0
Antofagasta	882.6	21.0	1022.5	738.0
BHP Group	1690.0	15.4	2049.0	1497.2
Centamin (DI)	114.6	1.3	152.4	79.8
Fresnillo	624.4	-12.0	1027.5	601.0
Glencore	243.6	4.6	340.3	222.2
Hochschild Mining	186.1	-0.9	227.0	153.3
Kaz Minerals	496.2	8.5	738.4	380.3
Polymetal Interna	1169.5	-7.5	1272.0	737.6
Rio Tinto	4154.5	63.0	4976.5	3513.5
MOBILE TELECOMS				
Inmarsat	561.6	-1.2	608.2	362.8
Vodafone Group	154.6	-5.0	168.9	123.3
OIL & GAS PRODUCERS				
BP	508.9	2.6	582.5	484.9
Cairn Energy	176.4	0.0	213.8	140.0
Energean Oil & Ga	896.0	6.0	1082.0	568.0
Premier Oil	88.0	1.1	106.2	55.6
Royal Dutch Shell	2308.0	13.0	2612.0	2213.0
Royal Dutch Shell	2292.5	7.5	2622.0	2218.0
Tullow Oil	148.1	0.9	250.0	139.6
OIL EQUIPMENT & SERVICES				
Hunting	422.2	-0.4	657.0	393.0
Petrofac Ltd.	409.4	5.8	559.0	381.5
Wood Group (John)	368.0	7.0	674.4	327.4
PERSONAL GOODS				
Burberry Group	2152.0	23.0	2345.0	1623.5
PZ Cussons	200.5	-2.5	244.0	178.6
PHARMACEUTICALS & BIOTECH				
AstraZeneca	7248.0	-68.0	7580.0	5325.0
Dechra Pharmaceut	2716.0	-64.0	3036.0	2014.0
Genus	3076.0	-24.0	3146.0	2124.0
GlaxoSmithKline	1699.8	-1.4	1782.0	1418.0
Hikma Pharmaceuti	1889.0	12.0	2200.0	1510.5
PureTech Health	219.0	-23.0	292.0	161.0
REAL ESTATE INVEST. & SERV.				
BMO Commercial Pr	117.2	0.2	141.8	106.0
Capital & Countie	268.3	5.8	270.5	184.9
CLS Holdings	256.0	8.0	266.5	195.4
Daejan Holdings	4850.0	-15.0	6160.0	4715.0
Grainger	271.4	1.6	275.2	205.8
NewRiver REIT	186.0	0.8	246.0	147.6
Safestore Holding	724.5	4.5	725.0	506.5
Savills	920.5	-5.0	967.5	678.5
Sirius Real Estat	74.9	0.9	75.9	58.0
St. Modwen Proper	451.0	1.0	472.0	370.2
UK Commercial Pro	86.7	0.7	92.7	79.9
REAL ESTATE INVEST. TRUSTS				
Big Yellow Group	1175.0	25.0	1178.0	858.5

	Price	Chg	High	Low
British Land Comp	556.0	2.2	638.4	468.3
Derwent London	3568.0	46.0	3638.0	2779.0
GCP Student Livin	180.4	1.4	180.4	147.0
Great Portland Es	782.6	14.6	799.6	649.4
Hammerson	286.6	6.4	423.3	203.9
Land Securities G	913.8	13.8	963.0	735.4
LondonMetric Prop	238.4	3.0	238.8	172.7
Primary Health Pr	142.6	1.4	142.6	108.0
SEGRO	856.0	10.8	856.2	585.2
Shaftesbury	937.0	16.5	979.5	739.5
Tritax Big Box Re	148.9	-0.3	159.7	129.0
Unite Group	1176.0	11.0	1176.0	797.5
Workspace Group	1094.0	-7.0	1101.0	789.5
SOFTWARE & COMPUTER SERV.				
Avast	435.0	-0.2	439.8	259.6
Aveva Group	4374.0	-32.0	4460.0	2284.0
Computacenter	1426.0	20.0	1525.0	952.0
FDM Group (Holdin	793.0	7.0	994.0	647.0
Kainos Group	560.0	-4.0	676.0	372.0
Micro Focus Inter	1062.6	12.6	2491.6	1004.0
Playtech	401.2	-1.7	461.2	360.5
Sage Group	737.6	2.4	820.4	536.2
Softcat	1155.0	6.0	1172.6	565.0
Sophos Group	570.0	3.0	577.0	298.2
SUPPORT SERVICES				
Aggreko	799.4	5.4	855.2	691.8
Ashtead Group	2386.0	22.0	2395.0	1586.5
Bunzl	2024.0	-5.0	2551.0	1943.0
Capita	157.8	3.1	173.1	99.9
DCC	6694.0	40.0	7496.0	5555.0
Diploma	1701.0	45.0	1705.0	1150.0
Electrocomponents	637.0	5.0	729.8	480.0
Equiniti Group	225.2	0.6	236.2	186.2
Essentra	412.2	1.4	442.0	325.4
Experian	2438.0	-26.0	2631.0	1799.0
Ferguson	6898.0	94.0	6914.0	4749.0
Finablr	178.0	2.6	186.4	140.0
G4S	206.5	3.2	234.3	168.3
Grafton Group Uni	827.0	23.0	937.0	630.0
Hays	161.8	1.0	165.3	135.7
Homeserve	1153.0	-12.0	1263.0	849.0
Howden Joinery Gr	593.8	11.0	593.8	416.4
Intertek Group	5250.0	-44.0	5962.0	4494.0
Network Internati	534.0	11.0	628.0	500.0
Pagegroup	460.8	5.2	539.0	367.8
PayPoint	933.0	11.0	1118.0	748.0
Rentokil Initial	444.3	-1.6	467.8	315.9
Robert Walters	495.0	3.0	475.0	814.0
Serco Group	158.3	2.6	160.0	84.1
SIG	113.9	2.8	153.0	99.4
Travis Perkins	1495.5	40.5	1497.0	1004.5
TOBACCO				
British American	2852.0	-48.0	3197.5	2375.0
Imperial Brands	1732.4	-25.8	2713.5	1692.4
TRAVEL & LEISURE				
888 Holdings	164.0	4.3	181.7	129.3
Carnival	3247.0	42.0	4650.0	3056.0
Cineworld Group	198.2	-3.6	321.0	198.2
Compass Group	2010.0	-21.0	2138.0	1583.0
Domino's Pizza Gr	290.0	4.4	290.4	221.2
EI Group	282.2	0.2	285.0	171.4
FirstGroup	113.7	8.3	137.5	79.3
Flutter Entertain	8320.0	154.0	8320.0	5525.0
Go-Ahead Group	2112.0	38.0	2234.0	1480.0
GVC Holdings	825.0	7.8	897.4	507.5
InterContinental	4761.0	4.0	5738.0	4039.7
International Con	557.4	15.2	667.6	413.5
Marston's	124.9	1.1	131.3	90.6
Millennium & Copt	687.0	0.0	690.0	436.0

