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MONDAY 16 DECEMBER 2019 | ISSUE 3,522 CITYAM.COM FREE

CITY LOOKS FORWARD TO BOJO BOOM

STEFAN BOSCIA

@Stefan_Boscia

CITY heavyweights have lined up to express bullish excitement about the Square Mile's prospects after the Conservatives' landslide election win.

Boris Johnson's self-proclaimed "stonking" majority means the UK will leave the EU by 31 January, which pundits say will provide desperately needed clarity for the financial sector.

Sterling rose to as much as $1.35 last Friday, its highest level since May last year, thanks to newfound Brexit certainty and the knowledge that Jeremy Corbyn's manifesto of renationalisation and market intervention had been rejected at the ballot box.

The domestically-focused FTSE 250 index will start trading today at its highest point all year, while the FTSE 100 rose 1.1 per cent last Friday as banks, housebuilders and utilities all joined in the post-vote "relief rally".

City grandee and Revolut chairman Martin Gilbert said the election result gave the wider financial industry "real relief", given Johnson's previous attitude towards the City.

"I think Boris when he was mayor of London was supportive of the City, and I think he will continue that as Prime Minister," Gilbert said.

Toscafund Asset Management chief economist Savvas Savouri said there was now a "real prospect a new wave of financial service firms arrive to make London their secondary home".

He added: "The City can breathe healthy air now that the Corbyn/McDonnell nonsensical policies have been kicked into the Neverland grass."

Dean Street Advisers managing director Mervyn Metcalf echoed those sentiments, and said a substantial number of deals were put off due to the UK's political uncertainty.

However, not everyone agrees.

Johnson's win came thanks to an avalanche of votes from traditional Labour working class constituencies in the north, the midlands and Wales.

It appears the government is already looking to shore up these seats for the long-term as it has started to publicise its plans to invest more in these regions and make a break from the austerity years of David Cameron.

Hedge fund manager and prominent Brexiter Crispin Odey said this spelled trouble for the City.

"If you leave London, in the main you see it's a world of universal credit… It's a stagnant pond. Boris now will say 'how do I get that current going?'… He has always been a believer in big government. Eventually we'll all run out of money and interest rates will have to go up."

Johnson will address the 109 newly elected Tory MPs today to run them through the government's agenda for Thursday's Queen's Speech. The government's first piece of legislation will be his Brexit deal, but the PM will also soon enshrine in law a £33.9bn yearly increase in NHS funding.

BANK READIES FOR CHANGE

New boss to take keys in January

EDWARD THICKNESSE

@edthicknesse

SPECULATION about the appointment of the new governor of the Bank of England (BoE) stepped up over the weekend, following the landslide Conservative victory.

The Bank is expected to hold interest rates at 0.75 per cent this week, with the Monetary Policy Committee's announcement scheduled to arrive on Thursday.

The current governor Mark Carney is due to step down on 31 January.

The end of the election purdah period means the Treasury is free to announce his successor — perhaps before Christmas.

Former deputy governor Dame Minouche Shafik has emerged as favourite in the race over recent weeks, but other names — such as BoE stalwart Sir Paul Tucker — remain in the frame.

Despite gossip about the new incumbent of Threadneedle Street's biggest chair, government sources were keen to play down the idea that final decisions have been made.

McLaren gets much-needed sales boost from rise in supercar purchases

CHRISTIAN SYLT

BRITISH supercar manufacturer McLaren has revealed its revenue rose 19.1 per cent to £1bn over the nine months to the end of September, driven by a boost in the sales of its most expensive models.

McLaren has four product lines, which range in price from around £125,000 up to £750,000 for the 211mph Senna. It is one of McLaren's Ultimate series of cars and according to its latest filings, it sold three times more cars in this range over the first nine months of the year compared to the same period in 2018.

The filings said: "There were just 99… delivered [year to date in the third quarter of] 2018, whereas there were 278 delivered in the same period in 2019." It explains why McLaren's revenue rose, despite its total sales volume falling 4.5 per cent to 3,306 units. Almost half of the deliveries were in the US, where sales increased by 20.8 per cent. However this wasn't enough to offset a 29.9 per cent decline in Europe.

McLaren said it is on track to deliver the same number of cars this year as it did in 2018, when it sold 4,829 units. It added the sales mix is deliberately skewed towards the higher-end models, as they generate more profit. This helped it to narrow its pre-tax loss from £104.4m in the first nine months of 2018 to £68.2m this year.

McLaren is expecting underlying profit for 2019 to be between £165m and £180m, on as much as £1.45bn in revenue.

FTSE 100 ▲ 7,535.44 +79.97 FTSE 250 ▲ 21,507.79 +714.76 DOW ▲ 28,135.38 +3.33 NASDAQ ▲ 8,734.88 +17.56 £/$ ▼ 1.335 -0.014 £/€ ▼ 1.199 -0.006 €/$ ▼ 1.113 -0.004

CITY A.M.

THE CITY VIEW

What will Johnsonism look like in practice?

THE RAMIFICATIONS of last week's General Election will be felt far and wide. Politically, the size and nature of the new Tory majority poses questions for all parties. Labour is in its worst position for more than 80 years, and the shock of its defeat appears to have affected the party's ability to confront reality.

While John McDonnell says he takes responsibility for the loss, he maintains that the biggest reason for it was a hostile media. This is like the captain of a stricken ship taking responsibility for its sinking while blaming the rock for being in the wrong place. It seems a leadership contest will take several months, prolonging the agony and exposing, again, the deep divisions that exist on the left.

Boris Johnson, meanwhile, plans to hit the ground running. A Queen's Speech this week will shine some light on what he intends to do with the biggest Tory majority since Margaret Thatcher. Advice is coming in thick and fast, not least from right-leaning think-tanks which have for years attempted to make the case for various strands of Conservatism, while the Conservative party itself has been negotiating coalitions, hung parliaments and minority government.

Now the Tories have a clear run at things, everyone from the free-marketers to the social reformers will be clamouring for an audience. There is a simple question to which they will all attempt to provide an answer: what is Johnsonism?

The manifesto doesn't provide much of a clue, other than an appetite for more public spending. The document was designed to avoid making waves, but now much of the country is under a sea of blue the task of formulating a legislative and philosophical narrative becomes urgent.

Speaking to his closest aides as the scale of his win became clear, Johnson stressed the need to recognise the priorities of his new electorate, comprised as it is of many people who had only ever voted Labour before. He said: "We must deliver, we must deliver for these people... we can't go back to being the Tory party of the old days." According to the Sunday Times, he added: "This is a totally different party." David Cameron once said something similar, but he was trying to make the party more liberal.

Johnson's stunning victory was, to a large extent, in spite of Cameron's successes. How he recognises and responds to this will define much more than the Queen's Speech on Thursday.

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ELECTION 2019

SEDGEFIELD? THAT'S BARKING! Johnson celebrates Tories taking Blair's old seat from Labour for the first time since 1935

PRIME Minister Boris Johnson continued his nationwide tour of the country's canines with a weekend trip to Sedgefield, the north-east constituency which his Conservative party won for the first time since 1935 in last Thursday's election. Will Number 10's dog Dilyn be jealous?

Race is on to take the Labour reins

STEFAN BOSCIA

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LABOUR'S post-election period of reflection has already turned into a factional race to succeed Jeremy Corbyn.

Both sides of the divide have made calls for people to join the party before the leadership election — which will begin at the start of January — to try and shore up the vote for their respective sides.

Labour's 500,000-person membership is dominated by those from the Corbynite left of the party, with pressure group Momentum holding sway.

In a social media post, Corbyn urged people to join Labour in what was seen as an attempt to strengthen those closest to the leader. Potential challenger and Corbyn critic Jess Phillips also made a plea for those who have left the party to return.

"If you are upset with the result or if you are upset with the party, you need to join," she said.

Former spin doctor Alastair Campbell issued a similar call. However, it is Corbyn ally Rebecca Long-Bailey who is now the bookies' favourite to be next leader. She got a boost yesterday after shadow chancellor John McDonnell gave his strongest indication yet he would endorse her. "Becky [Long-Bailey] is brilliant and she could be a brilliant leader," he said.

Former leadership favourites Sir Keir Starmer and Emily Thornberry took a hit as they were chided for their roles in formulating the party's decision to support a second Brexit referendum.

Ousted Caroline Flint said neither should be leader and that Thornberry had called Doncaster voters "stupid", which Thornberry later denied.

THIS LABOUR HAS NO CHANCE OF EVER WINNING AGAIN: P20

EXCUSES, EXCUSES?

John McDonnell told Andrew Marr that the catastrophic election result was "on me" and Jeremy Corbyn said he was "sorry that we came up short" in the Observer. But that didn't mean taking complete responsibility for the historically bad result.

"The media did a number on Jeremy for four years, every day."
John McDonnell

"The attacks on us from some in the media have been more ferocious than we've ever known."
Jeremy Corbyn

"In 2017 with the same leader and a similar manifesto we gained 3m votes. What changed? This became a Brexit election."
Shadow justice secretary Richard Burgon

"Too many policies being trumpeted means that it's hard for any one thing to cut through."
Novara Media and prominent Corbyn supporter Ash Sarkar

"Brexit eclipsed all Labour's popular domestic policies."
Left-wing author and Corbyn supporter Owen Jones

WHAT THE OTHER PAPERS SAY THIS MORNING

FINANCIAL TIMES

LONDON STOCK EXCHANGE TO REVAMP MANAGEMENT

The London Stock Exchange Group is to tackle underperformance at its trading technology subsidiary with a shake-up that will see the departure of the group's chief operating officer. The exchange is set to reshuffle top management in a bid to turn around the unit, which supplies technology to other exchanges and electronic marketplaces around the world, according to two sources with knowledge of the plans.

TOSCAFUND SCOOPS UP STAKE IN TED BAKER

A hedge fund run by one of the City's most aggressive managers has taken a stake of nearly 12 per cent in troubled retailer Ted Baker, intensifying speculation about its future. Toscafund Asset Management emerged as a significant shareholder last week.

THE TIMES

BRITISH BUSINESSMAN SHOT DEAD IN BUENOS AIRES

A wealthy British businessman was shot dead in front of his stepson outside their five-star hotel just hours after arriving in Buenos Aires on Saturday morning. Matthew Gibbard, 50, was shot through his armpit as he tried to fend off armed robbers thought to have pursued them from the airport. Gibbard was the director of Tingdene.

GENERAL ELECTION TO BOOST UK HOUSE PRICES

The housing market is expected to be boosted by Boris Johnson's decisive election victory, but property experts fear that it will not fully recover until Brexit is "well in the past".

THE DAILY TELEGRAPH

NEW LIB DEM DAISY COOPER HINTS AT RUN FOR LEADER

Liberal Democrat MP Daisy Cooper has hinted she will run for the party leadership, despite only being elected three days ago. The new parliamentary representative for St Albans said she would "not rule anything out" and claimed she had "big ambitions".

CAFFE NERO TO RUN CLINICS FOR OVERSEAS STAFF

Caffe Nero is running drop-in clinics to help staff fill in right-to-remain forms amid the "ongoing challenge" of being able to hire and retain overseas staff as Brexit nears. Britain's third-biggest coffee chain has also set up an internal helpline to soothe concerns.

THE WALL STREET JOURNAL

CHINA PULLS PREMIER LEAGUE GAME OFF-AIR

China's main state broadcaster, CCTV, abruptly pulled an English Premier League game involving Arsenal from its airwaves yesterday, putting Beijing in conflict with a second major global sports league. Arsenal club star Mesut Ozil had criticised China's internment of ethnic-minority Muslims.

INVESTORS EXIT HAVENS AS TRADE WORRIES EASE

Investors are pulling back from positions in haven assets like gold, the Japanese yen and dividend-paying stocks, a sign of mounting optimism as recent developments ease long-held worries about trade and global growth.

Boris Johnson set to push on with Whitehall shuffle

STEFAN BOSCIA

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BORIS Johnson is planning a radical overhaul of Whitehall, with plans to abolish departments, sack a third of the cabinet and reform how civil servants are hired.

Work has begun by Number 10 on abolishing or merging several departments, including scrapping the Department for Exiting the European Union. The department's best civil servants will instead be sent to work alongside former chief Brexit negotiator David Frost, the Sunday Times reported.

Plans are reportedly being drawn up to merge the Department for International Trade and the Department for Business, Energy and Industrial Strategy, while the Department for International Development will be absorbed by the Foreign Office.

Climate change and energy will be taken out of the business department and become a separate portfolio and immigration will be taken out of the Home Office to become its own department as well.

A senior government figure told the Sunday Times: "It will be pretty big. It will be finding the people who can do the jobs and not worry about media and short-term things.

"We're drawing up a very detailed and very revolutionary plan and then we are going to implement it."

Johnson is expected to make a minor reshuffle next week, before making wholesale changes in February, which could include one-in-three cabinet members moved on.

Changes at Whitehall are also reported to include reform of how civil servants are recruited, including making it easier for high-ranking positions to be filled by external experts instead of lifelong civil servant mandarins.

Johnson's chief adviser Dominic Cummings once called the idea of a permanent civil service as "one for the history books" in a 2014 lecture.

People's Vote campaign pivots to focus on 'issues of social inequality'

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THE CAMPAIGN group for a second EU referendum has admitted defeat and will instead lobby the government on social issues related to phase two of Brexit negotiations.

Any chance of a second Brexit referendum slipped away last Thursday, after the Tories won the largest election majority since 2001.

The party will now be able to pass Boris Johnson's Brexit deal by 31 January, however negotiations will then begin with Brussels on a free trade agreement.

People's Vote campaign director Stuart Hand said the group would now concentrate on pursuing "social inequality" in these negotiations. "We will put pressure on the government to stop them sacrificing opportunities for the poor and vulnerable, removing citizens' rights, undermining the NHS and reducing job security in pursuit of a destructive Brexit" he said.

