Ted Baker in chaos after resignations

ANNA MENIN
@annafmenin

TED BAKER’S share price plummeted to a 16-year low this morning after two executives quit, plunging the stricken retailer further into crisis as it slashed its profit forecast and suspended its dividend.

Shares dropped as much as 35 per cent in morning trading following the departure of chief executive Lindsay Page and executive chairman David Bernstein.

Ted Baker issued the latest in a string of profit warnings in a trading update this morning, cutting its full-year expectations following poor Black Friday sales. The retailer, which has also launched a cost and asset review, has now dropped 78 per cent in value since the start of the year.

CMC Markets’ David Madden described the update as “a train wreck,” adding: “it feels like the company is coming apart at the seams”.

The update caps off a turbulent year for Ted Baker, whose shares dropped last week after it disclosed a £25m balance sheet error. Page took over as chief executive in April after founder Ray Kelvin stepped down following sexual harassment allegations.

“The last 12 months has undoubtedly been the most challenging in our history,” the company said today.
Tories can see a path to defeat

THE BIGGEST fear stalking the Tory campaign HQ is that their supporters buy into the ‘inevitability narrative’ – the sense that Boris Johnson is cruising to victory and so voters won’t have to brave the cold and trudge to the polling station. Some may even feel the Tory poll lead gives them cover to vote for a Remain-supporting party. This is, according to Tory strategists, the nightmare scenario. Though the party has enjoyed a lead in the last 100 polls and currently sits between eight and 15 points ahead of Labour, nobody is prepared to go much further than “probably” when asked if the Tories will win on Thursday. Indeed, they probably will. But in the space between victory and defeat lies a serious cache of unexploded electoral grenades – and if just a handful of pins are pulled, Jeremy Corbyn will spend this weekend negotiating the formation a minority Labour government. Firstly, there’s the issue of undecided voters. Polls suggest more than 20 per cent of those who voted Liberal Democrat in 2017, along with 11 per cent of Tory and Labour voters, are yet to settle on a party ahead of Thursday’s vote. The impact of tactical voting is often over-estimated, but it is being taken more seriously now than ever before. Multiple campaign groups, united by a pro-Remain stance, are ploughing resources into convincing a small number of people in a small number of seats to deny Johnson a majority. Then there are local issues and baked-in party loyalties that, when push comes to shove, could stop the Tories from chipping away at party loyalties. This is, according to Tory polling station. Some may even feel the Tory poll lead gives them cover to vote for a Remain-supporting party. This is, according to Tory strategists, the nightmare scenario. Though the party has enjoyed a lead in the last 100 polls and currently sits between eight and 15 points ahead of Labour, nobody is prepared to go much further than “probably” when asked if the Tories will win on Thursday. Indeed, they probably will. But in the space between victory and defeat lies a serious cache of unexploded electoral grenades – and if just a handful of pins are pulled, Jeremy Corbyn will spend this weekend negotiating the formation a minority Labour government. Firstly, there’s the issue of undecided voters. Polls suggest more than 20 per cent of those who voted Liberal Democrat in 2017, along with 11 per cent of Tory and Labour voters, are yet to settle on a party ahead of Thursday’s vote. The impact of tactical voting is often over-estimated, but it is being taken more seriously now than ever before. Multiple campaign groups, united by a pro-Remain stance, are ploughing resources into convincing a small number of people in a small number of seats to deny Johnson a majority. Then there are local issues and baked-in party loyalties that, when push comes to shove, could stop the Tories from chipping away at party loyalties.

UK economy stagnates as political crisis takes toll on manufacturing

THE UK economy stagnated in October under the weight of yet more political uncertainty and a global slowdown, official figures showed this morning. British GDP’s failure to grow was worse than economists’ predictions of a 0.1 per cent expansion. It marked an improvement from the 0.1 per cent fall suffered in September, however.

The economy also failed to grow in the three months to October, a timeframe which gives a more accurate and less volatile picture. Production dropped by 0.7 per cent over this period, offsetting growth of 0.2 per cent in services. A spokesperson from the Office for National Statistics (ONS), which released the figures, said: “Construction also declined across the last three months with a notable drop in house building and infrastructure in October.”

The UK GDP reading was the last before the 12 December General Election that – according to current polling – is expected to result in a narrow Conservative majority. Should his party win, chancellor Sajid Javid will have to revive a slowing economy. Weak survey data from November showed that the services, manufacturing and construction sectors all shrank, boding badly for fourth-quarter growth. The manufacturing sector’s recession continued as the country’s political crisis and a global economic slowdown hurt demand. The ONS said there were “widespread falls across several manufacturing industries”.

He said growth is “likely to remain subdued through the rest of 2019, but we would hope for a gradual revival... if current political and economic uncertainties ease”.

Investors grew cheerier across the channel in December, a survey showed this morning. The ZEW sentiment indicator rose to 11.2 from minus one in November in the bloc, which has also struggled with the global slowdown.

HARRY ROBERTSON (harryrobertson)

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The pound was trading close to $1.29 yesterday in which Boris Johnson acted out an iconic scene from Grant’s hit movie Love Actually. “It was quite well done,” he said, before going on to say that he didn’t think Johnson had appreciated the call to “tell the truth at Christmas time”. Grant has been calling for tactical voting during the 2019 election campaign to keep the Conservatives away from a majority.
Tories hope to survive in Scotland

Stefan Boscia
@StefanBoscia

The Scottish National Party (SNP) is well out in front in the latest Scotland polling but the Conservative party looks set to outperform expectations north of the border. After many predictions of electoral wipeout, the Tories have a decent chance of holding onto their 13 seats. A weekend panel undertaken for Panelbase and The Sunday Times had the SNP on 37 per cent, the Conservatives on 27 per cent and Labour on 15 per cent.

If this holds, Thursday could see a result similar to the 2017 General Election where the SNP won 35 seats, the Tories 13 and Labour seven. Polling in Wales looks even better for the Conservatives, where the party trails Labour by just three per cent. This would represent a result beyond the wildest dreams of Conservatives even a few years ago.

Northern Ireland is likely to be split once again between the Democratic Unionist Party (DUP) and Sinn Fein, though the latter will not take their seats in the House of Commons as usual.

What you need to know as the results come in

Politics nerds rejoice, for it’s just two nights until the most wonderful time of the year - General Election polling day. At the end of a long campaign of gaffes, awkward interviews and the occasional bee protest, it’s time to sit back and watch the votes roll in. Here is some of the most important information for the day.

Broadcast Coverage

Thursday will mark the first time since 1979 that BBC’s election coverage will not be anchored by David Dimbleby. Taking his place is BBC News presenter Huw Edwards, who will be joined by political editor Laura Kuenssberg, Europe editor Katya Adler, economics editor Faisal Islam, lead interviewer Andrew Neil and psycholgist John Curtice.

Sky News’ coverage will be headed by former Labour leader Ed Miliband, joined by political editor Anna Botting, political editor Sarah Smith and former Labour shadow chancellor Ed Miliband. They will be joined by Boris Johnson’s brother Jo, Momentum leader Jon Lansman and former Scottish Tory leader Ruth Davidson.

The channel 4 meanwhile will once again host a general election panel, which will be joined by Krishnan Guru-Murthy, presenter Krishnan Guru-Murthy.

The All-Important Exit Poll

As soon as the clock strikes 10pm, the BBC, ITV and Sky News will unveil its joint exit poll. The trio have teamed up for the past three General Election exit polls as a successor to the BBC’s standalone poll.

The poll has been a fairly accurate marker over the years, however this year the picture has been slightly confused by the differing state of play across the country - with the Brexit Party only standing in certain seats.

The Results Stream In

The first constituencies are expected to declare around midnight, with the north and some rural areas seen as the last to declare. Seats such as Darlington, Workington, Sedgefield and West Bromwich are expected to announce between 4am and 5am, which is when the cat will be let out.

