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BUSINESS WITH PERSONALITY

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LONDONTIME A GUIDE TO THE BEST OF THIS SEASON'S WATCHES P21–27

THURSDAY 21 NOVEMBER 2019 | ISSUE 3,505 CITYAM.COM FREE

THE CANNED OLD DUKE OF YORK

ANDREW STEPS BACK FROM PUBLIC DUTIES AS FIRMS ABANDON THE EMBATTLED ROYAL

EDWARD THICKNESSE

@edthicknesse

PRINCE Andrew last night said he will step back from royal duties as corporate sponsors continued to sever ties with his entrepreneurship schemes following his widely criticised BBC interview last week.

The announcement from the palace came hours after two more FTSE 100 companies abandoned the Duke of York amid the fallout from his Newsnight grilling over links to the late billionaire paedophile Jeffrey Epstein.

Last night the duke confirmed the Queen had accepted his request to "step back from public duties for the foreseeable future," after days of negative headlines for the royal and the many private and charitable organisations with which he has links.

He said: "It has become clear to me over the last few days the circumstances relating to my former association to Jeffrey Epstein has become a major disruption to my family's work and the valuable work going on in the many charities and organisations that I support."

However, *City A.M.* understands the duke will continue his work with the entrepreneurship initiative Pitch@Palace, despite firms distancing themselves from being associated with the programme.

Satellite manufacturer Inmarsat followed Standard Chartered and KPMG in pulling the plug on continuing support for Pitch @Palace, while BT said it would not work with skills firm Idea as long as the duke remained a patron.

A source close to Inmarsat confirmed to *City A.M.* that the firm had withdrawn its support.

BT distanced itself further, saying that its dealings had been "with its executive directors, not its patron, the Duke of York" but a spokesperson said the company hoped to work further with Idea "in the event of a change in their patronage".

The firms joined the growing number of businesses, charities and academic institutions to distance themselves from the Duke of York in light of questions over his friendship with Epstein, the infamous financier who killed himself earlier this year while imprisoned.

On Tuesday, Advertising Week Europe and tech company Gravity Road joined Standard Chartered in ending their association with Pitch@Palace, a mentoring programme which connects entrepreneurs with investors.

Founding partner KPMG was the first to announce it had terminated its involvement with the scheme, and pharmaceuticals giant Astrazeneca followed soon after.

Despite a source close to Pitch@Palace stressing it was "business as usual", speculation will naturally increase about the long-term future of the programme after a wave of adverse publicity.

City A.M. understands a group of entrepreneurs were attempting last night to find signatories for a statement in support of the initiative.

Johnson to offer tax cut for millions

CATHERINE NEILAN

@CatNeilan

BORIS Johnson yesterday promised an immediate hike to the threshold at which workers begin paying national insurance.

The Prime Minister said his party's first Budget after an election victory would see the tax threshold raised to £9,500 – £712 higher than current plans.

It would then be the party's ambition to raise the threshold to £12,500 in due course.

Johnson initially appeared to announce the policy by accident in an unguarded response to a question from an industrial chemist during a visit to a fabricating plant in Teesside.

"We are going to be cutting national insurance up to £12,000," he said, after being asked whether he would deliver tax cuts "for people like you...or people like us."

The Institute for Fiscal Studies said the cut would leave an additional £85 in the pocket of all those earning above £9,500 a year, making the Treasury worse off by around £2bn in 2020/21.

The announcement came on the same day as the launch of the Lib Dem manifesto and ahead of Labour's launch, which will arrive later today.

LABOUR LAUNCH: P7

FTSE 100 ▼ 7,262.49 -61.31 FTSE 250 ▼ 20,475.25 -53.23 DOW ▼ 27,821.09 -112.93 NASDAQ ▼ 8,526.73 -43.93 £/$ ▼ 1.292 -0.001 £/€ ▲ 1.168 +0.001 €/$ ▼ 1.106 -0.001

CITY A.M.

THE CITY VIEW

A welcome revival for tax-cutting instincts

TAX CUTS — remember them? So far, this has not been an election campaign to warm the hearts of those who yearn for a smaller state, whether it comes to the government's outgoings or its revenue-raising appetite. The Liberal Democrats yesterday joined the political pole vault contest in which parties promise to spend ever higher, taking the silver medal: a little bit more than the Conservatives' offer, still a lot less than the amount being proposed by Labour. While it should be noted that the Lib Dems are committed to a reduction of debt as a proportion of GDP, they're still turning on the taps and eyeing new taxes to pay for it. Their centrepiece is a penny on income tax to raise £7bn a year for the NHS while Labour plan a raid on those earning over £80,000 in addition to a slew of new taxes on companies and higher earners. The Tories, meanwhile, have cancelled a proposed cut to corporation tax.

And yet, an unscripted comment from the Prime Minister on the campaign trail yesterday (which may or may not have been an accident) offers a real prospect of a proper tax cut. An immediate hike to the national insurance threshold to £9,500 and an ambition to bring it up to £12,500 is welcome indeed. As the independent Institute for Fiscal Studies has said in the past, raising the threshold "is the best way to help low and middle earners through the tax system".

It is not perfect. It doesn't really help those on the very lowest incomes, and it will of course cost the Treasury in the short-term. At an election when spending pledges are being thrown in the air like confetti at a wedding, that's less than ideal. It would also make sense to go further, and simply merge income tax and national insurance. The Institute of Economic Affairs is right to say the current dual system "misleads the public" and such a radical move would create cost savings for businesses and government alike.

But these concerns aside, it is a reminder that at least some in Westminster still have a desire to reduce the burden on hard-working families, rather than attempting to concoct ever more imaginative ways to separate them from their hard-earned income. The story of the post-crash economic recovery has two chapters: one on employment, which has remained strong, and one on wage growth and real incomes, which have disappointed. A proper tax cut for low and middle earners would be a fine way to start a new chapter.

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BLADES OF GLORY Winchester Cathedral choristers hit the ice in their cassocks as city gears up for popular Christmas market

EAGER choristers donned cassocks and ice skates yesterday as they marked the opening of the ice rink next to Winchester Cathedral. The cathedral's Christmas market also opens today, offering festive gifts, decorations and food from more than 100 wooden chalets. The market attracts almost half a million visitors each year.

UBS wonk: Tax hikes for billionaires will backfire

SEBASTIAN MCCARTHY

@SebMcCarthy

BILLIONAIRES will stop taking risks and sit on their money if they face blockbuster wealth taxes being proposed by left-wing politicians on both sides of the Atlantic, a senior UBS banker for the super-rich has warned.

Josef Stadler, who heads up the ultra high net worth division at the Swiss bank, said billionaires will no longer chase high returns if they are hit with the types of levies being proposed by US Democrat presidential candidates Elizabeth Warren and Bernie Sanders, as well as the Labour party.

"What will happen is worse than billionaires relocating," Stadler told *City A.M.*

He added: "They will say: 'If you cap my upside, then I cap my risk appetite'. And in the long-term, there will be no risk appetite."

Curbing billionaires' riches has become one of the key pledges in both Warren's campaign to become US president in 2020 and Labour leader Jeremy Corbyn's bid to be elected Prime Minister on 12 December.

The proposed wealth taxes have prompted a number of super-wealthy figures and banking heavyweights, including former Goldman Sachs boss Lloyd Blankfein and JP Morgan chief executive Jamie Dimon, to express their concern.

However, a recent survey from YouGov found that anti-billionaire sentiment is broadly popular among British residents, with a little over half of respondents saying nobody should have £1bn under any circumstances.

According to Stadler, it is not just political pressure but also wider headwinds in the global economy that are giving the ultra-wealth a headache.

"For the first time I've seen in 10 years, billionaires are more concerned than millionaires," said Stadler.

"Historically, big money knows more than not-so-big money and is a leading indicator for capital markets and recessions," he added.

"Billionaires are an indicator of what will come, such as a potential cooling off of economic activity and a hardening of geopolitics".

The UBS banker said that unpredictable tweets from US President Donald Trump and a flip-flopping over interest rates have contributed to billionaires turning their backs on global public markets after a volatile year.

Over the coming 12 months Stadler said he expects there to be a rise in "stealth wealth", in which wealth becomes less obvious to spot because it is increasingly moved from public listed firms into private investments to avoid scrutiny.

WHAT THE OTHER PAPERS SAY THIS MORNING

FINANCIAL TIMES

US GRANTS ONE-OFF HUAWEI LICENCES AFTER TRADE BAN

The Trump administration has approved "several" individual licences for US companies to do business with Chinese tech firm Huawei as it seeks to cushion the impact of an export ban introduced this year that has soured trade relations between Washington and Beijing. It came as the world's two largest economies struggled to reach a limited truce in their trade war

PAYPAY BUYS ONLINE RETAIL TOOL HONEY IN $4BN DEAL

Paypal last night unveiled its most ambitious attempt yet to move beyond its core payments business, as it announced the $4bn (£3bn) acquisition of private e-commerce company Honey. The deal, which is the biggest in Paypal's history, will bring the company a new source of data and insights into online shopping behaviour.

THE TIMES

BOEING MUST STRENGTHEN JETS AFTER WINDOW DEATH

Boeing has been told to modify 7,000 of its older 737 jets after a flaw caused a passenger to be sucked out of a window and killed. Safety officials found that weaknesses in the casing around the left engine on the 737 NG sent metal ripping into the side of Southwest Airlines Flight 1380 as it cruised from New York for Dallas last April.

HEAVY INVESTMENT TAKES TOLL ON MARGINS AT SAGE

Britain's largest listed tech company has insisted that its strategic plan is on track after increased investment knocked annual earnings. Sage endured a 13 per cent drop in operating profit to £432m.

THE DAILY TELEGRAPH

EXTINCTION REBELLION BOSS IN HOLOCAUST ROW

One of the founders of Extinction Rebellion was facing possible expulsion from the movement yesterday over remarks in which he allegedly questioned the significance of the Holocaust while comparing the genocide to climate change now. Roger Hallam described the Holocaust as "just another f***ery in human history".

SOCIAL MEDIA FIRMS TO GIVE UP MOLLY RUSSELL'S DATA

Social media companies have been ordered to divulge any material they hold that could shed light on the death of teenager Molly Russell. The 14 year old was found dead in 2017.

THE WALL STREET JOURNAL

FED CUT RATES LAST MONTH AMID WORRIES OVER TRADE

Federal Reserve officials worried that weakness in manufacturing, trade and business investment could threaten the economic expansion by triggering cutbacks in hiring and consumer spending when they cut interest rates last month. The cut emerged in minutes of the 29–30 October policy meeting, which were released yesterday.

TRUMP SET TO CONVENE CRUNCH VAPING MEETING

US President Donald Trump is scheduled to meet with vaping industry and medical officials tomorrow, as he considers a ban on flavoured e-cigarettes that has stirred opposition.

‘Quid pro quo’ in Trump-Ukraine call, says official

JAMES WARRINGTON

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US PRESIDENT Donald Trump gave direct orders to his staff to put pressure on Ukraine and wanted to establish a “quid pro quo”, a top US diplomat said yesterday.

During an explosive appearance at an impeachment hearing, US ambassador to the European Union Gordon Sondland said Trump had expressly ordered him and others to push Ukraine to open an investigation into rival candidate Joe Biden.

Sondland said he “followed the President’s orders” and worked directly with Trump’s personal lawyer Rudy Giuliani.

“Mr Giuliani’s requests were a quid pro quo for arranging a White House visit for [Ukrainian] President Zelensky,” he said.

Sondland, a wealthy hotel tycoon who donated $1m (£770,000) to Trump’s inauguration, said that US secretary of state Mike Pompeo was aware and “fully supportive” of their efforts in Ukraine.

Demanding such a quid pro quo would, if proven, represent an abuse of the power of the presidency.

The comments came during a hearing in front of a US House committee as part of a probe into whether Trump improperly pressured Ukraine to help his bid for re-election.

The basis of the probe is a 25 July call in which Trump appeared to ask Zelensky to open a corruption inquiry into rival Joe Biden and his son.

US Democrats are investigating whether Trump deliberately withheld $391m in aid to Ukraine in a bid to pressurise Kiev into co-operation.

Speaking to reporters after the hearing, Trump again denied allegations of wrongdoing, citing an earlier conversation with Sondland in which he said: “I want no quid pro quo.”

Impeachment would require a vote in the House and then a two-thirds vote in favour in the Republican-controlled US Senate.

Trump read aloud from handwritten notes as he defended his actions on Ukraine

Elon Musk set to face defamation trial over ‘pedo guy’ comments

JAMES WARRINGTON

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TECH billionaire Elon Musk will appear in court to face a defamation lawsuit after he referred to a British diver as “pedo guy” on Twitter.

A Los Angeles judge yesterday denied Musk’s request to throw out the case and ordered the trial to begin on 3 December.

The Tesla chief said the phrase was a “common insult”

It comes after the Tesla tycoon branded Vernon Unsworth a paedophile after the diver accused him of staging a PR stunt by offering to help rescue 12 boys and their football coach from a cave in Thailand last year.

Unsworth filed a lawsuit two months later, saying Musk falsely branded him a paedophile and child rapist, denying those allegations.

Musk said the phrase was intended as an insult, not an allegation, adding that it was a “common insult” used when he was growing up in South Africa.

Raab blasts China over Hong Kong ex-consulate worker torture claims

JAMES BOOTH

@Jamesdbooth1

UK FOREIGN secretary Dominic Raab yesterday blasted China’s “brutal and disgraceful” treatment of a former member of staff in the UK’s Hong Kong consulate who alleged he was tortured by Chinese secret police.

Simon Cheng said he was tortured during a 15-day detention by police in mainland China in August.

Cheng said Chinese secret police shackled him, beat him and deprived him of sleep while they questioned him on the UK’s role in Hong Kong’s pro-democracy protests.

“I was hung… on a steep X-Cross doing a spread-eagled pose for hours after hours,” Cheng said.

Raab said: “I summoned the Chinese ambassador to express our outrage at the brutal and disgraceful treatment of Simon.”

A spokesperson for the Chinese embassy said: “Cheng confessed all his offences and all his lawful rights and interests were guaranteed.”

Human rights charity Amnesty International called for China to investigate the allegations.

“China must investigate Mr Cheng’s claims and ensure any police found responsible for torture …are held to account,” Amnesty’s China researcher Patrick Poon said.

Tossed owner Zest Food seeks zero rent agreements in rescue proposal

JESS CLARK

@jclarkjourno

ZEST Food, the owner of healthy eating brand Tossed, is the latest casual dining chain to seek a company voluntary arrangement (CVA) restructuring plan.

The company, which has more than 10 stores in the Square Mile including Leadenhall Street and King William Street, is asking landlords to agree to a combination of zero rent and rent reduction arrangements as part of the rescue plan.

The healthy fast food chain yesterday said the Vital Ingredient brand, which it acquired last year, was trading "with a level of decline that is significantly below our expectations".

"This has led to a restructuring of the whole becoming unavoidable," Zest said yesterday.

No stores are expected to close in the short term, but all branches will be converted to the Tossed brand, which Zest said remained in growth.

Zest managing director Neil Sebba said: "The directors consider a CVA as the best way to protect the Tossed brand, provide breathing space for the company, and provide strong foundations on which the business can grow in the future."

City employees show frustration with job moves

SEBASTIAN MCCARTHY

@SebMcCarthy

THE SCALE of churn in the City has been brought to light today, with new data showing almost 40 per cent of professionals in the Square Mile moved jobs last year.

Frustration over a lack of career progression was the chief cause for switching jobs among financial workers in 2018, according to the latest financial markets report from recruitment giant Hays.

Salary dissatisfaction and a lack of development opportunities also played a role, according to the poll of 1,300 employers and employees in financial markets.

"Salary will always remain an important factor to get right, but it's clear City professionals expect more than just a competitive salary to stay in a role," said Tom Hawkins, director of Hays Financial Markets.

He added: "Despite ongoing economic uncertainty, career development and progression is something employers do need to have on their agenda this year.

The figures come on the same day as a separate report showed that almost three in every four businesses which attempt to hire new staff faced recruitment difficulties in the third quarter, amid an ongoing skills shortage in the UK.

While more than half of British firms recruited new employees in the last three months, some 73 per cent said that they faced difficulties, marking a rise from 64 per cent in the previous quarter.

The findings, released today by the British Chambers of Commerce (BCC) and Totaljobs, also showed that more than one in four British companies are planning to expand their headcount in the fourth quarter, while two-thirds believe their workforce numbers will not change.

Despite concerns over the Brexit deadlock, the report concluded that the UK labour market performance and expectations are holding up "fairly well".

Only 11 per cent of businesses have reduced their workforce in the third quarter, with one in four businesses increasing their total headcount.

A BRIDGE TOO FAR Hammersmith Bridge upgrade will not allow new double deckers

HAMMERSMITH Bridge will not be able to handle London's current fleet of electric double-decker buses, according to Transport for London. Plans to upgrade the closed bridge show it would not be sturdy enough to handle the growing fleet.

IN BRIEF

KPMG SLASHES HEADCOUNT AMID COST CUTTING DRIVE

KPMG is making redundancies in its in-house project management team as part of a campaign to slash millions of pounds in costs. KPMG told more than half of the staff in its transformation centre of expertise this week that their jobs were at risk of redundancy, Sky News reported. The unit works across KPMG on projects including the transfer of hundreds of people from its consulting arm into its audit practice as part of a major restructuring. The team is 37-strong and is expected to shrink to 20 following the redundancy process. The cuts comes in the context of a £100m cost-cutting drive called Project Zebra. The firm has recalled hundreds of corporate mobile phones and cut the number of personal assistants.

EX-DE VERE BOSS COPPEL TO BE MADE ARCADIA CHAIRMAN

Sir Philip Green's Arcadia Group is preparing to appoint the former boss of the De Vere hotel and leisure group as its new chairman. The appointment of Andrew Coppel, who currently sits on the board of housebuilder MJ Gleeson, is expected to be announced today, Sky News reported. He will replace corporate restructuring expert Jamie Drummond Smith, who stepped down as interim chairman in September after being brought in to steer the high street giant's restructuring process. Coppel will become chairman of Arcadia, its holding company Taveta Investments and Topshop Topman. Coppel has previously held board positions at the Jockey Club and Duncan Bannatyne's leisure group.

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Kingfisher sales fall amid slump in B&Q's trading

JESS CLARK

@jclarkjourno

THE NEW chief executive of Kingfisher, which owns B&Q, is targeting a transformation of the business after the DIY giant reported slumping sales in the third quarter of the year.

Thierry Garnier, who replaced former boss Veronique Laury earlier this year, said yesterday there is still "much to do" to improve the company's performance, after the group reported a 3.1 per cent drop in sales.

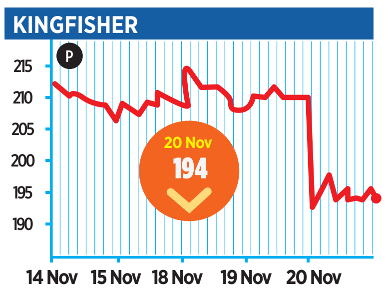
B&Q sales sank 3.5 per cent to £820m, slightly offset by an eight per cent rise in Screwfix sales to £477m.

Garnier said the company had not "found the right balance between getting the benefits of group scale and staying close to local markets".