	Price	Chg	High	Low
Mitchells & Butle	456.0	9.5	457.5	238.0
National Express	449.0	-4.0	462.0	361.4
PPHE Hotel Group	1890.0	10.0	1990.0	1540.0
Rank Group	225.0	5.0	247.5	135.0
Restaurant Group	141.3	-2.3	172.4	111.9
Stagecoach Group	134.4	1.2	177.0	115.5
TUI AG Reg Shs (D	1061.5	19.5	1279.5	698.0
Wetherspoon (J.D.	1564.0	13.0	1624.0	1066.0
Whitbread	4386.0	202.0	5114.0	3988.0
William Hill	175.3	2.5	205.2	132.3
Wizz Air Holdings	3910.0	91.0	3935.0	2722.0
AIM 50				
Abcam	1306.0	61.0	1500.0	1017.0
Advanced Medical	249.5	2.5	354.5	225.0
Alliance Pharma	74.0	0.3	80.4	60.0
ASOS	3154.0	34.0	5312.0	2107.0
Blue Prism Group	870.0	2.0	2002.0	788.0
Brooks Macdonald	1815.0	-5.0	2100.0	1367.5
Camellia	9100.0	-350.0	11750.0	9000.0
CareTech Holding	385.0	-1.0	405.0	325.0
Central Asia Meta	212.0	9.0	266.5	180.0
Ceres Power Holdi	215.0	2.0	220.0	130.0
Clinigen Group	869.5	13.0	1069.0	721.0
CVS Group	1026.0	11.0	1029.0	395.0
Dart Group	1325.0	65.0	1335.0	709.5
Diversified Gas &	103.5	0.0	134.0	97.0
Draper Esprit	476.0	8.0	610.0	410.0
Eland Oil & Gas	154.0	-10.2	165.4	101.0
EMIS Group	1064.0	4.0	1242.0	864.0
Fevertree Drinks	1846.0	76.0	3199.0	1732.5
First Derivatives	2510.0	90.0	3555.0	2050.0
Frontier Developm	1254.0	28.0	1344.0	740.0
Gamma Communicati	1200.0	-20.0	1235.0	688.0
GB Group	657.0	-1.0	660.0	410.5
Gooch & Housego	1157.5	7.5	1650.0	954.0
Hurricane Energy	42.1	0.5	60.8	38.7
Impax Asset Manag	265.0	0.0	295.0	184.0
Iomart Group	355.5	-4.5	398.0	308.0
IQE	65.9	-3.4	98.0	47.6
James Halstead	494.0	-14.0	532.0	367.0
Johnson Service G	172.0	0.0	183.2	113.6
Keywords Studios	1285.0	-21.0	1838.0	900.0
Learning Technolo	110.0	-3.6	130.0	62.2
M. P. Evans Group	682.0	3.0	707.0	612.0
Midwich Group	538.0	0.0	633.0	474.5
Mortgage Advice B	623.0	13.0	640.0	490.0
Next Fifteen Comm	482.5	17.0	658.0	465.5
Nichols	1555.0	-12.5	1880.0	1350.0
Numis Corporation	236.5	1.5	296.0	212.0
Pan African Resou	10.7	-0.3	14.5	8.0
Polar Capital Hol	526.0	-10.0	604.0	448.0
Purplebricks Grou	107.4	-0.6	189.5	90.0
Redde	106.4	-0.4	187.0	90.0
Renew Holdings	385.0	4.0	436.5	333.0
RWS Holdings	599.0	-4.0	652.0	450.0
Scapa Group	233.0	1.5	437.0	157.0
Secure Income Rei	415.0	-3.0	454.0	371.0
Serica Energy	123.6	-0.8	143.4	103.6
Smart Metering Sy	504.5	1.5	665.0	310.0
Thorpe (F.W.)	279.0	0.0	340.0	248.0
Watkin Jones	217.0	2.0	241.5	192.2
Young & Co's Brew	1620.0	20.0	1885.0	1322.5
Young & Co's Brew	1220.0	30.0	1220.0	1030.0

EU SHARES

	Price	Chg	High	Low
AB INBEV	72.15	0.17	92.71	56.32
ADIDAS N	267.05	2.00	297.95	178.30
AIR LIQUIDE	121.40	1.95	121.70	92.59
AIRBUS BR	136.40	0.54	137.32	77.50
ALLIANZ	218.60	1.40	225.90	170.50
AMADEUS IT GRP BR-A	71.98	0.16	74.94	58.06
ASML HLDG	249.00	5.10	249.30	130.12
AXA	25.24	0.03	25.43	18.40
BANCO SANTANDER	3.57	0.03	4.68	3.39
BASF N	70.47	0.43	74.62	55.72
BAYER N	70.52	0.36	73.06	52.00
BBVA	4.77	0.03	5.68	4.19
BMW	74.70	1.39	78.01	58.10
BNP PARIBAS A	50.63	0.29	51.34	38.14
CRH PLC	33.73	0.20	34.87	26.53
DAIMLER N	50.52	-0.48	59.90	40.35
DANONE	75.18	0.28	82.38	59.72
DEUTSCHE BOERSE N	137.15	0.95	145.55	102.50
DEUTSCHE POST N	34.30	0.12	34.40	23.43
DEUTSCHE TELEKOM N	15.17	-0.01	16.26	13.98
ENEL N	6.86	-0.01	7.01	4.43
ENGIE	14.37	-0.04	15.24	11.92
ENI N	14.22	0.08	16.06	12.92
ESSILORLUXOTT	139.15	0.50	140.05	95.50
FRESENIUS	48.03	0.28	53.70	38.50
IBERDROLA	8.82	0.02	9.58	6.24
INDITEX	27.98	0.33	29.00	21.85
ING GROUP	10.55	0.08	12.14	8.20
INTESA SANPAOLO N	2.34	0.01	2.39	1.80
KERING	545.80	8.80	546.60	369.10
KON AH DEL BR	24.13	0.16	24.50	19.36
L'OREAL	261.50	-0.70	266.60	193.20
LINDE	189.00	-0.45	191.15	130.75
LVMH	405.50	1.75	407.85	242.30
MUENCHENER RUECKV N	255.70	0.70	256.60	184.70
NOKIA	3.13	0.08	5.76	3.03
ORANGE	14.50	0.20	15.25	13.08
ROY.PHILIPS	40.95	0.80	44.60	29.05
SAFRAN	149.90	0.95	150.25	99.98
SANOFI	83.08	1.40	86.42	71.74
SAP I	122.32	0.44	125.00	84.02
SCHNEIDER EL	88.14	0.76	88.14	57.54
SIEMENS N	114.94	0.44	115.14	84.72
SOCIETE GENERALE	28.48	0.26	30.74	20.81
TELEFONICA	6.76	0.08	8.06	5.86
TOTAL	49.28	0.20	52.02	42.65
UNILEVER	53.48	-0.22	57.77	45.60
VINCI	102.05	0.40	102.50	69.98
VIVENDI	24.81	0.19	26.69	20.80
VOLKSWAGEN VZ I	182.82	3.14	184.22	134.30

CRYPTO A.M. DAILY

POWERED BY BEQUANT

CRYPTOCURRENCIES

Name	Price (USDT)	▲/▼(24h)
Bitcoin (BTC)	$ 8,574.13	0.37%
Ethereum (ETH)	$ 183.41	0.49%
Ripple (XRP)	$ 0.26	-0.07%
Bitcoin Cash (BCH)	$ 267.98	0.16%
Litecoin (LTC)	$ 59.38	1.76%
EOS.IO (EOS)	$ 3.40	0.86%
Bitcoin SV (BSV)	$ 124.24	0.24%
TRON (TRON)	$ 0.01	-0.36%
NEO (NEO)	$ 12.31	1.20%
Cardano (ADA)	$ 0.04	-1.76%
CryptoCompare Large Cap Index		0.44%
CryptoCompare Small Cap Index		1.12%

Market	$234,529,218,417
Bitcoin Volatility	-2.86%
Bitcoin Volume on BEQUANT Exchange (USDT)	216,972,381

Sources: Bequant.io, CryptoCompare.com
Prices and data are correct as of 09:00, 17.11.2019
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 market traded steadily over the weekend and the volatility that crypto assets are known for is nowhere to be seen. Some will point to the introduction of institutional grade platforms such as Bakkt as the underlying reason, while others will argue that speculative interest has burst. What's more interesting is Ethereum volatility levels are lower than its larger competitor Bitcoin and as it stands, shorter-dated 10-day volatility is near all time low.