The Weather

Temperatures are predicted to range from six to 11 degrees in London, with showers expected for much of the day. The first winter election in almost 100 years could indeed be a turn-off for some, according to former Labour home secretary Alan Johnson.

Johnson is warning of a public health crisis that beset the UK and have eroded as investors look to the next area of operation is the UK. Indeed, it contains few companies whose sole fundamental flaw, since it is commonly used in the financial markets. But it contains a significant element of truth. It has been seen in the performance of the FTSE 100 over the year, and where things stand before the election.

T he famous (or infamous) cliché ‘Buy the rumour, sell the fact’ is commonly used in the financial markets. But it contains a significant element of truth. It has been seen in the performance of the FTSE 100 over the year, and where things stand before the election. The first winter election in almost 100 years could indeed be a turn-off for some, according to former Labour home secretary Alan Johnson.

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The popular perception of the FTSE 100 as a ‘UK index’ is fundamentally flawed.

Chris Beauchamp, looks at the performance of the pound and the FTSE 100 over the year, where things stand before the election.

The FTSE 100 has found itself constrained by the performance of sterling too. Whereas other markets have enjoyed excellent gains, the UK’s headline index has found itself lagging far behind. While indices such as the S&P 500 are bolstered by trade war headlines, the impact on the FTSE is muted - the gap has widened over the summer, with the FTSE 100 unable to break through the 7450 zone that has marked resistance for months now.

The popular perception of the FTSE 100 as a ‘UK index’ is fundamentally flawed, since it contains few companies whose sole point is to be either a hung parliament again, or a Labour win, neither of which is likely to be sterling positive.

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Chris Beauchamp,
Chief market analyst, IG
T MIGHT have felt inevitable since Boris Johnson took the reins this summer, but the 2019 election is still hard to call. A consensus is building up around a slim majority for the Conservatives of around 20 to 30 seats – enough for Johnson to return to Number 10 and push his vision of Brexit through. But there are many seats where it still feels as though (almost) anything could happen – and each one could give a strong indication of what might unfold throughout the night of 12 December, and who might be in charge come the morning.

KENSINGTON
This west London constituency was solidly Conservative until 2017’s disastrous campaign saw Labour’s Emma Dent Coad snare a shock victory by just 20 votes. This time around, it’s going to be even messier with Liberal Democrat candidate – and former Tory minister – Sam Gyimah going hell-for-leather to win Remain votes, while Tory rival Felicity Buchan is hoping she can win it back for Team Boris. Currently it looks like she might edge it, with Gyimah in second place and Dent Coad finishing third – but if it’s anything like last time there may be at least one recount.

ESHER AND WALTON
Dominic Raab is sitting on one of the largest majorities in the country. Yet pollster John Curtice named the foreign secretary’s Remain-backing constituency as one headed for a big upset. A lot will depend on the success of the Lib Dems’ urge to vote tactically, and overturning a majority of more than 23,000 will be a huge ask. But, against a backdrop of Brexit and Raab’s (pictured, above) involvement in the Harry Dunn case, there is more than a little talk of a “Portillo moment” in this affluent commuter belt constituency. Could Monica Harding turn Fisher from blue to yellow? Potentially red faces at 3am.

CITIES OF LONDON AND WESTMINSTER
Much of the action this election has taken place outside the M25, but here in the heart of the capital has been a heavily-fought campaign. Although it’s a three-horse race, the main candidates are Conservative Nickie Aiken, a local councillor and resident who is hoping to take on the mantle from predecessor Mark Field, and the Liberal Democrats’ poster boy for Remain, Chuka Umunna. Curtice describes this hyper Remain seat as “sui generis” – in a class of its own. But the party’s national campaign has fallen away, and Umunna could be sucked under as a result. We will find out at around 3am.

EAST DEVON
This seat has been Conservative for more than 150 years, yet an independent candidate Claire Wright has changed the constituency’s dynamic. Wright, who’s never been a member of a political party, has been chipping away at the lead since she first started standing in 2015. This time around incumbent Hugo Swire has stepped down, leaving Simon Jupp lending off the independenty-minded challenger with momentum behind her. Actor Hugh Grant paid a trip to urge the electorate to vote tactically. But will it work, actually? Results are due at 6am.

BEACONSFIELD
Dominic Grieve was one of the 21 rebels, a member of the so-called Gauke, who lost out to Shaun Bailey to become the Conservative candidate for London mayor – is most likely to win, but there are no guarantees in this constituency, which split pretty equally 50-50 over Brexit. The count is expected to be announced at 3am.

BISHOP AUCKLAND
Near the top of the Tories’ wishlist for this election has been Bishop Auckland, which has been Labour since the 1930s, albeit with a majority whittled down to just 502 under Helen Goodman. Charismatic Brexitor Dehenna Davison (pictured, left) is hoping to overturn that, appealing to the 61 per cent of residents who voted Leave – and no doubt others who have accepted the result of the 2016 referendum. Although a Brexit party candidate is standing, the seat is viewed as a two-horse race – and one that will be extremely tight. Vygo’s mid-campaign poll had the Tories taking the seat. It’s expected to be announced at around 3am.

IT’S NOT ME, IT’S... ERRR, THEM
Labour leader insists his leadership is not holding the party back in this year’s election

Jeremy Corbyn, who is still mired in criticism over his handling of antisemitism, shrugged off suggestions candidates were not using his image on their leaflets because he was unpopular. “It’s not a presidential election, it’s a parliamentary election in which we elect members of parliament,” he told the BBC this morning in Bolton. He also shrugged off the refusal of the Jewish Labour Movement to endorse him, saying there are “many” Jewish people who are “very happy” in the party.

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The battle for the Cities of London & Westminster seat is more than a local battle. Here the leading candidates tell City A.M. (or City P.M.) readers why they will be a champion for our great capital in the House of Commons.

Free business to thrive: crying out for change

NICKIE AIKEN
Conservative candidate

Whether you voted for it or not, Brexit is a clear example of the disconnect between politicians and the people. I voted Remain in the 2016 referendum, but I share the frustration felt by businesses that cannot plan ahead. The nation is at a standstill. We need to move on, end this parliamentary paralysis and free business to succeed. To do this, we need a majority Conservative government. If elected I will work tirelessly to ensure you have a strong and effective local voice in parliament. Working on the priorities that matter to business: • Fundamental reform of business rates • Investment in the best transport and digital infrastructure • Providing the best skilled workforce with the skills required for the next decade and beyond.

CHUKA UMUNNA
Liberal Democrat candidate

A majority Liberal Democrat government would revoice Article 50 and remain in the EU, safeguarding jobs in the City, preserving our place in the single market.

If we do not achieve a majority, we will pursue a People’s Vote, a cause which we have led last couple of years.

And with one in five City workers born elsewhere in the European Economic Area, we’d ensure freedom of movement continues: a tribute to our tradition of openness.

Brexit is one of the two great challenges facing Britain and the City. The other is climate change.

We would facilitate the new industries and new markets we need to tackle the climate emergency. In government from 2010 to 2015 the Lib Dems made a huge difference in programmes like Green Investment Bank that will set out how the UK to deliver capital projects.

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Free business to thrive: crying out for change

GORDON NARDELL QC
Labour candidate

The City of London and Westminster is crying out for change. Austerity is decimating communities across the country and the constituency I am standing in has not been immune to this ideological economic policy. My Tory opponent – Cllr Nickie Aiken – in her capacity as leader of Westminster City Council has overseen a regime of cuts and ripped apart public services in the area. We must end austerity and we can start here in Cities in London by booting out the Tories and not entertaining the failures that are the Liberal Democrats (a party likely to finish miles behind Labour).

I am a career politician who was born into the Labour party and has worked their way up through the ranks. I’m a lawyer by trade but trained first as a solicitor, then as a barrister and was appointed a QC in 2010. One of my proudest moments was working on the Human Rights Act – one of my party’s greatest achievements.