The chief executive could consider shuttering B&Q stores as part of a restructuring programme, analysts said. Richard Lim, chief executive at Retail Economics, said a "rigorous analysis of the store estate" is needed to "really see the stores that are performing well" and to tackle the online integration of the business.

Dan Coen, head of retail at consulting firm Alix Partners, said: "As a part of this process a review of the business' physical footprint will be high on the agenda but, as we have seen with numerous other high profile retailers, store closures in isolation are very rarely a long term solution."

Shares fell seven per cent to 194p.



SHOPAHOLICS Brits confess to spending more than budgeted on Black Friday 2018

MORE than half of Brits admitted they made impulse purchases during last year's Black Friday and Cyber Monday sales, with 80 per cent saying they went over budget, spending on average £219.59, according to research by Protect Your Bubble.

Investors disappointed by Aviva restructuring programme plans

ANNA MENIN

@annafmenin

SHARES in Aviva slipped 4.5 per cent yesterday after the insurer announced plans to restructure its business and sell off its Hong Kong division in a bid to revive investor interest in the group.

The insurance company will simplify its business structure into five operating divisions and sell its stake in Hong Kong business, called Blue, to co-investor Hillhouse Capital.

Maurice Tulloch took over as Aviva chief executive in March. He has come under pressure from investors and analysts to better define the company's strategy as well as to revive its flagging share price.

German think tank supports global tax rate

HARRY ROBERTSON

@henrygrobertson

A LEADING German economic think tank has voiced its support for the Organisation for Economic Co-operation and Development's (OECD) plans for an international minimum corporate tax rate.

The Paris-based international organisation yesterday proposed an overhaul to global tax rules that would ensure companies pay a minimum tax rate in their home countries, establishing "a floor for tax competition among jurisdictions".

Yesterday, the respected Ifo Institute in Germany said it supported the plan. "It would limit unwanted tax avoidance arising from companies' ability to shift their profits. At the same time, double taxation must be avoided," said Ifo president Clemens Fuest.

In a report on the proposals, Ifo said: "The implementation of a minimum effective tax rate... would reduce profit shifting and generate substantial gains in tax revenues."

The OECD also said companies should be deemed to have a taxable business even where their presence is only digital.

ELECTION 2019

Corbyn: They're all scared of me

CATHERINE NEILAN

@CatNeilan

JEREMY Corbyn will today launch Labour's manifesto claiming that he "accepts the opposition and hostility of the rich and powerful" due to his "radical and ambitious plan" to transform the United Kingdom.

Speaking in Birmingham, the Labour leader will compare himself to former US president Franklin Delano Roosevelt who, Corbyn says, had to take on the establishment in order to take the US out of the Great Depression.

Corbyn will say: "This party, this movement, this manifesto is different. Labour is on your side. And there could scarcely be a clearer demonstration of that than the furious reaction of the rich and powerful.

"If the bankers, billionaires and the establishment thought we represented politics as usual, that we could be bought off, that nothing was really going to change, they wouldn't attack us so ferociously."

Among the policies being unveiled today will be a commitment to invest £20.5bn over five years in research and development into technologies and industries "of the future", *City A.M.* can reveal.

The first tranche of this investment, which is expected to be funded via a mixture of Labour's green transformation fund and its national investment bank, will go into electric vehicles and battery technology to "kick-start the electric car revolution".

It will also be used to develop alternatives to plastic and create new steel processes "to green this vital industry", Corbyn will say.

The Conservatives last night said the manifesto launch was a "desperate attempt to distract from Corbyn's failing campaign and his inability" to give answers on Brexit or Scotland.

Lib Dems pledge 'Remain bonus' and fare freezes for commuters

CATHERINE NEILAN

@CatNeilan

LIBERAL Democrat leader Jo Swinson announced her party's manifesto yesterday, promising a £50bn windfall as a result of revoking the decision to leave the EU.

She said this would support public services across the board.

Other eye-catching measures included a four-year freeze on commuter rail fares and action on climate change.

New taxes proposed included a £5bn levy on frequent flyers and an extension of the sugar tax.

The party also committed to reducing national debt as a proportion of national income, a policy both the Tories and Labour have ditched.

POLL WATCH

The Tories were given a social media bar-racking after changing their Twitter handle to @factcheckUK during Tuesday night's debate — and it appears to have cut through. **Fifty per cent** of Brits thought it was unacceptable behaviour, while **12 per cent** said it was above board.

GOOD DAY

Generation Rent had reason to celebrate yesterday as the Tories announced grand plans for "Lifetime Rental Deposits" — allowing renters to transfer deposits from one property to another, meaning less money haemorrhaged on the rental market. OK to that, boomer!

BAD DAY

Ex-speaker **John Bercow** is attempting to carve out a career as a personality after his stint in parliament, but he hasn't left his past behind. It emerged yesterday that he pulled out of a BBC interview as the broadcaster wouldn't guarantee he wouldn't be asked about the culture of bullying that a report said had emerged in the House during his reign. Shame.

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CHEERS TO THAT
Investors celebrate rising profit at Mitchells & Butlers

ALL BAR One owner Mitchells & Butlers toasted a rise in full-year profit yesterday amid rising appetite for its food and drinks. The group, which owns chains including Toby Carvery, Harvester and All Bar One, posted adjusted operating profit of £317m in the 12 months to 28 September.

Prosus and Takeaway trade blows as Just Eat battle hits boiling point

JAMES WARRINGTON

@j_a_warrington

THE TWO companies competing to take over food delivery firm Just Eat were locked in a war of words yesterday as they vied to win the favour of shareholders.

Prosus said the bid made by rival Takeaway.com represented "significant risks" and underestimated how competitive the British market was.

Prosus, which is controlled by South African investment giant Naspers, said Takeaway's offer "takes a narrow view of the food delivery sector based principally on its experience in the Netherlands and Germany".

These markets "have so far been relatively insulated" from competition of the likes of Uber Eats and Deliveroo, it added.

Takeaway hit back at the claims, saying it had become the largest operator in seven of its markets "fighting the same competitors Just Eat faces in the UK".

Just Eat's board has recommended Takeaway's all-share offer, which will run until 11 December, but Prosus has since tabled a higher bid valuing the firm at roughly £4.9bn.

Both bids are conditional on receiving 75 per cent of shares.

Fevertree lowers forecast as retail sales in UK go flat

ANNA MENIN

@annafmenin

DRINKS supplier Fevertree has cut its full-year revenue forecast amid "challenging comparators" and a slowdown in UK consumer spending in the second half.

The mixer specialist cut its revenue expectations to between £266m and £268m for the full year, representing year-on-year growth of 12 to 13 per cent.

Analysts had been expecting revenue of around £272m before yesterday's announcement, according to a poll by Refinitiv.

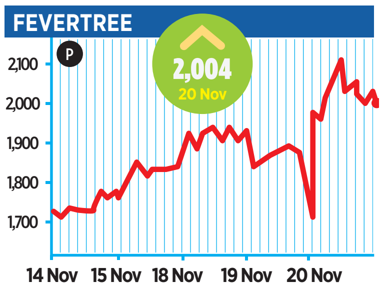
Fevertree said the performance of its UK off-trade business — retail sales of its drinks — was behind expectations for the second half. It said this was due to a combination of "very tough comparators in July and August" and a wider slowdown in consumer spending during the period.

"Despite challenging comparators, our performance in the UK on-trade underlines the strength of the brand," said chief executive Tim Warrilow.

"While the mixer category in the off-trade is moderating alongside slowdown seen across the wider grocery channel, we continue to maintain our clear UK market leadership," he added.

Outside the UK, Fevertree said its sales are accelerating in the US.

Fevertree shares rose 7.8 per cent to 2,004p yesterday.



FORUM
Blanket "cut and go" business taxes have to go

ANDREW O'BRIEN ON BORIS JOHNSON'S DECISION TO DELAY TAX CUTS PAGE 18

CITY A.M.

Babcock's profit jumps on strong marine division

ANNA MENIN

@annafmenin

DEFENCE giant Babcock yesterday reported an increase in pre-tax profit for the first half of its financial year in line with expectations, as strong performance in its marine business offset weakness in its aviation arm.

Babcock reported a 134 per cent increase in statutory pre-tax profit, which rose from £65.1m to £152m for the six months to 30 September.

Revenue fell 2.7 per cent from £2.3bn to £2.2bn, while basic earnings per share rose from 11.5p to 26.5p

Babcock announced an increased interim dividend of 7.2p, up slightly from 7.1p for the same period a year earlier. The firm said it expects underlying revenue for the year to be around £4.9bn, and underlying operating profit to be between £540m and £560m.

The defence company reported a drop in profit on an underlying basis, which fell from £279.6m to £250.6m. Babcock said this fall was driven by the impact of step downs as a series of big contracts came to an end.

Babcock's shares were down 1.69 per cent at lunchtime following the news, but settled almost flat.

The firm was boosted by winning a £1.3bn contract with the Ministry of Defence build five new frigate. Work on the ships, at Rosyth in Scotland, is due to begin later this year.

Overall, the company secured around £3.5bn worth of contracts in the first half, and said its combined order book and pipeline grew 10 per cent between March and September, hitting a record £34bn.

"Today's results show we are doing what we said we would do. Our delivery in the first half is in line with our expectations, with good performance across most of the group," said chief executive Archie Bethel.

"Our combined order book is at its highest level ever," he added.

GEAR SHIFT Aston Martin unveils move into SUV market with new £158,000 DBX

ASTON Martin has lifted the bonnet on its long-awaited DBX sports utility vehicle (SUV), as the luxury car maker fights to get back on track after a huge devaluation in its value after its 2018 float. The car is the company's first shift into the SUV market.

US car giant General Motors sues Fiat Chrysler over union 'bribes'

ALEX DANIEL

@alexmdaniel

TWO GIANTS of the global automotive industry came to blows yesterday as General Motors (GM) announced it was suing Fiat Chrysler (FCA) for bribing US automotive workers to get better terms in strike negotiations.

The US firm has filed a racketeering lawsuit against Fiat and its former executives, "intended to hold FCA accountable for the harm its actions have caused our company and to ensure a level playing field going forward," according to Craig Glidden, GM's general counsel.

GM says Fiat "corrupted" collective bargaining deals through bribery.

Ousted Marks & Spencer exec is new Costa boss

JESS CLARK

@jclarkjourno

COSTA Coffee has appointed former Halfords and Marks & Spencer executive Jill McDonald as its new chief executive, to replace Dominic Paul next month.

The coffee chain, which was sold by Premier Inn owner Whitbread to Coca-Cola at the beginning of the year, said Paul will set down on 30 November, with McDonald set to take the reins on 2 December.

McDonald was ousted from her role as managing director of M&S's beleaguered home and clothing division in July after failing to turn the unit's fortunes around.

Jennifer Mann, president of global ventures for The Coca-Cola Company, said: "[McDonald's] track record, depth of international experience and excitement about joining our business makes her an ideal leader to build on the great work of Dominic and the rest of the Costa team."

Prior to her stint at M&S, McDonald was the chief executive of bike retailer Halfords between 2015 and 2017. She was also previously UK chief executive of fast food giant McDonald's.

ECB: Record-low rates increasing firms' risk-taking

HARRY ROBERTSON

@henrygrobertson

RECORD-LOW interest rates in the Eurozone have led to "excessive risk-taking in some sectors" as financial firms pursue profits, the European Central Bank (ECB) warned yesterday.

The ECB defended low rates in its latest financial stability report, however, saying they were necessary to support economic activity in the struggling Eurozone. The deposit rate is currently minus 0.5 per cent, meaning banks pay to keep money in the ECB's vaults.

The ECB's report warned that "non-banks" such as investment funds, insurance companies and pension funds have taken on more risk in response to low interest rates, which limit the amount of money that can be earned from bonds.

Sharply falling asset prices could see non-banks "respond in ways that cause stress to spread to the wider financial system," the ECB said

The report — the first under new president Christine Lagarde — comes at a time when the upper ranks of the ECB are divided over policy.

Yesterday, new ECB board member Isabel Schnabel told her fellow German economists to dial back their attacks on the Eurozone's central bank, saying they threatened the euro.

Schnabel urged an end to the "harmful and wrong narratives about the ECB's monetary policy, floating around in political and media circles".

Swedbank rocked by investigation into possible US sanction violations

SEBASTIAN MCCARTHY

@SebMcCarthy

SWEDBANK has been hit by reports that the group is under investigation for possibly breaching US sanctions.

Swedish public broadcaster SVT yesterday reported that US authorities were probing whether the lender's Baltic unit had breached sanctions against Russia.

The group's share price fell three per cent yesterday.

"It's the kind of bombshell report investors can't prepare for," said Jasper Lawler, head of research at London Capital Group.

"Swedbank has denied any Ofac (Office of Foreign Assets Control) violations and that seems to have put a floor under share price declines."

Boss Jens Henriksson said he was unaware of any breaches of US sanctions.

He added in a statement: "If there has been unethical behaviour... we should of course get the bottom of it."

Henriksson, who took charge last month after his predecessor was ousted, also said that an internal investigation into alleged money laundering would be concluded by early 2020.

City of London update

CITY OF LONDON

Final call to register for City of London elections

MONDAY 16 December is the deadline to register for City of London elections and your last chance if you want more of a say on City services.

Staff in businesses and other organisations based in the City can vote in these elections. Registering gives you a voice on the different areas of the City Corporation's work - from air quality to cycling, personal security to green spaces and commuting to transport.

If your organisation is eligible it will have been sent a registration form. So to find the named contact in your firm to help you register contact **0800 587 5537** or **electoralservices@cityoflondon.gov.uk** **cityoflondon.gov.uk/workervote**

Record recognition for safety

A record 72 licensed City premises were recognised at this year's Safety Thirst Awards for their work to reduce alcohol related crime and disorder.

Overall winners were The Gable Bar & Restaurant, for the second year running, The Steelyard Nightclub, and Mrs Foggs Bar.

The awards are given to bars, pubs, clubs, restaurants and events venues. Those who are part of the Safety Thirst scheme are acknowledged for their contribution to a safe and pleasant environment for people to socialise. The scheme is open to all licensed City premises and run in partnership with the City Corporation, City of London Police and the London Fire Brigade.

For more information email **licensing@cityoflondon.gov.uk**

News, info and offers at www.cityoflondon.gov.uk/eshot

Fashion logistics company Clipper's shares soar as it agrees takeover bid

JOE CURTIS

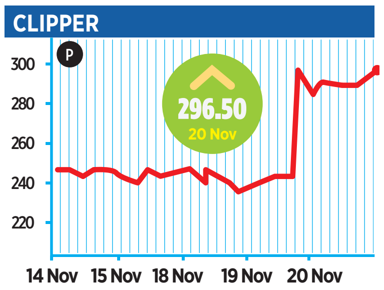
@joe-r_curtis

FASHION delivery player Clipper saw its shares soar more than 22 per cent yesterday after confirming a takeover approach from a private equity giant.

Steve Parkin, who founded Clipper in 1992 before taking it public in 2014, is said to be plotting a £300m offer for the firm alongside US private equity giant Sun Capital Partners. The expected take-private bid, first reported on Tuesday evening by Sky News, sent Clipper's share price up almost 22.3 per cent to 296p by the close of trading yesterday.

However, neither party has so far confirmed a figure for any offer, while Clipper did not confirm Parkin's alleged involvement.

Sun Capital Partners now has until 18 December to table a firm offer for Clipper.



LICENCE TO CHILL BBC chairman snubs suggestions for Netflix-style subscription

REPLACING the BBC's licence fee with a Netflix-style subscription model would destroy its ability to serve everyone, the corporation's chairman said yesterday. Sir David Clementi said it "would no longer be the BBC you and I know".

Upper Crust firm SSP announces £100m buyback

JESS CLARK

@jclarkjourno

UPPER Crust owner SSP Group yesterday announced plans to buy back £100m of shares as it reported sales grew this year due to an increase in air and rail passengers.

SSP Group, which has around 2,800 outlets at global transport hubs, said like-for-like sales were up 1.9 per cent due to a growth in passenger numbers.

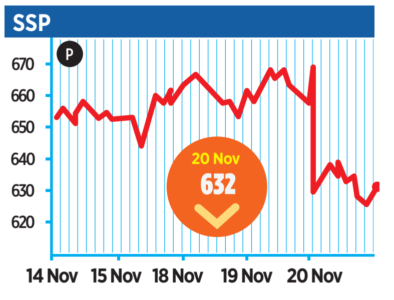
Revenue increased 7.8 per cent to £2.79bn in the year ended 30 September. Profit before tax also jumped 7.8 per cent to £197.2m.

Basic earnings per share were 28.1p, up 12.9 per cent on the previous year.

SSP said it will return up to £100m to shareholders through a share buyback programme demonstrating its "confidence in the business and commitment to maintain an efficient balance sheet."

The company, which also owns the Ritazza chain, reported that like-for-like sales saw stronger growth in the rail sector, although its outlets at railway stations benefited from a lower level of disruption compared to last year.

SSP's share price dropped 3.5 per cent to 632p yesterday despite the announcements.



UK house price growth to stay below inflation

JESS CLARK

@jclarkjourno

UK HOUSE prices will not match low inflation until 2021 and are set to fall in London this year as buyers are put off by continuing Brexit uncertainty, according to new research.

House prices in the capital will fall 1.5 per cent this year and only hold steady in 2020, a poll by Reuters found.

However forecasts for this year ranged from a drop of three per cent to no change, while in 2020 forecasts were between a two per cent fall to growth of five per cent.

"Until we have greater certainty regarding the political environment it isn't possible to forecast what might happen in London with the greatest accuracy," Rod Lockhart at property finance hub Lendinvest told Reuters.

"We do not anticipate a material price rebound in London until at least 2022, although we may experience some recovery from 2021 — if and when the political 'dust' begins to settle."

Last month Foxtons, the London-focused estate agent, said revenue dropped in the third quarter as Brexit uncertainty continued to weigh on the residential property market in the capital.

Elsewhere in the UK, house prices are predicted to rise one per cent this year, 1.5 per cent next year and 2.3 per cent in 2021, according to the poll of 27 property market analysts.

Meanwhile, inflation is forecast to be between 1.9 per cent and two per cent.

"Regardless of what happens with Brexit in the months ahead, a revival in the housing market is unlikely," said Hansen Lu at Capital Economics.

"Indeed, even if a Brexit deal is implemented soon, we expect to see only a small improvement in housing market transactions and house price growth over the next two years."

CAPITAL FLIGHT Ten arrested in London over £15m money laundering suitcase plot

TEN SUSPECTED members of an organised crime group were arrested in London yesterday on suspicion of flying roughly £15.5m out of the UK to Dubai hidden in suitcases, the National Crime Agency said.

TfL deficit shrinks thanks to Ulez and increased Tube passengers

STEFAN BOSCIA

@Stefan_Boscia

TRANSPORT for London's (TfL) first-half revenue beat budget expectations by £260m.

TfL's second-quarter results, released yesterday, revealed a £111m operating loss for the first half of 2019/20 — an 80 per cent annual increase. The body drastically beat expectations as TfL had budgeted for a £372m deficit.

It was put down to an increase in passenger numbers on the London Underground and a less-than-expected decline in bus journeys.

The bottom line was also helped by £80m in revenues from Ultra Low Emission Zone (Ulez) charges.