Ethereum is entering a critical stage of its planned transition from Proof of Work (PoW) to Proof of Stake (PoS) and the network upgrade, dubbed Istanbul, is scheduled for December 4. Ahead of the upgrade, according to block reward data, the Ethereum network has issued the least amount of ETH in its history. This will play well into the hands of Ethereum Classic as it seeks to attract miners that feel Ethereum's PoS model will hurt their business model.

Elsewhere, Fundstrat Global Advisors LLC's Tom Lee said that the $200 billion cryptocurrency market is far too small for an exchange-traded fund to work. He added that Bitcoin needs to be around $150,000 to cope with daily demand on an ETF.

US SHARES

	Price	Chg	High	Low
3M	171.88	0.95	219.75	150.58
ABBOTT LABORATOR	85.71	1.59	88.76	65.44
ADOBE	297.50	2.97	313.11	204.95
ALPHAB RG-C-NV	1334.87	23.41	1334.88	970.11
ALPHABET-A	1333.54	24.39	1333.54	977.66
AMAZON.COM	1739.49	-15.11	2035.80	1307.00
AMERICAN EXPRESS	120.76	-0.17	129.34	89.05
AMGEN	220.86	2.36	225.26	166.30
APPLE	265.76	3.12	265.78	142.00
AT&T	39.50	0.55	39.58	26.80
BANK OF AMERICA	32.93	0.23	33.60	22.66
BERKSHIRE HATH RG-B	219.74	0.38	223.59	186.10
BOEING CO	371.68	4.24	446.01	292.47
CATERPILLAR	145.31	1.87	148.47	111.75
CHEVRON	120.64	-1.32	127.34	100.22
CISCO SYSTEMS	45.09	0.18	58.26	40.25
CITIGROUP	74.40	0.56	76.28	48.42
COCA-COLA CO	52.67	0.04	55.92	44.42
COMCAST-A	44.56	-0.89	47.27	32.61
COSTCO WHSL	303.66	-0.93	307.34	189.51
DOW	54.86	0.91	0.00	0.00
EXXON MOBIL	69.19	0.69	83.49	64.65
FACEBOOK-A	195.10	1.95	208.66	123.02
GOLDMAN SACHS GR	220.25	0.82	224.77	151.70
HOME DEPOT	237.29	0.74	238.99	158.09
IBM	134.40	0.40	152.95	105.94
INTEL	57.96	0.15	59.59	42.86
JOHNSON&JOHNSON	134.94	3.98	148.99	121.00
JPMORGAN CHASE	129.53	0.93	131.29	91.11
MASTERCARD RG-A	280.78	1.15	293.69	171.89
MCDONALD'S	193.97	-0.03	221.93	169.04
MEDTRONIC	112.06	2.85	112.15	81.66
MERCK	84.90	0.35	87.35	70.89
MICROSOFT	149.97	1.91	149.99	93.96
NIKE -B-	93.04	1.77	96.87	66.53
ORACLE	56.42	0.33	60.50	42.40
PEPSICO	133.81	0.48	140.45	105.03
PFIZER	37.28	0.73	46.47	33.97
PHILIP MRRS INT	84.79	1.15	92.74	64.67
PROCTER&GAMBLE	120.54	0.04	125.77	86.74
SALESFORCE.COM	163.21	0.16	167.56	113.60
TRAVELERS COS	133.57	-0.38	155.09	111.08
TWITTER	29.25	0.36	45.86	26.26
UNITEDHEALTH GRO	269.40	13.57	287.94	208.07
UTD TECHS	149.36	1.25	149.81	100.48
VERIZON COMM	59.51	0.17	61.58	52.28
VISA RG-A	179.77	0.02	187.05	121.60
WALGREENS BOOTS	62.14	0.20	86.31	49.03
WALMART	118.87	-1.78	125.38	85.78
WALT DISNEY	144.67	-2.48	150.63	100.35
WELLS FARGO	53.80	0.31	55.04	43.02

COMMODITIES

Gold	1466.90	0.25
Silver	16.87	-0.16
Brent Crude	62.51	0.22
Krugerrand	1493.10	-21.85
Palladium	1731.00	16.00
Platinum	875.00	1.00
Tin Cash Official	16450.00	-270.00
Lead Cash Official	2036.00	-14.00
Zinc Cash Official	2542.00	-84.00
Copper Cash Official	5823.00	12.00
Aluminium Cash Official	1767.00	-12.00
Nickel Cash Official	15530.00	-180.00
Aluminium Alloy Cash Official	1340.00	14.00
Cocoa Futures	2778.00	22.00
Coffee 'C' Futures	108.90	1.60
Feed Wheat Futures	144.00	0.50
Soybeans Futures Continuation Contract	918.25	6.00

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	-0.297	0.00
LIBOR USD - overnight	1.537	0.01
LIBOR USD - 12 months	1.961	-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	1.75	0.00
US long bond yield	2.31	0.00
Euro Euribor	-0.468	-0.01
The vix index	12.05	-1.00
The baltic dry index	1357.00	-7.00
Markit iBoxx EUR	245.69	0.08
Markit iBoxx GBP	352.40	-0.56
Markit iBoxx USD	261.51	0.92

WORLD INDICES

	Price	Chg	%chg
FTSE 100	7302.94	10.18	0.14
FTSE 250	20404.40	172.60	0.85
FTSE All-Share	4031.99	11.04	0.27
FTSE AIM All-Share	892.30	4.23	0.48
S&P 500	3120.46	23.83	0.77
Dow Jones I.A.	28004.89	222.93	0.80
Nasdaq Composite	8540.83	61.81	0.73
Xetra DAX	13241.75	61.52	0.47
CAC 40	5939.27	38.19	0.65
Swiss Market Index	10310.12	76.89	0.75
ISEQ Overall Index	6921.83	85.94	1.26
FTSEurofirst 300	1590.42	5.21	0.33
Hang Seng	26326.66	2.97	0.01
Shanghai Composite	2891.34	-18.53	-0.64
STI Index	3234.19	3.06	0.09
ASX All Ordinaries	6898.90	58.10	0.85

OFFICE POLITICS

You just can't hold onto the staff these days...

Research shows that 54 per cent of workers are planning to change jobs next year

Alexandra Sydney

AS WE enter the next phase in political campaigning, and Christmas parties are interrupted by the forthcoming election, HR departments might want to brace themselves for the next potential wave of uncertainty.

According to 16,000 UK workers recently surveyed by Totaljobs and Universum, over half of employees expect to move jobs in the next 12 months.