I’ve never forgotten that I owe my opportunities in life to the 1945 Labour government. That government had the courage to make radical changes to society – setting up the NHS, creating the welfare state and a society altering housebuilding programme whose ambition was to make sure no one was ever on the streets struggling.

Walk through Cities of London and Westminster and you’ll see we’re some way away from Atlee and Bevan’s dream.

Labour’s manifesto is a message of hope to local people, and fair warning to big business. John McDonnell has promised a transformative Labour budget within eight weeks. That will set out how we are going to pay for the green industrial revolution, invest in the NHS and education, end in-work poverty and provide every home in the UK with free ultra-fast fibre-optic broadband.

We want a high-skilled, high-wage, high-tech economy where people have the purchasing power to buy the goods and services that our innovators and entrepreneurs offer.

I’m raring to play my role as a local MP, and be part of rebuilding our economy and public services. As the MP for Cities of London and Westminster, I will also campaign to make sure the highest housing standards are kept across the country – and when Labour are in power, hold my own party to account to make sure we build all the essential housing London needs.

The people of Cities of London and Westminster will be making history if they elect a Labour MP for the first time ever. Not only because it will be the first time ever we’ve won the seat but they’ll be voting for someone who truly believes in shifting the balance of power in favour of the many away from the few, a first for this seat.

Vote Labour.
Tim Martin ups the bar tab with new £200m splurge on pubs and hotels

JAMES BOOTH
@JamesBooth1

PUB GROUP JD Wetherspoon is set to spend £200m on its pub estate over the next four years and create up to 10,000 new jobs.

The pub chain today said it would use the money to develop new pubs and hotels, as well as to enlarge its existing pub portfolio across the UK and the Republic of Ireland.

The company said the majority of its investment would be focused on small and medium-sized towns, but would also include larger towns and cities.

These are set to include new pubs in Bourne, Waterford, Hamilton, Ely, Diss, Felixstowe, Newport Pagnell and Prestatyn.

Wetherspoons said it will also be investing in major cities including London, Birmingham, Dublin, Edinburgh, Galway, Glasgow and Leeds.

Wetherspoons boss Tim Martin said: “We are looking forward to opening many more new pubs as well as investing in existing pubs over the next four years.

“We are especially pleased that a large proportion of the investment will be in smaller towns and cities which have seen a decline in investment in recent years.

“The fact that we will be creating approximately 10,000 jobs is great news too.”

Wetherspoons runs 875 pubs and 58 hotels across the UK and Republic of Ireland and employs 44,000 staff.

The march of the discounters rolls on at UK grocers

JOE CURTIS
@joe_r_curtis

THE UK’s largest supermarkets shed yet more market share to the discounters Aldi and Lidl in the three months to the start of December, new data out this morning revealed.

The Big Four grocers’ collective market share dipped over one per cent to 67.7 per cent as people deserted their Christmas shopping and Black Friday failed to deliver a boost in sales. Kantar data showed yearto-year supermarket sales growth slowed again during the past 12 weeks to a modest 0.5 per cent.

Sainsbury’s sales fell 1.1 per cent while Asda and Morrisons had sales declines of 1.9 per cent and 2.9 per cent respectively.

Even Tesco, the UK’s largest grocer and best performer of the Big Four, had a sales dip of 0.8 per cent to £7.6bn. Tesco, for now, still dominates overall market share with a 27.3 per cent portion of the market.

Lidl benefitted the most, seeing a huge 9.3 per cent jump in sales for the period to £1.6bn. Its rival Aldi was close behind with a 6.2 per cent sales rise at the tills.

Fraser McKevitt from Kantar commented on the continued rise of the German discounters: “The good news continues for Lidl and 11.9m shoppers visited one of its stores in the past three months – that’s 652,000 more than this time last year.”

Inconvenient truth: McColl’s says earnings will miss expectations

JOE CURTIS
@joe_r_curtis

CONVENIENCE store chain McColl’s this morning warned earnings would narrowly miss expectations due to “unseasonable weather” and low consumer confidence.

Revenue slipped 1.9 per cent for the year to the end of November, the firm revealed in a trading update today.

It warned that earnings before interest, taxes, depreciation, and amortisation (Ebitda) will hit £32m, missing market expectations.

While it trimmed net debt by almost £5m to £94.1m, the business also blamed its drop in sales on a store closure plan that forms part of a wider strategy to optimise its presence on high streets.

“While 2019 has been another challenging year for the business, we have made good progress against our goals of operational stability and good retail execution,” chief executive Jonathan Miller said.

The boss also confirmed net debt had continued to fall.

Former Boeing employee will give evidence after 737 Max ‘warning’

ALEX DANIEL
@alaxedaniel

A FORMER Boeing employee who said “warning bells” were going off in his head before two deadly crashes involving the 737 Max plane is set to give what could be damning evidence against the firm tomorrow.

Edward Pierson, a former senior operations manager in Boeing’s flight test and evaluation unit, will testify at a US House hearing into how the plane was passed as safe to fly.

Before the first crash last year, Pierson wrote to the company: “All my internal warning bells are going off and for the first time in my life, I’m sorry to say that I’m hesitant about putting my family on a Boeing airplane.”

Pierson’s lawyer said Boeing refused to act on his warnings, which came four months before the first crash, and that Pierson was speaking out “to ensure that Boeing can no longer place profits above safety”.

It comes after Boeing chief Dennis Muilenburg was savaged by the US Senate Commerce Committee in October for his part in letting the plane fly. Two crashes involving the jet killed 346 people before it was grounded worldwide.
Six in 10 finance workers worried about Brexit hit

Six in 10 financial services workers fear the aftermath of Brexit will be the single biggest challenge feeder has to face over the next 12 months, according to a report published today. The survey of more than 500 financial services workers by content software firm Nuxeo also identified other potential threats on the horizon for 2020.

Top concerns included cybersecurity threats and information and data breaches (36 per cent), physical branches closing down (26 per cent), the burden of increasing regulation (24 per cent), competition from big tech firms moving into financial services (21 per cent) and competition from new challenger banks (20 per cent).

Nearly six in 10 workers felt these challenges left their businesses vulnerable to losing customers over the next 12 months.

“In 2020, UK financial services firms will not only have to deal with competitive and operational pressures, but they expect that the regulatory and political landscape will impact them as well,” said Chris McLaughlin, Nuxeo’s chief product officer.

Rolls-Royce share price falls as key shareholder leaves board

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“In 2020, UK financial services firms will not only have to deal with competitive and operational pressures, but they expect that the regulatory and political landscape will impact them as well,” said Chris McLaughlin, Nuxeo’s chief product officer.

“The firms that will succeed in this challenging environment will be those who focus on improving the customer experience, delivering innovative, new products and services, and embracing technologies that will modernise their operations in order to make all of this possible.”

The key challenges for 2020 identified by UK financial services workers are already having an impact on their day-to-day activities, the survey found.

Brexit was cited as the factor having most effect (69 per cent), closely followed by the threat of cybersecurity issues (67 per cent) and increased regulation (67 per cent).

The research found differing levels of communication to staff on how the threats faced by financial services firms were being dealt with.

The challenge of dealing with increased regulation had been communicated effectively to 72 per cent of respondents, while 69 per cent said the same about cybersecurity issues. However, 41 per cent of those surveyed said their organisation had not communicated well about its Brexit plans, 37 per cent said communication about the threat of big tech firms had been inadequate and 36 per cent said communication about the threat from challenger banks was lacking.

“Since I joined the top job in 2016, the
he oversaw WPP’s sale of a majority stake in Kantar to Bain Capital for $4bn (£3.2bn). However, Salama added that “a lot has happened” in his personal life.

In January the media boss suffered a punctured lung when he was stabbed in an attempted robbery outside a cafe in Kew.