The campaign was wracked with dysfunction over the past two months, after its two most senior staff members were sacked. This plunged the group into public turmoil, which resulted in a staff strike, sexual harassment allegations and mass resignations.

NO WAY, NICOLA Tories tell Sturgeon the government will not allow second Scot vote

MICHAEL Gove said the Tory government will "absolutely" not allow another Scottish independence referendum during the course of this government. SNP leader Nicola Sturgeon said that Scotland was being "imprisoned" by Westminster after a strong result in the election. It is five years since Scotland voted to remain part of the union.

Former trade bosses question plan for deal by December 2020

HARRY ROBERTSON

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FOUR former trade and business secretaries have suggested the Prime Minister's plan to negotiate a new deal with the EU by the end of next year is too ambitious.

In interviews with *City A.M.*, Sir Vince Cable, Lord Michael Heseltine, Lord Peter Mandelson and Lord John Hutton — all ex-presidents of the Board of Trade — raised a number of issues that could scupper the Prime Minister's plans.

One was that rushed talks would not yield a good deal for financial services firms.

Former Liberal Democrat leader Cable said: "There is a big gap in expectations between what the City would like and what's likely to come out of a trade agreement that was negotiated quickly."

However, former trade secretary Lord Peter Lilley said a free-trade agreement is "eminently doable" in the timeframe. He said Britain would simply have to let go of the idea of "a perfect deal".

TRADE BOSSES TALK: P13

British Steel deal could fall through as Chinese suitor Jingye hesitates

ALEX DANIEL
@alexmdaniel

THE TAKEOVER of British Steel by Chinese giant Jingye is said to be in jeopardy, as the government lines up alternative buyers.

If the talks between the Official Receiver and Jingye collapse, it will be the second time the government's chosen buyer for the stricken firm has fallen through.

The same happened with Turkish suitor Ataer earlier in the autumn, when the two sides could not come to an agreement before an exclusivity period ended.

One government source said this time there was no "arbitrary" deadline that has been placed on this stage of the sale process.

But if it fell apart it would provide an immediate headache for newly re-elected Prime Minister Boris Johnson in the industrial heartlands that catapulted him to a landslide election win at the end of last week.

Officials are said to be holding informal talks with Liberty Steel, one of Jingye's rivals in the race to buy the steel maker.

The government has kept British Steel's running since May at a cost of half a billion pounds to the taxpayer.

The news was first reported by the Sunday Telegraph.


Business secretary Andrea Leadsom said she was "optimistic" about the deal

Ofwat ruling set to spark water firm complaints

ALEX DANIEL
@alexmdaniel

BRITAIN's water companies are getting ready to launch a deluge of complaints against Ofwat, after the regulator publishes its final financial demands for the industry over the next five years.

The regulator stunned the industry in July, when it rejected all but three leading suppliers' proposed business plans for 2020 to 2025, in a bid to clean up the firms' acts.

Ofwat demanded that water companies pay their debts faster, become more efficient and treat customers better. It is due to publish its final ruling today.

In response, at least five companies are expected to complain to the Competition and Markets Authority.

Yorkshire, Anglian, Northumbrian, Southern and Thames Water are thought to be facing the toughest hit from the settlement.

It comes after the industry cleared a potential hurdle posed by Labour in last week's election, after the party had pledged to renationalise firms.

Investors that control suppliers including Anglian, Yorkshire, Affinity, South East and South Staffs are understood to have complained to the Treasury in October in a bid to head Ofwat's ruling off at the pass.

They complained to officials that the regulator was reacting too strongly to political pressure.

Nevertheless, they remain on collision course with Ofwat chief executive Jonson Cox, who previously led Anglian Water and is now ploughing ahead with his attempt to force the industry to put customers first.

The sector has received billions of pounds in investment from around the world since a number of former state-owned firms were privatised throughout the 1980s and 1990s.

However, investors have also overseen a litany of scandals such as sewage spills and water leaks, while taking big dividends, paying minimal corporation tax and piling debt onto companies.

It comes after ratings agency Moody's said the industry could suffer the steepest fall in credit quality in three decades after the ruling.

IN BRIEF

BOOST FOR THE HUT GROUP AS IT RECEIVES NEW EQUITY

Online beauty retail giant The Hut Group (THG) is said to be lined up for a major new boost in equity from Blackrock as it uses a €1bn (£830m) capital raise to fuel its expansion. Existing shareholder Blackrock and Belgian investor Sofina are injecting £66m in new equity into THG, according to reports from Sky News last night. The injection comes alongside a new €600m capital market term loan, a five-year £150m revolving credit facility and a £200m package provided to a new THG subsidiary comprising the company's substantial property assets. The new financing for the firm, which owns Lookfantastic and Myprotein, will be announced today. The Manchester-based business smashed past the £1bn sales mark this year.

IFF SEES OFF KERRY TO WIN DU PONT NUTRITION UNIT

International Flavors & Fragrances revealed a blockbuster merger with Du Pont's $26.2bn (£19.6bn) nutrition and biosciences unit late last night. The agreement is the biggest ever for New York-based IFF, which makes flavours and fragrances for food, beverages, personal care and household products. Under the terms of the deal, Du Pont shareholders will own 55.4 per cent of the shares of the new company and existing IFF shareholders will own 44.6 per cent, IFF said in a statement. IFF saw off competition from Ireland's Kerry Group. The deal, which has been unanimously approved by both boards, values the combined company at $45.4bn on an enterprise basis. Du Pont will also receive a one-time cash payment of $7.3bn.


OUR CLIENTS THINK
AT A SPEED VERY
SIMILAR TO OUR OWN.
FAST.
Most successful people are quick thinkers, it's a mindset we share.
They want to achieve success not only through the money they have in the bank,
but by their enthusiasm for living and working on their terms. Amen to that.
If you like this approach, maybe we should talk.

Board members at M&C Saatchi 'blocked probe'

JAMES WARRINGTON

@j_a_warrington

THE BOARD of M&C Saatchi has been accused of backtracking on its promise to hold an investigation into the firm's £11.6m accounting crisis.

The advertising stalwart was plunged into chaos last week when founder Lord Maurice Saatchi and three other directors resigned following a fierce row over the scandal.

In a resignation letter seen by the Sunday Times, the three non-executive directors accused M&C Saatchi management of preventing them from doing their jobs.

"Our recommendations have repeatedly not been accepted," said the letter, signed by Lord Dobbs, Sir Michael Peat and Lorna Tilbian.

The disgruntled directors accused chief executive David Kershaw and chairman Jeremy Sinclair of backtracking on a promise to set up an independent committee chaired by non-executives.

M&C Saatchi first disclosed the accounting errors in August, which it said would lead to a £6.4m one-off charge.

However, the company last week admitted the sum had risen to £11.6m following an independent review by PwC.

While the non-executives pushed for an immediate probe, Kershaw and Sinclair are said to have insisted on waiting until the full PwC report was available.

The crisis has had a catastrophic effect on M&C Saatchi's shares, wiping almost two-thirds off the company's value.

The Financial Conduct Authority has made a request for more information into how M&C Saatchi disclosed its accounting problems, the Financial Times reported last week. The ad agency could also face a probe by the Financial Reporting Council.

In the resignation letter the directors also wrote: "We believe that following the statement and loss of shareholder value, changes should be made to the board and executive management in the short term."

It is understood that Kershaw and Sinclair have offered to step down, but the firm was advised that an immediate change of leadership would be badly received by shareholders.

Boris Johnson puts BBC licence fee in his sights as bias row ramps up

JAMES WARRINGTON

@j_a_warrington

BORIS Johnson is said to be ramping up plans to decriminalise non-payment of the BBC licence fee, in a move that could spark a showdown between the PM and the broadcaster.

The Prime Minister has asked aides to launch an urgent review into whether viewers should face prosecution for failing to pay the £154.50 fee, which applies to both live TV and catch-up shows on iPlayer.

The move, first reported by the Sunday Telegraph, threatens to hamstring the broadcaster's funding and escalate an ongoing dispute between Number 10 and the BBC.

Johnson last week hinted that he may scrap the licence fee, describing it as "effectively a general tax", while senior aides have ramped up their attack on the BBC over perceived bias in its election coverage — something the broadcaster has denied.

Tory ministers were pulled from Radio 4's Today programme last Friday and Saturday, and the party may withdraw from all future broadcasts.

It comes amid speculation over Johnson's choice of culture secretary. John Whittingdale, former culture committee chair and a vocal licence fee critic, could be in the running.

Britbox has faced criticism over its initial selection of British TV shows, including an advertising campaign featuring Are You Being Served? — last made in 1985

Sky scuppers hopes of Britbox deal in blow for broadcast giants

JAMES WARRINGTON

@j_a_warrington

ITV AND the BBC have suffered a major setback to their plans for Britbox, as the chances of securing a highly sought-after distribution deal with Sky have all but disappeared.

The streaming service, jointly run by the public service broadcasters, has already bagged partnerships with the likes of BT, Freeview and Samsung to deliver its collection of British boxsets to viewers.

However, it is understood that Sky has lost interest in a similar distribution deal with Britbox, as the platform would not offer significant additional value for its customers.

Earlier this year Sky signed a deal with BBC Studios for shows including The Vicar of Dibley, while the media firm last week penned an agreement with Channel 5 for a range of entertainment and factual boxsets.

While Sky has not ruled out a future arrangement with Britbox, it is understood that a distribution deal is now highly unlikely.

Premier Oil hits back at claims that firm is under pressure to sell assets

EDWARD THICKNESSE

@edthicknesse

UK EXPLORATORY firm Premier Oil yesterday pushed back against media speculation that it is under pressure from its lenders to sell of its assets as the repayment date for $2.6bn (£1.9bn) worth of loans approaches.

The Sunday Telegraph reported that a group of hedge funds, which own in total around 40 per cent of Premier's loan book, have tapped investment bankers Lazard and law firm Akin Gump to push for the break up.

Premier Oil declined to comment, but later tweeted that the reports were "factually incorrect and misleading." It added that it expects to conclude refinancing discussions in the first quarter of 2020.

Premier Oil has sought to trim its massive debt, the legacy of a drawn-out restructuring process in 2017, throughout the year.

In August the firm announced it would sell its Zama field off the coast of Mexico, which was valued at $439m by Jefferies analysts.

Last week it was reported that another hedge fund, Hong Kong's Asia Research & Capital Management, had built a short position of £132m against Premier Oil, the largest in UK history.

The move follows corporate accounting scandals including at Patisserie Valerie

Bosses in sights of watchdog in rule change plot

ALEX DANIEL

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THE FINANCIAL Reporting Council (FRC) is lining up significant changes to corporate governance rules after a string of scandals at Patisserie Valerie, M&C Saatchi and Ted Baker.

It is understood the accounting regulator is writing a British version of an American law passed in 2002 after Worldcom and Enron collapsed.

Such a move would place the onus on directors to vouch for their financial controls, in a bid to give them more responsibility after numerous accounting scandals in recent years.

If it were passed into law in the UK, it would also open the door to potential criminal proceedings against bosses if they reported misleading statements to markets.

The FRC will likely accelerate its efforts to bring the measures in now the election is out of the way.

The suggestion is just one of many recommendations made by Sir John Kingman in a wide-ranging review of the body earlier this year.

The news was first reported by the Sunday Times.

In tandem, accounting firms are facing the potential of being separated into their audit and advisory businesses to remove the potential for conflicts of interest.

Roughly one in four FTSE 100 companies already follow the model set by the US law, called Sarbanes-Oxley.

This is because they have exposure to US markets, where it is mandatory.

Should the standard come into law in the UK it could present the remaining three-quarters with a financial hit in implementing it.

In October, Kingman warned that lack of government action risks letting the watchdog "drift on, half-reformed".

Kingman said it was "disappointing" that legislation to put the new regulator — the Audit, Reporting and Governance Authority (Arga) — was not included in October's Queen's Speech, setting out the government's legislative agenda.

The FRC, which declined to comment, is chaired by former finance boss at Glaxosmithkline Simon Digemans.

US trade representative: Phase one of new deal is 'totally done'

SEBASTIAN MCCARTHY

@SebMcCarthy

THE FIRST phase of the US-China tariff deal is "totally done", according to remarks made by top US trade official Robert Lighthizer.

Last night the US trade representative said there would still be some routine "scrubs" to the text, but that the deal is "totally done, absolutely". Speaking to CBS, he said that a time and place for officials on both sides to formally ink the deal is still to be decided.

Last Friday the world's two largest economies said they had reached a phase one agreement in a trade deal that included some tariff relief and agricultural purchases. Both the US and China have vowed to make changes related to intellectual property, technology transfers and financial services.

The early stages of the agreement come after two-and-a-half years of a tit-for-tat tariff battle between the two sides, with global markets dented by the uncertainty and economic impact of the standoff.


Free rides and meals for NHS staff this Christmas
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Claim a free pair of Galaxy Buds when you buy the Samsung Note 10+ 5G
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Sports Direct to play down fears over Belgian bill

SEBASTIAN MCCARTHY

@SebMcCarthy

SPORTS Direct is expected to play down concerns over a hefty Belgian tax bill in its trading statement this morning.

Mike Ashley's sportswear retailer shocked the City in the summer when it revealed it faced a last-minute Belgium tax liability worth €674m (£562m).

However, the tycoon's firm — which is due to be renamed Frasers — is likely to say today that it now expects the final financial impact to be minimal, according to the Sunday Times.

Sports Direct has had a turbulent year as its billionaire owner Ashley waged a number of corporate battles and snapped up several troubled high street brands.

The FTSE 250 company's share price has made gains in the last 12 months, climbing more than 50 per cent to 360p.

However, Sports Direct's corporate governance has come under criticism from investors and analysts, most notably in July when it revealed the multi-million-pound tax bill after delaying the release of the firm's results by 10 hours. Ashley has sought to elevate the firm's retail offering by renaming it, and has put his future son-in-law Michael Murray in charge of directing the new strategy.