The research also showed that a staggering 38 per cent of workers plan to find a new job in the next six months, while just 10 per cent expect to still work for their employer in four years' time.

Despite last week's figures from the Office for National Statistics showing a slight drop in the number of people in work, the employment rate is still higher than a year ago. Plus, vacancies remain strong compared to historical figures, even with the recent fall.

Our report ranked different industries based on a combination of how satisfied workers are with their employer, how likely they are to recommend their employer to a friend, and how interested they are in changing companies. Evidently, some industries have had greater success than others in keeping staff engaged and retaining the people they need.

Those looking to leave their job are spending an average of one hour 24 minutes a day being unproductive

Auditing and accounting were sectors most likely to retain their staff, followed by passenger transportation in second place, legal services in third, technology in fourth, and construction and engineering in fifth.

Industries where employees were least satisfied in their current positions included professionals in logistics in thirtieth place, media at twenty-ninth, and e-commerce at twenty-eighth. In these sectors, staff were most likely to be looking for a career change.

The potential cost in productivity alone is huge. Those looking to leave their job are spending an average of one hour 24 minutes a day being unproductive, with 38 per cent spending time looking for jobs while at work, and 20 per cent going on to submit applications. The time spent being unproductive comes at a potential cost to UK businesses of £195m a day in lost time. Unsurprisingly, once an employee has handed in their notice and resigned, productivity drops by a further 20 per cent.

So what's inspiring this desire for change? We know from our research that money isn't always the key driver in job satisfaction and retention, as 40 per cent said feeling unchallenged in their current role was their reason for looking elsewhere.

Managers therefore need to promote clear progression paths, flexible working styles, and training opportunities to improve working environments. A shift towards fewer meetings, quiet spaces, and more social events can also help improve engagement, while boosting your branding as an employer too – which is crucial in trying to attract new employees.

Beyond perks, a united sense of purpose is a key motivator for staff. In this year's rankings of the most desirable companies to work for, Google kept the number one spot. But the biggest climber was the NHS, indicating the value that today's workers place on purpose and helping others.

As we gear up for further uncertainty, leaders need to focus on the right retention strategies to mitigate staff migration. This means creating a culture that considers empathy, inspires innovation, celebrates success, and ultimately prevents a colleague from looking for a job elsewhere.

Alexandra Sydney is director at Totaljobs.

Jobs

JUMPING SHIP

Glassdoor
Free

Before changing jobs, have you checked out what your new employer has been rated on Glassdoor? The app is a bit like Tripadvisor for companies, with staff giving their honest opinions about benefits, salaries and office culture. You can even contribute your thoughts about your own job, and help to change bad company culture in the process. Glassdoor makes job hunting much more transparent, so applicants know what they are signing up for.

COFFEE BREAK

SUDOKU

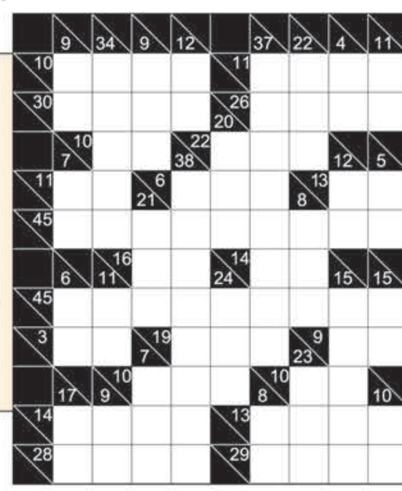
Place the numbers from 1 to 9 in each empty cell so that each row, each column and each 3x3 block contains all the numbers from 1 to 9 to solve this tricky Sudoku puzzle.

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

KAKURO

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

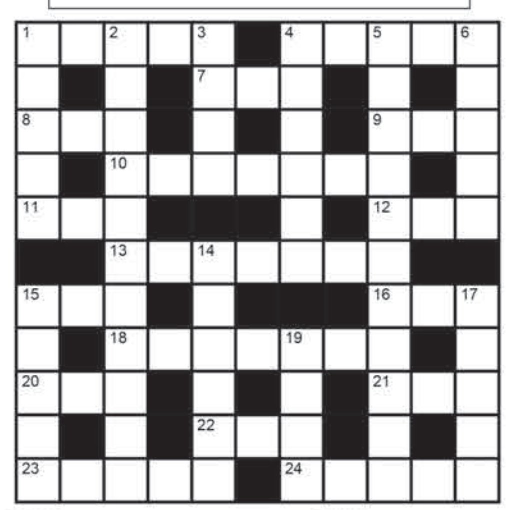
You can only use the digits 1-9 and you must not use the same digit twice in a block. The same digit may occur more than once in a row or column, but it must be in a separate block.



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 Terminate (5)
4 Chocolate powder (5)
7 Deciduous tree (3)
8 Sharp knock (3)
9 Pen point (3)
10 Mail (7)
11 Ornamental garland (3)
12 Frost (3)
13 Chests for storing money and valuables (7)
15 Leguminous plant (3)
16 Tit for ___ (3)
18 Machine used to generate electrical power (7)
20 Glide over snow (3)
21 Take into custody (3)
22 Take in food (3)
23 Hindu queens (5)
24 Bottomless gulf (5)

DOWN

1 Substance that forms reefs in warm seas (5)
2 Request for employment (11)
3 Direction of the rising sun (4)
4 Caerphilly or Gouda, for example (6)
5 Degree of density or thickness (11)
6 Stroll, saunter (5)
14 Compels (6)
15 Baffling question or problem (5)
17 Pipes (5)
19 The smallest quantity (4)

LAST ISSUE'S SOLUTIONS

QUICK CROSSWORD

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

KAKURO

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

SUDOKU

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

WORDWHEEL

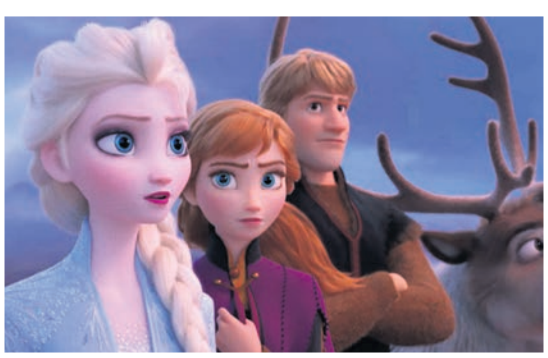
The nine-letter word was PENTHOUSE

MARKETING

ARGOS: THE BOOK OF DREAMS
Retailers would do well to take a leaf out of Argos' book (of dreams). A man notices that his young daughter has circled a drum set in the catalogue, and he starts reminiscing about having his own. By the end of the advert, the father-daughter duo are on stage in front of a crowd of fans drumming to the sound of Simple Mind's Don't You, (Forget About Me). You might forget about the advert by this time next year, but the premise is simple — uplifting music and a family-orientated theme is the kind of content we want at Christmas time.

WHERE SNOWMAN HAS GONE BEFORE...