At the time, he joked that the “most distressing aspect was being identified as a Chelsea fan” in some press reports.

Salama made a rapid return to work, but has since acknowledged that “now is the right time for me to pause, reflect on my personal priorities and explore other experiences”.

Kantar said it will now begin the process of hiring a new chief executive, and will look at both internal and external candidates. Once a successor has been chosen, Salama will join the board as a non-executive director and continue to advise clients.

WPP boss Mark Read hailed Gilinski Bacal’s move, bringing his shareholding up to just north of six per cent, has prompted speculation that he could be plotting a move for the bank while its share price remains low after the discovery of an accounting error earlier this year.

Gillinski Bacal has become the single largest investor.

After years as a City darling, Metro Bank has enjoyed a torrid 2019 that saw chairman Vernon Hill and chief executive Craig Donaldson leave the firm by the end of the year.

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The water industry could suffer the steepest fall in credit quality in three decades next week, after regulator Ofwat publishes its final financial demands for the industry for the next five years, according to Moody’s.

Ofwat is likely to cut allowed cash returns by about a third, the largest reduction ever, and set targets that leave most firms in the lurch if they cannot improve performance.

The regulator stunned the industry in July when it rejected all but three leading suppliers’ business plans for 2020-2025 in a bid to force them to clean up their act.

Ofwat demanded water companies pay their debts faster, become more efficient and treat customers better.

It is due to publish its final ruling on Monday.

Moody’s said this morning that the regulator’s draft plans would have negative implications for the industry.

“They could incur a further £1.4bn of operational penalties if they cannot outperform their business plans,” the ratings agency said, adding that credit quality would likely deteriorate at its worst rate since privatisation in the late 1980s.

Moody’s said if the final demands do not change significantly, appeals to the competition watchdog will mean the price review will extend into late 2020. Reductions in water bills – and in companies’ cash flows – will still take effect from April.

“Gaps are likely to remain significant in the final determinations,” the ratings agency said, adding that credit quality would likely deteriorate at its worst rate since privatisation in the late 1980s.

Moody’s said if the final demands do not change significantly, appeals to the competition watchdog will mean the price review will extend into late 2020. Reductions in water bills – and in companies’ cash flows – will still take effect from April.

“Water companies will try to reduce or defer expenditure and focus their efforts on avoiding operational penalties, but lower cash flow will make further deleveraging difficult without equity injections,” the ratings agency warned.

On the flip side, Moody’s said there were some bright spots.

“Rebuilding a coherent conversation around long-term value creation is a crucial step forward,” it said.

No treats for Softbank as it sells off shares in dog-walking app

Japanese investment giant Softbank has been left with its tail between its legs after selling its stake in Wag, capping off a disappointing year for its $97bn (£74bn) Vision Fund.

Softbank has agreed to sell its almost 50 per cent stake in the company and will no longer have representation on its board, Wag chief executive Garrett Smallwood said in a memo to employees.

Smallwood said Wag was “amicably parting ways with Softbank”, according to the Wall Street Journal.

Wag, which let go several dozen employees earlier this year, is also laying off a significant proportion of its remaining workforce.

Accountancy firm Grant Thornton was this morning fined £650,000 and one of its partners £20,000 for failures in the auditing of a publicly listed company.

Regulator the Financial Reporting Council (FRC) said it had sanctioned the firm with a £650,000 fine (discounted to £422,500) and one of its partners £20,000 (discounted to £13,000).

It has also made a declaration that the 2016 audit report did not satisfy requirements.

Grant Thornton has agreed to pay the costs of the investigation.

The FRC said the audit work on the unnamed company’s principal assets was inadequate and failed to select an audit sample that was sufficient to reduce the sampling risk to an acceptably low level.

It also said the audit team placed undue reliance on the company’s externally appointed experts in the valuation of the assets.

A spokesperson for Grant Thornton said: “We acknowledge the FRC’s announcement and regret that we fell short of expectations in this instance.”
Mothercare falls even further as revenues slump

**STEVEN BOSCA**

RETAILER Mothercare fell further into the red in the first half of 2019-20, with its loss before tax widening to £24.5m in the period, representing a 14.4 per cent increase year on year. Worldwide sales were down 8.4 per cent annually over the first half of 2019-20. This was on the back of a two percent fall in domestic like-for-like sales and a 5.7 per cent fall in international like-for-like sales.

Mothercare appointed administrators for its 79 UK stores last month after company bosses found it was “not capable of returning to a level of profitability”. Stores across the country are currently hosting closing down sales.

The baby wear retailer, which put its Mothercare Group at risk,” he said. “Mothercare forms part of a growing list of retailers that have stumbled or collapsed this year.”

Mind Gym boss Octavius Black said his company was on-track to deliver on short-and-medium term objectives and was exploiting the trend of companies actively curating the correct corporate culture.

“Company bosses are increasingly turning to corporate culture as a strategic tool to drive performance.”

**Joshua Warner**

Discusses how investors can protect their portfolios ahead of this election and capitalise on the opportunity

**P**olitical parties have not been able to agree on much this election. Whether it is Brexit or how the economy is run, the Conservatives and Labour have opposite views on almost everything. The Conservatives want to “Get Brexit done” so the UK is out of the EU by January, have a new trade deal signed by the end of next year, and continue to believe in the power of free markets. Labour wants a second referendum within six months and for the state to play a significantly greater role through nationalisation and by getting the economy to work “for the many, not the few”.

There is a lot at stake this election and, on Friday, we are hoping the current uncertainty plaguing the markets will be resolved. Still, there is a chance we could end up with a hung parliament, which is the last thing the country needs when it is craving certainty.

This makes it hard for investors to prepare for every eventuality. The fact that Labour’s nationalisation plans target the likes of energy suppliers and water utilities – usually relative safe havens that help shield investor’s cash during times like these - makes this even harder.

But, believe it or not, the major political parties have similar policies in some areas, which means there are some safe bets regardless of this week’s result. For example, the Conservatives, Labour and the Lib Dems all back UK shipbuilding, support the Trident nuclear deterrent and agree that spending on defence should be at least 2% of GDP. This suggests defence stocks like Babcock or Rolls Royce are safe bets, and both would shurg off any calls for arms exports to Saudi Arabia to be halted as neither sells a huge amount to the country. The growing importance of cybersecurity has been recognised by all parties, which should benefit firms like Sophos that help protect the NHS from cyberattacks.

Renewable energy will continue to grow, although parties are advocating different types. They all back increased funding for technologies involving hydrogen, energy storage and carbon capture, and believe the country should have more nuclear energy.

The high street will be given some relief as all parties are looking to overhaul business rates, which has been one of the biggest cost burdens on retailers. The Conservatves want to lower them while Labour and Lib Dem’s want to shift the costs onto landlords rather than tenants. The fundamentals remain strong for housebuilders because there is still a large supply deficit, even if they might have to face stricter rules like a ‘use it or lose it’ policy on land. And all parties, to varying degrees, are in favour of making more progress on the availability of medicinal cannabis. Equally, there are some stocks that will face trouble regardless of the result. There is consensus that stricter rules need to be placed on gambling and that BigTech needs tighter regulation and to pay more tax. They have all condemned the wild sums pumped into the huge sums pumped into gambling and sports betting, and both parties are in favour of curbing the amount of money people must spend on social care and that there is no future for fracking in the UK based on current evidence.

With so much at risk, it is understandable that the election has weighed on UK equities. The market wants certainty more than anything. With the Conservatives championing free markets and promising a route to resolving Brexit, the party’s re-election is in the market’s interests. While most businesses won’t welcome Brexit, they will embrace the certainty the Conservatives offer, especially as Labour wants to reopen the debate with a second referendum and overhaul so many parts of the economy. It is fair to expect a bounce in UK equities if a Conservative majority is delivered, but any other result could spell trouble.