IN BRIEF

HENDERSON FUND FINED £1.9M BY WATCHDOG

City watchdog the Financial Conduct Authority (FCA) yesterday said it had fined Henderson Investment Funds Limited (HIFL) nearly £1.9m for overcharging 4,500 retail customers. In 2011 HIFL's investment manager reduced the level of management in two of its funds. Institutional investors were informed and their charges were scrapped. Retail investors were not informed and were charged the same fees as previously for five years.

HSBC INVESTMENT BOSS TO LOSE ROLE IN REJIG

HSBC's investment banking boss is reportedly set to be replaced as part of a shake-up under interim chief executive Noel Quinn. The lender's head of global banking and markets Samir Assaf is to be moved to a non-executive role, according to the Financial Times. Assaf has led the unit for nearly 10 years.

REVOLUT HIRES BANKING STALWART AS TOP EXEC

Fintech giant Revolut has today appointed Pierre Decote as its chief risk officer. Decote is the latest addition to Revolut's nascent executive team, after the firm added a chief operating officer, a finance boss and a chairman to its roster this year. Decote was most recently chief risk officer at US fintech lender Prodigy Finance, and has also held senior roles at Barclaycard, Tandem Bank and Capital One. Revolut also made a spate of other additions.

Emirates orders $9bn of Boeing jets amid woes

ALEX DANIEL

@alexmdaniel

GULF airline Emirates has unveiled a $9bn (£7bn) order for 30 Boeing 787 Dreamliners, while reducing its deal for the delayed 777x plane from 150 to 126.

The order was struck after 11th hour talks at the Dubai air show yesterday, which has been taking place throughout this week.

The announcement follows comments from Emirates president Tim Clark that he wants the aeroplane to be put through "hell on earth" in testing to make sure it is safe to fly.

It came on top of a $16bn order with Airbus for 50 of its A350 jets, bringing Emirates' commitments this week to $24.8bn, as the operator prepares to expand into new markets.

US aviation regulator the Federal Aviation Administration (FAA) said it would make sure the 777x certification process was rigorous.

Steve Dickson, FAA administrator, said: "I did meet with Emirates and we had excellent dialogue," speaking at the Dubai Airshow when asked if the 777x certification would be tougher in light of the grounding of the 737 Max jet after two crashes.

"Perhaps there will be more emphasis on making sure that the systems, as they evolve, are effectively integrated across the entire product and that we are not looking at issues in a fragmented fashion," he added.

Dickson also said the certification for the 737 Max would take "whatever time is needed".

"We are going to make sure we are very methodical and very diligent. We are not delegating anything," he said.

The 737 Max has been grounded since March after the second of two crashes which killed 346 people .

A report into the cause of the fatal incidents pointed at the jets' anti-stall systems, which were installed without pilots being made aware.

The Norwegian national said his top priority will be to bring the firm back into profit

Norwegian Air hires a new chief executive to lead back to profit

ALEX DANIEL

@alexmdaniel

NORWEGIAN Air has named Jacob Schram, a senior adviser at management consultant McKinsey, as its new chief executive.

Schram takes up the mantle as the low-cost flyer struggles to soothe investors' concerns about its finances. The Norwegian national will take over on 1 January.

The airline has already tapped investors for fresh capital twice this year, as it struggles to keep on top of a debt pile worth billions of pounds.

Earlier this summer, Bjorn Kjos, the firm's chief executive, left after 17 years at the helm, leaving finance boss Gier Karlsen in charge.

Spanish court bans Ryanair luggage charge

ALEX DANIEL

@alexmdaniel

RYANAIR's policy of charging customers for hand luggage has been ruled "abusive" by a Spanish court, and subsequently banned in the country.

The charge, introduced last year, forces passengers to pay an extra fee if they want to bring anything more than one personal item into the cabin.

However, it led a passenger travelling from Madrid to Brussels to take the budget flyer to court, after staff forced her to pay €20 (£17), to bring 10 kilograms of luggage onto the plane.

Yesterday, the court ordered the airline to refund her the €20 on top of interest.

The judge characterised the charge as abusive, adding that it "curtailed the rights that the passenger has recognised by law", and declared it invalid in Spain.

"This ruling will not affect Ryanair's baggage policy, as it misquoted the European Court of Justice and misinterpreted the airlines' commercial freedom to determine the size of their cabin baggage," Ryanair said.

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

LONDON REPORT

FTSE suffers worst day in three weeks over trade gloom

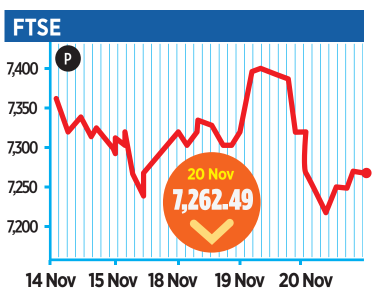
UK STOCKS fell yesterday after three sessions of gains as flaring tensions between China and the US cast doubt over prospects of a trade deal, while retailer **Kingfisher** slumped seven per cent following disappointing quarterly sales.

The FTSE 100 lost 0.8 per cent on its worst day in almost three weeks, as trade concerns weighed on Asia-exposed financial stocks like **HSBC**, while oil majors **Shell** and **BP** and industrial stocks also slipped.

Losses on the more domestically-focused FTSE 250 were slightly more contained, as the index gave up 0.3 per cent.

However, earnings-driven gains helped pub operator **Mitchells & Butlers**, software company **Micro Focus** and thermal processing service provider **Bodycote** rise between four and five per cent and outperform the mid-cap index.

Shares in **Aviva** fell 3.5 per cent after a disappointing update from the insurer, which is struggling for direction since replacing its top boss.



BEST OF THE BROKERS

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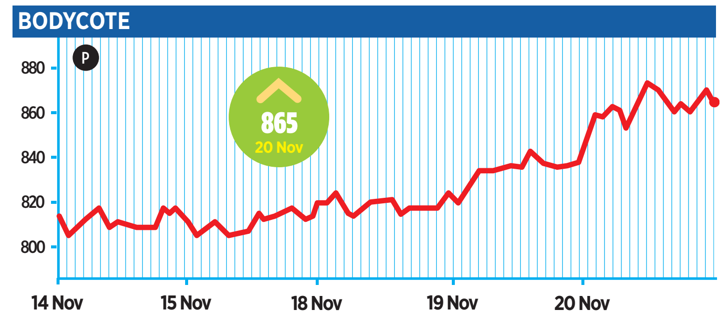
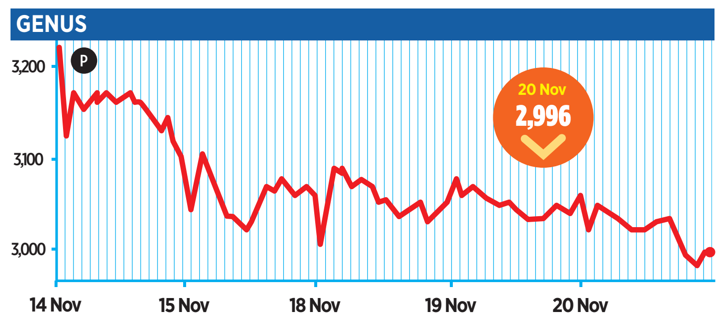


Bodycote is a Macclesfield-based supplier of heat treatments and metal joining. Yesterday morning it issued a trading update as robust as its products, analysts at Jefferies said. Management expect the full year to be in line with market expectations - "a good outcome". The analysts said "buy" with a target of 925p.



Agricultural biotechnology firm Genus has appointed a new chief financial officer, Alison Henriksen. Genus hope she can provide some genius guidance to the firm. Analysts at broker Liberum are chuffed. They praise her "wide financial and commercial experience". They said "buy", giving a target price of 2,800p.

NEW YORK REPORT

Wall St falls on China concerns

WALL Street's main indexes ended yesterday's session lower on concerns that a phase one trade deal between Washington and Beijing may not be completed this year, while minutes from the Federal Reserve's October policy meeting appeared to offer little help.

Wall Street, which managed to end the day above its session lows, had kicked off trading in the red after a US Senate measure aimed at protecting human rights in Hong Kong amid prolonged protests appeared to escalate US-China tensions.

The Dow Jones Industrial Average fell 113.74 points, or 0.41 per cent, to 27,820.28, the S&P 500 lost 11.79 points, or 0.38 per cent, to 3,108.39 and the Nasdaq Composite dropped 43.93 points, or 0.51 per cent, to 8,526.73.

Reports from **Target** and **Lowe's** were bright spots yesterday, with their shares jumping 14 per cent and 3.9 per cent, respectively, after both firms raised their profit forecasts.

But retailer **Urban Outfitters** fell 15.2 per cent after missing quarterly sales estimates.

CITY MOVES WHO'S SWITCHING JOBS

GULF KEYSTONE

Oil and gas exploration firm Gulf Keystone has announced the appointment of Ian Weatherdon as chief financial officer (CFO). Ian has over 25 years' experience in the international oil and gas industry and joins from Sino Gas and Energy, where he was CFO. Prior to this, he held various executive roles, including vice president of finance and planning for the Asia-Pacific region, and vice president of investor relations for Talisman Energy, the Canadian exploration and production company which was acquired by Repsol in 2015. He also held the CFO role at Equion Energia, a Colombian joint venture between Talisman Energy and Ecopetrol. Ian will join the board of Gulf Keystone and assume the CFO role on 13 January, taking over from Sami Zouari, who will step down as CFO on 2 December. Zouari will assist Ian for a short handover period. Jaap Huijskes, chairman of the company, said: "Following a thorough search process, I am very pleased to announce the appointment of Ian Weatherdon as CFO. Ian brings a wealth of highly relevant finance experience within the sector to the management team, and to the board. We look forward to him joining the team and to his contribution."

SONOVATE

Fintech innovator Sonovate, a technology and cash flow provider to companies, has announced the appointment of Bob Strudwick as its new chief technology officer (CTO). Bob will oversee Sonovate's product roadmap, driving forward the technology that has already transformed thousands of businesses using contingent workers. He brings with him over 30 years' experience, most recently with online fashion retailer Asos, where he was promoted to become the company's first CTO in 2015. Commenting on the new appointment, Sonovate co-executive, Richard Prime, said: "To have someone with Bob's experience come on board is a real game changer for us as we continue to deliver the flexible finance and world class tech that companies working with contingent workers are crying out for."

23 CAPITAL

Sreesha Vaman has been announced as the new head of capital markets at 23 Capital, the leading capital and solutions provider focused exclusively on the sports, music and entertainment sectors. Sreesha has more than 15 years of experience across the finance, investment banking, sports and entertainment landscape and is joining the team with a remit to build on 23 Capital's work in the capital markets division globally. He previously spent seven years as a managing director at Guggenheim Partners across multiple roles.

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

NEWS

Publishers look for fresh sources of revenue amid digital advert squeeze

JAMES WARRINGTON

@J_a_warrington

ONLINE publishers are shifting their focus to new sources of revenue as income from digital advertising continues to decline.

Digital publishing revenue slipped 3.7 per cent to £113.1m in the second quarter, according to figures released by the Association for Online Publishing (AOP) and Deloitte.

The fall was driven largely by a decline in display advertising, which dropped 15 per cent over the three-month period.

However, this was partially offset by online video and subscriptions, which reported growth of 20 per cent and 14 per cent respectively.

The report revealed that as traditional revenue sources continue to decline, more and more publishers are looking to diversify their business models. Just under 90 per cent of respondents said non-advertising revenue growth was a high priority, while half said they wanted to introduce new products or services in the next 12 months.

The figures reflect a growing trend in the industry, as publishers look to offset the negative impact of tech giants such as Google and Facebook.

Marie Claire, which ceased publication of its print edition in September, has set up Fabled — a joint fashion retail venture with Ocado that was snapped up by Next earlier this year.

Meanwhile media group Time Out, traditionally known for its print magazine, has enjoyed a boost in revenue from its food markets.

Richard Reeves, AOP managing director, said the figures reflected "challenging times" for the UK publishing industry. "Publishers across the board are looking to... move away from solely relying on advertising revenue," he said.

INVESTMENT DRIVE McLaren founder Ron Dennis takes stake in music firm Roxi

MCLAREN founder Ron Dennis has taken a stake in Roxi, the British firm hoping to take on streaming giants such as Spotify. Roxi today said Dennis has bought a 10 per cent stake in the firm, which has a number of celebrity backers, including Robbie Williams and Sheryl Crow.

FTSE 100	FTSE 250	FTSE ALL SHARE	DOW JONES	NASDAQ	S&P 500
7262.49	20475.25	4016.89	27821.09	8526.73	3108.46
61.31	53.23	29.05	112.93	43.93	11.72

£/€	1.1677	0.0006	€/$	1.1063	0.0011
£/$	1.2917	0.0008	€/£	0.8564	0.0005
£/¥	140.40	0.0200	€/¥	120.23	0.0400

GILTS

	Price	Chg	High	Low
Tsy 4.750 20	101.18	-0.01	105.1	101.2
Tsy 8.000 21	111.39	-0.01	118.2	111.4
Tsy 2.500 24	363.43	0.33	377.9	360.6
Tsy 5.000 25	123.36	-0.01	126.0	122.9
Tsy 4.250 27	129.10	0.03	132.8	125.2
Tsy 6.000 28	147.37	0.06	152.1	143.1
Tsy 4.125 30	379.10	0.58	404.2	364.2
Tsy 4.250 32	139.94	0.09	146.4	131.7
Tsy 4.250 36	147.64	0.14	155.7	135.3
Tsy 4.750 38	162.13	0.17	171.8	147.0
Tsy 4.250 46	168.41	0.13	181.0	146.4

AEROSPACE & DEFENCE

	Price	Chg	High	Low
BAE Systems	573.6	-5.0	588.2	443.9
Cobham	159.5	-1.1	168.3	96.8
Meggitt	634.8	-3.0	643.0	458.0
QinetiQ	340.4	0.4	351.6	267.0
Rolls-Royce	720.0	-9.2	988.4	702.0
Senior	181.7	-1.3	260.0	174.0
Ultra Electronics	2150.0	10.0	2252.0	1232.0

AUTOMOBILES & PARTS

	Price	Chg	High	Low
Aston Martin	451.4	8.9	1374.4	399.3
TI Fluid Systems	211.5	-2.5	223.0	155.2

BANKS

	Price	Chg	High	Low
Barclays	169.2	-1.2	172.8	136.2
BGEO Group	1440.0	-4.0	1755.0	1252.0
HSBC Hldgs	576.4	-4.3	680.6	570.3
Lloyds Banking	59.1	-0.4	66.6	48.6
Royal Bank of Scot	222.6	-0.1	270.4	177.7
Standard Chartered	686.0	-10.6	736.8	575.7
TBC Bank Group	1222.0	-8.0	1706.0	1150.0
Virgin Money UK	143.5	0.2	220.1	104.4

BEVERAGES

	Price	Chg	High	Low
Barr (AG)	610.0	5.0	975.0	540.0
Britvic	960.5	-7.0	1068.0	782.5
Coca-Cola HBC AG	2401.0	-27.0	3074.0	2246.0
Diageo	3114.0	-4.5	3625.5	2701.0

CHEMICALS

	Price	Chg	High	Low
Croda International	4808.0	8.0	5375.0	4564.0
Elementis	172.0	-4.6	199.1	129.8
Johnson Matt	3216.0	16.0	3454.0	2620.0
Synthomer	291.6	-4.0	429.6	279.0
Victrex	2374.0	-2.0	2676.0	1845.0

CONSTRUCTION & MATERIALS

	Price	Chg	High	Low
Balfour Beatty	224.8	-2.4	295.0	194.2
CRH	2865.0	-15.0	2887.0	1971.5
Galliford Try	700.0	-8.5	797.0	512.0
Grafton Group	821.5	-15.5	937.0	630.0
Ibstock	248.8	-3.2	262.0	193.1
Marshalls	743.5	-4.5	748.0	415.2
Polypipe Group	469.4	-0.6	477.0	312.8

DIVERSIFIED INDUSTRIALS

	Price	Chg	High	Low
Smith (DS)	378.7	-0.5	388.1	292.2
Smiths Gp	1633.0	-25.5	1692.0	1340.0
Smurfit Kappa Gp	2686.0	-10.0	2760.0	1934.0
Vesuvius	421.0	4.4	642.0	341.0

ELECTRICITY

	Price	Chg	High	Low
Contour Global	210.0	1.5	222.5	159.1
Drax Gp	283.4	-2.2	413.8	251.0
SSE	1311.0	-5.0	1336.5	1008.0

ELECTRONIC & ELECTRICAL EQUIPMENT

	Price	Chg	High	Low
Halma	2055.0	-4.0	2094.0	1282.0
Morgan Advanced	278.2	2.8	281.2	232.4
Oxford Instruments	1554.0	-10.0	1592.0	842.0
Renishaw	3772.0	-76.0	4670.0	3232.0
Spectris	2678.0	-35.0	2898.0	2188.0

EQUITY INVESTMENT INSTRUMENTS

	Price	Chg	High	Low
3i Infrastructure	293.0	1.0	306.5	249.7
Aberforth Smlr Cos	1344.0	-8.0	1352.0	1114.0
Alliance Trust	810.0	-1.0	838.0	672.0
AVI Global Trust	765.0	-1.0	781.0	660.0
Baillie Gifford Japan	823.0	2.0	840.0	663.0
Bankers InvTst	946.0	1.0	970.0	766.0
BlackRock Smaller	1532.0	0.0	1532.0	1160.0
BMO Global Smaller	137.1	-1.1	140.6	122.0
Caledonia Inv	3020.0	-10.0	3110.0	2740.0
City of London IT	417.0	-3.0	431.5	376.0
Edin Inv Trust	596.0	-3.0	652.0	535.0
European Opp	801.0	-1.0	875.0	666.0
F&C Investment	728.0	4.0	731.0	616.0
Fidelity China SPE	217.5	0.0	250.0	183.4
Fidelity Euro Values	253.0	0.0	257.5	202.0
Fidelity Spec Val	266.5	-1.5	270.0	220.0
Finsbury G&I Tst	880.0	-8.0	958.0	741.0
GCP Infra Inv	131.6	0.2	131.6	122.4
Genesis Emerging	759.0	0.0	785.0	618.0
Greencoat UK	145.6	0.0	148.8	124.4
Harbourvest Glb	1682.0	-2.0	1786.0	1326.0
Herald Inv Trust	1354.0	-2.0	1364.0	1055.0
HICL Infr	170.4	1.0	174.0	156.6
JPM American	473.0	-1.0	494.5	386.5
JPM Emerg Mkt	993.0	5.0	1066.0	794.0
JPM Indian IT	726.0	4.0	790.0	633.0
JPM Japan IT	459.0	5.5	462.0	367.0
Jupiter Fund Mngt	363.5	-4.5	432.0	287.6
Law Debenture	602.0	-4.0	618.0	534.0
Mercantile IT	234.5	0.5	234.5	168.0
Monks Inv Tst	922.0	6.0	964.0	710.0
Murray Intl Tst	1210.0	8.0	1248.0	1058.0
NB Glbl Fltg Rate Inc	90.7	0.0	91.4	87.6
Pantheon Intl Partn.	2280.0	5.0	2330.0	1955.0
Perpetual Inc & Grth	309.5	-1.5	339.0	284.5
Pershing Square	1422.0	2.0	1570.0	990.0
Personal Assets Tst	42150	50.0	43150	38900
Polar Cap Tech Tst	1490.0	6.0	1500.0	1066.0
Renewables Infra Gp	127.0	0.6	133.2	109.6
RIT Cap Partners	2150.0	0.0	2170.0	1892.0
Riverstone Energy	430.5	4.0	1196.0	426.5
Schroder Asia	449.0	-0.5	469.5	389.0
Scottish Inv Tst	810.0	-2.0	843.0	748.0
Scottish Mortgage	519.0	8.5	568.5	441.4
Sequoia Econ Infra	115.8	0.2	117.6	108.5
Smithson Inv	1254.0	6.0	1280.0	1000.2
Syncona	224.5	3.0	294.0	213.5
Temple Bar IT	1334.0	-10.0	1366.0	1116.0
Templeton Em Mkts	789.0	-1.0	829.0	670.0
Vietnam Enterprise	492.0	1.5	509.0	421.5
VinaCapital Vietna	334.5	-1.0	357.5	323.0
Witan Invest	219.5	0.0	225.5	189.6
Wwide Healthcare	2870.0	25.0	2870.0	2325.0