The proposed rebrand follows the news that the company is planning to launch a chain of luxury high street stores named Frasers within the next financial year.

Sports Direct owner Mike Ashley

Veteran housebuilder Tony Pidgley hopes to build 450 homes and several offices

Property boss Pidgley snaps up London development for £120m

SEBASTIAN MCCARTHY

@SebMcCarthy

HOUSEBUILDING giant Berkeley Group is said to have snapped up a central London site for £120m.

Property tycoon Tony Pidgley, who founded Berkeley Group in 1976, has purchased a Camden store from Morrisons, according to reports in the Sunday Times yesterday.

The news comes amid hopes of a rebound in parts of London's housing market, which has been dented by Brexit uncertainty and stamp duty in recent years.

The purchased site currently comes with planning permission for roughly 450 homes and 100,000 square feet of office space.

Pressure builds on tech giants over digital ads

JAMES WARRINGTON

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THE COMPETITION watchdog is set to publish its initial findings into the dominance of tech giants in the digital advertising market this week, paving the way for a possible in-depth investigation.

In July the Competition and Markets Authority (CMA) launched a market study into Google and Facebook, amid concerns the so-called duopoly could be stifling competition online.

The CMA's initial findings, due to be published in the coming days, will spark a consultation period that could result in an in-depth investigation into the tech giants.

While the watchdog's study will cover a wide range of topics, it is set to raise concerns over the role of Google's so-called black box advertising technology, the Sunday Telegraph reported.

The CMA is expected to lay out a series of legal and political recommendations to the government on how to counteract harm from a lack of competition in the market, which is likely to be centred around the firms' use of personal data.

Ninety-six per cent of top law firms fear Brexit

JAMES BOOTH

@jamesdbooth1

NINETY-SIX per cent of the UK's top 100 law firms say that Brexit could hit their profitability in the coming year, a survey published today showed.

The Thomson Reuters poll of finance directors at the law firms showed that 42 per cent were worried that reduced inward investment in the UK could hit law firms' profits.

Samantha Steer, director of large law strategy at Thomson Reuters, said: "The concern is less about a slowdown in deal flow ahead of a final Brexit — it is more that [mergers and acquisitions] and other inward investment does not then snap back to normal levels.

"Transactional work feeds many other areas of law firms such as employment, [intellectual property] and tax, which is activity in this area that is watched very closely by the finance teams at law firms," she added.

Chief executive of listed law firm DWF Andrew Leaitherland said Brexit was was already having an impact on deals. "It already has [had an effect] in that from a transactional perspective we have seen a significant tail off," he said.

The second-most frequently identified risk was uncertainty over free trade between the UK and the EU post-Brexit. Thirty-eight per cent of respondents identified this as a high-risk threat to profitability.

Further Brexit issues identified as high-risk to law firm profitability include the potential negative impact on the UK's financial services sector, legislative and regulatory uncertainties and law firm access to the EU market.

Twenty-nine percent of respondents identified each of these threats as high-risk.

Steer said: "The fate of the financial services sector and of the bigger law firms is very closely intertwined."

The bank's 69,000 shareholders stand to lose their money in a rescue

Italian government mulls €1bn rescue for ailing bank Pop Bari

GIUSEPPE FONTE

ITALY's cabinet was expected to meet last night to approve a decree that would provide a €1bn (£825m) lifeline to cooperative lender Banca Popolare di Bari (Pop Bari), two sources with knowledge of the matter said.

The bank, which said last week it needed an urgent injection of up to €1bn, has struggled to cope with mounting loan losses during a slump that has devastated Italy's economy, notably in Popolare di Bari's home region in the south.

It was placed under special administration by the Bank of Italy last Friday but the government led by Prime Minister Giuseppe Conte failed to approve a rescue package as several ministers boycotted a hastily convened cabinet meeting. Conte will make a fresh attempt to push through an emergency decree. *Reuters*

Weaker pound prompted rise in hostile bids

ARCHIE MITCHELL

HOSTILE bids made up one in six bids for the UK's public limited companies in the last year as Brexit-blighted sterling made British firms cheaper to buy.

A takeover is hostile when the acquirer approaches the target company's shareholders directly.

The depressed valuations amid a weak pound made UK companies more attractive to foreign buyers and led to more opportunistic bids, new research by international law firm Pinsent Masons has shown.

The value of hostile bids more than tripled compared to a year earlier from £11.8bn to £36.8bn, making up over half of total bids.

Julian Stanier, partner at Pinsent Masons, said: "UK shares have been fairly stagnant for a long time so I think we should expect a wave of [mergers and acquisitions] activity in the coming months as bidders try to snap up a bargain."

In the year to 31 October, 12 out of 77 bids for UK businesses were hostile, including the Hong Kong Exchange's withdrawn bid for the London Stock Exchange in September. The year before saw nine hostile bids out of 57.

Harry Robertson asks whether a UK–EU trade deal is possible by December 2020

A deal by (next) Christmas?

NO DELAYS, no excuses. That was the mantra of Boris Johnson's ultimately successful election campaign and one that included, at its heart, a commitment to get a trade deal done and dusted by the end of the transition period — 31 December 2020.

But the private view of Brussels bosses is not quite so optimistic. "Eleven months is very unrealistic for such wide-ranging negotiations," was the verdict of EU negotiator Michel Barnier, revealed in leaked private remarks.

So who's right? *City A.M.* asked five former UK trade and business secretaries — all of whom were president of the Board of Trade — their views.

Perhaps unsurprisingly, the group is split along Brexit lines. Remainers Sir Vince Cable, Lord Michael Heseltine, Lord John Hutton, and Lord Peter Mandelson all — with varying levels of gusto — pour cold water on the idea of reaching a satisfactory trade deal by 2021. Brexiter Lord Peter Lilley, on the other hand, deems it "eminently doable".

However, the former cabinet ministers touch on a number of the same issues. One is the fact that the EU will happily grant Johnson a deal by the end of the year, replete with access to its deep markets, so long as he abides by its rules.

Yet another repeatedly raised issue is that the PM has no such intentions. His Brexit deal with the EU removed the chummier language Theresa May's had included, saying the future trade relationship would be "ambitious" rather than "as close as possible".

Former Liberal Democrat leader Cable was UK business secretary (and de facto trade secretary) during tortuous trade talks between the EU and US. He says a UK–EU deal could indeed be done "in a very short period of time" if it was "just a very simple agreement to tariff-free trade in areas which are already tariff-free".

Lilley — trade secretary under Margaret Thatcher and John Major — is in agreement. "This trade deal starts where most other trade deals end up," he says. Agreements over areas where the two sides diverge on rules and regulations can be "readily done" in a year.

Yet Cable says it would not be so simple. Should the UK and EU diverge, negotiations over "rules of origin" issues would become much more complicated. For example, if the UK agrees with, say, the US to cut tariffs on car parts, then they would come into Britain at a lower rate than into the rest of the EU. To make sure it isn't undercut, the bloc would then collect duties on British vehicles using those parts. This requires intricate agreements, Cable says.

A major problem is that Britain has not worked out how far it wants to diverge from EU rules in the hopes of securing deals with countries further afield, says former EU trade commissioner Mandelson. He says the government "rhetorically want to go one way but don't want to face the economic consequences". Hutton, business secretary under Gordon Brown, says Britain needs a "grown-up debate" about the sort of deal it wants.

Another commonly raised issue is financial services, the sector which makes up a whopping seven per cent of the UK economy.

The EU's outgoing finance commissioner Valdis Dombrovskis warned earlier this month that the UK's rights to access the bloc's markets could be withdrawn if Britain engaged "in some kind of deregulation".

> Could the Prime Minister's majority give him a stronger hand?

Former EU finance commissioner and current Tory peer Lord Jonathan Hill has argued that Britain's financial eminence means it should go its own way and refuse to be rule-takers. Yet he has said there is a trade-off: worse market access has costs.

Cable worries about the time-frame, given the complexities of finance.

"There is a big gap in expectations between what the City would like and what's likely to come out of a trade agreement that was negotiated quickly," he says.

Former trade secretary and deputy PM Heseltine says France, the Netherlands and Germany all "have ambitions for the market that is presently represented in the City of London".

Hutton says market access will "come with a quid pro quo: 'You want access here, we want to do this'". This will take time, he says.

The UK also faces another, simpler challenge. Due to EU membership it hasn't negotiated a trade deal for itself in decades. Lilley rates current trade secretary Liz Truss but, as Hutton notes, we're "the new kids on the block" when it comes to the nuts and bolts of negotiations.

Whether Johnson's newfound majority gives him a stronger hand — already some hardline Brexiters within the party are pushing for Johnson to keep no-deal on the table to put the screws on Brussels — is a matter of debate. He could indulge them; or, with the ability to get whatever he'd like through parliament, he may go slightly softer — as long as that doesn't negate the chance of the other promised deal with our cousins across the Atlantic.

There is one certainty: that Johnson faces a daunting task when the post-election glow has faded. Whether he achieves it or not, 2020 will not be an easy ride for the government.

Gold-plated pensions in Whitehall prompt call to MPs for urgent reform

ARCHIE MITCHELL

THE UK's top civil servants are sitting on an average pension pot of more than £1m, new data from neoliberal think tank the Taxpayers' Alliance has shown.

The 23 heads of government departments will earn an average pension upon retirement of £57,717 a year — almost double the average UK salary in 2018 — and receive a lump sum of almost £150,000.

Simon McDonald, head of the Foreign and Commonwealth Office, has the largest pension pot of the senior civil servants at £2m.

Others are Clare Moriarty, head of the Department for Exiting the European Union, and Mark Sedwill, the cabinet secretary.

McDonald, Moriarty, and Sedwill will earn pensions of at least £85,000 to £90,000.

Duncan Simpson, from Taxpayers Alliance, said: "Politicians need to put an end to the Whitehall pensions racket once and for all by implementing real reforms".

Mark Serwotk, head of the PCSU — the union representing most of the civil service — said: "In 2015 the government decided civil servants had to work longer, pay more and get less in retirement."

Boss of Lloyds to see HBOS victims in wake of review

SEBASTIAN MCCARTHY

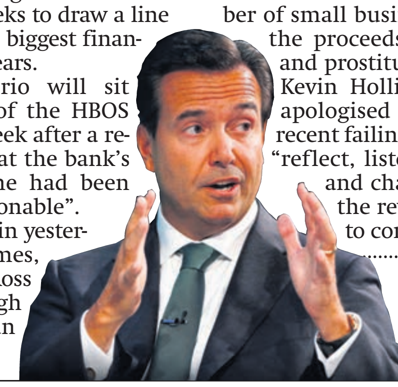
@SebMcCarthy

LLOYDS Banking Group's chief executive is said to be preparing to meet HBOS fraud victims, as it seeks to draw a line under one of Britain's biggest financial scams in recent years.

Antonio Horta-Osorio will sit down with victims of the HBOS Reading fraud this week after a recent review found that the bank's compensation scheme had been "neither fair nor reasonable".

The news, reported in yesterday's Sunday Times, comes days after Sir Ross Cranston, a former high court judge who ran the independent probe, said the bank's review of the fraud had "serious shortcomings".

A group of six fraudsters were jailed in 2017 after deliberately wrecking a number of small businesses and spending the proceeds on lavish holidays and prostitutes. In a letter to MP Kevin Hollinrake, Horta-Osorio apologised for the bank's recent failings, adding that it will "reflect, listen to our customers and change" in the wake of the review. Lloyds declined to comment.



Lloyds Banking Group chief executive Antonio Horta-Osorio

Climate summit closes in Madrid amid criticism

EDWARD THICKNESSE

@edthicknesse

THE UN climate change summit in Madrid drew to a belated and acrimonious end yesterday as a number of large states resisted pressure to boost efforts to combat global warming.

Activists and delegates from smaller nations were critical of countries such as the US, China, Australia, Brazil and Saudi Arabia, who were said to have blocked bolder action.

In its closing draft, the conference only endorsed a modest declaration on the "urgent need" to reduce the gap between nations' existing greenhouse gas pledges and the temperature goals of the Paris Agreement.

The summit also failed to come to a decision on global carbon markets, which had been earmarked as a flagship issue for the conference.

UN secretary-general Antonio Guterres took to Twitter to vent his feelings. He said: "I am disappointed with the results of COP25. The international community lost an important opportunity to show increased ambition on mitigation, adaptation and finance to tackle the climate crisis. But we must not give up, and I will not give up."

An earlier draft of the conference's concluding text attracted widespread anger, with campaigners arguing that its wording was so weak it betrayed the spirit of the Paris Agreement.

The talks, which finished nearly two days late, stalled amid disputes over the rules for international carbon trading, with Brazil and Australia among the main holdouts.

A representative from Tuvalu, the Pacific Island nation at risk of catastrophic damage from rising sea levels, told Reuters: "There are millions of people all around the world who are already suffering from the impacts of climate change."

"Denying this fact could be interpreted by some to be a crime against humanity," they added.

Crossrail was supposed to open in December last year but has faced ongoing delays

Crossrail 'opens' but delays still plague central London segment

STEFAN BOSCIA

@Stefan_Boscia

COMMUTERS will now be able to travel from Reading to Paddington in 58 minutes, after a limited section of Crossrail opened yesterday.

The new line marks the largest opening of any part of the Crossrail project, which was supposed to open in December 2018. The project's original budget of £15bn is expected to be exceeded by up to £2bn.

It comes amid widespread travel chaos yesterday after GWR's new rail timetables promising more trains and faster journeys failed to deliver.

Passengers were hit with delays and cancellations that are likely to continue throughout the week.

France's union gives ultimatum to government

SYBILLE DE LA HAMAIDE

FRANCE's CGT union threatened yesterday to double its protests unless the government withdraws its pension reform proposal by the end of this week.

In a major overhaul of its pension scheme, the French government has proposed that people work two years longer to get a full pension, drawing a hostile response from trade unions.