From clumsy dragons to evil sprouts, **Katherine Denham** reviews the festive adverts from some of the UK's biggest retailers



ICELAND: MAGIC OF FROZEN
Last year, we disqualified Iceland because it re-hashed a Greenpeace video about reforestation and tried to pass it off as a Christmas advert. The frozen food retailer has been less controversial this year. It has teamed up with the second installment of the snow-filled Disney sensation that is Frozen, which means that, at the very least, it has something of a Christmas feel to it. While we can't yet say how Frozen 2 (out in cinemas on 22 November, kids) will compare to its predecessor, riding on the back of the success of the highest-grossing animated film of all time is a good move on Iceland's part. What drags the advert down are the switches between animated characters and real actors, which diminishes some of the magic — but ultimately you would have to be a massive scrooge not to love Olaf the snowman.

SAINSBURY'S: NICHOLAS THE SWEEP
Sainsbury's has managed to fit a Dickensian storyline into a 2.32-minute advert — and it packs a punch. Set 150 years ago (a reminder that Mr and Mrs Sainsbury opened their first shop in Drury Lane in 1869), the creators have clearly put a lot of effort into the Victorian-era set and costumes.
What lets it down is that they have tried to cram too much into the story — Nicholas the chimney sweep is essentially Oliver Twist with superpowers, who is banished to the mountains when three ghostly apparitions appear. And that's all before the twist at the end.

JOHN LEWIS AND WAITROSE: EXCITABLE EDGAR

As per usual, there was a sack-load of commotion around the John Lewis advert. Edgar the dragon keeps burning bridges when he accidentally lets off the odd flame-thrower, and almost kills a few children in the process (one of the downsides of being a dragon, I guess).

In the retailer's first ever joint Christmas campaign with Waitrose, the group has endeavoured to get Edgar to win our hearts. Yeah okay, the animation is cute, and perhaps it's not Edgar's fault that he's such a clutz.

But it all goes up in smoke at the end when the townspeople cheer in apparent forgiveness as Edgar lights up a Christmas pudding — come on, hardly anyone would really be pleased about the prospect of a Christmas pudding, would they? Also, he's clearly still a fire hazard, which is a reminder that fire-breathing pets aren't just for Christmas.

ALDI: CHRISTMAS SPECTACULAR

Roll up roll up for the Aldi advert, which is the winning campaign in our eyes.

It starts with the bad guy Russell Sprout, who is doing a bit of a Peaky Blinders act on Kevin the Carrot. With help from Tiny Tom (the tomato), Kevin escapes and gets to the circus in time to give a festive rendition of Robbie Williams' Let Me Entertain You.

Surrounded by his carrot family and loads of other fresh produce, he manages to get his own back on the sprout clan. The advert is utterly random, but the music, the silly storyline, and the puns make this fun for adults and kids alike.

Who's up for watching a full-length feature film about Kevin the Carrot, then?

M&S FOOD: THIS IS NOT JUST FOOD... THIS IS M&S CHRISTMAS FOOD

The premise of this entire advert hinges on presenters Paddy McGuinness and Emma Willis, who swan around a Christmas market for 1.30 minutes as they stuff their faces with M&S food. And I'm afraid it just doesn't cut the mustard.

In true M&S fashion, the sequence is interspersed with close-ups of food, but the lack of creativity here has let the advert down. Chucking a couple of celebrities and some snow into the mix isn't enough — we want heart-wrenching storylines, or at least something a bit different. Sorry M&S, but we've given this advert just one Christmas pudding out of five.

IKEA: SILENCE THE CRITICS

Ikea, you have done the impossible. You have made a Christmas advert that is down with the kids, and which steers completely clear of the tired old tropes that we see over and over again at this time of year. Not a jingle bell in sight. Instead, we have got Grime. Yep, that's right, Ikea has teamed up with the godfather of Grime music D Double E as part of the flat-pack furniture company's first Christmas advert. And weirdly, it works.

The lyrics themselves are hilarious, so that's a good start. But it's all made funnier with the ornaments being totally disparaging of the house they are in, saying stuff like "this place is a mess, you don't deserve no guests". Admittedly, it has a bit of a tenuous link to Christmas. But who cares? With a little imagination, you can spice up your home and create a Christmas advert that nails it.

TRAVEL

48 HOURS IN...

OXFORDSHIRE, ENGLAND

WHERE TO STAY

The Artist Residence is a boutique hotel set in an idyllic 16th-century inn, with suites featuring freestanding roll top baths and fireplaces. Downstairs is The Mason Arms, an artist-designed country pub. *Visit artistresidence.co.uk*

WHAT TO DO

Climb one of Oxford's iconic dreaming spires. Built during the 14th and 15th centuries, the **University Church of St Mary the Virgin** boasts an ornate tower with views of the city. Make it to the very top for the show-stopper sights.

WHERE TO DRINK

Located in the old Frank Cooper jam and marmalade factory, the aptly named **Jam Factory** is a contemporary bar and art gallery serving craft beers and real ales in an unusual but beautiful setting. *Visit thejamfactoryoxford.com*

WHERE TO EAT

For some fresh tasting Thai food, head over to **Oli's Thai**, where a husband and wife chef team serve up winning dishes like crispy chick pea salads and confit duck panang. Advance booking is recommended. *Visit olisthai.com*

THE CITY THAT STARTED A REVOLUTION

30 years after the fall of the Berlin Wall, Leipzig celebrates its role in Germany's reunification. Words: **Ian Packham**

Look down on the quietly affluent pedestrianised streets of central Leipzig from the unparalleled heights of the Panorama Tower, and you would probably never guess that this is a city where the death knell was rung on the Cold War division of Germany. But this year Leipzig commemorates 30 years since a series of demonstrations called the Peaceful Revolution that were instrumental in bringing down the Berlin Wall.

The division of Germany into East and West at the beginning of the Cold War was not kind to Saxony's largest city. At the collapse of the communist eastern bloc in November 1989, many of the city centre's most significant buildings lay abandoned and in ruins, a harsh reality for a region with an incredible 15,000 buildings protected by historical preservation orders.

Standing in front of the elegant shop windows of Nikolaistrasse, one of the city's main shopping streets, my guide Birgit shows me images of what the same structures looked like back in 1989, when Leipzig still lay firmly in the GDR, as East Germany was officially known. There's barely a roof, let alone a window, in sight amid façades cut back to reinforced steel and brickwork.

It makes the city's post-reunification turnaround into a hip hangout for creatives and those in the hi-tech industries all the more of a surprise. It's now home to the Museum of Fine Arts (MdBK), the biggest new museum to be constructed in east Germany since 1945, while I've just missed a huge esports event at Leipzig Trade Fair. It has also led to Leipzig being called 'the new Berlin' by some, and by the more unkindly moniker of 'Hypezig' by others. But whichever side of the argument you stand on, it's hard not to be impressed by the city's twenty-first century credentials.

The bustling high street, and market stalls that throng with fresh produce on the square outside the Altes Rathaus (Old Town Hall), are a far cry from what was available in the GDR, when the government-controlled stores only stocked bananas once a year – just before Christmas.

The cuisine of the period can be sampled more widely with the German-only menu at Gaststätte Kollektiv, one of the many restaurants on Karl-Liebknecht-Strasse, known more commonly as KarLi Street. Stretching south from the art nouveau stylings of the New Town Hall, it's a thoroughfare dotted with street art, thrift stores, and a bohemian, youthful crowd too young to have experienced the period needlecraft tablecloths, vintage cocktail trolley, and authentic, homely, food (including pork schnitzel the size of dinner plates, and lamb goulash with beans and bacon) the first time around.