FIXED LINE TELECOMMUNICATIONS

	Price	Chg	High	Low
BT Gp	189.8	-0.4	262.9	158.9
Talktalk Telecom	105.1	0.5	130.0	96.5
Telecom Plus	1312.0	-16.0	1528.0	1130.0

FOOD & DRUG RETAILERS

	Price	Chg	High	Low
Greggs	2012.0	-38.0	2476.0	1217.0
Morrison (WM)	198.2	-1.8	248.4	176.9
Ocado Gp	1156.5	-10.0	1435.0	749.8
Sainsbury(J)	211.9	-0.4	318.0	177.1
SSP Group	632.0	-23.0	721.0	608.0
Tesco	232.6	-2.5	253.0	189.6

FOOD PRODUCERS

	Price	Chg	High	Low
Assoc British Foods	2458.0	22.0	2575.0	2041.0
Bakkavor	126.4	1.4	170.0	93.3
Cranswick	3190.0	-6.0	3408.0	2472.0
Greencore Gp	245.7	2.3	246.9	162.8
Hilton Food Gp	1024.0	16.0	1088.0	884.0
Tate & Lyle	706.8	4.6	800.4	658.4
Unilever	4526.5	-31.0	5324.0	3941.0

FORESTRY & PAPER

	Price	Chg	High	Low
Mondi	1653.5	-16.5	1898.0	1510.5

GENERAL FINANCIAL

	Price	Chg	High	Low
3i Group	1035.0	-20.0	1184.5	756.2
Ashmore Gp	475.0	-11.2	542.5	351.8
Brewin Dolphin	334.0	-2.6	342.8	287.6
Close Brothers	1455.0	5.0	1605.0	1227.0
Coats Group	73.4	0.1	91.3	69.1
Finablr	183.8	6.8	183.8	140.2
Hargreaves Lans	1776.5	-41.0	2433.0	1633.0
IG Gp	658.8	-5.8	667.2	474.8
Integrafin Holdings	389.0	-6.5	406.1	271.8
Intermediate Capital	1489.0	-32.0	1521.0	918.5
Intl Public Prtnshps	161.0	0.4	165.4	146.8
Investec	433.0	-3.7	518.6	395.3
IP Group	57.7	-0.9	122.0	55.7
John Laing Gp	369.8	-3.0	402.0	298.2
London Stock Exch	6882.0	-14.0	7514.0	3867.0
Man Group	141.9	-2.7	175.2	126.8
Onesavings	369.2	1.0	447.4	313.6
Paragon	500.5	-7.0	518.0	379.2
Plus500	751.4	-10.2	1647.0	495.0
Provident Fin	427.3	-2.7	658.6	356.0
Quilter	141.2	0.1	156.6	110.6
Rathbone Brothers	2105.0	-30.0	2540.0	2075.0
Schroders	3210.0	-42.0	3262.0	2334.0
TP ICAP	370.4	1.3	377.7	270.0

GENERAL RETAILERS

	Price	Chg	High	Low
B&M	383.4	-3.6	399.6	278.6
Card Factory	157.1	0.8	209.0	151.2
Dixons Carphone	119.3	-0.6	163.4	104.9
Dunelm Gp	820.0	10.5	981.0	482.8
Howden Joinery Gp	616.4	-1.0	617.4	416.4
Inchcape	638.5	-1.0	678.0	519.5
JD Sports Fashion	756.2	-3.8	781.0	318.5
Just Eat	752.4	-1.6	812.0	535.0
Kingfisher	194.0	-14.8	266.2	185.9
Marks & Spencer	186.0	0.0	309.6	163.9
Next	6666.0	26.0	6850.0	3991.0
Pets at Home Gp	202.0	-5.0	239.4	111.5
Sports Direct Intl	330.6	0.6	331.2	214.0
Vivo Energy	123.4	-0.8	139.5	105.6
WH Smith	2322.0	-2.0	2346.0	1697.0

HEALTH CARE EQUIPMENT & SERVICES

	Price	Chg	High	Low
Convatec	186.8	-0.7	202.8	118.5
Mediclinic Intl	399.7	2.8	401.3	293.4
NMC Health	2497.0	-97.0	3610.0	1801.5
Smith & Neph	1652.0	-11.0	1990.0	1380.5
UDG Hlthcare	794.5	-3.5	821.0	551.0

HOUSEHOLD GOODS

	Price	Chg	High	Low
Barratt Devel	652.8	0.6	683.0	434.0
Bellway	3317.0	13.0	3536.0	2419.0
Berkeley Grp Hldgs	4529.0	0.0	4589.0	3226.0
Bovis Homes Gp	1163.0	2.0	1226.0	828.0
Countryside Prop	375.6	5.6	375.6	276.8
Crest Nicholson	371.6	2.6	435.2	309.4
McCarthy & Stone	135.6	-0.9	158.8	123.5
Persimmon	2465.0	-9.0	2512.0	1836.0
Reckitt Benckiser	5896.0	-27.0	6700.0	5593.0
Redrow	652.0	3.0	654.0	460.8
Taylor Wimpey	172.4	-1.6	192.2	129.3

MAIN CHANGES UK 350

Risers		%	Fallers		%
Mitchells & Butlers	470.50	5.5	Kingfisher	194.00	-7.1
Micro Focus Intl	1091.80	4.8	Ascential	329.20	-4.0
Finablr	183.80	3.8	Pearson	642.00	-3.8
Bodycote	865.00	3.7	NMC Health	2497.00	-3.7
Sirius Minerals	3.54	3.6	Big Yellow Gp	1106.00	-3.6
Airtel Africa	71.25	3.3	Aviva	403.50	-3.5
FDM Group	836.00	2.2	Stagecoach Gp	131.50	-3.5
Aston Martin	451.40	2.0	SSP Group	632.00	-3.5
Avast	444.20	1.7	IWG	398.20	-3.1
Premier Oil	87.44	1.7	Moneysupermkt.com	345.00	-3.0

INDUSTRIAL ENGINEERING

	Price	Chg	High	Low
Bodycote	865.0	30.5	903.0	652.0
Hill & Smith	1371.0	-14.0	1385.0	1049.0
IMI	1105.0	-11.5	1136.0	870.0
Melrose Ind	219.8	-4.2	226.0	146.3
RHI Magnesita	3880.0	-38.0	5000.0	3318.0
Rotork	335.5	-5.7	341.2	235.7
Spirax-Sarco	8545.0	-5.0	9400.0	5900.0
Weir Gp	1384.5	-28.5	1814.0	1240.0

INDUSTRIAL METALS

	Price	Chg	High	Low
Evraz	363.7	3.2	709.4	351.0
Ferrexpo	141.3	-0.9	301.3	123.0

INDUSTRIAL TRANSPORTATION

	Price	Chg	High	Low
BBA Aviation	309.4	1.6	324.8	207.0
Clarkson	2745.0	-5.0	2900.0	1878.0
Fisher (James)	1860.0	10.0	2260.0	1600.0
Royal Mail	231.3	-1.2	340.0	188.4

LEISURE GOODS

	Price	Chg	High	Low
Games Workshp	5695.0	-15.0	5740.0	2800.0

LIFE INSURANCE

	Price	Chg	High	Low
Aviva	403.5	-14.8	438.8	352.3
Lancashire Hldgs	724.5	-0.5	746.0	561.5
Legal & General	276.4	-2.8	291.2	216.7
Phoenix Gp	706.5	-12.3	724.8	544.0
Prudential	1293.0	-25.5	1790.0	1293.0
St James Place	1038.5	-23.0	1143.0	913.6
Std Life Aberdeen	308.1	-6.5	314.6	224.8

MEDIA

	Price	Chg	High	Low
4imprint	2990.0	20.0	3130.0	1800.0
Ascential	329.2	-13.8	411.0	329.2
Auto Trader Gp	539.0	2.8	606.0	418.1
Entertainment One	557.5	0.5	589.0	336.4
Euromny Inst Inv	1312.0	16.0	1498.0	1132.0
Future	1456.0	12.0	1528.0	465.0
Informa	781.4	-5.6	892.0	605.8
ITV	136.9	0.4	153.4	103.6
Moneysupermkt.com	345.0	-10.6	417.7	267.0
Pearson	642.0	-25.2	1027.5	642.0
RELX	1845.0	-27.0	2011.0	1581.5
Rightmove Group	611.8	5.4	611.8	420.9
WPP	975.6	-2.8	1038.0	800.4

MINING

	Price	Chg	High	Low
Anglo American	2040.5	-5.0	2266.0	1539.0
Antofagasta	890.0	-5.8	1022.5	738.0
BHP Group	1690.6	-13.6	2049.0	1497.2
Centamin	112.3	-0.1	152.3	79.8
Fresnillo	619.4	-7.6	1027.5	601.0
Glencore	242.0	1.1	340.3	222.2
Hochschild Mining	190.5	-1.7	227.0	153.2
Kaz Minerals	493.2	-1.6	738.4	380.3
Polymet Int	1170.0	-8.0	1272.0	772.6
Rio Tinto	4146.0	-68.5	4976.5	3513.5
Sirius Minerals	3.5	0.1	24.3	2.9

MOBILE TELECOMMUNICATIONS

	Price	Chg	High	Low
Inmarsat	550.6	-5.4	608.2	362.8
Vodafone Gp	152.4	-0.8	168.9	123.3

NONLIFE INSURANCE

	Price	Chg	High	Low
Admiral Gp	2027.0	-37.0	2300.0	1958.0
Beazley	537.5	-4.0	628.0	492.6
Direct Line Ins	274.7	-1.4	366.5	270.5
Hastings Gp Hldgs	169.3	-2.5	231.6	169.3
Hiscox	1256.0	-5.0	1777.0	1213.0
RSA Ins Gp	537.6	-3.6	597.0	496.6

OIL & GAS PRODUCERS

	Price	Chg	High	Low
BP	497.1	-4.8	582.5	484.9
Cairn Energy	176.4	1.6	213.8	140.0
Energean Oil & Gas	911.0	-4.0	1082.0	568.0
Premier Oil	87.4	1.4	106.2	55.6
Royal Dutch Shell A	2270.0	-16.0	2612.0	2213.0
Royal Dutch Shell B	2250.5	-17.0	2622.0	2218.0
Tullow Oil	141.8	1.4	250.0	140.4

OIL EQUIPMENT & SERVICES

	Price	Chg	High	Low
Hunting	403.2	-6.2	657.0	393.0
Petrofac	400.6	5.0	559.0	381.5
Wood Gp(J)	349.7	-1.6	674.4	327.4

PERSONAL GOODS

	Price	Chg	High	Low
Burberry Gp	2050.0	-28.0	2345.0	1623.5
PZ Cussons	198.0	-1.6	238.0	178.6

PHARMACEUTICALS & BIOTECHNOLOGY

	Price	Chg	High	Low
AstraZeneca	7254.0	-58.0	7580.0	5325.0
Dechra Pharma	2770.0	36.0	3036.0	2022.0
Genus	2996.0	-40.0	3146.0	2146.0
GlaxoSmithKline	1696.6	-19.8	1782.0	1418.0
Hikma Pharma	1901.0	-4.0	2200.0	1510.5

REAL ESTATE

	Price	Chg	High	Low
Assura	71.0	-1.0	75.4	52.5
Big Yellow Gp	1106.0	-41.0	1192.0	858.5
BMO Comm Prop	116.8	-0.8	141.8	106.0
British Land	560.4	-4.4	638.4	468.3
Captl & Count Prop	258.1	-0.5	270.5	184.8
CLS Hldgs	260.5	-8.0	268.5	204.0
Daejan Hldgs	4995.0	75.0	6160.0	4715.0
Derwent London	3648.0	-18.0	3666.0	2779.0
Grainger	271.4	-4.4	275.8	205.8
Grt Portland Est	810.4	-3.8	814.2	649.4
Hammerson	291.7	-2.1	421.0	203.9
Land Securities	910.4	-12.2	963.0	735.4
LondonMetric Prop	237.2	-2.8	240.2	172.7
NewRiver Retail	189.8	-3.4	246.0	147.6
Primary Hlth Prop	142.0	-0.8	143.2	108.2
Safestore Hldgs	740.5	1.0	740.5	506.5
Savills	936.5	5.0	967.5	678.5
SEGRO	864.0	-4.0	869.0	585.2
Shaftesbury	951.0	3.0	979.5	739.5
St Modwen Props	464.5	-7.0	472.0	373.0
TR Property IT	456.0	0.0	456.0	353.5
Tritax Big Box	151.7	-1.4	159.7	130.0
UK Commercial Prop	86.2	-0.4	92.7	79.9
Unite Group	1187.0	-8.0	1200.0	797.5
Workspace Gp	1102.0	-10.0	1113.0	789.5

SOFTWARE & COMPUTER SERVICES

	Price	Chg	High	Low
Avast	444.2	7.4	444.2	259.6
Aveva Gp	4406.0	4.0	4460.0	2284.0
Computacenter	1424.0	10.0	1525.0	952.0
FDM Group	836.0	18.0	994.0	647.0
Kainos Gp	570.0	2.0	676.0	430.0
Micro Focus Intl	1091.8	50.2	2160.0	1004.0
Playtech	410.6	0.4	461.2	360.5
Sage Group	720.0	-22.0	820.4	560.2
Softcat	1172.0	2.0	1176.0	565.0
Sophos	568.0	-1.0	577.0	298.2

SUPPORT SERVICES

	Price	Chg	High	Low
Aggreko	803.2	-1.4	855.2	691.8
Ashtead Gp	2326.0	-24.0	2392.0	1586.5
Babcock Intl Grp	541.4	-3.6	587.2	416.7
Bunzl	2018.0	-37.0	2551.0	1943.0
Capita	160.3	-0.1	173.1	99.9
DCC	6496.0	-160.0	7496.0	5680.0
Diploma	1757.0	-13.0	1775.0	1150.0
Electrocomp	635.6	-0.2	729.8	480.0
Equiniti	196.0	-0.9	236.2	186.2
Essentra	420.2	4.0	442.0	325.4
Experian	2474.0	-6.0	2631.0	1833.0
Ferguson	6672.0	-68.0	6898.0	4751.0
G4S	207.0	-1.0	234.3	168.3
Hays	165.3	0.3	165.3	135.7
Homeserve	1266.0	11.0	1266.0	849.0
Intertek Gp	5476.0	-26.0	5962.0	4509.0
IWG	398.2	-12.9	421.9	199.8
Network Int	519.0	3.0	628.0	513.0
Pagegroup	466.4	-1.2	539.0	367.8
Paypoint	935.0	-12.0	1118.0	748.0
Rentokil Initial	442.7	-2.6	467.8	315.9
Sanne Group	568.0	-5.0	752.0	450.0
Serco	154.4	-1.3	160.0	84.1
SIG	114.5	0.5	153.0	99.3
Travis Perkins	1516.0	-15.0	1531.0	1012.0

TECHNOLOGY HARDWARE & EQUIPMENT

	Price	Chg	High	Low
Spirent Comms	212.5	-2.5	219.0	112.8

TOBACCO

	Price	Chg	High	Low
Br Am Tob	2861.0	-28.5	3197.5	2375.0
Imperial Brands	1761.0	-14.0	2713.5	1692.4

TRAVEL & LEISURE

	Price	Chg	High	Low
Carnival	3161.0	-59.0	4650.0	3056.0
Cineworld Group	201.7	2.5	321.0	191.0
Compass Gp	2003.0	-22.0	2138.0	1583.0
Dominos Pizza	299.0	-6.8	305.8	221.2
easyJet	1348.0	3.5	1348.0	854.8
EI Group	281.8	0.0	285.0	171.4
FirstGroup	117.7	-0.3	137.5	79.3
Flutter Ent	8500.0	0.0	8500.0	5525.0
Go-Ahead Gp	2192.0	30.0	2234.0	1480.0
GVC Hldgs	854.6	-2.8	897.4	507.5
Intercontl Htls	4671.5	-135.5	5738.0	4230.4
Intl Cons Airl	550.8	-3.0	667.6	413.5
Marstons	125.5	-1.4	131.3	90.5
Mitchells & Butlers	470.5	24.5	470.5	238.0
National Express	444.2	-2.2	462.0	361.4
PPHE Hotel Gp	1900.0	20.0	1990.0	1540.0
Rank Gp	226.5	-3.0	247.5	135.0
Restaurant Grp	143.5	-2.1	162.8	111.9
Stagecoach Gp	131.5	-4.8	177.0	115.5
Wetherspoon (JD)	1550.0	-7.0	1624.0	1066.0
Whitbread	4401.0	-36.0	5114.0	3988.0
William Hill	179.1	2.0	205.2	132.3
Wizz Air Holdings	3875.0	5.0	3935.0	2722.0

AIM 50

	Price	Chg	High	Low
Abcam	1288.0	-21.0	1500.0	1017.0
Advanced Medical	250.0	2.5	354.5	225.0
Alliance Pharma	75.1	-0.2	80.4	60.0
ASOS	3027.0	-93.0	5074.0	2107.0
Blue Prism	888.0	52.0	1472.0	788.0
Camellia	8650.0	-100.0	11750.0	8650.0
Caretech Holdings	387.0	0.0	405.0	325.0
Central Asia Metals	210.5	1.5	266.5	180.0
Clinigen Group	837.0	-22.5	1069.0	721.0
CVS Group	1041.0	-7.0	1049.0	395.0
Dart Group	1350.0	-9.0	1359.0	709.5
Diversified Gas & Oil	102.5	-1.0	116.5	97.0
Draper Esprit	469.0	-2.0	548.0	410.0
Eland Oil & Gas	158.4	4.8	165.4	101.0
EMIS Group	1052.0	-10.0	1242.0	864.0
Fevertree Drinks	2004.0	145.5	2475.0	1732.5
First Derivatives	2460.0	20.0	3555.0	2050.0
Frontier Devs	1214.0	-14.0	1254.0	740.0
Gamma Comms	1165.0	5.0	1235.0	688.0
GB Group	664.0	6.0	665.0	410.5
Gooch & Housego	1270.0	55.0	1527.5	954.0
Hurricane Energy	45.0	1.6	53.6	38.7
Impax Asset Mgmt	279.0	6.0	295.0	184.0
Iomart Group	367.0	6.0	398.0	308.0
IQE	47.6	-1.0	98.0	47.6
James Halstead	500.0	0.0	532.0	367.0
Johnson Service Gp	173.8	1.6	183.2	113.6
Keywords Studios	1370.0	40.0	1838.0	900.0
Learning Tech Gp	115.0	1.4	130.0	62.2
M&C Saatchi	158.5	-3.5	394.0	146.0
M.P. Evans	684.0	0.0	703.0	612.0
Majestic Wine	262.5	3.0	322.0	219.0
Midwich Group	556.0	9.0	633.0	474.5
Mortgage Advice B	631.0	5.0	631.0	546.0
Next Fifteen Comm	471.0	1.0	658.0	465.5
Nichols	1552.5	27.5	1880.0	1350.0
Numis Corporation	240.0	-0.5	284.5	212.0
Polar Capital Hdgs	534.0	0.0	604.0	448.0
Purplebricks Gp	106.0	0.2	132.0	96.0
Redde	106.6	-1.4	127.6	100.6
Renew Holdings	384.5	1.5	436.5	333.0
RWS Holdings	598.0	4.0	652.0	450.0
Scapa Group	234.5	-3.0	403.0	157.0
Secure Income REIT	423.0	-1.0	454.0	371.0
Serica Energy	123.0	0.2	143.4	103.6
Smart Metering Sys	514.0	5.5	665.0	310.0
Telford Homes	349.5	0.0	358.0	267.0
Thorpe (F.W.)	291.0	9.0	340.0	248.0
Watkin Jones	221.5	1.5	241.5	192.2
Young's Brew NV	1205.0	-10.0	1238.0	1030.0
Young's Brew-A	1680.0	20.0	1885.0	1322.5