"The CGT... says that the government has one week to announce the withdrawal of its project and the relaunch of real negotiations for the improvement of the current system," the union said in a statement.

"If the Prime Minister persists in affirming that 'the country is disturbed but not blocked', the employees of the public and the private sector will draw the conclusion from this that they must redouble their mobilisation, multiply calls to strike in all companies and further increase the level of protests."

Prime Minister Edouard Philippe told Le Parisien Dimanche his door was open for talks and that he would meet unions this week. *Reuters*

A GRAND'S FESTIVE LUNCH

BOTTLE OPENER

City A.M.'s wine expert spends his Christmas budget

AND SO, dear reader, the season of goodwill and merriment is upon us once again. Offices are full of elves distributing secret Santa details to colleagues, and restaurants are rammed with office workers guzzling warm chardonnay and leaden reds from obscure parts of the planet. The days shorten as our hangovers lengthen and the high street is no doubt already starting to gear up for Easter.

A few weeks ago I was enjoying a very acceptable Albarino (Leira Reyero, Pascual 2018) with the editor over lunch at J Sheekey in the West End when he casually lobbed the conversational hand grenade that he was giving me £1,000 to spend on wines for Christmas. Once I'd picked myself up off the floor I was effusive and instant with my thanks for such unsought generosity.

However, with crushing and deliberate speed he went on to confirm that I had misheard and that this was to be a fictional amount to be "spent" on recommending wines for the big day. Ah well, maybe next year...

Undaunted by my trip on this emotional roller coaster I decided to focus on the task he had set me. I'm assuming that these recommendations need to be sufficient for a table of people rather than just one or two so I'm thinking in terms of cases rather than single bottles.

Christmas day itself can be tricky for many reasons. Just spending a whole day with one's relatives can be potentially problematic. GK Chesterton said the "family is a good institution because it is uncongenial" – and he was a huge fan of families! Adding alcohol in significant quantity to such an event generally raises the stakes. Indeed, I confess to having had one or two disastrous Christmas days where we adults may have overdone it slightly too early in the day and had pretty much passed out by lunchtime. It is, therefore, important to ensure that the drinks consumed on the big day are all about quality rather than quantity.

To my mind, no Christmas lunch is complete without some fizz.

We generally have ours with some wild, smoked salmon or sea trout (caught with a rod and line by my own fare hands) and some homemade brown bread. The obvious route here is to the Champagne region, and I confess that I have a fondness for the buttery loveliness of Gosset Grande Reserve Brut.

I do though think that there is quite a lot of inferior champagne out there. Whenever I'm served extremely cold champagne in a very tight flute my assumption is that both steps have been taken to disguise the quality of the liquid — and more often than not I'm proven right. Much champagne is far too acidic for my taste which I think in part explains the explosion in Prosecco sales in recent years. My advice is to stick with quality and serve it at just below room temperature in a tulip shaped glass.

So as a gallic alternative why not try a Saumur or a Cremant? I'm an enthusiastic member of the Wine Society and their Saumur Brut is a crisp, top-notch option. Meanwhile when it comes to Cremant, I thoroughly recommend the Cremant de Bourgogne Blanc de Noirs Marsigny Brut. I'm sure that many (perhaps even most) people would fail to pick these out as not being champagnes in a blind taste test.

If you prefer a white wine, I urge you to try Puligny-Montrachet Olivier Leflaive 2017. I've researched this one particularly thoroughly and can pronounce it excellent. As with the Gosset, it's buttery and as is typical of white burgundies it's subtly complex, too.

On to the main course, which for most of us will of course be turkey. I'm a fan of this fowl — as indeed I am of sprouts — but I couldn't have either of them too many times a year. Of course, you could easily stick with the Puligny-Montrachet, but I'd rather switch to a red at this point. Turkey's not suited to anything heavy, so I'd suggest erring on the side of caution and going for a light one. Perhaps a red burgundy — or a pinot noir from elsewhere outside of France.

Keep your guests well lubricated with these quality drops over Christmas

For the burgundy I suggest Vieilles Vignes Volnay 2008. This is at the more intense end of the red burgundy taste spectrum — but will work perfectly with turkey. Importantly it's not too fruity. Some burgundies can taste a little bit too much like Ribena for my palate.

In terms of a decent pinot you can't go wrong with Main Divide Pinot Noir from Canterbury, New Zealand. It's similarly complex in its own way and not too fruity.

It's at this stage that many of us take a break from gorging. But I'm sure that most of us will tuck into a sweet course — probably Christmas pudding — during the late afternoon. Here I'm going to suggest that you try a sweet sherry — a Pedro Ximenez — or PX as it is often referred to. The one I like in particular is Salto al Cielo Estate Aged Pedro Ximenez. This stuff is a bit like a Christmas pudding in a glass so it's definitely not a contrast in flavours. It is though dark, treacly and absolutely delicious.

On to costs. All for a case of six unless otherwise stated. The Gosset Grande Reserve Brut is about £240, the Saumur Brut £65 and the Cremant de Bourgogne is about £78. A case of the Puligny-Montrachet Olivier Leflaive 2017 will set you back about £375. Vieilles Vignes Volnay 2008 seems to be available for about £210 and the Main Divide Pinot £135. A case of PX will cost about £390.

Hopefully that line up gives you plenty of options around the £1,000 target.

Whatever drinks you go with, may I wish you all a wonderful Christmas break with some delicious wine waiting, nicely wrapped up for you, underneath the tree.

Steffan Williams is a partner at Portland

Daimler's China venture ups stake to unseat Geely

YILEI SUN

DAMILER's main China joint venture partner BAIC Group has set in motion a plan to double its stake to around 10 per cent and win a board seat in the German luxury car maker, as it aims to upstage rival Geely, two sources told Reuters.

State-owned Beijing Automobile Group (BAIC), which already owns a five per cent shareholding in Daimler, has started buying the German company's shares from the open market, said the sources who were briefed on the matter.

BAIC is currently Daimler's third largest shareholder but a stake of 10 per cent will make it the biggest shareholder, surpassing its Chinese car making rival Zhejiang Geely which owns 9.69 per cent of the German car maker and is seeking to expand its partnership with Daimler in China.

With the shareholding of around 10 per cent, BAIC is looking to secure a seat at Daimler's supervisory board, which Geely does not currently have, the sources said.

HSBC, which advised BAIC on its five per cent stake purchase in Daimler earlier, is helping the Beijing-based group in the new investment, one of the sources said.

Daimler said in a regulatory filing last month that HSBC held 5.23 per cent in Daimler's voting rights directly as well as through instruments such as equity swaps as of 15 November.

When asked by Reuters, Daimler said it had not received any notification about BAIC having raised its stake. Daimler's China chief Hubertus Troska said on Friday "we welcome long-term investors in Daimler". Asked about BAIC and its potential to become a larger shareholder, he added: "We like each other. Let us see how things develop."

A third source familiar with BAIC's thinking said that BAIC wanted to be a bigger shareholder than Geely in Daimler in order to be seen as the German car maker's senior-most partner in China.

BAIC and Geely did not respond to requests for comments made after usual business hours. HSBC declined to comment.

Reuters reported in November that BAIC had signalled intentions to extend its investment in Daimler, citing sources familiar with the matter. BAIC has been Daimler's main partner in China for years and operates Mercedes-Benz factories in Beijing through the two car makers' main joint venture, Beijing Benz Automotive.

Two months before its five per cent stake purchase was announced in July, sources told Reuters that BAIC wanted to invest in Daimler. *Reuters*

BREAKING THE ICE Star-studded Jumanji: Next Level knocks Frozen 2 off box office pole position with $60m debut weekend

SONY's Jumanji: Next Level adventure sequel debuted in first place to $60m (£45m), dethroning Frozen 2 after three consecutive weeks as box office champ. The sales mark a healthy jump from the film's 2017 predecessor Jumanji: Welcome to the Jungle. It also marks the best debut for a December comedy and a live-action movie, which stars Jack Black and Karen Gillan.

French shareholders want PSA-Fiat joint board guarantee in $50bn mega-merger

GILLES GUILLAUME

FRENCH shareholders in the planned merger of PSA and Fiat Chrysler (FCA) are seeking reassurances that they will retain a numerical advantage on a combined board if chief executive Carlos Tavares leaves, two sources close to Peugeot owner PSA said.

The two companies are finalising talks after announcing a plan for a $50bn (£37.5bn) merger of equals in October that would create the world's fourth-largest car maker.

Under the terms of the draft Memorandum of Understanding (MoU), PSA and Fiat Chrysler would each have five seats on the board of the merged entity.

An eleventh seat would go to Tavares, who is chief executive of PSA and is set to take on the same role in the new group.

French shareholders view the seat held by Tavares as giving them the de-facto role of senior partners and want to know this advantage would be preserved in the event of him leaving, the sources told Reuters last week.

There is no evidence that the issue has surfaced in talks as an obstacle to the deal. A source close to FCA said the draft agreement over the new group's governance was not being questioned and that there was no issue delaying the deal.

PSA, the maker of Peugeot and Citroen, has called a meeting of its supervisory board for tomorrow which could discuss the FCA deal, two separate sources had said.

Both firms have said they were confident of reaching a merger deal by the end of the year, but the sources said the French partners were seeking clarification on the issue before a MoU sealing the deal is signed. *Reuters*

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

LONDON REPORT

UK shares hail Boris Johnson's massive victory

UK SHARES focused on the domestic economy surged last Friday after Prime Minister Boris Johnson's ruling Conservatives convincingly won the General Election, reassuring markets that Britain is likely to be headed for an orderly exit from the European Union.

The FTSE 100 index rose 1.1 per cent as a rally in utilities, retailers, housebuilders and banking stocks offset the drag from sterling, which surged to a 19-month high against the US dollar.

Housebuilders soared, with **Taylor Wimpey**, **Berkeley** and **Persimmon** all up about 14 per cent, reaching record highs and topping the blue-chip index.

The FTSE 250 index, home to many companies with high UK exposures, surged as much as 5.2 per cent to record highs, before easing slightly to end up 3.4 per cent.

Trading volumes on the FTSE 100 index surged to nearly three times their daily average.

Stocks were benefiting from the Conservative victory and reports of a trade deal between China and the United States, said Emmanuel Cau, head of European equity strategy at Barclays.

"The banking sector, real estate, construction, utilities, all these sectors are expected to benefit from the 'feel-good' factor," he said.

Johnson's victory lifted nationalisation fears hanging over utility stocks, boosting **National Grid** and **United Utilities**, which rose 4.5 per cent and 6.7 per cent respectively. Opposition Labour leader Jeremy Corbyn had announced plans to nationalise utilities in his election manifesto.

Virgin Money gained a whopping 18.7 per cent on Friday

Corbyn said on Friday he would step down as Labour leader . That decision is likely to be the biggest factor driving banks and utilities higher, by affirming nationalisation is now "off the table," said Citi analyst Andrew Coombs.

Among financials, **RBS** and **Virgin Money** stood out, rising 8.4 per cent and 18.7 per cent.

JP Morgan's basket of London-listed companies that make their cash in domestic markets rose 6.3 per cent on Friday to record highs.

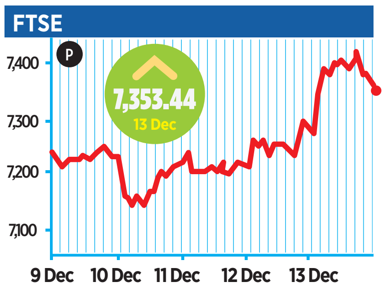
TOP RISERS

1. **Taylor Wimpey** Up 14.68 per cent
2. **Barratt** Up 14.01 per cent
3. **Berkeley** Up 13.99 per cent

TOP FALLERS

1. **Polymetal** Down 3.24 per cent
2. **Fresnillo** Down 3.05 per cent
3. **Rolls-Royce** Down 2.56 per cent

FTSE



BEST OF THE BROKERS

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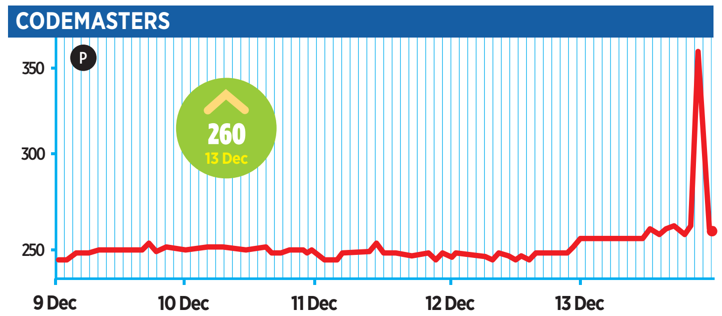
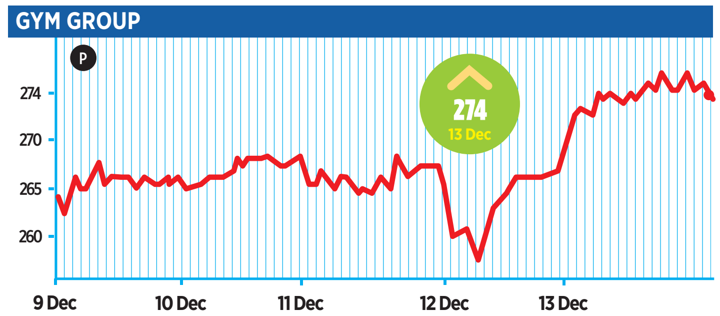
CODEMASTERS



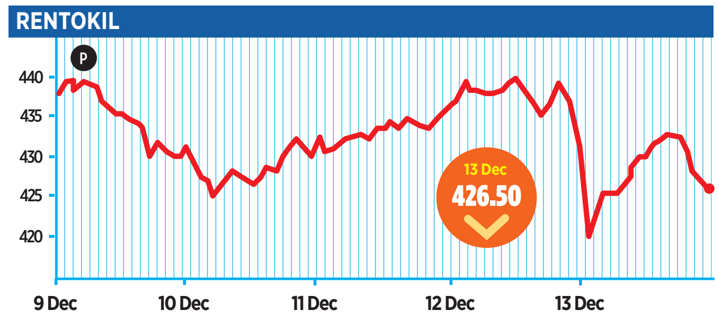
Videogame producer Codemasters has announced it will make a game based on the Fast & Furious movie franchise — and shareholders had better fasten their seatbelts. Shares rose 5.2 per cent on the news at the end of the last week to 260p, and Liberum analysts think they will keep gaining speed, giving it a "buy" rating and a whopping 370p target price. They say: "Owing to the widespread success of the Fast & Furious franchise, we believe this new game could bring both global appeal and major revenue potential." Codemasters' stock could be in for a wild ride.