For the riskaverse investor, consider the few sure options that remain in the market. For those with a greater appetite, now could be the time to capitalise and take advantage of cheaper entry points.

**JOSH MARTIN**

**PARTNER CONTENT**

Joshua Warner discusses how investors can protect their portfolios ahead of this election and capitalise on the opportunity

**ARE THERE ANY SAFE BETS FOR INVESTORS THIS ELECTION?**

**TUESDAY 10 DECEMBER 2019 | NEWS | 09**

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Read more at: www.ig.com/uk
The parenthood work penalty must perish

ARLIER this year, journalist Emma Duncan asked why we work so hard to avoid our children. Will future generations look back and wonder why parents fought tooth and nail for time in the office? If today’s battles result in a child-care sector that offers real choice at a lower cost, and a society where having a baby no longer means reduced earnings or stunted career progression for women, judgment from our successors may be a price worth paying.

One such battle occurred recently, when a Miss World contestant took legal action against the pageant after being stripped of her title for being a mother. Given the sexism and superficiality at the core of the competition, such an archaic and insulting rule shouldn’t be surprising.

But the comments from one organiser – who speculated that it would be “unfair” of a mother to be away for a year travelling, never mind where the father might be or the fact that plenty of working mothers spend time away from home – give credence to Stell’s view that the shrivelling of equality battle is far from over.

This election campaign has thrust the issue of childcare to the fore. Politicians acknowledge that childcare is a problem, but if something wrong when becoming a mother means a penalty on pay, pensions and career prospects – but are clueless on what to do about it.

Further, the experience of Scotland under Nicola Sturgeon and Unionist boilersuit legend, Wilson, who was empaneled at a hustings after wanting to spend time with her newborn twins, suggest that British workers face a parenthood – as well as motherhood – penalty. One writer-up said unkindly: “He was a bit of a mystery. First he was coming, then he wasn’t. Then he appeared, then he left early. And all because of the arrival of twins. It looks like their strategy was ‘they’re driven on Tuesday – two days prior.”

Despite many firms instituting flexible work arrangements and paid time off, taking up these offers can sabotage future wages or promotions. And even though shared leave was introduced in 2015 to narrow the “gender pay gap”, take-up has been dismal low.

Some suggest that, as law-makers, MPs should lead by example, but Parliament currently allows just six months of proxy voting, and complaints of antisocial hours have been raised. The issue persists that, regardless of profession, parents are torn between prioritising time with their kids and their careers and the means of providing for them. A study from the University of North Carolina found that it is worse for fathers to choose to stay at home in competitive job markets. Staying in may mean that flexible working requests turned down, and women earn less on average.

It’s not that the sector is now safe, because the new rules make it look safer, attracting more regulation. But just like any maturing sector, P2P is inevitably at risk. The new rules elevate the regulation of peer-to-peer lending in the UK, which investors should only enter into with their eyes wide open. Like any sector, P2P is attractive, but investors need to check the background, the ability and the regulatory framework of the platform in which they invest.
Whether you think a safe majority will boost the pound, or a surprise result could send markets into disarray – get everything you need to trade the election with IG.

Search ‘IG election’ to discover how, as well as expert predictions and the latest analysis.

Spread bets and CFDs are complex instruments and come with a high risk of losing money rapidly due to leverage. 75% of retail investor accounts lose money when trading spread bets and CFDs with this provider. You should consider whether you understand how spread bets and CFDs work, and whether you can afford to take the high risk of losing your money.
The election represents another ‘key risk’ moment for UK assets. Depending on the result, some parts of the UK stock market could suffer heavily, while others might be beneficiaries of a surprise result.

This is the dangerous part – trying to work out what comes next. Memories of the predictions made before Brexit and Trump in 2016 linger, and thus we have to play the ‘Keynesian beauty contest game’ here, i.e. we aim not to say what we think will happen, but try to work out what everyone else thinks will happen:

**GBP**

As outlined above, in some ways it is hard to get too optimistic about the outlook for sterling, unless the result is a replay of 1992, with the Tories romping home to a big majority. A lot of the bounce that might be expected off the back of a Tory win has been priced in already, arguably, which means upside could be limited. A hung Parliament, with the attendant worries about more delay and a possible second referendum, could set GBP on a downward path once more. Potential longer-term upside for GBP would depend on the new government’s position on phase 2 negotiations and their economic strategy.

**FTSE 100**

While the premier index for the UK is relatively insulated from domestic political developments, the strength in GBP has arguably held back the index to a degree, as the US and Europe both see their indices power higher. It could be argued that a weaker GBP could let the index play catch-up to a degree, while a sudden shift towards a soft Brexit would boost financial firms, on hopes of a closer relationship with Europe (although again some of this would be limited by the concomitant rise in GBP on such a big policy development).

**FTSE 250**

Here the domestic outlook plays a bigger part. For the year-to-date, the mid-cap index has comfortably outperformed its bigger cousin, suggesting perhaps that investors in the FTSE 250 have also outpaced the 100 on one-year and five-year timeframes. Thus a clear win for the Conservatives would continue to be positive, while a Labour government would certainly prompt some weakness, although it would have to be a big Labour win to really spell trouble for the longer-term mid-cap rally.

**HOMEBUILDERS**

These will be happy to see a Conservative win, since it will leave them mostly unaffected. At still relatively undemanding PE ratios, and strong dividends, plus a better pricing outlook thanks to the bounce in sterling, the sector could see some notable inflows if the political environment remains relatively benign. A Labour win will make investors nervous about potential compulsory purchase of land to build houses, or a big increase in council-house building that might push house prices lower.

**FINANCIAL SERVICES**

As hinted above, these would benefit if the new government pivoted towards a soft Brexit. The current Conservative plan however is of the ‘hard Brexit’ variety, which will raise fears of a bigger economic hit plus a tougher environment inside Europe as UK banks attempt to compete while the EU fights to boost its oversight of a key UK sector.

**PHARMACEUTICALS**

The sector will be a key focus as Brexit discussions move into a second stage. Key names like GSK and AstraZeneca will be looking for the UK to maintain a close relationship for drug supply and research, and we can expect this to play a big part from January. It seems unlikely to be a major issue around the general election however, but the sector is certainly likely to be buffeted by Brexit news later in 2020.

**UTILITIES**

If Corbyn were to win then this would suffer heavily, given Labour’s nationalisation plans. Conversely, a convincing Conservative majority could see the likes of United Utilities and National Grid rally, since a change in Labour policy might result if (and it remains a big if) Jeremy Corbyn were to step down as leader. The risk of course is that he is simply replaced by another MP from the Hard Left, such as John McDonnell, leaving the nationalisation policy intact. Royal Mail, while not a utility, would be another name that might benefit following a Tory win, although it has its own much deeper problems to worry about.

As we can see there are plenty of opportunities for traders and investors, but plenty of pitfalls as well.
Elections Past: 1992

In 1992, the UK was emerging from recession, but unemployment remained high, house prices had dropped, and interest rates were in the double digits. The FTSE All-Share Index had fallen 4.4% in the six months before the election was called on 11 March. Many believed that the Conservatives were on their way out after 13 years, and the FTSE All-Share fell 4.1% in 29 days of campaigning. It came as a shock when the party won a majority and markets responded positively, rising 5.9% on the day after the election and 3.2% in the subsequent six months.

1997 Election

Economic growth began in the UK in 1997, and the market had risen 8.9% in the six months before the election was called, but the Conservatives were not being given any credit and many voters started turning to Labour and its dynamic new centrist leader Tony Blair. Labour ended up winning a majority of 179 seats. The markets rose 6.5% in the six months after the vote, partly driven by the decision to give the Bank of England independence.

2001 Election

There was little doubt that Labour was set to win a second term in office when Blair called the election, and the party duly won. The stock market had declined 8.5% in the six months before the election as the dot-com bubble that gripped the global market in 2000 burst. There was a short-lived bounce in the UK market after the election, before the declines resumed in line with falls in global indices.