EU SHARES

	Price	Chg	High	Low
ADIDAS	273.00	0.85	296.35	180.10
AIR LIQUIDE	120.95	-0.40	130.80	102.40
ALLIANZ AG	217.85	-0.85	223.80	172.16
AMADEUS IT GROUP	71.56	-0.32	71.98	42.30
ANHEUSER BUSCH INBEV	71.16	-0.56	92.71	57.35
ASML HOLDING NV	244.65	-0.30	249.00	130.88
AXA	25.00	-0.12	25.38	18.54
BANCO SANTANDER	300.65	-1.25	402.00	300.65
BASF	69.58	-0.20	74.49	56.20
BAYER AG	69.15	-1.04	72.81	52.53
BMW	73.32	-0.20	77.75	58.70
BNP PARIBAS	51.10	0.35	51.34	38.55
CRH	2865.00	-15.00	2887.00	1971.50
DAIMLER	50.10	-0.06	59.31	40.53
DANONE	74.16	-0.48	82.00	60.28
DEUTSCHE POST AG	34.12	-0.32	34.44	23.72
DEUTSCHE TELEKOM	15.10	-0.06	16.25	14.10
ENEL	6.80	-0.03	6.98	4.96
ENGIE	14.17	-0.03	15.12	11.99
ENI	14.01	0.04	15.94	13.04
ESSILORLUXOTTICA	128.75	0.00	128.75	128.75
FRESENIUS MEDICAL CARE	66.34	-0.80	76.32	56.64
IBERDROLA	8.90	-0.02	9.54	6.02
INDITEX	27.34	-0.30	32.37	25.5
ING GROEP NV	10.42	-0.11	12.05	8.34
INTESA SANPAOLO	2.34	0.00	2.38	1.83
KERING	549.40	-0.10	549.50	380.70
KON KPN NV	2.78	0.00	2.96	2.34
L'OREAL	258.60	-2.20	265.00	195.25
LVMH MOET HENNESSY	398.20	0.00	405.50	243.25
MUENCHENER RUECKVE	257.80	1.10	256.90	185.10
NOKIA	21.88	0.00	21.88	21.88
ORANGE	14.69	0.05	15.16	13.15
ROYAL PHILIPS	41.09	-0.01	44.34	29.10
SAFRAN	148.65	0.00	149.90	100.70
SANOFI	82.88	-0.23	85.25	72.24
SAP SE	122.26	-0.40	124.38	85.59
SCHNEIDER ELECTRIC	86.42	-0.86	88.14	57.58
SIEMENS AG	114.82	0.38	115.00	85.00
SOCIETE GENERALE	28.32	-0.06	33.24	21.13
TELEFONICA SA	6.71	-0.02	9.18	5.94
TOTAL	48.76	-0.10	52.27	43.18
UNILEVER NV	53.23	-0.31	57.56	46.03
VINCI	100.50	-0.75	102.40	70.50
VIVENDI	24.86	0.08	26.42	20.93
VOLKSWAGEN AG	175.50	-1.82	183.46	136.26

CRYPTO A.M. DAILY POWERED BY BEQUANT

CRYPTOCURRENCIES

Name	Price (USDT)	(24h)
Bitcoin (BTC)	$ 8,156.11	-0.22%
Ethereum (ETH)	$ 176.17	0.22%
Ripple (XRP)	$ 0.25	0.84%
Bitcoin Cash (BCH)	$ 244.40	1.29%
Litecoin (LTC)	$ 55.42	-0.41%
EOS.IO (EOS)	$ 3.13	-0.20%
Bitcoin SV (BSV)	$ 108.37	-0.98%
TRON (TRON)	$ 0.01	0.05%
NEO (NEO)	$ 11.88	3.68%
Cardano (ADA)	$ 0.04	-0.97%
CryptoCompare Large Cap Index		0.52%
CryptoCompare Small Cap Index		1.83%

Market	$223,146,553,289	
Bitcoin Volatility		0.50%
Bitcoin Volume on BEQUANT Exchange (USDT)	252,437,931	

Sources: Bequant.io, CryptoCompare.com
Prices and data are correct as of 15:30, 20.11.2019
Crypto AM features in City AM every Tuesday.
Previous Editions: www.cityam.com/crypto-insider
Read more at: https://bequant.pro/cityam

CRYPTO & COFFEE

Bitcoin managed to hold onto $8,000 level and while another run on the level should not come as a surprise, the amount of Btc locked in DeFi/Lightning Network (LN) continues to increase and now stands at its highest level since late September.

In addition to that, the amount of DAI locked in the credit ecosystem is also staging a recovery, after an aggressive unwind last week which saw the total amount locked decrease from 30 million to 15 million.

As a guide, Multi-Collateral Dai was activated on the MakerDAO system after MKR token stakeholders made an executive vote last Friday to pass it through. Dai will now be backed by multiple assets instead of just Ethereum. This in turn augmented the selling pressure that Ethereum would have otherwise experienced.

Aside from Ethereum hard fork and Bitcoin block reward halving next year, it is worth remembering that Ethereum Classic will also undergo its own hard fork in January 2020. As the community prepares for the Agharta hard fork which is expected to take place on 15 January 2020, the testnets before the launch of the mainnet have been rolling out on the network.

COMMODITIES

Gold	1472.51	+3.03	Copper Cash Official	5821.25	-6.50
Silver (Pence)	1712.50	+33.00	Aluminium Cash Official	1734.25	-9.50
Silver (Cents)	1324.00	+27.00	Nickel Cash Official	14472.50	-282.50
Krugerrand	1487.46	+2.31	Aluminium Alloy Cash Official	1265.00	-35.00
Brent Crude	60.91	-1.53	Natural Gas	40.06	+0.150
Platinum	902.00	+20.00	Tin Cash Official	15962.50	-195.00
British Sovereign	347.58	+0.53	Zinc Cash Official	2361.50	-22.00
Lead Cash Official	1967.25	-8.25	White Sugar	336.00	-4.30

TOURIST RATES

Canada	1.6341	New Zealand	1.8731
Croatia	7.8474	Norway	11.30
Czech Republic	27.40	Poland	4.4012
Denmark	8.2943	Singapore	1.6388
Hong Kong	9.5892	Sweden	11.94
Iceland	140.56	Switzerland	1.2188
India	81.68	Turkey	7.0146
Israel	4.0289	United States	1.2328

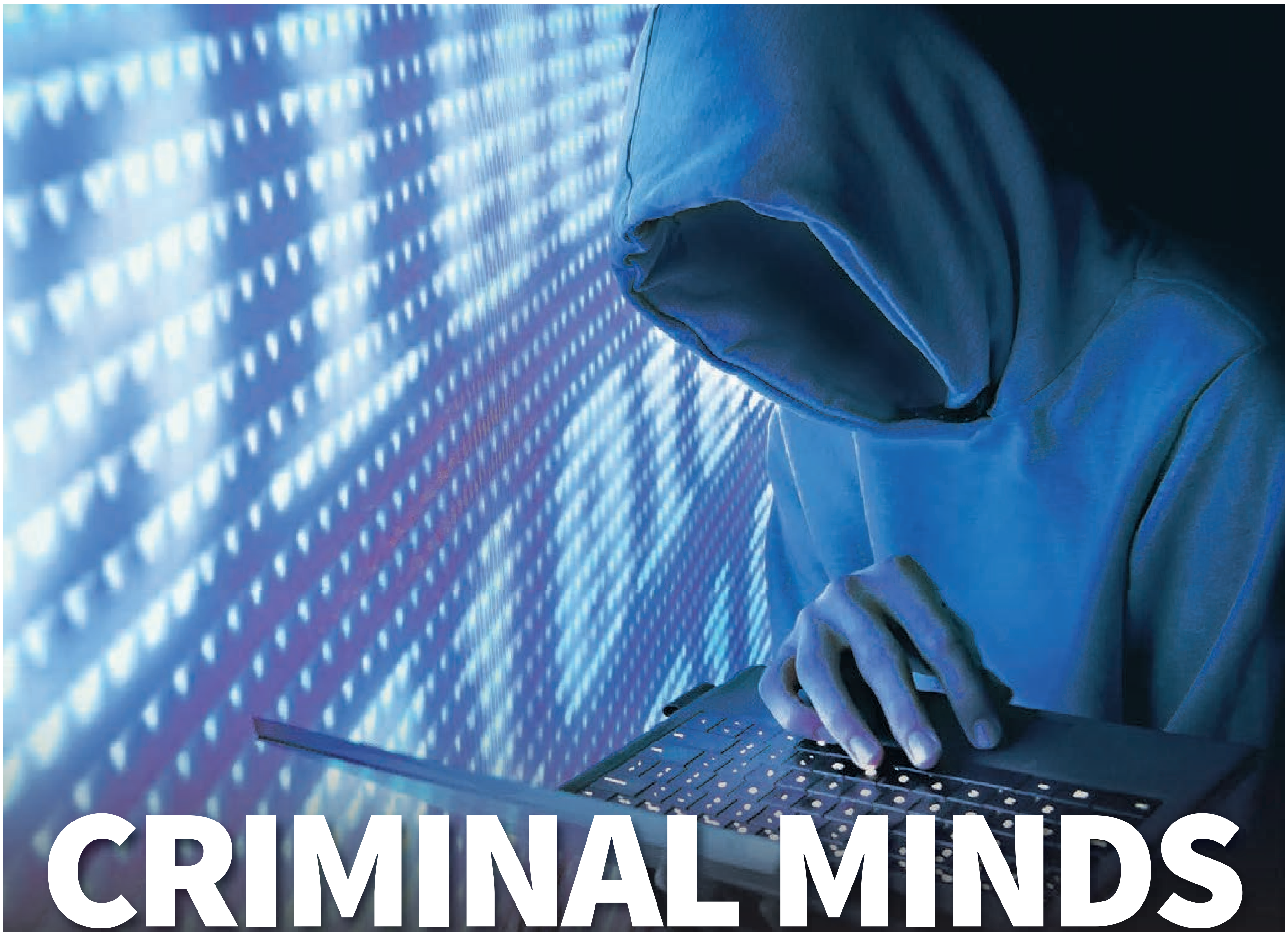
US SHARES

	Price	Chg	High	Low
3M	167.77	-2.91	219.50	150.74
ABBOTT LABORATORIES	83.89	-0.40	88.74	65.56
ADOBE INC	300.10	-0.50	311.27	205.16
ALPHABET NON VTG-C	1303.05	-12.41	1334.87	976.22
ALPHABET-A	1301.86	-10.73	1333.54	1116.79
AMAZON.COM	1745.53	-7.26	2020.99	1343.96
AMERICAN EXPRESS	119.30	-0.70	128.57	89.50
APPLE INC	263.19	-3.10	267.10	142.19
AT&T	37.18	-0.82	39.63	27.36
BANK OF AMERICA	32.69	-0.25	33.26	22.73
BERKSHIRE HATHAWAY	217.48	-1.55	222.74	187.76
BOEING CO	370.91	3.91	432.69	294.16
CATERPILLAR INC	141.52	-1.66	148.16	113.38
CHEVRON	117.34	0.89	126.54	100.99
CISCO SYSTEMS	45.08	-0.39	58.05	40.28
CITIGROUP	73.91	-0.91	76.12	49.26
COCA-COLA CO	53.22	0.14	55.77	44.69
COMCAST	44.22	-0.59	46.97	33.07
DOW	52.67	-0.72	66.65	40.71
EBAY INC	34.86	-0.20	41.57	26.14
EXXON MOBIL	68.03	0.21	83.38	65.51
FACEBOOK	197.51	-1.81	204.87	174.60
GOLDMAN SACHS GROUP	217.91	-2.13	223.29	156.35
HOME DEPOT INC	220.90	-4.96	238.85	158.14
HONEYWELL INTERNATIONAL	177.22	-2.90	182.01	124.83
IBM	133.20	-1.32	151.36	107.57
INTEL	57.90	-0.45	58.82	43.46
JOHNSON & JOHNSON	135.94	1.12	147.84	122.84
JPMORGAN CHASE & CO	129.63	-0.95	130.62	92.14
MASTERCARD INC	285.38	0.07	292.08	174.65
MCDONALD'S	194.13	0.69	221.15	170.28
MEDTRONIC	111.79	0.72	112.06	82.45
MERCK & CO	85.27	0.62	86.91	71.15
MICROSOFT	149.62	-0.77	150.39	94.13
NETFLIX	305.16	2.56	385.03	233.88
NIKE INC	93.05	-0.56	96.22	67.53
ORACLE	56.24	-0.03	60.15	42.69
PAYPAL HOLDINGS	104.09	-0.86	121.30	96.64
PEPSICO	133.74	-0.83	140.28	118.61
PFIZER INC	37.05	-0.61	46.23	34.24
PROCTER & GAMBLE	122.29	0.87	124.94	87.36
TRAVELERS COMPANIES	135.43	-0.03	154.83	112.63
TWITTER	29.17	-0.27	45.42	28.89
UNITED HEALTH GROUP	275.56	1.33	286.33	215.26
UNITED TECHNOLOGIES	146.65	-1.72	149.36	102.06
VERIZON COMMUNICATIONS	59.48	-0.02	61.05	53.05
VISA	181.66	-1.11	185.74	168.86
WALGREENS BOOTS ALLIANCE	61.34	-0.11	76.05	49.29
WALMART	119.13	-0.76	120.98	85.82
WALT DISNEY CO	146.93	-1.45	148.72	100.35
WELLS FARGO & CO	53.54	-0.49	54.35	43.38

WORLD INDICIES

	Price	Chg	%Chg
FTSE 100	7262.49	-61.31	-0.84
FTSE 250	20475.25	-53.23	-0.26
FTSE All-Share	4016.89	-29.05	-0.72
FTSE AIM All-Share	899.32	+2.53	+0.28
S&P 500	3108.46	-11.72	-0.38
Dow Jones I.A	27821.09	-112.93	-0.40
Nasdaq Composite	8526.73	-43.93	-0.51
Xetra DAX	13158.14	-62.98	-0.48
CAC 40	5894.03	-15.02	-0.25
Swiss Market Index	10385.74	+38.56	+0.37
ISEQ Overall Index	6805.60	-83.52	-0.75
FTSEurofirst 300	1580.86	-6.72	-0.42
Hang Seng	26889.61	-204.19	-0.75
Nikkei	23148.57	-144.08	-0.62
STI Index	3229.78	-9.09	-0.28
ASX All Ordinaries	6828.30	-85.80	-1.24

DATA & BUSINESS



CRIMINAL MINDS

You're closer to war crimes and drug trafficking than you think, says **Charles Delingpole**

MONEY laundering often gets a laugh: the laundrette at the end of the road that's never open to launder clothes, a running joke about a dodgy colleague, or the time a friend inadvertently cleaned cash for a bloke they met in a pub when you were students.

But the reality is that the pervasiveness of laundering serves only to normalise something that enables activities with which none of us would want to be associated, such as large-scale deforestation, illegally trading exotic animals, and even people trafficking.

The situation in the UK is the same the world over — an economic crime report launched by the Treasury earlier this year found that hundreds of billions could be being laundered through this country every year, but the government is unable to put a figure on the scale of the problem.

It is the same story for terrorist financing — it's easy to make noise about the rules and regulations in place to counter it, but nobody is able to quantify the issue.

Why is this a challenge on an immeasurable scale? And how is it still an unsolved problem in 2019?

To answer this, we have to look at the structure that governs how humans move value: the financial system. People assume that banks get fined billions for financial crime, in spite of their investments in processes, huge teams, and technology to combat it.

But the reality is that they simply operate amid a complete mess. Legacy systems — cobbled together and barely fit for purpose — are relied on because wholesale replacement is even riskier.

A large global bank in London might process two billion payments a year and generate 100m false positives, each of which costs $150 to remediate. But a false negative means billions in fines — which is how the unfit, costly, but better-the-devil-you-know systems stay in place.

What's more, criminals have sophisticated and intensively-planned ways to circumvent these systems. Whenever an incremental improvement is made and a weak point is closed off — by cracking down on offshore shell companies, for example — a new attack vector will be developed.

This is an arms race. The rewards for money laundering are huge, and criminals, unlike banks, are not obliged to play within the law.

And finally, there is no cohesion in solving this problem. Businesses, organisations, and governments need to wake up to the threat of financial crime and take it seriously.

> Technology has moved this dark world on from the laundrette to digital aliases

Technology has moved this dark world on from the laundrette to digital aliases, wire stripping payments (where material information is deliberately changed or removed from payment instructions), and the abuse of embryonic cryptocurrencies.

This is one of the few areas of existence where centralising information and visibility is more than necessary — in a world that is digitally defined, not doing so means that the bad guys will win.

This is not simply about all of us coming into contact with dirty money that's been cleaned via laundering, or good money being used for bad things like financing terrorism. It is about saving the global economy from increasingly reactionary, draconian legislation which — while negating some crime — will also slow down commerce, productivity, and growth.

If this problem has been caused by advances in technology, it is worth stating that technology also gives us the solution, and provides the opportunity to completely rethink how we approach financial crime.

My company — and we are just one example — uses machine learning to build profiles covering every sort of risk for every single person in the world. It is a master system for criminal activity globally.

Using machine learning to do this means that, rather than manually researching individuals and activities, real-time profiles for customers can be automatically built by surfacing data points and pattern recognition.

But for companies like ours to succeed in tackling financial crime in the twenty-first century, we need buy-in across our own industry, from the financial sector and from government. The latter needs to recognise — as popular opinion does — that preventing terrorism has to trump privacy. And we all need to get better at sharing information that will improve and save lives.

Tackling this problem would also have financial benefits, as some of the lack of growth in the UK economy stems from the bureaucracy of compliance. If banks could onboard faster, without the threat of financial crime looming so large, their margins would be greater.