GYM GROUP



Directors at the Gym Group have clearly been drinking their protein shakes, and shareholders will be beefing up too over the coming months if Liberum analysts' predictions of a significant value increase are correct. They say the firm "continues to flex its model to broaden its addressable market and keep costs low". Shares have been up and down this year, but are 4.1 per cent up compared to the start of 2019 — currently valued at 274p. Liberum brokers reckon that could swell to as much as 330p, and give it a "buy" rating. Better get started on those press-ups...

RENTOKIL



Rat-catcher extraordinaires at Rentokil have had a good year. The stock has risen 28 per cent, but it could suffer after the Conservatives' General Election win, according to analysts at Jefferies. They say that of the firms likely to be most negatively affected, "staples, miners and global industrials stand out"— and that includes Rentokil. "With more than 40 per cent revenues from the US, Rentokil is highly exposed to the pound-to-dollar exchange rate," they say. Jefferies give Rentokil a "hold" rating and a 425p target price.

NEW YORK REPORT

Wall St steady as China and US agree deal

THE S&P 500 and the Dow industrials ended little changed on Friday, hitting record highs in the session, as the United States and China announced an initial trade agreement, cooling tensions that have rattled markets.

The S&P 500 technology sector and the tech-heavy Nasdaq finished solidly in positive territory, with gains in **Apple** providing a boost.

Trading was choppy following announcement of the agreement, which reduces some US tariffs in exchange for increased Chinese purchases of American farm goods. The United States has agreed to suspend tariffs on $160bn (£120bn) in Chinese goods that were due to take effect on 15 December, a deadline that had been closely watched by investors.

Investors were also digesting Prime Minister Boris Johnson's commanding victory in the British election, which could bring more clarity to the country's planned exit from the European Union.

Utilities led gains among the S&P 500 sectors along with tech, while energy and materials lagged.

The Dow Jones Industrial Average rose 3.33 points, or 0.01 per cent, to 28,135.38, the S&P 500 gained 0.23 point, or 0.01 per cent, to 3,168.8 and the Nasdaq Composite added 17.56 points, or 0.2 per cent, to 8,734.88.

Improving sentiment about trade tensions, interest rate cuts from the US Federal Reserve and encouraging economic data have fuelled records for the major US stock indexes. The benchmark S&P 500 has gained 26 per cent so far in 2019.

Earlier this week, the Fed signalled borrowing costs will not change anytime soon.

Adobe shares rose 3.9 per cent after it beat Wall Street estimates for fourth-quarter revenue and profit.

Broadcom shares dropped 3.8 per cent after the company provided a lukewarm revenue forecast for 2020.

Oracle shares fell 3.5 per cent after its revenue fell short of quarterly estimates.

CITY MOVES WHO'S SWITCHING JOBS

CENTAMIN

FTSE 250 firm Centamin has announced the appointment of James "Jim" Rutherford as non-executive chairman and interim chief executive officer. Jim is currently a non-executive director on the boards of Anglo American and Anglo Pacific. He has over 25 years' experience in investment banking and investment management, specialising in the global mining and metals sector. Jim brings to the board considerable financial and capital markets insight and a deep understanding of the mining industry. Between 1997 and 2013 Jim was a denior vice president of Capital International Investors, a division of the US-based investment management firm Capital Group Companies. Prior to that, he was vice president of equity research at the investment bank HSBC James Capel in New York. Josef El-Raghy, chair of Centamin, commented: "We are delighted to welcome Jim to the Centamin board. His appointment comes after an extensive search, and with his considerable understanding and knowledge of the resource sector."

BCG DIGITAL VENTURES

BCG Digital Ventures (BCGDV), the global corporate venture arm of Boston Consulting Group, has announced that Nathalie Gaveau is joining the company as managing director and partner. Natalie has extensive experience building successful transactional marketplaces, including Shopcade and Priceminister, which was sold to Japan's Rakuten for over $230m (£172.6m) in 2010. She also is an expert in digital growth, turnarounds, and exits and has extensive international experience, including six years in Asia. Commenting on her appointment, Nathalie said: "I'm incredibly proud to be joining BCGDV at a time when there is unprecedented opportunity in the corporate innovation space. Joining one of the world's most experienced business builders on the heels of them launching more than a hundred new hyper-growth businesses into the market is an extremely exciting opportunity."

SQUIRE PATTON BOGGS

Legal firm Squire Patton Bogg has announced that Peter F. Stewart has joined the firm's London office as a partner. He joins from Clyde & Co, with a practice spanning energy and infrastructure projects and international arbitration, with a specialty representing sovereign entities in Africa, South America and elsewhere. Lisa Henneberry, the firm's global practice group leader for energy and natural resources, commented: "I am delighted to welcome Peter to the firm. His global perspective and diverse practice orientation make him a great fit for our firm."

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

FTSE 100	FTSE 250	FTSE ALL SHARE	DOW JONES	NASDAQ	S&P 500
7353.44	21507.79	4095.03	28135.38	8734.88	3168.80
79.97	714.76	61.62	3.33	17.56	0.23

£					
/€	1.1992	0.0178	€/$	1.1127	0.0013
/$	1.3348	0.0217	€/£	0.8339	0.0126
/¥	145.87	2.4600	€/¥	121.62	0.2200

GILTS

	Price	Chg	High	Low
Tsy 4.750 20	100.94	-0.03	104.8	100.9
Tsy 8.000 21	110.97	0.01	117.9	111.0
Tsy 2.500 24	359.78	-2.83	377.9	359.8
Tsy 5.000 25	122.68	0.13	126.0	122.5
Tsy 4.250 27	128.08	0.22	132.8	125.2
Tsy 6.000 28	146.17	0.32	152.1	143.1
Tsy 4.125 30	375.78	-4.23	404.2	364.2
Tsy 4.250 32	139.03	0.42	146.4	132.4
Tsy 4.250 36	146.70	0.81	155.7	137.5
Tsy 4.750 38	161.25	1.11	171.8	150.0
Tsy 4.250 46	167.79	1.63	181.0	151.7

AEROSPACE & DEFENCE

	Price	Chg	High	Low
BAE Systems	574.6	4.6	588.2	443.9
Cobham	163.4	5.9	168.3	96.8
Meggitt	657.0	6.6	660.0	458.0
QinetiQ	354.0	15.6	354.0	267.0
Rolls-Royce	686.4	-18.0	988.4	686.4
Senior	181.8	-3.0	239.2	174.0
Ultra Electronics	2106.0	46.0	2252.0	1232.0

AUTOMOBILES & PARTS

	Price	Chg	High	Low
Aston Martin	556.8	-58.4	1374.4	399.3
TI Fluid Systems	242.5	3.5	242.5	155.2

BANKS

	Price	Chg	High	Low
Barclays	182.5	10.6	182.5	136.2
BGEO Group	1573.0	17.0	1755.0	1252.0
HSBC Hldgs	574.6	-1.9	680.6	552.3
Lloyds Banking	64.3	3.2	66.6	48.6
Royal Bank of Scot	251.8	19.5	270.4	177.7
Standard Chartered	704.8	-13.2	736.8	575.7
TBC Bank Group	1340.0	36.0	1706.0	1150.0
Virgin Money UK	216.6	34.1	220.1	104.4

BEVERAGES

	Price	Chg	High	Low
Barr (AG)	575.0	17.0	975.0	540.0
Britvic	918.5	8.0	1068.0	786.0
Coca-Cola HBC AG	2478.0	11.0	3074.0	2299.0
Diageo	3051.0	-9.0	3625.5	2701.0

CHEMICALS

	Price	Chg	High	Low
Croda International	4876.0	0.0	5375.0	4564.0
Elementis	171.5	3.1	197.9	129.8
Johnson Matt	2881.0	22.0	3454.0	2665.0
Synthomer	325.2	12.6	420.8	279.0
Victrex	2448.0	42.0	2522.0	1845.0

CONSTRUCTION & MATERIALS

	Price	Chg	High	Low
Balfour Beatty	254.4	14.0	295.0	194.2
CRH	2985.0	-5.0	3014.0	1971.5
Galliford Try	831.5	66.5	831.5	512.0
Grafton Group	888.5	58.5	937.0	630.0
Ibstock	282.8	13.8	282.8	193.1
Marshalls	821.0	42.0	821.0	438.2
Polypipe Group	519.5	23.1	519.5	315.2

DIVERSIFIED INDUSTRIALS

	Price	Chg	High	Low
Smith (DS)	386.5	4.0	388.1	292.2
Smiths Gp	1619.5	9.5	1692.0	1342.0
Smurfit Kappa Gp	2760.0	22.0	2774.0	2002.0
Vesuvius	484.0	14.6	642.0	341.0

ELECTRICITY

	Price	Chg	High	Low
Contour Global	208.0	6.0	222.5	159.1
Drax Gp	313.4	18.2	413.8	251.0
SSE	1415.5	106.0	1415.5	1008.0

ELECTRONIC & ELECTRICAL EQUIPMENT

	Price	Chg	High	Low
Halma	2074.0	-5.0	2151.0	1297.0
Morgan Advanced	315.6	12.6	315.6	232.4
Oxford Instruments	1516.0	16.0	1626.0	853.0
Renishaw	3984.0	184.0	4670.0	3232.0
Spectris	2914.0	87.0	2914.0	2188.0

EQUITY INVESTMENT INSTRUMENTS

	Price	Chg	High	Low
3i Infrastructure	295.0	3.0	306.5	250.0
Aberforth Smlr Cos	1484.0	66.0	1484.0	1114.0
Alliance Trust	818.0	2.0	838.0	672.0
AVI Global Trust	766.0	0.0	781.0	660.0
Baillie Gifford Japan	819.0	-11.0	840.0	663.0
Bankers InvTst	966.0	6.0	970.0	766.0
BlackRock Smaller	1650.0	68.0	1650.0	1160.0
BMO Global Smaller	142.1	0.8	143.1	122.0
Caledonia Inv	3150.0	70.0	3150.0	2740.0
City of London IT	430.0	8.0	431.5	376.0
Edin Inv Trust	617.0	14.0	652.0	535.0
European Opp	819.0	16.0	875.0	666.0
F&C Investment	736.0	0.0	745.0	616.0
Fidelity China SPE	219.0	-1.0	250.0	183.4
Fidelity Euro Values	251.0	-0.5	257.5	202.0
Fidelity Spec Val	270.5	6.5	271.5	220.0
Finsbury G&I Tst	890.0	5.0	958.0	741.0
GCP Infra Inv	131.8	0.6	132.2	122.6
Genesis Emerging	761.0	8.0	785.0	628.0
Greencoat UK	149.2	1.8	149.8	124.4
Harbourvest Glb	1728.0	30.0	1786.0	1326.0
Herald Inv Trust	1478.0	68.0	1478.0	1055.0
HICL Infr	169.4	8.6	174.0	156.6
JPM American	468.0	-4.0	494.5	386.5
JPM Emerg Mkt	1004.0	-2.0	1066.0	834.0
JPM Indian IT	740.0	5.0	790.0	633.0
JPM Japan IT	471.0	-3.0	476.0	367.0
Jupiter Fund Mngt	400.3	13.8	432.0	289.3
Law Debenture	622.0	12.0	622.0	534.0
Mercantile IT	260.0	13.0	260.0	168.0
Monks Inv Tst	937.0	-3.0	964.0	710.0
Murray Intl Tst	1226.0	12.0	1248.0	1074.0
NB Glbl Fltg Rate Inc	91.4	0.6	91.4	87.6
Pantheon Intl Partn	2465.0	65.0	2465.0	1955.0
Perpetual Inc & Grth	328.5	10.0	339.0	284.5
Pershing Square	1392.0	4.0	1570.0	990.0
Personal Assets Tst	41850.0	-150.0	43150.0	38900.0
Polar Cap Tech Tst	1500.0	10.0	1514.0	1066.0
Renewables Infra Gp	131.4	2.0	133.2	109.6
RIT Cap Partners	2155.0	10.0	2180.0	1892.0
Riverstone Energy	409.0	0.5	1126.0	403.5
Schroder Asia	454.0	2.0	469.5	389.0
Scottish Inv Tst	832.0	13.0	843.0	748.0
Scottish Mortgage	523.0	-4.0	568.5	441.4
Sequoia Econ Infra	116.0	1.8	117.6	108.5
Smithson Inv	1276.0	-4.0	1304.0	1000.2
Syncona	214.0	11.0	294.0	203.0
Temple Bar IT	1424.0	56.0	1424.0	1116.0
Templeton Em Mkts	801.0	-1.0	829.0	670.0
Vietnam Enterprise	472.5	4.5	509.0	421.5
VinaCapital Vietna	331.5	5.0	357.5	323.0
Witan Invest	223.0	2.0	225.5	189.6
Wwide Healthcare	3030.0	0.0	3030.0	2325.0

FIXED LINE TELECOMMUNICATIONS

	Price	Chg	High	Low
BT Gp	201.7	12.4	250.1	158.9
Talktalk Telecom	105.0	3.8	126.5	96.5
Telecom Plus	1486.0	152.0	1528.0	1130.0