2005 Election

The UK economy was racing ahead by 2003 and the stock market had risen 7% in the six months before the election was called. Labour capitalised and won a third term in office, albeit with a reduced majority. UK equity markets started to rise at an even faster rate after the vote, up 11.5% in the subsequent six months.

2010 Election

The economy was in tatters following the financial crash of 2007/08, but the UK government hung parliament as Conservative messages of fiscal prudence failed to get it a majority. The party had to form a coalition government with the Liberal Democrats. The market was up 12.4% in the six months prior to the election being announced, but fell 7% during the 29-day campaign. It fell another 1.4% in the five days it took the Conservatives and Lib Dems to form a coalition, but it began to recover once a government was in place and rose over 10% in the six months after the vote.

2015 Election

The UK economy was starting to recover following the financial crisis, with the market rising 4.9% in the six months before the election was called. Still, opinion polls predicted yet another hung parliament, which limited the stock market to a very small gain between the vote being called and held. In fact, the Conservatives won an outright majority, and the UK market rose 2.4% the day after the election. It then fell 7.3% in the following six months amid uncertainty around the EU referendum to be held the following year.

2017 Election

Theresa May was way ahead in the opinion polls when she called a snap election to try and get a parliament that would support her Brexit plans. This was a huge misjudgement and the Conservatives lost their majority, forcing them to sign a confidence-and-supply agreement with the Democratic Unionist Party to remain in power. The market had risen 3.2% in the six months before the election was called, and increased a further 3.9% between the announcement and the election being held. The market failed to gain much traction in the six months after the vote, managing to edge just 0.3% higher, as Brexit uncertainty saw UK markets lagging their global peers.

Markets Prefer Predictable Elections Rather Than Close-Calls

It’s often said that the worst enemy of any stock market is uncertainty. The market has tended to perform better in the run up to an election when it is fairly confident about who is going to win. The market tends to pick up where it left off once the election is over. If the market was in decline before the election was called, then it is likely to continue that trend after the vote, especially when the winner can be predicted. The market was experiencing strong gains in the run up to the 1997 and 2005 elections, when Labour’s victory was comfortably predicted, and markets continued to rally after both elections delivered the result as expected. Similarly, the markets were in decline ahead of the 2001 election but recovered during the election campaign, only to start declining once again after the vote.

Markets Tend to Prefer a Conservative Government over a Labour One

A study by the Stock Market Almanac shows Conservatives and Labour won the most seats in nine general elections each between 1945 and 2010. The market rose in eight out of the nine years the Conservatives came out on top and delivered an average annual return of 10.8%. However, the market only rose in three years when Labour won, and overall the average annual return was -5.8%.

Elections Can Cause Short-Term Volatility But Often Have Minor Impact in the Long Term

The impact of elections is very short-lived. Uncertainty during the campaign can disrupt the direction of the market and cause it to become more volatile and an unwelcome surprise result can also provide a shock to the market immediately after the vote. While there are signs that the market performs better over the short term when a Conservative government is elected, there is no evidence to suggest the stock market performs better with any particular party at the helm over the long term of government.

You can trade the FTSE 100, GBP/USD and EUR/GBP as the results come in during election night 2019 with IG’s 24-hour markets*.

*24/7 excludes the 6 hours from 10pm Friday to 4am Saturday, and 20 minutes just before the weekday market opens on Sunday night. Spread bets and CFDs are complex instruments and come with a high risk of losing money rapidly due to leverage. 75% of retail investor accounts lose money when trading spread bets and CFDs with this provider. You should consider whether you understand how spread bets and CFDs work, and whether you can afford to take the high risk of losing your money.
From the latest Martin Scorsese gangster epic to Maggie Smith’s tour-de-force performance in A German Life, we pick out the best cultural events of the year.

1. US
DIR. JORDAN PEELE
One of the most surprising horror films of recent years, Jordan Peele’s Us wraps up themes of racism and alienation in a neat Twilight Zone bow.

2. THE IRISHMAN
DIR. MARTIN SCORSESE
The Casino and Goodfellas director returns with another gangster epic, this time a slowburn meditation on ageing in a changing US society.

3. ONCE UPON A TIME IN HOLLYWOOD
DIR. QUENTIN TARANTINO
The ultimate film nerd pens a love-letter to Hollywood in this alternate history set in 1960s LA, with star turns from Brad Pitt and Leo DiCaprio.

4. MISDAMMAR
DIR. ARI ASTER
Director Ari Aster forgoes the usual nighttime scares in favour of gloriously technicolour horror set in the Swedish countryside.

5. FAIRVIEW
YOUNG VIC
What first appears to be a kitsch tribute to the American sitcom turns into something utterly unpredictable and groundbreaking.

6. A VERY EXPENSIVE POISON
OLD VIC
The heartbreaking tale of the death of Alexender Litvinenko is reimagined as an all-singing all-dancing critique of unfettered power.

7. A GERMAN LIFE
BRIDGE THEATRE
Maggie Smith plays Brunhilde Ponsel in this gutwrenching confession by a Nazi collaborator; one of the performances of the year.

8. ANNA
NATIONAL THEATRE
This Stasi-era spy drama shows theatre can be cutting edge, with the audience listening voyeuristically to the action through headphones.

9. FRANZ WEST
TATE MODERN
One of the most light-hearted, life-affirming exhibitions of the year, the Tate Modern captures West’s chaotic, brilliant, silly energy.

10. DOROTHEA TANNING
TATE MODERN
Tanning’s work is like a barely-remembered childhood dream, both nostalgic and a little scary. She was a major influence on artists to come.

11. BRIDGET IRLEY
HAYWARD GALLERY
These brain-frazzling abstractions are some of the most adept ever put to canvas, and her exhibition is a tour-de-force of optical tricks.

12. DISCO ELYSIUM
DEVELOPER: ZA/UM
Using twice as many words as War and Peace, this painterly role playing game sees your character attempt to navigate his own diseased mind.
We venture up through the Highlands on a wintry adventure, by Andy Silvester

Winter sun, this ain’t. Trundling northwards through the Cairngorms towards Inverness, you could be forgiven for thinking you were travelling through an alien landscape. Grey, spare hills emerge from the drizzly low cloud; the “torrents and loud-poured floods” of Rabbie Burns’ poetry run high and violent. Not for nothing do the Scots have several different words for mist. But the magic, almost mystical quality of the Highlands is only enhanced by the autumnal weather as we take the twists and turns of this stunning landscape, a two hour drive north of Edinburgh. We’re heading for the banks of the river Alness, where something else magic and mystical awaits us, in the form of a very special Scotch whisky at the Dalmore distillery.

We begin the drive in Braemar, a small village on the banks of Clunie Water, a tributary to the River Dee. Known for its proximity to Balmoral and the annual Highland Games – attended by Her Majesty, no less – it now has another claim to fame in the form of the recently renovated Fife Arms. A solid if not beautiful grey-brick building from the outside, the inside is a veritable smorgasbord of Scottish and artistic delights. The entrance hall, a deep oak-panelled affair with leather-backed armchairs and a roaring fire straight out of a Christmas movie, is adorned with a Picasso. The courtyard adjacent to a candlelit snug has a Louise Bourgeois spider sculpture plonked in the middle of it. It’s part-Royal getaway, part-Tate Modern. The Fife Arms – with rooms piled high with stunning artefacts, freestanding bathtubs and inviting raised beds – has been topping many a list this year of the UK’s newest ‘must-stay’ hotels. It is hard to overstate just how carefully this extraordinary hotel has been put together.

And if staying in this stunning setting doesn’t quite fit the itinerary, a pint in the attached pub, The Flying Stag, is a must, ideally after a walk in the hills of Braemar. Fresh air and a roaring fire make the Fife Arms an ideal stop-off point on the way to another Scottish treat.