After Brexit, the UK has the opportunity to have an autonomous sanctions regime, separate from the EU, and thus become a leading light in best practice, entrenching its position as a global financial hub.

Charles Delingpole is chief executive of Comply Advantage.

FORUM

EDITED BY LUKE GRAHAM

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Boris is right to delay tax cuts, business needs to earn them

Andrew O'Brien

BORIS Johnson showed a lot of guts to go to the CBI Conference and announce that he was delaying a planned corporation tax cut in order to fund public services. This was a speech which was long overdue.

Since 2010, governments have given away corporation tax cuts worth over £60bn. This figure doesn't include the billions of cuts in business rates and increases in capital allowances.

Governments have banked the house on the idea that if you cut taxes for business, they invest more, and that creates the growth needed to pay for good public services. But this logic simply doesn't add up when you consider the UK's economic performance over the past decade.

Politicians have been saying for years that workers deserve a pay rise, yet pay is still below levels reached before the financial crisis. UK productivity has been on the floor and doesn't look like it's going to turn a corner.

And business investment in research and development is poor compared with peers: the OECD average for business investment in R&D is 1.45 per cent of GDP, but in the UK it is just 0.9 per cent. When you compare this with the US (1.8 per cent), Germany (1.9 per cent) and Japan (2.5 per cent), UK business is simply not pulling its weight.

Then consider the deficit. At the end of March 2019, the deficit stood at over £25bn. We have made a lot of progress since 2011 when it stood at over £140bn — but after nearly a decade of public spending cuts, we still haven't closed the gap. New spending commitments mean that we aren't likely to see a balanced budget in the next five years.

For this to be sustainable, the economy would have to achieve consistent levels of growth not seen since before the financial crisis. Does anyone believe that business is going to invest in achieving that target?

The area that is most trumpeted by defenders of the status quo is employment. The UK has created an impressive 3.8m jobs since 2010.

Putting to one side whether all this employment is a good thing (and isn't just businesses putting off investing in capital and R&D) — if we link the corporation tax cuts that businesses have received to employment, it works out at around £16,000 per job created. This is a huge level of subsidy. And it doesn't take into account that not every business has contributed to this jobs boom.

It isn't anti-business to say that, at the moment, companies simply aren't delivering the goods. And nor is this all about Brexit. Economic growth, productivity, wages, and investment were poor by historic and international standards long before the 2016 referendum.

The truth is that politicians and the UK business establishment have become complacent. The consensus that just chucking tax breaks at companies leads to good results is an experiment that has been thoroughly disproven. We need to take a new approach.

Of course, business is vital to the future of the country. It generates the innovation and dynamism that we need. It is also critical to creating wealth which needs to spread around the country. But not all businesses are equal. Some are delivering while others are pocketing tax cuts and putting their feet up.

> **The consensus that chucking tax breaks at companies leads to good results is an experiment that has been disproven**

We need to start targeting tax cuts more effectively. There are some forms of business which have consistently delivered for the country. Social enterprises, for example, contribute over £60bn to the UK economy and employ two million people. Over three quarters of them are paying the living wage. Many of them are hiring people with disabilities, veterans, homeless people, and ex-offenders. Cumulatively, they are reinvesting billions back into communities and into innovation.

From making world-beating beer from food waste, to solar-powered buses, social enterprises are working across every sector of our economy. Tax cuts for these businesses are going to be used to pay workers more, invest in expansion, and fuel growth in left-behind communities.

Our high streets and towns also need support, and businesses located in these communities should get extra support given the conditions that they are operating in. Tax cuts here would boost employment and help the most disadvantaged areas.

Businesses working at the frontier of the new economy in automation, quantum computing, and life sciences may also need further support to help them compete in the global race.

But blanket "cut and hope" business tax cuts have to go. It is an approach that we can no longer afford.

The Prime Minister has said that he wants to unleash Britain's potential. If he takes a more targeted approach to business tax cuts, he has a shot at delivering that mission.

Andrew O'Brien is director of external affairs at Social Enterprise UK, which represents over 100,000 British businesses.

Government must stop dithering over HS2

Emma Long

LAST week, a leaked draft of the HS2 review revealed recommendations that the controversial project should go ahead as planned. This has sparked some debate, with opponents citing the project's escalating costs and delays.

Yet, when builders' timescales and budgets for even small-scale domestic construction projects are almost always optimistic and therefore taken with a pinch of salt, extra costs and delays are to be expected. It is also important to remember that this is not out of character for UK infrastructure projects.

Long before Crossrail, the Jubilee Line extension suffered similar issues. Almost doubling in cost during the six years it took to complete, the project was at first deferred by a year, then another two months. Eventually the first phase opened in May 1999, with the entire line opening later that year.

Though the project earned serious criticism at the time, where would we be without these stations now?

Today, Canary Wharf station is one of London's busiest, welcoming nearly 55m visitors a year. But prior to the extension, the district was served by very little public transport, making it difficult for it to fulfil its purpose of breathing new life into London's Docklands. Crossrail will be similarly transformational.

Put into context, and given the projected economic impact of the project, it can only be good news that HS2 is going ahead in full. Britain's regions have been denied their fair share of transport investment for too long.

The North is still reliant on Victorian railway infrastructure, which struggles to cope with demand. Leeds station — the third busiest outside London — is the fourth worst in the country for overcrowding during peak times, while eight per cent of East Coast Main Line intercity services are cancelled or significantly delayed.

The delivery of HS2 will do much to alleviate such pressure, providing our regional cities with modern transport links that they desperately need.

Still, the real challenge is yet to come. As the project website states, HS2 trains will serve over 25 stations, connecting around 30m people — around half the population. But what about the rest — people located in areas beyond the proposed station sites?

If, as intended, HS2 is to revitalise England's woeful regional rail infrastructure, then investment in fast and frequent public transport connections between and within regional towns and cities must also be a priority.

In addition, priority must be given to projects such as Northern Powerhouse Rail (NPR), the planned introduction of new and significantly upgraded railway lines in the North. When interlinked with HS2, NPR will make it easier to move between northern towns and cities, connecting businesses with each other and their customers, and acting as a catalyst for local growth.

The Midlands and the North have huge economic potential, but have been held back by inadequate transport infrastructure. Poor connectivity is a major obstacle for growing regional businesses, and remains a barrier to inward investment.

Meanwhile, the promise of HS2 has already acted as a catalyst for growth. For example, the approval of phase one led to record levels of foreign direct investment in the West Midlands and more than 7,000 new jobs were created in Birmingham as a direct result of the project.

Rather than continuing to dither and debate, it is time the government publicly committed to HS2 and invested in local transport infrastructure in the regions.

Only by taking this joined-up approach to railway infrastructure can we unlock the UK's massive regional potential.

Emma Long is commercial director of BizSpace.

LETTERS
TO THE EDITOR

Easyjetsetters

[Re: Easyjet boss bullish about package holiday move, despite tumbling profit]

Easyjet's results show that it is surviving the squeeze that mass-market brands are feeling. One reason that it has avoided becoming another casualty like BHS or Thomas Cook is because it utilises digital. Easyjet is doing everything right to leverage appeal with a modernised customer-centric strategy — the true foundations of which are built on being digital-first and using its mountain of data.

It's no surprise to see it capitalise on the package holiday market following the collapse of Thomas Cook (once the leader in this space). Easyjet's chief executive says that package holiday sales have continued to grow year-on-year.

Where Thomas Cook continually fought disruption from newer players and huge overheads, Easyjet demonstrated a digital-first customer experience that made booking travel easier and cheaper.

This new offer looks like a positive move by the company, and proves it is agile enough to adapt to changing consumer needs in order to survive.

Nick Hynes, co-founder and chief executive, Somo

BEST OF TWITTER

Hearing early reports that the leader of the party you vote for won the debate
@FinnTD

That CCHQ rebrand was really not a great idea, mocking genuinely important independent factchecking services in the new era of disinformation and fake news, great work lads.
@elashton

HEY BOY ARE YOU OUR NEXT PARLIAMENT BECAUSE FROM WHERE I'M STANDING YOU SEEM WELL HUNG
@youngvulgarian

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The internet can help Workington Man and other left-behind constituencies step forward into the future

IT CAN sometimes be easy to forget that the internet plays a vital part of everyday life. It makes a substantial economic contribution to the UK, creating approximately 400,000 jobs, 80,000 businesses, and £45bn in gross value added to the UK's GDP.

Most importantly, the internet improves people's lives with products and services that make a difference. From answering a question in seconds or chatting to a loved one that lives on the other side of the country, the internet has created a boost to the UK economy and society not unlike the industrial revolution.

New research from the Internet Association shows that while the sector provides jobs and businesses in every UK constituency, in the key northern seats that will decide the upcoming General Election there is an internet inequality that must be addressed.

"Workington Man" has been much discussed by pundits in Westminster — a vital demographic for the parties to win over in order to achieve victory on 12 December. But the voters of Workington are being left behind when it comes to the internet revolution.

Just 20 businesses in the constituency are in the internet sector — the lowest proportion in England.

With large public and private employers in the defence sector as well as the National Nuclear Laboratory located on the doorstep of Workington, there is no reason for constituencies like it to be unable to fully enjoy all the

Daniel Dyball

benefits that the internet brings.

The research also sheds new light on the north-south divide. Just three of the top 40 English constituencies with the biggest economic contribution from the internet are located outside of London and the south east: Manchester Central, Welwyn Hatfield, and Leeds Central.

The sector wants to continue to deliver growth and drive prosperity across the UK. But proposals from some political parties to place additional taxation on internet companies would not help.

In fact, targeting the tech and internet sectors misses the wider point: we need to have a serious debate about funding infrastructure investment in the UK. And when searching for solutions on digital tax reform, it is vital that we work together on a global response, particularly through support for the ongoing OECD process.

Proposals to place additional taxation on digital companies would not help

Political parties must also focus on some key areas. We should improve digital skills in schools by embedding computer science into the curriculum. And by promoting a wide-ranging approach to education on digital citizenship — working in partnership with industry — we can level up the whole nation's internet skills and literacy.

We should also encourage faster adoption of digital technology across the economy to boost productivity, and consider how funds from the Apprenticeship Levy can be used to help small and medium-sized enterprises.

Investing in innovation is also vital. The government should increase the amount that firms can spend on research and development tax free in order to encourage digital investment.

And as the UK prepares to leave the EU, future free trade agreements between the UK and the rest of the world should also have strong digital provisions that enable cross-border data flows, encourage vibrant e-commerce markets, and facilitate digital exports.

The internet economy is thriving in many parts of the UK. But it will only be by adopting positive policies that the next government will bring the "Workington Man" and other left-behind constituencies along in the internet revolution.

Daniel Dyball is UK executive director at Internet Association, which represents global internet companies.

DEBATE

Has the fizz gone out of tonic water maker Fever-Tree as growth in its core UK market slows down?

YES

JOE HEALEY

Fever-Tree has had a good run, but investors are likely to be tetchy going forward. The drinks phenomenon has struggled in its main UK market this year due to a wider slowdown in consumer spending.

The company is now expecting to deliver just two per cent growth in the UK. Despite expectations that growth was always going to slow at some point, this figure is likely to raise a few eyebrows considering the extent of the slowdown in comparison to strong growth in previous years.

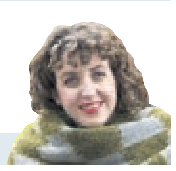
Share price optimism following the Q3 trading update has been largely driven from its growth in US markets.

However, the company's US customer base is much smaller in comparison to the UK market. Therefore, a smaller drop in the UK market requires much larger growth in the US to offset. This is likely to weigh on results should weak UK consumer spending persist.

Of course, international growth is a huge opportunity for the company, but some would argue that this is already factored into the price, with shares trading above a 50 per cent premium to comparable peers.

Joe Healey is investment research analyst at The Share Centre.

NO



SIÂN NOVAKOVIĆ

Fever-Tree entered the drinks market with a startup mentality; its smart approach to the premium drinks category and an ability to source and curate interesting ingredients has led the brand to major international success.

High-impact performance was assured, but so was a dip in sales after such a consistent period of explosive growth. If anything, this recent slow down says more about the impact of the brand's success, not its future long-term potential.

Looking ahead, Fever-Tree simply needs to keep innovating to retain its leading position — and the brand should first look at how it can tap into the wider wealth of trends currently storming the food and beverage category. A focus on developing healthy products is certainly an avenue worth exploring.

Whether it's launching specialist mixers which meet trending dietary preferences, or taking advantage of the booming non-alcohol trend to create products which can be enjoyed in isolation, Fever-Tree now needs to strategically review how it plans to meet the needs of the customer of the future to stay in the game.

Siân Novaković is strategy director at retail and branding consultancy Fitch.


JAEGER-LECOULTRE

LONDON TIME

EDITED BY **ALEX DOAK**

SQUARE DANCE 50 YEARS OF STEVE McQUEEN'S BLUE-EYED DRIVING COMPANION **P24**

SAXON THE BEACH

Above: the SeaQ's rugged diver's case is matched inside by the robust mechanics of Calibre 36, still sumptuously hand-polished; Main: The 'Panorama Date' SeaQ features an oversize date window made up of two concentric number discs.

Germany's Glashütte Original revives a 60s diving watch with Teutonic aplomb

The tiny village of Glashütte could be Switzerland in a chocolate-covered nutshell. Surrounded by snowy peaks and spiked with fairytale rooftops, it's hardly surprising this idyllic mountain retreat became the home of fine German watchmaking back in the 19th century. And, by dint of such repute, hardly surprising we're excited by the 'SeaQ' diving watch you see here – a 1969 beauty brought bang into the 21st century by the village's eponymous 'uhrmacher'.

"At the peak of the German empire, from the late 19th century up to the 20s," says German Watch Museum Glashütte's Ulrike Kranz, "southern Saxony's watches were the finest – a byword for quality, reliability and mechanical sophistication."

It was World War II that could have spelled a very different outcome. Not only was Glashütte heavily bombed on the very last day of the war, with 80 per cent of the surviving machinery plundered by the Russians, but by 1951 it had fallen into the GDR's socialist doldrums. Every local watch company was consolidated into the people's watch company, or 'VEB'.

By the 80s, the sprawling workshops were turning out multitudinous and generic product; come the 90s saved by serendipitous kismet – German reunification, in parallel to the revival of high-end mechanical watchmaking. Swatch Group purchased the VEB, rightfully rebranding it to 'Glashütte Original', while rival Swiss luxury group Richemont established A. Lange & Söhne next-door, taking the name of the very man who lit the horological touchpaper back in 1845.

Any retired Glashütte resident would rather forget the low-quality fodder they were obliged to manufacture from the late 70s. But the new SeaQ is a reminder of one last, stoically Teutonic hurrah before the quartz doldrums. It heads up a new 'Spezialist' series and draws inspiration from the 50-year-old 'Spezimatic Typ RP TS 200', which like so many Swiss contemporaries enjoying their own modern revival, capitalised on the newfangled craze for SCUBA and its need for a rugged, no-nonsense, 200m-water-resistant and luminescent watch to strap over your wetsuit, equipped with a rotating bezel to set a 'zero' dive-time reference.

This being Glashütte Original, with a significant rep to protect, you can be confident there's much more than retro-bandwagon jumping going on here. As well as looking the part, powered by precision mechanics handcrafted entirely in-house, every single SeaQ is being tested and analysed to conform with the modern diver's strict DIN 8306 / ISO 6425 standard. In the process, each SeaQ watch is tested for water resistance, air tightness at over- and underpressure (pictured, inset), shock resistance, resistance to salt-water corrosion and a Haynes manual's worth of other criteria.

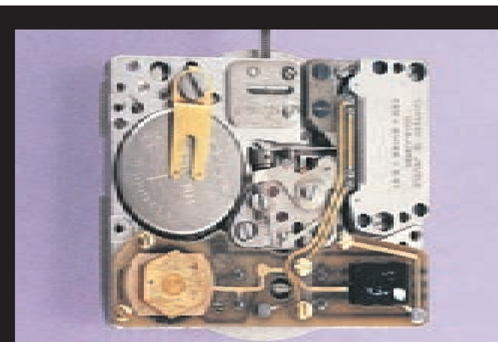
After all that punishment, every SeaQ is heated for 30 minutes to 45°C, before being smothered by a wet piece of felt. If no condensation appears on the inner surface of the sapphire crystal, the watch has successfully passed, without any moisture creeping in.

The Eastern Bloc could have ended Glashütte's watch industry with a damp squib. Instead, it marches onwards and upwards – under a damp cloth.

The Glashütte Original SeaQ is available now from £7,300, glashuette-original.com

QUARTZ AND ALL

Come Christmas day, it'll be precisely 50 years since Seiko kickstarted the 20th century's greatest horological advance ('precisely' being the operative word…)



1957
The first-ever battery-powered (but not yet quartz-regulated) watch was Hamilton's 'Electric', whose traditional balance wheel was rocked back and forth by electromagnetism.

1960
Another US brand, Bulova was the first to do away with a mechanical oscillator, replacing the ticking balance wheel with a battery-powered tuning fork. 'Accutron' was fondly dubbed the 'Hummer'.

1967
As successful as the tuning fork proved, a quartz-crystal oscillator was the future, and Switzerland didn't want to be caught napping. 'Beta 21' was developed by the Centre Electronique Horlogère research centre in Neuchâtel, in collaboration with brands as prestigious as Patek Philippe, Omega and IWC. Its prohibitively expensive manufacture could never compete with ever-more-affordable Far Eastern imports, and the ensuing 'Quartz Crisis' decimated the Swiss watch industry.

2020
Hitting boutiques early next year, Seiko is celebrating the Astron's 50th anniversary with a suitably future-forward model, despite the 1969 throwback design. Its Calibre 3X22 connects automatically to the GPS network to maintain a precision of one second every 100,000 years.

1969
On Christmas Day, Seiko launched the definitive quartz watch, the Astron. No spring-driven mechanics tick-tocking at a clunky 4Hz here – rather, a tiny crystal vibrating precisely at 8,192Hz, keeping time within a few seconds per month, rather than per day.

2018
Citizen took everyone by surprise with 'Calibre 0100', ticking with a best-ever precision of just ±1 second per year (Seiko's top-grade Calibre 9F is a still-respectable ±5 seconds). It's down to lozenge-shaped 'AT-cut' quartz, which vibrates 250 times faster than the industry standard.

1993
Seiko's 'Grand Seiko' division crafts watches of Swiss quality, so its first quartz model had to step things up. Sure enough, Calibre 9F's backlash auto-adjust mechanism eliminated seconds-hand 'shudder', and a twin pulse control system delivered increased torque.

1971
Despite its reputation for exquisite hand-craftsmanship, Girard-Perregaux made the best in-roads for Switzerland, singlehandedly establishing the now-standard oscillating frequency for quartz watches, 32.7kHz. The launch model was pure 'Buck Rogers' retro-futurism.

SHIPSHAPE AND BRISTOL FASHION

British revivalist Fears Watches is, among a handful of other homegrown upstarts, reminding us that it wasn't always Switzerland, you know; England was a world leader in horology, until war and sluggish modernisation saw off so many noble enterprises during the 20th century. And so it went with a sizeable Bristolian watchmaker founded in 1846 by Edwin Fear, only to be wound down in the Sixties two generations later. Thankfully, with domestic upstarts on the rise, his fourth generation – Edwin's great-great-great grandson Nicholas Bowman-Scargill – has seen fit to bring the family firm out of dormancy. And how.