FOOD & DRUG RETAILERS

	Price	Chg	High	Low
Greggs	2172.0	98.0	2476.0	1257.0
Morrison (WM)	195.8	1.9	245.8	176.9
Ocado Gp	1239.5	29.5	1435.0	749.8
Sainsbury(J)	223.2	5.7	293.9	177.1
SSP Group	660.0	15.0	721.0	608.0
Tesco	251.3	9.5	253.0	189.6

FOOD PRODUCERS

	Price	Chg	High	Low
Assoc British Foods	2599.0	166.0	2599.0	2041.0
Bakkavor	148.0	10.0	170.0	93.3
Cranswick	3260.0	120.0	3408.0	2472.0
Greencore Gp	274.2	18.0	274.2	162.8
Hilton Food Gp	1052.0	28.0	1088.0	884.0
Tate & Lyle	749.8	12.8	800.4	658.4
Unilever	4545.0	15.5	5324.0	3941.0

FORESTRY & PAPER

	Price	Chg	High	Low
Mondi	1696.5	30.5	1898.0	1510.5

GENERAL FINANCIAL

	Price	Chg	High	Low
3i Group	1071.5	26.5	1184.5	756.2
Ashmore Gp	492.0	7.0	542.5	356.0
Brewin Dolphin	363.6	25.2	363.6	287.6
Close Brothers	1625.0	92.0	1625.0	1227.0
Coats Group	71.5	1.9	91.3	68.1
Finablr	209.4	1.4	215.0	140.2
Hargreaves Lans	1953.0	45.0	2433.0	1633.0
IG Gp	696.0	26.8	696.0	474.8
Integrafin Holdings	420.5	20.5	420.5	271.8
Intermediate Capital	1562.0	23.0	1564.0	918.5
Intl Public Prtnshps	163.6	7.8	165.4	146.8
Investec	442.0	8.6	518.6	395.3
IP Group	67.7	5.4	122.0	55.7
John Laing Gp	364.6	9.6	402.0	321.2
London Stock Exch	7172.0	222.0	7514.0	3908.0
Man Group	156.8	7.2	175.2	127.7
Onesavings	445.0	43.0	447.4	313.6
Paragon	534.5	45.3	534.5	379.2
Plus500	836.2	-2.2	1647.0	495.0
Provident Fin	444.6	14.6	658.6	356.0
Quilter	159.3	7.1	159.3	112.2
Rathbone Brothers	2085.0	25.0	2540.0	2045.0
Schroders	3360.0	94.0	3360.0	2366.0
TP ICAP	401.1	3.7	403.3	270.0

GENERAL RETAILERS

	Price	Chg	High	Low
B&M	409.7	18.3	409.7	278.6
Card Factory	163.3	9.8	209.0	150.0
Dixons Carphone	145.0	3.8	150.0	104.9
Dunelm Gp	1137.0	61.0	1137.0	482.8
Howden Joinery Gp	683.8	38.8	683.8	416.4
Inchcape	688.5	8.0	688.5	519.5
JD Sports Fashion	782.8	41.6	807.0	318.5
Just Eat	790.0	5.0	812.0	570.6
Kingfisher	221.9	3.9	266.2	185.9
Marks & Spencer	223.6	14.3	303.2	163.9
Next	7190.0	354.0	7190.0	3991.0
Pets at Home Gp	280.0	-3.0	283.0	113.3
Sports Direct Intl	360.0	14.4	360.0	214.0
Vivo Energy	129.0	9.2	139.5	111.4
Watches of Switz	320.0	10.0	338.8	270.0
WH Smith	2510.0	94.0	2510.0	1697.0

HEALTH CARE EQUIPMENT & SERVICES

	Price	Chg	High	Low
Convatec	191.2	3.8	202.8	118.5
Mediclinic Intl	403.8	8.5	403.8	293.4
NMC Health	2464.0	-64.0	3000.0	1801.5
Smith & Neph	1734.5	37.5	1990.0	1396.0
UDG Hlthcare	802.5	20.5	832.5	551.0

HOUSEHOLD GOODS

	Price	Chg	High	Low
Barratt Devel	765.0	94.0	765.0	434.0
Bellway	3831.0	404.0	3831.0	2447.0
Berkeley Grp Hldgs	5142.0	631.0	5142.0	3319.0
Bovis Homes Gp	1360.0	109.0	1360.0	828.0

MAIN CHANGES UK 350

Risers		%	Fallers		%
Virgin Money UK	216.60	18.7	Aston Martin	556.80	-9.5
Stagecoach Gp	154.20	16.6	Future	1362.00	-3.7
Taylor Wimpey	199.65	14.7	Polymet Int	1165.00	-3.2
Barratt Devel	765.00	14.0	Fresnillo	572.40	-3.0
Berkeley Grp Hldgs	5142.00	14.0	Rolls-Royce	686.40	-2.6
Savills	1152.00	13.5	NMC Health	2464.00	-2.5
Intl Cons Airl	629.40	13.1	Hochschild Mining	156.30	-2.3
Persimmon	2816.00	12.0	Hikma Pharma	1890.50	-1.9
Bellway	3831.00	11.8	Rentokil Initial	426.50	-1.9
Tullow Oil	67.80	11.8	Standard Chartered	704.80	-1.8

	Price	Chg	High	Low
Countryside Prop	468.8	42.6	468.8	277.0
Crest Nicholson	433.8	34.2	435.2	310.8
McCarthy & Stone	146.5	8.0	158.8	123.5
Persimmon	2816.0	302.0	2816.0	1836.0
Reckitt Benckiser	6037.0	8.0	6688.0	5593.0
Redrow	716.0	32.0	716.0	460.8
Taylor Wimpey	199.7	25.6	199.7	131.0

INDUSTRIAL ENGINEERING

	Price	Chg	High	Low
Bodycote	941.5	41.5	941.5	652.0
Hill & Smith	1487.0	137.0	1487.0	1049.0
IMI	1186.0	31.0	1186.0	899.0
Melrose Ind	234.3	2.6	237.9	155.1
RHI Magnesita	3838.0	148.0	5000.0	3420.0
Rotork	332.8	8.8	341.2	235.7
Spirax-Sarco	8600.0	-90.0	9400.0	5900.0
Weir Gp	1521.5	41.5	1814.0	1240.0

INDUSTRIAL METALS

	Price	Chg	High	Low
Evraz	376.3	6.8	709.4	341.4
Ferrexpo	151.3	3.9	301.3	123.0

INDUSTRIAL TRANSPORTATION

	Price	Chg	High	Low
Clarkson	2850.0	95.0	2900.0	1878.0
Fisher (James)	2095.0	109.0	2260.0	1672.0
Royal Mail	236.5	4.3	304.3	188.4
Signature Avi	324.9	0.0	406.0	258.8

LEISURE GOODS

	Price	Chg	High	Low
Games Workshp	5690.0	190.0	5845.0	2800.0

LIFE INSURANCE

	Price	Chg	High	Low
Aviva	415.8	9.7	438.8	352.3
Lancashire Hldgs	752.5	19.0	752.5	561.5
Legal & General	305.3	17.8	305.3	216.7
Phoenix Gp	729.2	1.8	745.5	551.6
Prudential	1388.0	19.0	1790.0	1279.5
St James Place	1148.5	29.0	1148.5	913.6
Std Life Aberdeen	315.0	4.9	322.3	231.1

MEDIA

	Price	Chg	High	Low
4imprint	3060.0	20.0	3130.0	1800.0
Ascential	360.8	15.0	411.0	319.0
Auto Trader Gp	573.8	36.8	606.0	436.2
Entertainment One	557.0	-0.5	589.0	336.4
Euromny Inst Inv	1288.0	30.0	1498.0	1132.0
Future	1362.0	-52.0	1572.0	465.0
Informa	805.0	29.6	892.0	605.8
ITV	152.6	8.4	152.6	103.6
Moneysupermkt.com	309.7	0.2	417.7	267.0
Pearson	660.0	13.6	1027.5	628.0
RELX	1804.5	-9.5	2011.0	1581.5
Rightmove Group	641.0	26.2	641.0	420.9
WPP	1023.0	37.8	1038.0	800.4

MINING

	Price	Chg	High	Low
Anglo American	2134.0	-24.0	2266.0	1666.6
Antofagasta	929.0	1.2	1022.5	738.0
BHP Group	1738.2	-5.4	2049.0	1563.0
Centamin	119.7	-2.1	152.3	79.8
Fresnillo	572.4	-18.0	1027.5	539.6
Glencore	225.8	-0.6	340.3	216.9
Hochschild Mining	156.3	-3.7	227.0	155.0
Kaz Minerals	534.8	5.6	738.4	380.3
Polymet Int	1165.0	-39.0	1272.0	772.6
Rio Tinto	4320.5	-28.5	4976.5	3643.0
Sirius Minerals	3.5	0.1	24.3	2.9

MOBILE TELECOMMUNICATIONS

	Price	Chg	High	Low
Vodafone Gp	146.2	1.9	165.2	123.3

NONLIFE INSURANCE

	Price	Chg	High	Low
Admiral Gp	2202.0	60.0	2300.0	1958.0
Beazley	543.0	10.0	628.0	492.6
Direct Line Ins	313.6	13.2	366.5	270.5
Hastings Gp Hldgs	178.1	0.8	231.6	167.9
Hiscox	1370.0	26.0	1777.0	1213.0
RSA Ins Gp	570.2	26.0	597.0	496.6

OIL & GAS PRODUCERS

	Price	Chg	High	Low
BP	462.4	-6.9	582.5	462.4
Cairn Energy	187.0	6.7	213.8	140.0
Energean Oil & Gas	923.0	7.0	1082.0	580.0
Premier Oil	95.0	6.3	106.2	55.6
Royal Dutch Shell A	2152.5	-32.5	2612.0	2144.5
Royal Dutch Shell B	2135.5	-30.5	2622.0	2126.5
Tullow Oil	67.8	7.1	250.0	39.9

OIL EQUIPMENT & SERVICES

	Price	Chg	High	Low
Hunting	402.0	13.8	657.0	363.8
Petrofac	393.3	-4.2	559.0	381.5
Wood Gp(J)	373.2	9.8	598.6	319.6

PERSONAL GOODS

	Price	Chg	High	Low
Burberry Gp	2120.0	60.0	2345.0	1623.5
PZ Cussons	196.6	4.2	227.0	178.6

PHARMACEUTICALS & BIOTECHNOLOGY

	Price	Chg	High	Low
AstraZeneca	7217.0	-58.0	7580.0	5325.0
Dechra Pharma	2690.0	30.0	3036.0	2022.0
Genus	3246.0	138.0	3246.0	2146.0
GlaxoSmithKline	1725.0	-19.2	1782.0	1436.0
Hikma Pharma	1890.5	-37.5	2200.0	1510.5

REAL ESTATE

	Price	Chg	High	Low
Assura	78.0	2.1	79.3	52.5
Big Yellow Gp	1175.0	55.0	1192.0	858.5
BMO Comm Prop	118.0	3.6	132.8	106.0
British Land	622.2	24.0	638.4	468.3
Captl & Count Prop	253.8	2.8	270.5	184.8
CLS Hldgs	298.0	0.0	298.0	204.0
Daejan Hldgs	5520.0	240.0	6160.0	4715.0
Derwent London	3938.0	206.0	3938.0	2779.0
Grainger	297.8	19.0	297.8	205.8
Grt Portland Est	863.4	20.0	863.4	649.4
Hammerson	295.8	5.8	388.4	203.9
Land Securities	1001.5	69.5	1001.5	735.4
LondonMetric Prop	229.0	6.2	241.2	172.7
NewRiver Retail	195.0	1.2	246.0	147.6
Primary Hlth Prop	151.4	5.4	152.0	108.4
Safestore Hldgs	772.5	33.5	778.0	506.5
Savills	1152.0	137.0	1152.0	678.5
SEGRO	868.0	26.4	894.0	585.2
Shaftesbury	951.0	44.0	979.5	739.5
St Modwen Props	480.0	24.5	480.0	373.0
TR Property IT	470.0	11.5	470.0	353.5
Tritax Big Box	144.5	0.4	159.7	130.0
UK Commercial Prop	89.2	3.9	92.7	79.9
Unite Group	1200.0	25.0	1251.0	797.5
Workspace Gp	1177.0	49.0	1177.0	789.5

SOFTWARE & COMPUTER SERVICES

	Price	Chg	High	Low
Avast	433.2	11.2	450.8	259.6
Aveva Gp	4542.0	120.0	4572.0	2284.0
Computacenter	1597.0	68.0	1605.0	952.0
FDM Group	996.0	27.0	996.0	647.0
Kainos Gp	692.0	72.0	692.0	430.0
Micro Focus Intl	1052.6	24.6	2160.0	1004.0
Playtech	386.1	5.6	457.7	360.5
Sage Group	732.4	7.4	820.4	567.0
Softcat	1112.0	18.0	1176.0	565.0
Sophos	551.0	-6.6	577.0	298.2

SUPPORT SERVICES

	Price	Chg	High	Low
Aggreko	830.0	2.0	855.2	693.2
Ashtead Gp	2313.0	-25.0	2450.0	1586.5
Babcock Intl Grp	631.4	34.0	631.4	416.7
Bunzl	2061.0	-9.0	2551.0	1943.0
Capita	175.5	15.7	175.5	99.9
DCC	6470.0	172.0	7496.0	5750.0
Diploma	1975.0	27.0	1975.0	1150.0
Electrocomp	671.4	29.8	729.8	480.0
Equiniti	211.0	5.4	236.2	186.2
Essentra	443.0	10.0	443.0	325.4
Experian	2447.0	-11.0	2631.0	1843.0
Ferguson	6652.0	2.0	7004.0	4800.0
G4S	215.9	7.9	234.3	168.3
Hays	177.4	9.0	177.4	135.7
Homeserve	1245.0	11.0	1266.0	849.0
Intertek Gp	5510.0	10.0	5962.0	4602.0
IWG	411.6	9.6	421.9	199.8
Network Int	588.0	9.0	628.0	513.0
Pagegroup	519.5	27.9	539.0	367.8
Paypoint	986.0	47.0	1118.0	748.0
Rentokil Initial	426.5	-8.4	467.8	319.0
Sanne Group	728.0	36.0	752.0	450.0
Serco	157.6	11.2	160.0	94.5
SIG	127.4	5.4	153.0	99.3
Travis Perkins	1625.0	83.0	1625.0	1012.0