"I came to Leipzig in 1978," Birgit tells me. "After nearly 30 years of the GDR it was dirty and grey. Life was boring," she goes on. "We had a guaranteed job, and didn't have to work that hard, but it took me ten years for permission to get my own apartment. You would have to wait 15-18 years for a car – and then it would be a Trabant," a car long the butt of jokes even in East Germany.

"The smell of the 1970s and 80s still upsets me," she says as we enter the Runde Ecke (Round Corner) Stasi Museum. She looks for herself in the many enlarged black and white photographs on display: vast crowds surrounded by huge numbers of police weighted down with riot gear and spoiling for a fight. "When people ask me what we felt when the Peaceful Revolution

started, I tell them – it was fear. We didn't know how it would end." Demonstrators lhad reason to worry; a similar uprising in 1953 was crushed by Russian tanks.

The former regional headquarters of the not-so-secret secret police, the Runde Ecke contains 40,000 exhibits. It's the only place in the former GDR where you can find rooms exactly as they were left at the fall of the Berlin Wall, a fact solely down to the heroics of a small band of ordinary citizens who occupied the building when the Peaceful Revolution unfolded.

"It was a very German revolution," Tobias, who at the age of 23 was a leading player in the protest movement, says smiling. "We signed a contract with the Stasi that they wouldn't destroy any more files than they had already." The Stasi employed one in every 200 people in the city, with paid and unpaid informants enhancing the organisation's information gathering a further four-fold. Ten kilometres of documentation were recovered, alongside a large library of private conversations recorded onto cassette tapes, and another of clear glass jars trapping the scent of Leipzigers blacklisted by the Stasi.

LEIPZIG FACT

Richard Wagner was born here. The composer. It will be a pub quiz question someday, promise. Wagner. Leipzig. Leipzig. Wagner.

"People used to cross the street rather than walk directly past the Runde Ecke," says Tobias. A bank of period CCTV cameras has been left in place, in front of the main entrance on the city's inner ring road. "But every time we passed the Runde Ecke [as demonstrators] we'd get louder in voice".

By early October 1989 the demonstrations had ballooned, from a few hundred protestors a couple of months before, to half the city's total population of 500,000. The stunning neoclassical interior of the 850-year-old Church of St Nicholas was the centre of the protests. They had become a demand

for greater basic rights, such as the freedom to travel abroad, as the Sites of the Peaceful Revolution walking route testifies. Protestors began to carry placards with the words ‘Wir sind das Volk’: ‘We are the people’, and candles to brighten the dark autumn Monday evenings when they occurred.

“Elections were a farce,” says Irmtraut, Tobias’ mother. There was only one party to vote for, and that was the hard-line SED; the German communist party. She refused to take part even when men in dark coats turned up at her door. Playing down here own involvement she says “I was too scared to demonstrate. People should be thankful to those young people who did.” Demonstrations sprang up right across the GDR in response, with the Berlin Wall only lasting a further month.

Every evening, 144 individual cubes of light comprising an art installation in the cobbles outside St Nicholas’ Church randomly light up in turn, marking the role of ordinary individuals in the protests.

Each October also sees the city celebrate its annual Festival of Light. Now in its tenth year, it always begins like the Peaceful Revolution did in October 1989, with songs and prayers at St Nicholas’. Festival-goers then take to the inner ring road and gather at Augustusplatz, at the foot of the Panorama Tower, for a night of audio, video, and light installations commemorating the revolution and its role in the fall of the Berlin Wall.

NEED TO KNOW

There are no direct UK flights to Leipzig, however ICE trains take just 1.5 hours from Berlin. The £11 Leipzig Card provides free public transport and Runde Ecke Stasi Museum entry, and reduced-price entry to the Museum of Fine Arts.

THE LONG WEEKEND

HOTEL JOSEF

PRAGUE, CZECH REPUBLIC

Hannah Wilkinson tries out a beer spa in the city of a hundred spires

THE WEEKEND: 20th century design and 9th century castles sit happily side by side in the Czech capital, and if the stag-do crowds have put you off, don’t worry: they’re easy enough to avoid by whizzing past on a reconditioned scooter or escaping into a basement beer spa.

THE STAY: In the heart of the old town, the Hotel Josef offers a great view of Prague Castle from a building designed by Eva Jiřičná, the architect responsible for its new orangery. With a sauna on the roof and - our favourite touch - proper cafetières with a selection of locally roasted coffee in every room, it’s the perfect base for exploring the a city’s cobbled streets.

THE FOOD: The hotel’s restaurant doesn’t serve dinner, but the Old Town surrounding it is brimming with examples of the city’s growing foodie scene. Marina restaurant, housed in a converted boat, combines more castle views with thoughtful modern Italian and great cocktails. On another night, head to Agave, which serves the best Mexican food we’d eaten in Europe. Try the fried avocado and you’ll never want to eat it any other way.

ASK ABOUT: The Cezetas in the lobby aren’t just for decoration. Based on the original, iconic Soviet design of the 1950s, the hotel’s electric scooters – and matching helmets – are complimentary for guests to use for up to three hours. Use one to whizz up to the 9th century Pražský Hrad and its surrounding buildings, which together make up the largest castle complex in the world. Stop at Letna park for a hotel-provided picnic on the way. Then, with your appetite for history whetted, give Biko Adventures a call and ask for guided cycle ride along the Berounka river to Karlštejn Castle. There’s an off-road version for passionate mountain bikers, and a gentler version for cyclists after a more leisurely excursion, and they’ll even throw in lunch once you get there.

AND AFTER THAT? Adverts for beer spas are a ubiquitous sight across the city, but few can offer a combination of luxury and history to rival the Augustine, where monks brewed St. Thomas beer on site for six centuries until the monastery was closed in 1951. Since it was reopened as a hotel in 2009, the tradition has been continued by a local brewery using the original recipe and the spa’s signature treatment uses the dark lager in combination with finely ground hops as an impressively effective full-body exfoliator. It even includes a stein to drink at the end.

NEED TO KNOW: Castle view rooms at the **Hotel Josef** cost from approx. £226 per night, including breakfast. For more information visit *hoteljosef.com*. The **St. Thomas Beer Ritual** is £138 for 90 mins (*marriott.com*). **Biko Adventures** half stay tour to Karlštejn costs from £86 pp for a group of two (*bikoadventures.com*).

TOP TIP

Production of Trabants ended in 1991 but there are still plenty of them in Prague, so watch out for the world’s worst car.

SPORT

England ease past Kosovo to finish qualifying run with a record goal tally, writes **Felix Keith**

PUT TO THE SWORD

ENGLAND: making qualifiers fun again. After eight Euro 2020 qualifying matches in Group A Gareth Southgate's side have ended with 37 goals and 21 points.

The shock 2-1 defeat by Czech Republic last month has been followed by a 6-0 win over Bulgaria, a 7-0 thrashing of Montenegro, and last night's 4-0 victory against Kosovo. It has been an exhilarating show of power – limited teams steamrollered in impressive, relentless fashion to end with three more goals than England have ever managed in a qualifying campaign.

Qualifying has traditionally been predictable fare, with the end result a formality. But after years of underwhelming, England are now a reliable source of entertainment.

The score line may have flattered them, Kosovo may have put up much more of a fight than previous opponents, and defensive frailties were evident, but the dynamism of England's attack ensured they ended the campaign and 2019 on a high note.