After a muted, quartz-powered launch at London's annual SalonQP showcase in 2016, Bowman-Scargill seems to have finally found his mojo. Not only does the Brunswick revive a cushion-shaped design from the Jazz Age with particularly contemporary élan, but in an oversaturated market of blue-dialled watches, the latest, manual-wind mechanical version (£3,350) manages a decadent navy like no other – all down to a volatile galvanic process, with a high failure rate, combining with the hand-grained surfaces to catch the light beautifully.

fearswatches.com

GRANDMASTER CASH

Patek Philippe has (yet again) smashed every 'most-expensive-watch' record going – potentially once and for all - with the sale of a one-off 'super complication' in steel

Collectors, connoisseurs and plain old #watchnerds will all agree that it was 30 years ago when the tide turned for fine watchmaking – when interest was back on the upswing after too many years of cheapo quartz, and Antiquorum of Geneva pioneered the modern watch auction concept. Its 'Art of Patek Philippe' sale of 1989 cemented Switzerland's grande dame as the de facto, copperbottomed investment choice of haute horlogerie.

But still: two Saturdays ago, no one could have predicted the sort of hammer price achieved by a reversible-dial 'super complication' Patek, encased in everyman steel. The 'Paul Newman' dial Rolex Daytona worn by Paul Newman himself seemed steep when it smashed every wristwatch record going in 2017 at a mighty £13.5m. But despite having 20 fancy functions over the Daytona's 1 chronograph, the CHF31m (approx. £23.3m) fetched at Christie's biannual 'Only Watch' auction for a one-off Ref. 6300A-010 is still jawdropping, a massive hike over Patek's last record of CHF7.3m (again, at Only Watch), and unlikely to be topped any time soon.

The great news is that 99 per cent of the Grandmaster Chime's proceeds, along with the combined CHF7.5m fetched by one-off watches from 49 other brands, all benefit the Monaco Association against Duchenne Muscular Dystrophy, helping fund research into a degenerative neuromuscular disorder that befalls one of every 3,500 youngsters around the world.

Astronomical CHF31m may be, but breaths will surely be held come the 2021 edition of Only Watch…

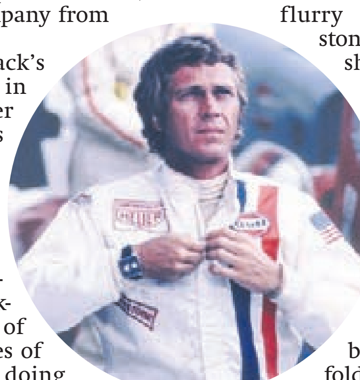
christies.com, onlywatch.com, patek.com

HIP TO BE SQUARE

The square-cased, living legend that is TAG Heuer's Monaco celebrates 50 years as THE choice of pit crew and racing drivers alike, reports **Alex Doak**

Jack Heuer is the octogenarian patriarch of modern-day TAG Heuer – a spry, living legend of Swiss watchmaking with a gimlet eye and many words to the wise. Which is to forget that, on taking over the family firm in 1961 and blocking its sale to US giant Bulova, things were desperate, including his callow 28-year-old self. The success and reputation of his ancestors weighed heavy, and he needed to prove himself, let alone save the company from bankruptcy.

Surprisingly, Jack's first answer came in the form of another failure, three years prior.



"In 1958, my first year at 'Ed. Heuer & Co. SA', I participated in two Swiss car rallies," he recounts in his rollicking collection of memoirs, The Times of My Life. "We were doing fine until, close to the finish, I misread the dial of our Citröen's Heuer 'Autavia' dashboard stopwatch, by a minute. The result was that our team came in third place instead of first.

"This error infuriated me and I realised that the dial of the Autavia was unclear, confusing and very difficult to read correctly in a speeding rally car."

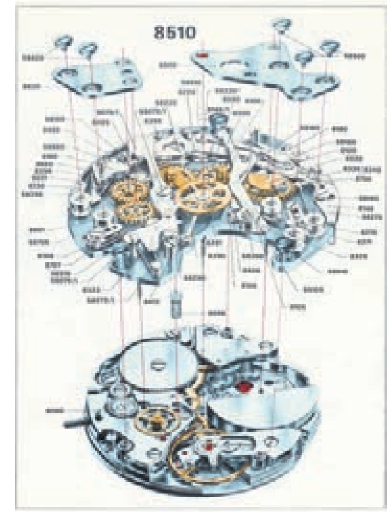
Come the autumn of 1961, Jack had spruced-up and revamped the 'Autavia' as an all-new wristworn chronograph – arguably the original, purpose-built racing driver's watch, not to mention the flying start to Heuer's modern era.

As this year's various 50th celebrations have reminded us however, come 1969 came an unprecedented flurry of horological milestones that instantly overshadowed Autavia's import. Not only did Omega's own 'Speedmaster' chronograph walk on the Moon, but Seiko invented quartz technology (see timeline on page 22), plus every watchmaker's Holy Grail was finally brought to light, threefold: the 'automatic' chronograph, powered by the movement of your arm.

Zenith unveiled its 'El Primero' straight out of the traps in January, and over in Japan Seiko quietly drew level with its '5 Sports Speed Timer'. But it was Heuer and Breitling's collaborative 'Calibre 11' that made it to market first – workhorse mechanics from Buren wound by an embedded 'micro-rotor', piggybacked by a stopwatch module from Dubois Depraz. And, sadly for Autavia, Jack Heuer wanted Calibre 11 to debut dressed as an all-new, high-impact product...

Top: the five revivals of Monaco's every decade since '69. Above left: an old ad, showing Calibre 11's unusual left-hand crown. Above right: Geri 'Ginger Spice' Horner, TAG Heuer CEO Stephane Bianchi and Red Bull Racing's Christian Horner at Chucs Cafe Serpentine a fortnight ago.

Named in tribute to the equally showy grand prix, the Heuer Monaco's cobalt-blue dial was striking enough, but in addition was a world-first: a water-resistant square case. Once Steve McQueen paired a Monaco with a Heuer-branded racesuit in 1971's 'Le Mans' (*pictured, inset*), the rest would be history. A history being celebrated this year by no less than five limited-edition Monacos, representing each of its five decades. (The forever-also-ran Autavia took some solace at least, thanks to 2019's new time-only collection, fitted with TAG Heuer's new 'Isograph' carbon balance spring.)



Calibre 11, exploded: Heuer and Breitling's self-winding chronograph, with stopwatch piggybacking base mechanics wound by a semi-circular micro-rotor.

The story of how the watch ended up on McQueen's wrist is almost as cool as the man himself, involving a Hollywood property master called Don Nunley, a car full of watches rushed up from La Chaux-de-Fonds in Switzerland to the film set at the Le Mans circuit, then an attempt to get the lot past French border control without papers.

McQueen allegedly rejected the Omega he was first styled with, because he wanted to look exactly like Swiss racing driver Jo Siffert, who not only had Heuer sponsorship on his racing overalls, but moonlighted in the pitlanes of F1 as a Heuer salesman, getting Jack's new product onto the wrists of high-profile contemporaries. The rarity of a square case made the watch stand out in both the movie and on the posters and, when the images were used for the its revival, it ensured that the Monaco would forever be associated with one of the coolest men of American cinema.

But only just. By 1975, production of the Monaco ceased. The very thing that had made it so disruptive – the square case – just didn't prove that popular with the buying public. In 1985, Luxembourg holdings group Techniques d'Avant Garde (the 'TAG' we all know now) acquired a majority stake in the ailing watch brand, and started streamlining, modernising, as well as reviving the back catalogue. By 1998, it was the turn of the Monaco.

Launched in a limited run of 500 and featuring images of Steve McQueen from his Le Mans era, the 'CS2110' was a huge success and the Monaco hasn't been out of production since. Neither has it rested on its Kodachrome-tinted laurels, providing a four-sided incubator for two mid-Noughties' adventures in hyper-horology: the digi-hybrid 'Sixty-Nine' of 2003 and 2004's 'V4', whose engine block of a movement replaced gear wheels with hair-thin fanbelts.

A fortnight ago, the 50th anniversary was celebrated by a glitzy party within the biomorphic confines of Zaha Hadid's 'Magazine' Serpentine extension and – with Red Bull Racing's Christian Horner, David Gandy, Reggie Yates et al. in attendance – the Monaco's latest and greatest upgrade was revealed to all: the fitment of TAG's cutting-edge 'Calibre Heuer 02' chronograph mechanics, precision engineered entirely in-house and now ticking over for 80 autonomous hours (pictured in page 21's header).

Still with petrol in its veins, still as avant-garde as ever, and still as cobalt-blue as Steve McQueen's eyes.

BREMONT'S BANQUET

Bremont's co-founding brothers Nick and Giles English pore over Ronnie Wood's 47 miniatures at the guitarist-turned-artist's studio.

Not one, but forty-seven new British watches have had their dials hand-painted by a Rolling Stone, reports **Alex Doak**

For anyone who couldn't get no satisfaction back in 2017, when a certain rock'n'roll legend painted the dial of a single, sumptuous 'B-1' marine clock, they now have 47 more chances to get their sticky fingers on a Ronnie Wood x Bremont collaboration. Knowing how devoted Stones fans can be, not even wild horses (or each watch's £38,950 pricetag for that matter) will drag them away.

Excruciating puns aside, it's a remarkable achievement – not only from a technical perspective, preserving Wood's work with a special coating prior to assembly at Bremont's atelier in Henley-on-Thames, but also logistically, given the 57-year-old band's unflagging touring schedule. Wood painted the dials of all 47 while on the road with the Rolling Stones – a workload he admittedly brought on himself, as the septuagenarian rocker wanted a numerical nod to his year of birth.

"Having spent so much time focusing on the dial designs, I'm really looking forward to seeing a completed watch," the guitarist says, with the humble pride of a true artist. "I look at some of the dials and it brings back memories of having painted them on tour in places like Chicago, Seattle, or Philadelphia.

"What's quite nice," Wood continues with warmth, "is that the dials feel like old friends… They look like they've been done from all over the world, some with more Chinese and African influences as well as American through to the British countryside."

Each watch in the collection is a one-of-a-kind piece, showcasing Wood's signature free-flowing style, spiked with scrawled leitmotifs such as 'rock on', 'time rocks on' and – engraved on the winding rotor, visible through the crystal caseback – 'I feel like painting'. Said rotor happens to wind up a first for Bremont: finer-than-ever mechanics sourced from Parmigiani's prestigious Vaucher facility in the Swiss Jura, adding further romance to proceedings with a dial-side moonphase display.

"Ronnie is a true creative in every sense of the word," attests Bremont co-founder Giles English, "and seeing his passion for art is utterly infectious."

"We also felt that such an important watch required a beautiful movement," picks up Giles's brother Nick, with signature rapport, "and so we built it with this lovely moonphase complication. Mechanically, artistically, and in terms of its rarity, this is really a rather special watch."

Time really does seem to be on Ronnie Wood's side.

bremont.com

VIVA VICENZA

Christmas shoppers making that magical left turn from Green Park into Bond Street will not only be greeted by the luxury retail strip's dazzling peacock-feather lights this festive season, but a new kid on the block – perched at the very start of the street. Replacing Jaeger-LeCoultre's former unit at 1a Old Bond Street, and still under the ward of next-door-neighbouring Mappin & Webb, the sage-green tones of FOPE are set to entice fans of its exquisitely crafted jewellery inside what is the Italian brand's second-only standalone boutique after Venice.

It's all part of FOPE's 90th anniversary celebrations, which seem all the more deserved when you consider it's always been owned by the same family, always based in Vicenza, with every single piece produced in-house. But before you #watchnerds move onto somewhere with tickers rather than dingers, you'd be wise to take note: even FOPE does watches, and they're the sort of gift that upholds your horological credibility as well as generosity. Launched in 2017 the LadyFope cocktail pieces are the house's first Swiss-made watches to combine a precision quartz movement with its 'Flex'it' bracelet – a patented system that advances FOPE's iconic 'Novecento' mesh, fitting tiny springs between each link for a firmer hold on her wrist.

fope.com

BLUE STEEL THREE CHISELLED NEW DANDIES, STRAIGHT OFF THE SEVENTIES JETSET

BELL & ROSS BR 05

Back in the Seventies, a single designer made an indelible mark by inventing the high-end stainless-steel sports watch. His name was Gérald Genta – look him up. Meanwhile, suffice to say Genta's signature tropes of geometric case, integrated bracelet and exposed screws remain as 'sporty luxe' as ever, with 2019 seeing a flurry of 'inspired' releases. The 'BR 05' softens the square brutality of Bell & Ross's military pilot collection, bringing an urban élan to the cuff of your g-suit.

£3,990, bellross.com

CHOPARD ALPINE EAGLE

Gérald Genta's Seventies legacy (Nautilus, Royal Oak) is immortal – and more collectable than ever. But come the Eighties, an era of 'disco glitz' took off and Chopard's 'St Moritz' of 1980 was perfectly timed. It was 22-year-old Karl-Friedrich Scheufele's debut at the helm of the family firm, and 39 years later he has revived his masterstroke, making Chopard once again attractive to the younger, edgier man.

£8,770, chopard.com

A. LANGE & SÖHNE ODYSSEUS

This is the latest and most divisive bid for sports-casual luxe – not least because Germany's top watchmaker has always (and justifiably) positioned itself up there with Patek Philippe. But if Patek can have its Nautilus (yes, a Genta) then Lange can have this: a water-resistant monument to Teutonic poise and purpose. Rest assured, the mechanics inside are still executed exquisitely – hence that distinctly un-casual pricetag.

£24,900, alange-soehne.com

TECHNOLOGY

EDITED BY STEVE HOGARTY

Hideo Kojima's new game about delivering parcels hits dizzying highs and terrible lows

Going postal in Death Stranding

GAMES

DEATH STRANDING

PLATFORM: PLAYSTATION 4

★★★★☆ | BY STEVE DINNEEN

There's an entire genre of games disparagingly referred to as "walking simulators". In most of them, walking is simulated in only the most rudimentary of ways – you tend to glide about the place, looking at sunsets and picking up fruit.

Japanese auteur Hideo Kojima has created a *true* walking simulator, a game in which the primary objective is to place one foot in front of the other without falling over. Death Stranding follows Sam Bridges, a deliveryman quietly navigating the antediluvian wasteland of a fallen America.

A catastrophic event has breached the membrane between this world and the next, allowing passage to the endless ashen "Beach", a place filled with Lovecraftian horrors and rotting shellfish. Time is all messed up – rain now ages people – and corpses cause city-levelling explosions. It's a lot.

Thankfully, you don't have time to dwell on it, because you have work to do. You're essentially an Amazon courier, mooching across the continent delivering parcels. And just like real life, those parcels are often knackered by the time they arrive. An obscene amount of money – $80m can't be far off the mark – has been spent proving the conventional wisdom that walking up muddy hills in the rain is difficult, uncomfortable and tedious.

You might spend minutes carefully negotiating a rocky path, using the left and right triggers to balance the weight of your enormous rucksack, only to trip at the top and watch your packages tumble back down. Or you might be wading through a river when an unexpected current sweeps you off your feet, sending your precious parcels – an old man's medicine, a craftsman's beloved tools – floating off into the distance while you struggle to stay afloat.

Imagine walking down the road and seeing a postman drop all his letters. Imagine how *sad* that would be. Now imagine *you're* the postman. That's Death Stranding.

Did I mention you have a baby to look after? It lives in a glass jar attached to your chest and if you fall over too much it gets upset and cries through the speaker on your control pad. Sometimes your treks through the sodden landscape are accompanied by the wail of a bruised newborn, a child you have let down, just like you let down that old man when you dropped his sleeping pills in the sea.

As unpleasant as all this sounds, it's actually the best bit about Death Stranding. There's a grim satisfaction

> "Imagine walking down the road and seeing a postman drop all his letters. Now imagine *you're* the postman. That's Death Stranding.

to loading up your backpack, stocking up on telescopic ladders and heading out into the savage garden of ravaged America.

It's beautiful, for a start – after a difficult climb, you really do stop to admire the scenery. And while you're there, you find echoes of other players – a sign left by a fellow gamer pointing the way to a hidden path, or a ladder helpfully propped over a stream. These asynchronous multiplayer elements – an evolution of the Dark Souls messaging system – make the cruel world a little more bearable.

Later, players can team up, chipping in materials to build bridges and vast highways, toiling away for the betterment of people they will never meet. The only direct interaction is the exchange of "likes", an endearing little thank you whispered into the ether. As time passes – slowly, slowly – your arsenal grows: you find a bike, then a truck. You build weapons to fight off raiders and oily things that slip through the breach (although combat is never your main concern). As you progress towards your eventual destination – the literal Wild West – you link up settlements, bringing ragged crofters onto the "chiral network", a sort of super-charged internet. You're a blue collar worker rebuilding America one wi-fi connection at a time.

And that would have been enough. But there's another side to Death Stranding that makes it hard to love. Kojima may be one of the most inventive minds in video games, but working outside the confines of a major studio (this is his first solo game after acrimoniously parting ways with Konami), his worst excesses threaten to overwhelm the entire project.

He may be from Japan, but Kojima's native tongue is metaphor. Every visual reference, every line of dialogue, every piece of literature (and there are many) is laden with daft symbolism. Sam has a phobia of physical contact, for instance, which is laughably on the nose in a game about making connections.

Kojima brings in the talents of A-listers including Lea Seydoux, Mads Michelsen and Margaret Qualley, then has them vomit exposition like teenagers who've just discovered cheap cider. You'd think one of his director buddies – Nicolas Winding Refn and Guillermo Del Toro both appear in the game – could have offered some guidance.

He's cited Brexit and Trump's border wall as inspirations for Death Stranding's themes, and there are lofty ruminations on everything from internet culture to environmental collapse. But it's hard to take anything seriously when you're also tasked with making grenades out of human effluvium (there are varieties called No.1 and No.2), or have to make small-talk with a chap called Die-Hardman. An otherwise bold, challenging experience sags under the weight of these puerile decisions, like Sam sagging under the weight of his rucksack.

Still, it's worth enduring for the moments you carve out yourself. Times when you forget about everything apart from delivering parcels: carefully loading your rucksack, learning the map, memorising your routes. Just like a real postman, albeit one who makes explosives out of poo.

GAME

POKÉMON SWORD AND SHIELD

PLATFORM: NINTENDO SWITCH

★★★★☆ | BY EMILY NICOLLE

Pokémon's creator GameFreak was uncharacteristically secretive during the development of Sword and Shield, the latest pair of monster collecting games in the world-dominating, 23-year-old franchise. Now it's clear to see why the studio played its cards so close to its chest: the new games shake up the rulebook in a way that might have given long-time fans cause for alarm. They needn't have worried.

Sword and Shield (the games come in pairs, each version containing a slightly different roster of Pokémon to encourage trading) take place in the UK-inspired Galar region. Towns and villages are of the sort imagined by American tourists, complete with Stonehenge replicas, cockneys in flat caps, woolly jumpers and wellington boots. But the most radical change is the introduction of the Wild Area, a vast open countryside with dynamic, changing weather, which replaces the traditional boxed-in zones of old Pokémon games. This is the closest the series has come to Breath of the Wild-style exploration, where you can roam to your heart's content and spot wild Pokémon waddling around the rolling fields rather than hiding in tall grass. The area's theme tune incorporates bagpipes, adding a touch of Scottish flair.