TECHNOLOGY HARDWARE & EQUIPMENT

	Price	Chg	High	Low
Spirent Comms	223.5	7.0	223.5	112.8

TOBACCO

	Price	Chg	High	Low
Br Am Tob	3039.0	39.0	3197.5	2375.0
Imperial Brands	1765.2	81.2	2713.5	1668.2

TRAVEL & LEISURE

	Price	Chg	High	Low
Carnival	3312.0	6.0	4430.0	3056.0
Cineworld Group	206.1	-0.7	321.0	191.0
Compass Gp	1838.5	12.0	2138.0	1583.0
Dominos Pizza	305.9	5.0	309.8	221.2
easyJet	1470.0	108.0	1470.0	854.8
EI Group	283.2	0.2	285.0	176.8
FirstGroup	118.4	4.4	137.5	79.4
Flutter Ent	8882.0	12.0	8924.0	5525.0
Go-Ahead Gp	2126.0	175.0	2278.0	1480.0
GVC Hldgs	869.2	34.2	897.4	507.5
Intercontl Htls	4890.0	-16.5	5738.0	4230.4
Intl Cons Airl	629.4	72.8	667.6	413.5
Marstons	130.0	6.0	131.4	90.5
Mitchells & Butlers	466.0	33.5	470.5	238.0
National Express	462.0	14.2	473.0	361.4
PPHE Hotel Gp	1940.0	80.0	1990.0	1620.0
Rank Gp	270.0	23.5	270.0	135.0
Restaurant Grp	155.0	8.0	160.2	111.9
Stagecoach Gp	154.2	22.0	167.0	115.5
Wetherspoon (JD)	1616.0	134.0	1624.0	1066.0
Whitbread	4961.0	341.0	5114.0	3988.0
William Hill	182.7	12.6	205.2	132.3
Wizz Air Holdings	4013.0	143.0	4013.0	2722.0

AIM 50

	Price	Chg	High	Low
Abcam	1381.0	4.0	1500.0	1017.0
Advanced Medical	267.0	-0.5	354.5	225.0
Alliance Pharma	79.1	3.3	80.4	60.0
ASOS	2990.0	80.0	4066.0	2107.0
Blue Prism	974.5	-18.5	1472.0	788.0
Camellia	8950.0	-75.0	11750.0	8600.0
Caretech Holdings	398.0	9.0	405.0	325.0
Central Asia Metals	220.0	6.0	266.5	180.0
Clinigen Group	865.5	16.5	1069.0	721.0
CVS Group	1063.0	28.0	1105.0	395.0
Dart Group	1579.0	79.0	1579.0	709.5
Diversified Gas & Oil	102.0	1.0	116.5	97.0
Draper Esprit	486.0	-1.0	548.0	410.0
Eland Oil & Gas	165.4	0.0	165.4	101.0
EMIS Group	1106.0	22.0	1242.0	864.0
Fevertree Drinks	2090.0	-8.0	2475.0	1732.5
First Derivatives	2735.0	85.0	3555.0	2050.0
Frontier Devs	1228.0	42.0	1254.0	740.0
Gamma Comms	1235.0	30.0	1275.0	730.0
GB Group	738.0	16.0	738.0	420.0
Gooch & Housego	1325.0	10.0	1527.5	954.0
Hurricane Energy	33.2	3.0	53.6	29.8
Impax Asset Mgmt	362.5	32.5	362.5	184.0
Iomart Group	363.5	16.5	398.0	308.0
IQE	49.4	0.2	98.0	41.8
James Halstead	530.0	8.0	532.0	420.0
Johnson Service Gp	196.0	8.0	196.0	114.0
Keywords Studios	1400.0	81.0	1838.0	900.0
Learning Tech Gp	122.4	3.4	130.0	62.2
M&C Saatchi	110.0	1.0	394.0	79.0
M.P. Evans	725.0	46.0	725.0	612.0
Majestic Wine	215.0	2.0	318.0	213.0
Midwich Group	600.0	20.0	633.0	474.5
Mortgage Advice B	716.0	4.0	726.0	546.0
Next Fifteen Comm	491.0	21.0	658.0	465.0
Nichols	1582.5	7.5	1880.0	1350.0
Numis Corporation	289.0	32.5	289.0	212.0
Polar Capital Hdgs	536.0	-4.0	604.0	450.0
Purplebricks Gp	115.0	10.0	132.0	96.0
Redde	106.6	2.0	127.6	100.6
Renew Holdings	495.0	38.0	495.0	333.0
RWS Holdings	622.0	-15.0	670.0	450.0
Scapa Group	234.0	0.0	403.0	157.0
Secure Income REIT	420.0	4.0	454.0	371.0
Serica Energy	123.0	6.0	143.4	103.6
Smart Metering Sys	580.0	9.0	665.0	310.0
Telford Homes	349.5	0.0	358.0	267.0
Thorpe (F.W.)	323.0	12.0	340.0	248.5
Watkin Jones	235.5	1.0	243.0	199.0
Young's Brew NV	1260.0	35.0	1260.0	1030.0
Young's Brew-A	1640.0	70.0	1885.0	1322.5

EU SHARES

	Price	Chg	High	Low
ADIDAS	278.60	0.40	296.35	180.10
AIR LIQUIDE	123.75	0.90	130.80	102.40
ALLIANZ AG	219.70	1.45	223.80	172.16
AMADEUS IT GROUP	72.66	1.14	72.76	42.30
ANHEUSER BUSCH INBEV	70.21	0.11	92.71	57.35
ASML HOLDING NV	259.85	4.40	255.45	130.88
AXA	24.78	0.02	25.38	18.54
BANCO SANTANDER	310.25	-2.05	402.00	295.05
BASF	68.38	0.29	74.49	56.20
BAYER AG	71.01	1.21	72.81	52.53
BMW	75.87	1.06	77.75	58.70
BNP PARIBAS	52.05	0.40	51.65	38.55
CRH	2985.00	-5.00	3014.00	1971.50
DAIMLER	50.63	0.71	59.31	40.53
DANONE	73.38	0.02	82.00	60.28
DEUTSCHE POST AG	34.62	0.40	34.44	23.72
DEUTSCHE TELEKOM	14.76	-0.02	16.25	14.10
ENEL	6.92	0.08	6.98	5.01
ENGIE	14.59	0.09	15.12	12.02
ENI	13.60	-0.05	15.94	13.04
ESSILORLUXOTTICA	128.75	0.00	128.75	128.75
FRESENIUS MEDICAL CARE	65.96	0.62	76.32	56.64
IBERDROLA	9.00	0.09	9.54	6.02
INDITEX	30.55	0.39	32.37	2.55
ING GROEP NV	10.70	0.06	12.05	8.34
INTESA SANPAOLO	2.33	-0.02	2.38	1.83
KERING	562.00	10.00	552.00	380.70
KON KPN NV	2.61	-0.01	2.96	2.47
L'OREAL	256.30	0.00	265.00	195.25
LVMH MOET HENNESSY	403.80	5.60	408.65	243.65
MUENCHENER RUECKVE	263.90	0.10	263.80	186.25
NOKIA	21.88	0.00	21.88	21.88
ORANGE	13.28	-0.10	15.01	13.15
ROYAL PHILIPS	42.52	0.04	44.34	29.10
SAFRAN	144.75	-0.90	149.90	100.70
SANOFI	89.15	0.64	88.51	72.24
SAP SE	124.16	2.04	124.38	85.79
SCHNEIDER ELECTRIC	92.50	0.48	92.02	57.58
SIEMENS AG	117.78	-0.10	117.94	85.00
SOCIETE GENERALE	30.30	0.19	30.21	21.13
TELEFONICA SA	6.73	0.03	9.18	5.94
TOTAL	47.82	0.20	52.27	43.18
UNILEVER NV	54.18	0.41	57.56	46.03
VINCI	98.26	0.00	102.40	70.50
VIVENDI	25.21	0.23	26.42	20.97
VOLKSWAGEN AG	183.30	3.72	183.46	136.26

CRYPTO A.M. DAILY POWERED BY BEQUANT

CRYPTOCURRENCIES

Name	Price (USDT)	(24h)
Bitcoin (BTC)	$ 7,178.05	-0.61%
Ethereum (ETH)	$ 143.85	0.21%
Ripple (XRP)	$ 0.21	0.37%
Bitcoin Cash (BCH)	$ 209.17	-0.38%
Litecoin (LTC)	$ 44.23	0.15%
EOS.IO (EOS)	$ 2.59	-0.63%
Bitcoin SV (BSV)	$ 93.31	-0.15%
TRON (TRON)	$ 0.01	-1.61%
NEO (NEO)	$ 8.87	-1.18%
Cardano (ADA)	$ 0.03	-0.41%
CryptoCompare Large Cap Index		1.49%
CryptoCompare Small Cap Index		1.22%

Market	$195,499,512,068	
Bitcoin Volatility		-1.00%
Bitcoin Volume on BEQUANT Exchange (USDT)	124,058,068	

Sources: Bequant.io, CryptoCompare.com
Prices and data are correct as of 11:00, 15.12.2019
Crypto AM features in City AM every Tuesday.
Previous Editions:www.cityam.com/crypto-insider
Read more at: https://bequant.pro/cityam

CRYPTO & COFFEE

It was yet another week of a less than an impressive performance by Bitcoin and its major peers. On the week, Btc is set to close down around 5%, while Stellar is down over 8% and to add to its misery, it was displaced by Tezos out of top-10 ranking.

Interest in staking and DeFi is showing no signs of abating. There is now over 2.7mln Eth locked in DeFi ecosystem, while Tezos is up over 40% over the last 30 days, compared to broadly negative market. Looking elsewhere, the narrative that next year's block reward halving by Bitcoin has been priced-in has been put in the spotlight.

At the time of writing, the futures curve was indicating that Jun20 contract was trading at a 4.3% annualised basis. This compares to 3% for the Mar20 contract. Looking at the options skew, the sentiment has turned more bearish over the next 1 to 3-months period, while further out, the sentiment is much more bullish.

As a reminder, last week it was revealed that Bitmain's revamped sales strategy includes offering its larger customers a put option, which would allow customers to sell bitcoin at a price of $5,000 on March 27.

US SHARES

	Price	Chg	High	Low
3M	168.79	0.23	219.50	150.74
ABBOTT LABORATORIES	86.35	0.38	88.74	65.56
ADOBE INC	317.94	11.98	311.27	205.16
ALPHABET NON VTG-C	1347.83	-2.44	1350.27	976.22
ALPHABET-A	1346.87	-1.62	1348.49	1116.79
AMAZON.COM	1760.94	0.61	2020.99	1343.96
AMERICAN EXPRESS	124.72	2.08	128.57	89.50
APPLE INC	275.15	3.69	271.46	142.19
AT&T	38.26	-0.09	39.63	27.36
BANK OF AMERICA	34.44	-0.24	34.68	22.73
BERKSHIRE HATHAWAY	225.37	-0.55	225.92	187.76
BOEING CO	341.67	-4.62	432.69	294.16
CATERPILLAR INC	145.53	-1.25	148.16	113.38
CHEVRON	117.96	-0.85	126.54	100.99
CISCO SYSTEMS	45.30	-0.37	58.05	40.28
CITIGROUP	76.39	-0.66	77.05	49.26
COCA-COLA CO	54.42	0.28	55.77	44.69
COMCAST	43.58	0.57	46.97	33.07
DOW	53.28	-1.17	66.65	40.71
EBAY INC	35.48	0.17	41.57	26.14
EXXON MOBIL	69.23	-1.11	83.38	65.51
FACEBOOK	194.11	-2.64	204.87	174.60
GOLDMAN SACHS GROUP	225.00	-1.05	226.05	156.35
HOME DEPOT INC	214.08	2.04	238.85	158.14
HONEYWELL INTERNATIONAL	176.98	-0.41	182.01	124.83
IBM	134.21	-1.11	151.36	107.57
INTEL	57.79	0.24	58.90	43.46
JOHNSON & JOHNSON	141.38	0.04	144.24	122.84
JPMORGAN CHASE & CO	136.81	-1.21	138.02	92.14
MASTERCARD INC	296.09	3.88	292.23	174.65
MCDONALD'S	197.12	0.81	221.15	170.28
MEDTRONIC	113.52	1.14	113.09	82.45
MERCK & CO	89.19	-0.38	89.57	71.15
MICROSOFT	154.53	1.29	153.24	94.13
NETFLIX	298.50	0.06	385.03	233.88
NIKE INC	97.77	0.05	97.72	67.53
ORACLE	54.51	-1.96	60.15	42.69
PAYPAL HOLDINGS	107.65	1.98	121.30	96.64
PEPSICO	137.94	0.76	140.28	118.61
PFIZER INC	38.33	-0.21	44.40	34.24
PROCTER & GAMBLE	125.47	0.90	124.94	87.36
TRAVELERS COMPANIES	135.66	0.05	154.83	112.63
TWITTER	30.39	0.09	45.42	28.89
UNITED HEALTH GROUP	285.48	1.87	283.61	215.26
UNITED TECHNOLOGIES	149.07	-0.34	149.41	102.06
VERIZON COMMUNICATIONS	60.81	-0.36	61.23	53.05
VISA	185.14	2.50	185.74	168.86
WALGREENS BOOTS ALLIANCE	57.88	-0.70	76.05	49.29
WALMART	120.29	0.53	120.98	85.82
WALT DISNEY CO	146.38	-1.38	151.64	100.35
WELLS FARGO & CO	53.79	-0.57	54.46	43.38