WINKS SHINES

After Alex Oxlade-Chamberlain caught the eye against Montenegro, it was the turn of Harry Winks to step up and display the depth of options Southgate now has to choose between in central midfield.

With Declan Rice in the holding position, the Tottenham midfielder was asked to play further forward and show the different strings to his bow. Here was conclusive prove Winks (pictured) can be more than just a deep-lying playmaker.

Winks was the stand-out performer in the middle of the park, latching onto Oxlade-Chamberlain's pass and keeping his cool to open the scoring, as well as playing several incisive balls in the attacking third.

"I like to consider myself as someone who can play in pivot or as a No8 as well," he said post-match. "I like both. It's difficult to say what I prefer." On this evidence we might be seeing more of Winks higher up the pitch in the future.

EURO 2020 QUALIFIER

KOSOVO	ENGLAND
0	4
	Winks 32', Kane 79', Rashford 83', Mount 90+1'

RASHFORD PACKS A PUNCH

Callum Hudson-Odoi was handed a real opportunity by Southgate, starting on the left of England's 4-3-3, but he didn't take it.

It was only when his replacement, Marcus Rashford, took the field in the 58th minute that England went through the gears. The Manchester United forward was exceptional, providing a pacey, direct threat every time he received the ball.

Rashford's goal – his ninth in the last 10 games for club and country – was the best moment of the game. He charged forward, was found perfectly by the recalled Raheem Sterling and slotted a inch-perfect finish past Aro Muric into the bottom corner without breaking his stride.

Rashford looks so at home on the left. Hudson-Odoi and Jadon Sancho are going to have to enjoy near-faultless seasons if they are to nail down a starting spot at Euro 2020.

KANE'S KILLER INSTINCT

If Rashford's goal was the most aesthetically pleasing, Harry Kane's was the most predictable. The England captain pounced on a botched clearance by Fidan Aliti to half-volley in his 12th goal of a remarkable qualifying campaign from close range.

The strike meant Kane has now netted in each of England's qualifiers. He is the first person to manage the feat in England's history.

In truth he was kept quiet for the majority of the tie in Pristina and yet in classic Kane fashion he was alert when a chance came his way to make the game safe at 2-0.

It was Kane who robbed Ibrahim Dresevic in injury-time to tee up Mason Mount, who made it 4-0 with his first senior goal for his country.

England's defending, particularly from set pieces, needs improving. Kosovo frequently found space in behind Ben Chilwell at left-back and there was often too much space on the edge of the penalty area.

Next summer, against better opposition, England are likely to be punished if they are similarly open.

But with a front three of the quality of Kane, Sterling and Rashford, England are good enough to trouble any opposition.

Irish face Groundhog Day in bid for Euro 2020 place

Republic must beat Denmark tonight in Dublin in what is effectively a play-off, says **Michael Searles**

HEADING into a play-off match to qualify for a major competition is a feeling that the Republic of Ireland are all too familiar with.

The infamous Thierry Henry handball incident in 2009 saw them lose to France in extra-time and miss out on a place at the World Cup in South Africa the following summer.

Then there were victories against Estonia and Bosnia-Herzegovina to qualify for Euro 2012 and 2016 respectively.

Fast forward to last year and Ireland were in another winner-takes-all affair as they endeavoured to reach the 2018 World Cup in Russia.

After holding Denmark to a 0-0 draw in Copenhagen, they would lose the second leg 5-1 in Dublin as Christian Eriksen netted a hat-trick.

Tonight they face Denmark once again and, although it is technically a regular qualifier, it has in essence become another play-off for the Irish with a place at Euro 2020 on the line.

This is the sixth time the two countries have met in 18 months, having also been in the same Nations League group last autumn.

Mick McCarthy's side must beat the Danes in Dublin to join likely group winners Switzerland in next summer's competition. Anything less and they will be doomed to yet another play-off.

Coming into this weekend's final round of qualifiers Ireland were top of Group D, having played a game more than rivals Denmark and Switzerland.

But Denmark and Switzerland beat Gibraltar and Georgia respectively on Thursday to move above them into the two qualification spots.

It has all but guaranteed the Swiss's place at Euro 2020 as they prepare to take on Gibraltar tonight. For Ireland and Denmark, it is still all to play for.

McCarthy has called the match a "cup final" and insisted that, as the group's third seeds, the side find themselves in a great situation.

"I've said at the very start, I would have taken this," McCarthy said last month. "If you could have forgotten about all the other games and we'll have a one-off game against Denmark, it would be brilliant."

Mick McCarthy knows what is at stake for Ireland this evening

At present, the Danes sit top of Group D with 15 points, three ahead of Ireland, but a win in Dublin would see the Irish move above them based on the countries' head-to-head record.

The pair drew the reverse fixture 1-1 and have in fact drawn their last three encounters, and four of the last five, with two 0-0 draws in the Nations League campaign too. The only defeat came in that World Cup play-off.

However, this time Ireland will have to win to progress. Denmark, meanwhile, would only need another draw to qualify, putting the onus on their opponents to attack.

McCarthy's men have built their campaign on being tough to beat, conceding just four goals in seven games and keeping four clean sheets.

Up front, they have been less intimidating scoring just six goals, while Denmark have scored 22.

In fact, Ireland failed to score in their last two qualifiers against Switzerland and Georgia, and each of their six goals so far has come from a different player.

Promising Brighton forward Aaron Connolly, 19, had emerged as a possible late solution to their attacking woes, but has been ruled out with an untimely injury.

There is welcome news, though, as Darren Randolph looks set to return from a four-week absence to start in goal. The goalkeeper and his defence will be vital to Ireland's efforts as history dictates that keeping Denmark at bay will be crucial.

MARATHON VICTORY Tsitsipas beats Thiem to win ATP Finals epic

Stefanos Tsitsipas came from a set down to beat Dominic Thiem last night and win the ATP Finals in his first appearance. Tsitsipas, 21, held his nerve in a gripping final set tie-break at the O2 Arena to win 6-7 (6-8), 6-2, 7-6 (7-4) and become the youngest winner of the season-ending event since Australia's Lleyton Hewitt in 2001. The Greek won 110 points to Thiem's 93 and, after a high-quality and intense two-hour 35-minute battle, he was a deserving winner of the just over £2m in prize money. "It has been a rollercoaster, holding this trophy is amazing," Tsitsipas said post-match. "I have no clue how I played so well in the second set. I think my mind was at ease and I didn't give him much opportunity to play."

VERSTAPPEN WINS AS FERRARIS CLASH IN BRAZIL

Red Bull's Max Verstappen produced a brilliant performance to win an exciting Brazilian Grand Prix yesterday. Verstappen passed champion Lewis Hamilton twice to take the flag at Interlagos ahead of Toro Rosso driver Pierre Gasly, with Carlos Sainz Jr of McLaren promoted to third after Hamilton was demoted to seventh place following a collision with Alexander Albon. There was also drama for Ferrari, with team-mates Sebastian Vettel and Charles Leclerc crashing out while battling over fourth.

GUNNERS BEAT SPURS IN FRONT OF RECORD CROWD

Arsenal beat rivals Tottenham 2-0 in front of a Women's Super League record crowd of 38,262 fans yesterday. Second-half goals from Kim Little and Vivianne Miedema settled the division's first derby at the Tottenham Hotspur Stadium. Elsewhere, Maren Mjelde's penalty saw off Manchester United 1-0 and sent Chelsea back top of the WSL after Manchester City's 5-0 thrashing of West Ham.