The distillery is celebrating its 180th anniversary in 2020, and doing it in style. The visitor’s centre contains a small museum celebrating the brand’s heritage and an art deco-inspired VIP bar in which one can imagine a travelling Gatsby reclining beside the fire. An hour-long tour of the site takes you through the art of making Scotch whisky, including the Dalmore’s unique flat-topped stills (a nod to the originals, built in such a way because the original building wasn’t tall enough to take the usual curved variety.)

But no matter how interested you might be in the stills or the extraordinary warehouse, chock-full with old port, sherry, bourbon and red wine casks that you watch are working their magic on the booze inside, you’re really here for the whisky. And what whisky it is. All Dalmore iterations are finished in Matusalem oloroso casks from the Jerez triangle which lends it a darker hue and a smooth, tender finish. The signature aroma, a warming chocolate orange, is remarkably distinctive; here on a crisp Scottish evening, it couldn’t scream Christmas more if it started singing Silent Night.

The 12, 15 and 18 year olds are a delight, the kind of dram that has people who ‘don’t like whisky’ positively purring. But it’s the Dalmore’s special editions that have made the distillery one of the most exciting in Scotland. For the 180th anniversary, Master Distiller Richard Paterson – a raconteur par excellence – has put together a rare 60 year old from two casks that first saw action in 1951. He calls it a labour of love, and it certainly is. Who needs winter sun when you’ve got a whisky that’ll warm the cockles – either in Braemar or Bernmoddy?

It’s stayed that way since, and when Andrew and Charles Mackenzie took over the young Dalmore distillery in in the mid-19th century, they put the stag on the bottle. The caberfeidh has stayed there ever since.

The Dalmore story starts. Colin Fitzgerald, chief of the clan McKenzie, is seen saving King Alexander III from a violent stag; in return, he was granted the right to use the 12-pointed Royal Stag as the Mackenzie clan crest.

And what whisky it is. All Dalmore iterations are finished in Matusalem oloroso casks from the Jerez triangle which lends it a darker hue and a smooth, tender finish. The signature aroma, a warming chocolate orange, is remarkably distinctive; here on a crisp Scottish evening, it couldn’t scream Christmas more if it started singing Silent Night.

The tour finishes with a tasting of the first, second and third editions of the Dalmore’s renowned vintage whisky – the 12, 15 and 18 year olds.

Photo credit: Till Britze Photography

www.tillbritze.com
Sterling bulls return ahead of election

The pound has been on a rollercoaster ride since the EU referendum, with GBP/USD currently trading at levels last seen in the week that followed the 2016 referendum result. For the pound, the possibility of a no-deal Brexit has been the biggest driver of price action, with GBP/USD surging in response to Johnson's deal with the EU. That may not be so much an explicit approval in the economic merits of such a deal, but instead a sign of relief that a no-deal will be avoided. Short-term traders see a conservative majority as a best-case scenario for the pound, yet client sentiment highlights fears that the polls may be overstating Johnson’s lead. With net shorts at a 2019 high, traders are clearly positioning themselves for a potential bearish jolt if the election doesn't go to plan for Boris.

Client positioning

Client sentiment

53% LONG
FTSE 250

68% LONG
FTSE 100

78% LONG
UNITED UTILITIES GROUP PLC

77% LONG
SEVERN TRENT PLC

95% LONG
BARCLAYS PLC

91% LONG
LLOYDS BANKING GROUP PLC

88% LONG
NATIONAL GRID PLC

92% LONG
BT GROUP PLC

67% LONG
PENNON GROUP PLC

87% LONG
TAYLOR WIMPEY PLC

100% LONG
ROYAL DUTCH SHELL PLC

83% LONG
ROYAL MAIL PLC
OFFICE POLITICS

Want to climb the career ladder? Get data literate

There is a chance to secure a competitive advantage — for businesses and their staff

James Fisher

Data literacy helps our police forces identify criminals, it is helping hospitals improve patient care, and it has also been shown to increase the enterprise value of a business by up to five per cent.

However, the employee benefits have largely gone unexplored. Demand for specialist skills, like data science and analytics, has catalysed the career opportunities for data analyst and business intelligence roles into the spotlight.

But the benefits to businesses when data access, analysis, and decision-making are siloed in these functions are limited.

The potential agility and additional value created by data decision-making is best achieved when employees across every division, and at every stage in their career, have access to and are empowered to use data to make decisions.

Yet the opportunities for the wider workforce in harnessing data is underappreciated.

The focus on specialist roles has resulted in data skills — and the career advantages associated with them — being perceived by some as beyond their personal experience, education, or reach.

However, data empowers those with even just a foundational understanding. From marketing and product development to customer service, data is providing organizations with a competitive advantage when in the hands of those that can use it to make informed, timely decisions.

Indeed, demand for decision-makers who have a basic understanding of data is on the rise, with IBM projecting a 14 per cent increase in positions between 2015 and 2020.

Therefore, it’s not surprising that over two thirds of European businesses, in a survey commissioned by Qlik, reported that they are actively looking for data literate candidates.

And while not all business leaders surveyed were aware of how their firm remunerates data literate employees, 75 per cent of those who are up to speed on their company’s policy reported paying higher salaries to employees who have the ability to read, analyse, and argue with data.

These candidates don’t need higher education qualifications to demonstrate their data skills.

To assess an employee’s data literacy, 59 per cent of global enterprises asked candidates to solve an example business problem to demonstrate their skills, whereas 18 per cent viewed a bachelor’s or master’s degree in science as their primary consideration when hiring.

But anyone that invests in improving their data skills — no matter what their existing qualifications — can access better career opportunities.

As it stands, just 24 per cent of global employees are confident in their data literacy skills, but it can help workers become more valuable to their employers, and translate into higher personal income.

In turn, employers must consider how investing in data skills will help to supercharge their businesses. Around half of companies said that they don’t provide data literacy training for their employees. For those businesses that do offer training, they clearly understand the opportunity to secure a competitive advantage in the data revolution.

James Fisher is senior vice president of data firm Qlik.

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.

COFFEE BREAK

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.

ACROSS

5 Elongated seed vessel of a leguminous plant (5)
1 Extremely irritating to the nerves (9)
8 The alphabet (inits) (3)
9 Mixture of sweet-scented materials (9)
12 Reverse an action or its effect (4)
14 Taxi drivers (Coll) (7)
16 Wooden shoe (4)
17 Meat-eating animal (9)
21 Harper author of To Kill a Mockingbird (5)
22 Take into custody (9)
23 Yellowish-brown colour (3)

DOWN

1 Request on an invitation (inits) (4)
2 Ice-covered waters surrounding the North Pole (6,5)
3 Capital of Norway (4)
4 Distant (4)
5 Using simple and direct language (5-6)
6 Physician (6)
7 Of or to do with cities (5)
8 Strong-scented (6)
9 Carve or shape stone (5)
10 Khan (3)
11 Tears violently (4)
12 Individual unit (4)
13 Swirl (4)

SOCIAL INTERACTION

Hootsuite Free

Does your business even exist if it doesn’t have a social media account? For many customers, the answer is no. But managing social media accounts across different platforms is easier said than done. Say hello to Hootsuite. The app helps to manage and schedule posts on Twitter, Facebook, LinkedIn, and Instagram. You can monitor your brand, and get notifications when people talk about your business.

Qlik, reported that they are actively looking for data literate candidates.

And while not all business leaders surveyed were aware of how their firm remunerates data literate employees, 75 per cent of those who are up to speed on their company’s policy reported paying higher salaries to employees who have the ability to read, analyse, and argue with data.

These candidates don’t need higher education qualifications to demonstrate their data skills.

To assess an employee’s data literacy, 59 per cent of global enterprises asked candidates to solve an example business problem to demonstrate their skills, whereas 18 per cent viewed a bachelor’s or master’s degree in science as their primary consideration when hiring.