When it comes to the battling however, GameFreak is careful not to tinker too much with the basics. This year's twist is "Dynamaxing", a special new move that temporarily embiggens your Pokémon so that they tower over the battle arena. As well as introducing new strategies, these supersized Pokémon add a welcome sense of scale to fights, helped out by dramatic, swooshing camera angles.

Also enhanced are gym battles, the critical tests of your Pokémon wrangling abilities that mark your career as a trainer. They're now held in stadia full of roaring spectators, which increases the excitement and reward of gathering gym badges as you progress through story. If you're a Pokémon regular, the ability to skip the tutorials and jump right into the meat of the game is a change as welcome as it is long-awaited. You can also now access your Pokémon Box from anywhere, ride a bike on water, and decorate your eyeballs with flames or hearts.

The fastest selling Switch games so far (boosting Switch sales by 30 per cent), Sword and Shield are a solid addition to the series, and proof that the world's highest grossing media franchise shows no signs of flagging.

OFFICE POLITICS

War, what is it good for? Not business

Managing your team like you're fighting on the frontline is doing nothing for your firm

John Vincent

MANAGEMENT terms such as "strategy", "logistics" and "operations", among others, have been borrowed directly from military science.

Today, we're taking it even further — every day in the office, it's like we're entering into a battle. New pricing strategy? That'll be a "price war". A big task? Let's "divide and conquer". Handling a crisis? Time to set up a "war room".

Indeed, the language of business and warfare seem increasingly interchangeable.

But is that a good thing?

Sun Tzu's Art of War so often rolls off the tongues of so many thrusting, red in tooth and claw business tyros that you would think that it was standard issue at the world's MBA sweat shops.

But if you read Sun Tzu closely, you'll learn that fighting is best avoided, war is a last resort, and incessant battles exhaust all involved — winners and losers,

Also, at no point does the Chinese writer suggest that his theory should be applied in life or work.

There must be a different way. And there is.

At Leon, we have tried to do things differently. When asked about our market, I've made a point to explain to my colleagues that we have no competitors, no enemies. We are fighting nobody.

When others send in "spies" and copy our menu, our imagery, or our marketing, they are attempting to do something that is impossible — they are trying to be us.

Whenever I've ignored the competition and "concentrated on the knitting", I find that we've flourished.

By carrying yourself and your business with calmness and confidence, you can do things in a different way.

This different approach is summarised in a book that I've just written with martial arts teacher Julian Hitch called "Winning not Fighting".

In the book, we explain the eight pillars of Wing Tsun, which is the only martial art founded by a woman.

I've made a point to explain to my colleagues that we have no enemies

These pillars are: know yourself, stay relaxed, don't force things, positivity, simplicity, freedom and responsibility, expect to be punched, and mastery.

Let's just take one of these pillars — "don't force". Consider what the impact is of always forcing things, day-in, day-out.

If you're always over-exerting and creating aggressive business plans, you're fundamentally associating success with fighting.

That in turn makes you less creative — in combat, you go into tunnel vision, and you stop seeing and thinking around you in 360 degrees. It also makes you less empathetic and in tune with your colleagues.

Taking your foot off the force pedal has a certain connection with mindfulness — a deeper psychosomatic awareness which has as much value in sport like golf or tennis as to the performance in the boardroom.

It's about allowing the body and mind's innate intelligence to be freed up and properly focused. And this applies to everyone, from business leaders to baristas.

Indeed, our own staff saw their heart rates and stress levels improve markedly after a programme of Wing Tsun sessions.

When I first became acquainted with this different approach, it took me a while to realise that I wasn't an army general. Business may be tough, but I'm not fighting a war.

Now, I see myself more of a gardener in that my job is to create an environment where everyone has an opportunity to grow. The business benefits from encouraging my team to be mindful of their relationships with themselves, with others, and with the planet.

A bit too hippy? You want more of the sergeant major? Well, try the Wing Tsun strategy and see if it garners better results for your business.

John Vincent is chief executive of Leon, and author of Winning not Fighting.

PEACE, MAN

The Mindfulness App
Free

Your boss, the man they used to call "angry Barry", just walked in wearing a tie-dye T-shirt. He keeps going on about mindfulness, and since he downloaded this app, he has become a completely different person. You've got to admit, you're curious about all this mindfulness malarky. And if Barry can do it, so can you.

COFFEE BREAK

SUDOKU

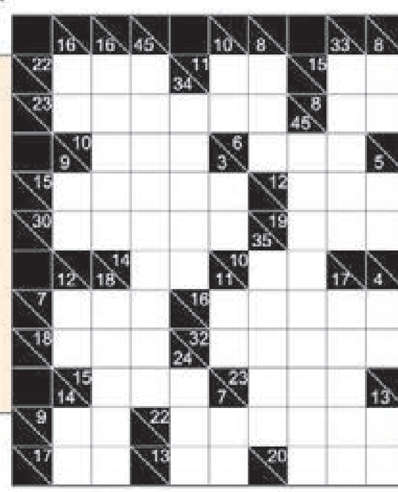
Place the numbers from 1 to 9 in each empty cell so that each row, each column and each 3x3 block contains all the numbers from 1 to 9 to solve this tricky Sudoku puzzle.

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

KAKURO

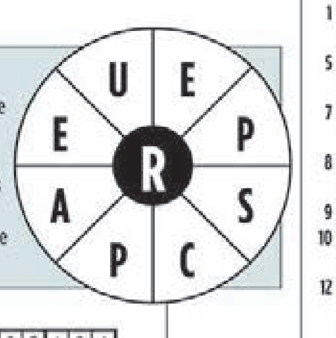
Fill the grid so that each block adds up to the total in the box above or to the left of it.

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.

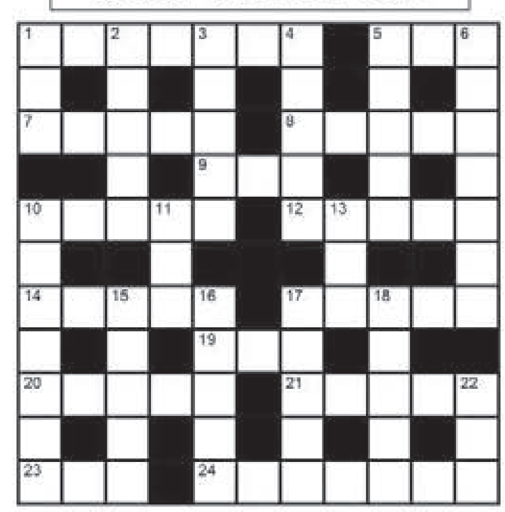


WORDWHEEL

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 Itemised statement of money owed (7)
5 Barrier that contains the flow of water (3)
7 Events enjoyed by bargain hunters (5)
8 Pokes at with a finger (5)
9 Put into service (3)
10 Short-lived enthusiasm (5)
12 Strong, tightly twisted cotton thread (5)
14 Cold and distant (5)
17 Romany (5)
19 Falsehood (3)
20 Off-colour, unwell (5)
21 Artless, innocent (5)
23 Female member of a religious order (3)
24 Admiration (7)

DOWN

1 Doubtful factors, ___ and buts (3)
2 Luxurious country residence (5)
3 One of a series published periodically (5)
4 Kick out (5)
5 Small, rounded blobs of liquid (5)
6 Enigma (7)
10 Make less subtle or refined (7)
11 Menagerie (3)
13 Frosty (3)
15 Large body of salt water (5)
16 Handbill (5)
17 Group containing one or more species (5)
18 Balance (5)
22 Dine (3)

LAST ISSUE'S SOLUTIONS

QUICK CROSSWORD

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

KAKURO

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

SUDOKU

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

WORDWHEEL

The nine-letter word was APOLOGISE

SPORT

GOALS TOP OF JOSE'S TO-DO LIST

Nowhere has the decline of Spurs been more clear than in their blunt attack, writes **Michael Searles**

JOSE Mourinho arrives at Tottenham with a to-do list that includes arresting a year-long slump that threatens the club's status as Champions League regulars and rehabilitating his own weathered reputation.

But chief among the former Manchester United and Chelsea manager's priorities in North London should be reinvigorating an attack whose threat has dissipated to the point that it is even affecting the dependable Harry Kane.

There have been reminders of the 26-year-old's clinical finishing this campaign, not least in his four goals for England against Montenegro and Kosovo over the past few days.

One of Kane's sharpest finishes this term was his deft header past Alisson at Anfield last month, having reacted quickest to a Son Heung-Min effort rebounding off the crossbar.

But that was one of just five goals he has scored from open play in 12 Premier League games this season – and he has not scored for Tottenham since. Three of his 10 club goals have come from the penalty spot too.

There were signs of his club form waning last season too, as he failed to reach the 20-goal mark in the league for the first time since establishing himself in the Tottenham first team in 2014-15.

He scored 17 goals, five behind Sadio Mane, Mohamed Salah and Pierre-Emerick Aubameyang who all shared the Golden Boot, and was some way off his 30 and 29 goals in the previous campaigns. The England striker's Premier League tally of six goals and one assist this campaign puts him 10th in the scoring charts, five goals behind leader Jamie Vardy.

LOSING POTENCY

But are Kane's shooting boots losing their potency or is his failure to recapture the form of old a result of a reduced creative output from his team-mates and the wider decline of the club?

The sacking of Mauricio Pochettino on Tuesday raised eyebrows, but statistically Spurs are having their worst season in front of goal since the Argentinian was appointed in 2014.

Tottenham have created just 13 "big chances" this campaign, defined by the Premier League as an opportunity in which the player would be reasonably expected to score.

It means Spurs are averaging just 1.1 big chance per game, some way down on last year's 1.7 and almost half of the 2.0 big chances per game they were creating in 2017-18.

Unsurprisingly then, their output of 1.5 goals per game is also their worst and has gradually declined since a peak of 2.26 in 2016-17.

The team's average number of shots and shots on target is also the worst of the Pochettino era at 12.5 and 4.1 respectively – again, gradually decreasing from a peak of 17.6 and 6.8 in 2016-17, the year that Leicester won the league.

Criticism of Tottenham has often centred on the squad's lack of depth and, specifically, players who can share Kane's goal burden should he suffer from injury or hit a bad patch of form.

This season he is not firing at his usual rate, but Tottenham's problems appear to be rooted more deeply in a shortage of opportunities created for all of the forwards.

Kane has in fact missed only one "big chance" in the league this season, some way off the nine and seven missed by England team-mates Tammy Abraham and Raheem Sterling respectively. Son is the only Tottenham player to have registered more than one assist this campaign and is arguably the only Spurs player performing at something like their best level.

If Mourinho is to turn his new club's fortunes around – and give his own career a welcome shot in the arm – then creating more chances for their star striker to put away would appear a good place to start.

TOTTENHAM'S FLAGGING ATTACK

SEASON	14-15	15-16	16-17	17-18	18-19	19-20
Big chances per game	1.34	1.7	1.4	2	1.7	1.1
Goals per game	1.53	1.82	2.26	1.95	1.76	1.5

Sacking Pochettino was the lesser gamble for Tottenham

FOOTBALL COMMENT

Trevor Steven

TOTTENHAM chairman Daniel Levy doesn't strike me as a gambler but his decision to sack the manager who took the club to a Champions League final and replace him with Jose Mourinho is a roll of the dice.

On the face of it, Mauricio Pochettino's departure is a surprise. While being 14th in the Premier League doesn't look good, it is only November and Spurs are more than capable of going on a run that carries them back into the top four.

Pochettino can feel hard done by. He has only really had two bad months and took the club to a whole new level while very little was spent on transfers – less than £100m net over his five years.

There had been some signs that things weren't quite right, though. Having gone 1-0 up, the Tottenham of two years ago would have beaten Everton earlier this month. Instead they drew 1-1.

That day they didn't seem as powerful a unit as in recent seasons and showed a soft side we're not used to seeing. It made you wonder if they were finding it hard to live up to the new standards they'd set.

On top of that you've had negative press around players' futures, such as Danny Rose announcing he would run down the last 18 months of his contract. Who says that? It's a distraction when that group needed to be concentrating fully on football.

The only logical explanation is that Levy has seen or heard things in private that made him the think the situation was beyond repair. Key players have found themselves left out at times. Losing the dressing room can be fatal.

SUPER-SUB

If you're changing manager mid-season and he is available, then Mourinho is an obvious choice.

He is refreshed, has stayed in touch with the Premier League through his TV work, wants back in and is an impact man – a sort of managerial super-sub.

He's not a neat fit for Spurs other than in that he's a proven trophy winner and that is one thing that, for all of the progress he engineered, Pochettino did not deliver.

Even at United Mourinho brought in a couple of pieces of silverware. While that was no more than par there, he will be a king if he repeats that in north London.

As he is arriving mid-season I don't think he'll be tasked with delivering trophies this term, but he will be under a different kind of pressure.

Since his first spell at Chelsea, Mourinho has only been at clubs where winning is the norm. Can he get it right at Tottenham? I'm sure he'll be expected to finish in the top four in May.

The timing of all this is interesting. Spurs hadn't played for 10 days when they decided to make the change, leaving the new manager just three days to prepare for his first match – a trip to West Ham, who are also very much in need of a win.

Levy can't have taken this decision lightly. There are no guarantees it will work out for either party; the only certainty is that Pochettino will land a plum job in Madrid, Barcelona, Paris or Manchester.

It is a gamble, then, but maybe Levy saw keeping Pochettino as the bigger risk.

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

Tigers still struggling to roar again

Summer shake-up yet to revive fallen former champions Leicester, says **Michael Searles**

Leicester narrowly avoided relegation last season and are 11th again this term, with only the heavily-penalised Saracens below

JUST four games into a new Premiership campaign that promised to be a turning point for Leicester Tigers and they appear no nearer to ending the "worst period in the club's history".

That was head coach Geordan Murphy's brutal assessment of last season. But despite an intense 12-week pre-season designed to get the players in better shape, they have mustered just one win in four games and lie 11th in the Premiership table ahead of Saturday's European Challenge Cup fixture with Cardiff Blues.

The last campaign was one to forget for the 10-time English champions, who finished 11th, narrowly avoiding relegation and losing 15 of 22 matches.

Criticism was aimed at a perceived lack of fitness, which the coaching staff have endeavoured to address, as well as a lack of squad depth.

With England internationals George Ford, Ben Youngs, Manu Tuilagi, Jonny May, Ellis Genge and Dan Cole all to be reintegrated following their World Cup exploits, there is reason to believe an upturn in results could be around the corner.

Nonetheless, familiar alarm bells will be ringing for Tigers fans now dreading the start of the Six Nations in just three months time, with the squad desperately missing the quality that those players bring.

It risks drawing Leicester into another relegation battle, which ultimately saw Newcastle Falcons fall short last season, despite Murphy's claims the club were aiming to compete for trophies once again.

"I think we are a vastly different side," the former Tigers player said before the season began. "We're fitter. We've changed the culture. We're tighter as a unit. If that stays the same, we'll be at the right end of the league."

But having suffered defeats to Worcester Warriors and London Irish, who have typically been fighting relegation, Leicester look set to be embroiled in a battle to stay up again.

The 35-point deduction given to Saracens has sent them to the bottom of the league but, with a nine-point advantage on Leicester already, that possibility will offer little comfort in the long term.

RIGHT INGREDIENTS

The club will be hoping the introduction of Steve Borthwick to the coaching set-up following his involvement with England at the World Cup will bring about improvement.

The 40-year-old is the latest addition to a backroom line-up that has been overhauled in the last 14 months. Murphy replaced former head coach Matt O'Connor at the start of last season before former England and Ireland coach Mike Ford was brought in to help avoid relegation. He has stayed on as attack coach.

By all accounts, the club appear to have many of the right ingredients for success, but the results on the pitch have not been forthcoming and there remains an air of uncertainty around Welford Road after the club was put up for sale in the summer.

Leicester suffered a fourth successive year of operating losses, but did make a £5.2m profit overall in the year ending June 2019 thanks to CVC Capital Partners' acquisition of the Premiership's commercial rights.

This summer they again tried to strengthen the squad with additions such as New Zealand's Jordan Taufua, Argentina's Tomas Lavanini and South African trio Jaco Taute, EW Viljoen and Hanro Liebenberg.

They overcame Pau 41-20 in the European Challenge Cup last weekend, but domestically a single win over Gloucester, no bonus points and a points difference of -44 have left the Tigers propping up the Premiership with difficult games against Northampton and Exeter Chiefs to follow the trip to Wales this weekend.

So far the league has been unpredictable and the battle at both ends is set to be competitive. The next few fixtures will likely determine whether Leicester are capable of pushing up the table or destined to languish at the wrong end of it once again.

WINNING START Great Britain off the mark with a victory in new-look Davis Cup

Jamie Murray and Neal Skupski clinched a tight doubles game to give Great Britain a 2-1 win over Holland in their opening Davis Cup group game in Madrid yesterday. Murray (pictured) and Skupski came through 6-4, 7-6 (8-6) in the decisive match after Andy Murray's win over Tallon Griekspoor and Dan Evans' defeat by Robin Haase.

MCILROY NOT WORRIED BY ABSENCE OF HIS USUAL CADDIE

Rory McIlroy has insisted the absence of his caddie Harry Diamond won't affect him at the DP World Tour Championship in Dubai this week. Diamond is off after his wife, Claire, gave birth to the couple's first child, but McIlroy, who cannot win the Race to Dubai, is not concerned. "If there's any week where I don't have Harry on the bag it's good it's this week," he said. "I've been coming back here for 10 years. I know the place like the back of my hand."

SAMPSON CHARGED BY FA OVER USING RACIST LANGUAGE

Former England women manager Mark Sampson has been charged with using racist language by the Football Association. Sampson, who is now the caretaker boss at Stevenage, has been under investigation since September after an ex-coach at the League Two club made the allegation, which the club said had "no foundation". The 37-year-old was sacked by England in 2017 for "inappropriate and unacceptable" behaviour, while he was also cleared of discriminating against players, including striker Eni Aluko.

SPORT DIGEST

ROOT: MOEEN COULD RETURN FOR SOUTH AFRICA TESTS

Moeen Ali could return to England's Test side for next month's tour of South Africa, according to captain Joe Root. Moeen, 32, decided to take a break from the format in September having being dropped after the first Ashes Test. The all-rounder told Cricinfo he wants to return "at some stage but I haven't decided when" and Root said he was "very open" to the possibility. "I see Moeen as someone who can offer a huge amount to this team," he said. "We'll have that conversation with him again, probably in the next couple of weeks."

ARSENAL'S FORM WILL TURN SOON, INSISTS HOLDING

Rob Holding believes Arsenal are not far from turning the corner ahead of their Premier League game against Southampton on Saturday. The Gunners have gone five games in all competitions without a win and are eight points off the top four, but the defender says they must not panic. "We just need to stay calm and stay positive," Holding said. "We're sixth, we're not a million miles off it."

SALAH AND ROBERTSON BOTH DOUBTS FOR LIVERPOOL

Liverpool could be without Mohamed Salah and Andy Robertson for their Premier League game against Crystal Palace on Saturday. Both players sat out of the international break with ankle injuries, but the trip to Selhurst Park may come too soon. Joel Matip's knee injury is likely to rule him out, but captain Jordan Henderson has recovered from illness.