BUTTLER: TIME OFF HAS REFRESHED MY BATTING

Jos Buttler says he is feeling mentally refreshed after taking time off following a draining summer with England. Buttler scored 110 as the tourists drew with New Zealand A

SPORT DIGEST

ahead of Wednesday's first Test and the wicket-keeper believes a period away from cricket has helped him find form. "It was a tough summer – physically and emotionally – great fun, a huge challenge and one you look back on with real fondness," he said. "But it took a lot out of us. The time we've had off has been invaluable."

CHAMPIONS SARACENS WELL BEATEN BY RACING 92

Saracens' Champions Cup defence started poorly yesterday as the Premiership champions slipped to a 30-10 defeat against Racing 92. Alex Lozowski crossed in Paris, but scores from Virimi Vakatawa, Teddy Thomas, Finn Russell and Wenceslas Lauret saw the defending champions well beaten and the French side earn a bonus point. Elsewhere, Northampton held off a Lyon fightback to win 25-14.

MARQUEZ ROUNDS OFF 'PERFECT' YEAR WITH WIN

Spain's Marc Marquez ended his MotoGP season in style by winning the final race of the year in Valencia yesterday. Marquez, who secured his sixth title last month in Thailand, started second on the grid, but overtook France's Fabio Quartararo to secure his 12th victory of the season. "It's been a perfect season," he said. "It will be difficult to repeat."

DAVIS CUP, BUT NOT AS WE KNOW IT

A radical revamp of the century-old 'tennis world cup' debuts today. By **Michael Searles**

AFTER 118 years of the Davis Cup being played over the duration of the tennis season, this week it is replaced by a new version that is decided over just seven days.

The revamp will some of the world's best players compete for 18 countries in Madrid in a format designed to equate to a "world cup of tennis".

The controversial changes to the tournament won approval from the International Tennis Federation (ITF) last year, granting investment company Kosmos, founded by Barcelona footballer Gerard Pique, a licence to run the Davis Cup for the next 25 years.

Kosmos, which is also backed by American billionaire Larry Ellison and Rakuten chief executive Hiroshi Mikitani, has pledged to invest £2.3bn into the competition over the duration of their partnership.

The changes were backed by 71 per cent of the ITF's 140 members, passing the two-thirds majority required, although Britain's Lawn Tennis Association was among those to reject the proposals.

The Davis Cup's organisers are endeavouring to reinvigorate one of tennis's oldest but ailing tournaments by attempting to reposition it as a grand finale to the season.

Along with Pique, Kosmos is run by chief executive Javier Alonso, the former director general at MotoGP's commercial rights holder Dorna Sports, and media rights director Alex Soriano, formerly of Barcelona-based Beach Soccer Worldwide.

Alonso says the the trio "are not contaminated by the world of tennis" and so have a "fresh view".

However, opponents of the new format, which follows straight after the ATP Finals, have questioned its wisdom in an increasingly bloated calendar, as well as the sacrifice of tradition for money.

Other new formats, such as The Hundred in cricket or rugby's five-a-side Rugby X, currently abound but too have been met with scepticism.

Early doubts about the quality of players on show now appear unfounded, however, with six of the world's top 10 set to participate, including Novak Djokovic and Rafael Nadal.

Germany's Alexander Zverev is the only eligible player opting not to compete, although Nadal has lingering injury concerns.

A further 14 players ranked between 11 and 30 will also be involved, along with Great Britain's line-up of Andy Murray, Kyle Edmund and Dan Evans.

The new Davis Cup will see the 18 countries involved split into six groups of three in a round-robin format, with two singles and a doubles match to be played on the same day.

The group winners and two best second-placed teams will progress to the quarter-finals.

Reigning champions Croatia will kick off the tournament today against Russia in Group B, which also includes Spain.

Great Britain – one of two countries to be handed a wildcard for the event – are in Group E with Holland and Kazakhstan and will play their matches on Wednesday and Thursday.

The competition is set to be broadcast across 171 countries, with Kosmos saying that a number of sessions across the week are now more than 75 per cent sold out, despite earlier concerns about slow ticket sales.

Both Spain and Great Britain's group stage ties have completely sold out, as has Sunday's final, while a further 13 sessions are more than 50 per cent sold out.

Kosmos has cited difficulty selling tickets for morning sessions and a tendency in Spain for tickets to be bought last minute.

DAVIS CUP FINALS DRAW

Group A:	France, Japan, Serbia
Group B:	Croatia, Russia, Spain
Group C:	Argentina, Chile, Germany
Group D:	Belgium, Colombia, Australia
Group E:	Kazakhstan, Netherlands, Great Britain
Group F:	Italy, Canada, United States

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C H I R O P R A C T O R V Y B A K E R E P O R T E R Q E A E P W I Y

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

C L E R K E M P R O F E S S O R W N J E W E L E R D U O X I B A A W

E N T E R T A I N E R H Z C U S T O D I A N V T U J A P Z B L W F I

A C T U A R Y N D L L H O R J G R O C E R W R E H U U C G N I D I Q

K P M C U R A T O R C G R R G O V E R N O R O C Q D C L L D S V R I

V H A S R X H E Z Y H H N C E C I N D E X E R T D G T E A R H D E K

B I F R O O F R A S E I I T K A P A R A M E D I C E I A Z I E P F L

O L J L E P V P E U M S T N Q R J G V R D Y Z V L U O N I V R U I M

T O O T A T G R P R I E H I R E S T A U R A T E U R N E E E G H G A

A S U N P O U E O V S K O H X T X M G A M E K E E P E R R R Q G H N

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I P N T I E O E I Y K R O G X K L T L K C A R T O G R A P H E R E F

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C R I T A I C G M L J E S N C X I R A D I O L O G I S T C B N F G T

Q S S I D S O E A F G R T I R R S O D E M L J M N B Z Q R O A H D U

P E T O E T L J N I N E P S O B T L V R A F K R S I C D C D U A I R

X K Q N M C O P S A W E W T B R E O E W S B T Z T O B N H Y D I R E

Z A N I I G G G I N T E R N I S T G R R O A R V Y T D S E G I R E R

N K U S C D I E T I T I A N O U D I T I N N A X L E N G F U O D C A

W R I T E R S U N P D F R S L B E S I T I K I Z I C F Y H A L R T F

S I K G H P T F A R M E R K O P N T S E I E N Y S H I D J R O E O S

C P F B Y C D P L U M B E R G X T A I R U R E U T N Z C D D G S R G

O R P J D L I B R A R I A N I C I X N Q F O R T H O D O N T I S T G

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N D A S O L I C I T O R G O T L T N C A R D I O L O G I S T T R G I

S U R D L E C O U R I E R E Q P R O F E S S O R L G D O O R M A N N

E C M O O A B W T R A D E R Q D J O E I N V E S T I G A T O R C N V

L E A C G N E N T O M O L O G I S T F J S Q Y H J S P P I L O T Z E

L R C T I S C I E N T I S T K O P T I C I A N S Y T G H S E C N P N

O I I O S F P K M U S I C I A N S A L E S O C I O L O G I S T O L T

R X S R T E A C H E R H O P E R A T O R T C H A U F F E U R R Z A O

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