But anyone that invests in improving their data skills — no matter what their existing qualifications — can access better career opportunities.

As it stands, just 24 per cent of global employees are confident in their data literacy skills, but it can help workers become more valuable to their employers, and translate into higher personal income.

In turn, employers must consider how investing in data skills will help to supercharge their businesses. Around half of companies said that they don’t provide data literacy training for their employees. For those businesses that do offer training, they clearly understand the opportunity to secure a competitive advantage in the data revolution.

James Fisher is senior vice president of data firm Qlik.
After a solid first year, SailGP has added big names and is aiming high in 2020, writes Felix Keith

F THE first season of SailGP was about making a splash and prov- ing that there is an audience for the sport, then the second is about expansion.

The worldwide sailing series, the brainchild of American software billionaire Larry Ellison and former world champion yachtman Sir Russell Coutts, enjoyed a successful maiden voyage this year.

Teams from Great Britain, Australia, China, France, Japan and the US competed in identical wingailed F50 catana-rans across five grand prix style events in Sydney, San Francisco, New York, Cowes and Marseille between February and September, with the Australians claiming the $1m prize.

Although Sir Ben Ainslie’s team ultimately came out on top, the racing was competitive, with all six crews winning at least one race.

It was also fast-paced, with the 50-knot speed barrier broken for the first time in sail racing.

With some of the world’s best sailors competing in cutting-edge, high-tech boats, the racing was always likely to be compelling.

But the audience to watch them was far from guaranteed, with the series contending with sailing’s niche nature, a distance from spectators that can make it challenging to follow and a perception that it is elitist.

The fact that 133,000 spectators attended races and Coutts, the series’ chief executive, boasts a cumulative event broadcast audience of 247m people suggests sailing might no longer be so niche.

AINSLIE’S DRAW

In a bid to increase the eyes on next year’s season, SailGP have welcomed on board the most successful Olympic sailor of all time.

Four-time gold medalist Sir Ben Ainslie was so intrigued by his immediate focus from trying to win the America’s Cup in New Zealand in 2021 and joined the Great Britain team for the 2020 edition of SailGP, which starts in Sydney on 28 February.

Ainslie has instantly upped the visibility of SailGP, bringing with him the commercial might of Team Ineos UK – his America’s Cup set-up – and sponsors Belstaff and Grenadier in what he describes as being “like a merger.”

“He’s a brilliant asset,” says the Great Britain team’s chief executive Chris Draper. “There are no other sailors in the world who can turn the pages on live media that isn’t just sailing oriented.”

Ainslie’s arrival on a one-year contract will see Olympic bronze medalist Draper move off the boat next season, while former captain Dylan Fletcher and team-mate Stuart Bithell will focus on winning gold in the 49er class at the Tokyo 2020 Olympics.

“I was a little bit surprised initially to be honest,” adds Draper. “But I could easily see the draw and attraction for Ineos – the racing is incredible, you can’t deny that it’s the best racing going on at the moment in hydrofoils.”

Ainslie admits that sailing an F50 with four others is “almost like a different sport” to the Finn he is used to, but the potential of SailGP was simply too good an opportunity to turn down.

The 42-year-old does not see SailGP experiencing the same difficulties as the Extreme Sailing Series, which became financially unsustainable and folded in October after 12 years of exist- ence.

“SailGP has joined the Great Britain team for SailGP’s second season

The teams are currently run by the company’s backing of Great Britain’s richest man – is a major coup

The involvement of Ineos – driven by founder Sir Jim Ratcliffe, Britain’s richest man – is a major coup.

Team Sky in cycling and sponsoring Eliud Kipchoge’s successful attempt to break the two-hour marathon barrier, while Ratcliffe himself acquired French football club Nice.

“The company’s backing of Great Britain’s SailGP team, therefore, aligns with its other projects and also makes the venture profitable after just one year, according to Coutts.

“The fact that these guys want to come and join the circuit is a true testament to how far it has come in one year,” adds Draper.

“It’s quite unbelievable to be honest. When we sat around last year we didn’t really know what was going to happen. We arrived at the first event and we were pretty bloody scared.”

With Ainslie on board and new teams and sponsors queuing up, the future is looking brighter for SailGP.
Leicester's rock-solid defence is an overlooked facet of their run, says Michael Searles

Leicester have proven a serious attacking threat this season with the re-emergence of Jamie Vardy as one of the deadliest strikers in the Premier League and a record-equalling 9-0 victory away to Southampton. But under Brendan Rodgers they have also rediscovered the defensive resilience that was so crucial to their logic-defying title triumph of four years ago.

Not only have they scored just one goal fewer than Liverpool this term but they have only conceded 10 – four better than the runaway league leaders and indeed anyone else.

Sunday's 4-1 victory at Aston Villa extended Leicester's winning streak to a club record eight matches, tightening their grip on second place, and means they have the top flight's best goal difference of +20.

Considering the club sold in-demand centre-back Harry Maguire for £80m in the summer to Manchester United, the fact they have kept seven clean sheets in 16 league games is all the more surprising.

Turkish defender Caglar Soyuncu has been integral to that success, a scenario that few could have predicted given he was granted just four league starts last season, having joined from Freiburg in 2018.

Club captain Wes Morgan has also taken a step back this year, making just four league appearances from the substitutes bench. It has allowed his partnership between Soyuncu and Jonny Evans to flourish.

The 31-year-old has re-established himself as one of the most reliable defenders in the league after leaving Manchester United for West Brom in 2015 to reinvigorate his career.

The pair, who both arrived last summer for a combined £22.5m, are the latest success stories in a line of shrewd business completed by Leicester's recruitment team.

They are so far conceding an average of 0.63 goals per game, which is significantly less than last year's 1.28 goals per game and 1.58 the season before that. It is even less than the 0.95 conceded per game on their way to the league title four seasons ago.

Part of that is also down to the possession-based, attacking football that Rodgers likes to play.

One of the best ways to stop the opposition from scoring is to have the ball and Leicester have averaged 55.4 per cent possession in their top-flight matches this season.

It is the fourth highest in the league, behind only Manchester City, Chelsea and Liverpool, and more than last year's average of 50.8 per cent, which was the eighth highest.

Even that was slightly impacted by Rodgers' arrival, however, after he replaced Claude Puel mid-season.

The two previous campaigns saw Leicester average just 48.3 and 43.7 per cent possession, but having the ball does not necessarily equate to success; Claudio Ranieri's league-winning side had the third lowest possession in the league with an average of 44.7 per cent.

Yet while Ranieri's side prided themselves on defending deep and counter-attacking, Rodgers' more exuberant style is being aided greatly by the players at his disposal.

With James Maddison and Youri Tielemans pulling the strings in midfield and 'Bus' Chilwell and Ricardo Pereira supporting Harvey Barnes and Ayoze Perez out wide, they are difficult to keep the opposition's back four down.

And yet perhaps the greatest improvement is in the heart of midfield from the defensive-minded Wilfred Ndidi, who has grown in stature markedly this season under Rodgers' stewardship.

The 22-year-old was signed to replace N'Golo Kanté in January 2017 from Genk, but is only now starting to fulfil his potential.

Comfortable both on the ball, he averages 52.9 passes per game with a success rate of 84.1 per cent. He has also completed a league-best 4.6 tackles per match, as well as 2.9 interceptions and 2.2 clearances as he disrupts the opposition's game as well as anyone else in the league at present.

This Leicester side may be yet to match the achievements of the 2015-16 title winners but at the current rate of results would surpass the 81 points accumulated by Ranieri's side.

However, unlike in that campaign, Leicester must contend with an unrelenting Liverpool and back-to-back champions City.

While claiming a second Premier League crown still looks improbable, their formidable solidity has made finishing in the top four once more increasingly likely.
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