COMMODITIES

Gold	1472.40	+6.18	Copper Cash Official	6096.00	+13.25
Silver (Pence)	1686.50	+20.50	Aluminium Cash Official	1754.75	+3.50
Silver (Cents)	1280.00	+13.00	Nickel Cash Official	13805.00	+272.50
Krugerrand	1483.64	-17.49	Aluminium Alloy Cash Official	1385.00	-15.00
Brent Crude	64.20	+0.48	Natural Gas	38.14	+2.14
Platinum	940.00	+14.00	Tin Cash Official	17180.00	-242.50
British Sovereign	346.71	-4.00	Zinc Cash Official	2228.50	+7.00
Lead Cash Official	1919.00	+16.50	White Sugar	354.30	+2.40

TOURIST RATES

Canada	1.6822	New Zealand	1.8874
Croatia	8.0744	Norway	11.57
Czech Republic	28.18	Poland	4.5276
Denmark	8.5432	Singapore	1.6922
Hong Kong	9.934	Sweden	11.99
Iceland	145.38	Switzerland	1.2545
India	83.56	Turkey	7.381
Israel	4.2018	United States	1.2808

WORLD INDICIES

	Price	Chg	%Chg		Price	Chg	%Chg
FTSE 100	7353.44	+79.97	+1.10	S&P 500	3168.80	+0.23	+0.01
FTSE 250	21507.79	+714.76	+3.44	Dow Jones I.A	28135.38	+3.33	+0.01
FTSE All-Share	4095.03	+61.62	+1.53	Nasdaq Composite	8734.88	+17.56	+0.20
FTSE AIM All-Share	917.71	+18.38	+2.04	Xetra DAX	13282.72	+61.08	+0.46

	Price	Chg	%Chg		Price	Chg	%Chg
CAC 40	5919.02	+34.76	+0.59	Hang Seng	27687.76	+693.62	+2.57
Swiss Market Index	10429.27	-22.09	-0.21	Nikkei	24023.10	+598.29	+2.55
ISEQ Overall Index	7189.03	+113.39	+1.60	STI Index	3214.05	+19.38	+0.61
FTSEurofirst 300	1607.54	+14.16	+0.89	ASX All Ordinaries	6844.60	+33.80	+0.50

FORUM

EDITED BY RACHEL CUNLIFFE

This iteration of Labour has no chance of ever winning again

Rachel Cunliffe
Comment and features editor at City AM

"WINNING is the small bit that matters to political elites who want to keep power themselves." These words, tweeted in July 2016 by Corbynista activist Jon Lansman, summarise with chilling clarity the state in which Labour now finds itself.

Still reeling from its worst election result since 1935, the buoyancy of the Labour campaign has descended into a scramble.

Why did the cultish appeal of Jeremy Corbyn in 2015 disintegrate so spectacularly? How could a gaffe-prone, media-dodging Tory Prime Minister redraw the electoral map and turn vast swathes of Labour-land blue? Why didn't the constant refrain that the Conservatives would sell the NHS to Donald Trump scare voters into Labour's arms?

It will take a generation to fully work out what went wrong, but for now, Labour has just one question to answer: where does it go from here?

You might have thought that an electoral defeat of this scale would necessitate some full-on existential soul-searching and a top-to-bottom rethink of the party's agenda.

Worryingly — for anyone who supports Labour or who simply believes in the importance of a robust opposition — such contemplation has not been forthcoming.

In a rambling post-election op-ed for The Observer, Corbyn barely even acknowledged that Labour had lost. It took him until the penultimate paragraph to finally admit "we have suffered a heavy defeat, and I take my responsibility for it". And that was after naming a plethora of other culprits: Conservative falsehoods, confusion about Brexit, and attacks from the billionaire-funded media.

Nowhere does he accept how his personal unpopularity repelled voters, even as dozens of Labour candidates and campaigners are coming forward now to share their conversations on the doorstep with former supporters who could not stomach the thought of the party leader heading to Downing Street.

John McDonnell, who has announced that he will stand down as shadow chancellor, has taken a clearer-eyed view. On the Andrew Marr Show yesterday, he admitted: "I own this disaster.... If anyone's to blame it is me. Full stop."

This has been taken as an attempt by McDonnell to fall on his own sword as the clique that Corbyn has spent four years building turns on its former figurehead.

Already, there are whispers of behind-the-scenes Labour heavyweight Karie Murphy and trade unionist Len McLuskey, until Friday two of Corbyn's top cheerleaders, hatching a plan to lay the blame squarely on their erstwhile idol.

Why? Because the operation to replace him with a "Continuity Corbyn" candidate has already begun.

What Corbyn's op-ed, McDonnell's interview, and the Murphy-McLuskey rumours have in common is that their fingers all point away from the car crash that was the Labour platform itself.

While beyond the party jokes have been flying about Michael Foot's doomed 1983 manifesto now being only the second longest suicide note in history (Labour lost 45 seats then, compared to 59 this time), those within seem blind to how disastrously their offering landed. Free broadband, mass renationalisation, attacks on business and the City, and eye-watering spending splurges all failed to have the desired impact.

> **Those within the party seem blind to how disastrously their offering landed**

Maybe the electorate saw through the dodgy number-crunching. Maybe voters understood that ending austerity and investing in public services didn't have to mean a giant power-grab by the state. Maybe most people — the vast majority of whom work in the private sector — don't have the same visceral distrust of business, profit, and the drive for success that the Labour agenda assumed.

Yet there is a kind of collective delusion at the top of Labour that the policies themselves were not the problem. Read Corbyn's op-ed ("We have won the arguments... our policies are popular") and you would think that the small matter of losing the actual election was barely worth mentioning.

McDonnell, meanwhile, has tipped shadow business secretary and faithful Corbyn ally Rebecca Long-Bailey as the next leader. She is, according to reports, the favoured successor for Murphy and McLuskey too, and enjoys the support of the far-left Momentum group that kept Corbynmania raging — even as he steadily lost the trust of Labour MPs.

In fact, the whispers of Long-Bailey paving the way for "Corbynism without Corbyn" have been rustling long before this election was even called. Like him, she is considered to favour maintaining the purity of a socialist project over the messy business of actually presenting a winnable election offering.

Labour does not have to go down this road. It has talented, pragmatic MPs who can help it escape from its echo chamber. Jess Phillips is a firebrand who has been standing up against Corbynism for years, at great personal cost, while Yvette Cooper served under two Labour Prime Ministers (back when such a thing existed) and would bring two decades of parliamentary experience to the party leadership.

It is clearly going to take years for Labour to recover from such a staggering defeat. But it cannot even begin that journey until the party recognises one fundamental fact: in politics, "winning" is not a secondary priority, to be pushed aside in favour of ideological purity.

Winning is, in fact, all that matters. It is the height of elitism to claim otherwise. And a party that doesn't understand that has no chance of ever winning again.

Well done, Boris — now it's time to fix the UK's infrastructure and access to talent

Catherine McGuinness

NOW THAT the dust has settled on last week's election, the new Conservative government led by Boris Johnson faces the urgent task of getting on with delivering a programme that benefits households and businesses across the UK.

Christmas may be around the corner, but the hard work starts now.

The City of London Corporation will engage with the government and other mainstream political parties — as well as Nickie Aiken, the new Cities of London & Westminster MP, who is well known to us from her time as leader of Westminster City Council — to ensure the prosperity of the Square Mile, London, and the whole of the UK.

For the City, the three key priorities are Brexit, infrastructure, and access to talent.

"Get Brexit done" was a recurring slogan during the election campaign. Putting this into practice will be easier said than done, but the government is right to focus on breaking the Brexit deadlock to provide the clarity that people have craved since the 2016 referendum.

It is crucial to remember, though, that there is still a long road ahead, even if a withdrawal deal is passed.

For the City, it is vital that the future framework agreement recognises the enormous contribution of the services sector, securing maximum market access and developing a structure for the UK economy to prosper in the years ahead.

Services are the lifeblood of the UK economy and vital to its growth. Politicians across the spectrum should recognise that financial and professional services make a significant contribution, employing 2.3m people across the country — two thirds outside of London. The sector's exports across the globe hit a record high of £82bn last year.

A positive future trading relationship with the European Union, as well as other markets across the globe, is vital so that firms can make long-term decisions on investment and recruitment with confidence.

Of course, Brexit is not the only challenge facing the country.

The UK's future success depends on attracting, retaining, and developing high-quality talent.

A critical issue is creating a world-class visa system that works reliably, robustly, and rapidly to meet demand for talented individuals. Firms need to get the right people to the right location at the right time, and talented workers from overseas also need to perceive the UK as a welcoming environment.

As well as attracting international talent, the government must look closer to home to supercharge our own skills agenda, making sure that no one is left behind amid unprecedented technological and social change.

Finally, another key priority must be major investment in infrastructure across the country — including the capital. The government should reaffirm its commitment to delivering Crossrail 2 to reinforce London's position as a world-renowned and accessible business centre.

Improved connectivity will not only strengthen the UK's position as a world-leading business hub, but also help create greater shared prosperity across the country.

Our politics has become increasingly divisive and partisan in recent years. Following this election, I hope that parliament can work together to ensure that this new chapter brings some much-needed stability and a positive vision for the City, London, and the UK.

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

LETTERS TO THE EDITOR

What's next for the markets?

[Re: Top Dog — Tories redraw the political map]

With this result, one big piece of uncertainty has gone, although a whole cloud of uncertainty still remains.

Prospects for the UK are certainly better, when compared to the paralysis we have seen for a number of years. However, it is not one leap and we are free. The result removes the uncertainty over getting Brexit done, but the country now faces a new set of challenges as we enter an intensive period of negotiations over our future trading relationship with Europe.

The next key date is July 2020 and the deadline for requesting an extension to the transition period. While it is highly likely that we will get a free trade agreement, hard negotiations remain, especially in key areas such as services, agriculture, and fishing.

Looking at markets, sterling jumped immediately following the exit poll, although we have not seen a dramatic rise to pre-referendum levels, reflecting fundamental weaknesses remaining in the UK economy.

The big question for international investors is whether they decide to close the gap in underweight positions in the UK. I see a fair wind for this move, with a trade deal looking promising and recession fears receding.

This is a positive end to the year for the UK, and we could see a short-term rally. However, there remains longer-term fundamental weakness in the UK economy, with interest rates on hold and unlikely to change, especially as all eyes will be on who will be the new Bank of England governor.

We expect investors to remain cautious with the wall of investment remaining on the sidelines over the coming period.

Steven Bell, chief economist, BMO Global Asset Management

BEST OF TWITTER

You have to admire the sheer chutzpah of causing Labour's biggest loss since 1935 then writing an article which includes the sentences "there is no doubt our policies are popular" and "patronising [voters] will not win then over" in close proximity
@AdamWagner1

I've run dozens of user-testing sessions for websites / software. We put people in front of a computer and ask them to complete tasks. If they can't do the task or say "this website is rubbish" we don't call them idiots. We take notes to use to improve the website/software.
@martinxo

The Lab Right should recognise the explicit anti-austerity stance advocated by the Lab Left resonated far better than the tepid 2015 manifesto. The Labour Left should recognise many people who agreed with the above position refused to vote Labour, mainly citing the leadership
@jreynoldsMP

And here we are, stuck in the middle with you?
@youngvulgarian

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

Britain must invest to remain a leader in quantum technology

BRITAIN has a long and illustrious history in the field of computation and information processing, dating back to the great Alan Turing.

However, it may miss a unique opportunity to build on this great legacy unless future governments commit to maintaining the country's momentum as a global leader in quantum computing – the next and most exciting technological frontier.

During the General Election campaign, the major parties' manifestos all acknowledged the transformative potential of innovation and technology for our economy and society.

In general, everyone agrees that innovation and tech are key to national progress, and will make aspirations for health, education, security, and farming infinitely more achievable.

But it seems as though quantum and (more specifically) the translation of this technology into commercial businesses – which can propel so many areas of the UK economy – was left out of the manifestos.

While the UK government was early to understand the importance of this technology and has committed more than a billion pounds to fund research in the field, Britain could fail to fully exploit the commercial potential of British-born quantum tech.

In October, the White House was quick to take credit for its role in helping Google achieve the major breakthrough of using a quantum computer to carry out a calculation far beyond the ability of today's most powerful supercomputers. This significant landmark came less than a year after President Trump's authorisation of a major $1.2bn, five-year investment programme in US quantum research.

This investment in quantum tech has been mirrored by both the Chinese government and the European Commission, each of whom have committed billions to research programmes.

Britain remains home to world-class universities and is a hub for many of the best and brightest academic minds. We must ensure that the talent being developed through our universities continues to have the best opportunities for investment and development in the UK. And providing more seed capital and more commercialisation support to entrepreneurial scientists and their ventures is also essential.

So far, at least 19 quantum technology companies have secured funding or generated revenues in the UK. The Quantum Technology Enterprise Centre (QTEC) alone has enabled the creation of more than a third of these. It has acted as a successful accelerator for a total of 17 cutting-edge technology companies since 2017.

> **We urge our new government to continue to support British science**

These companies include the likes of FlouretiQ, which some readers may recognise from a recent Ted Talk on the battle against superbugs; KETS and Nu Quantum, which are leading the way in quantum encryption; and QLM, which is using quantum technology to detect the lowest concentrations of natural gas leaks.

In fact, QTEC's unique approach has achieved a 70 per cent success rate in translating research-driven ideas into funded or revenue-generating businesses within six months of finishing our year-long programme.

QTEC is proud to have already played a meaningful role in helping to establish Britain as a pacesetter in quantum technologies. Our achievements, and the development of these cutting-edge companies, would not have been possible without a bold government decision back in 2016 to help establish QTEC with £4.4m of funding.

However, with other countries now committing increased investment and resources into this area, it is imperative that we collectively seize this once-in-a-lifetime opportunity to capitalise on research breakthroughs.

We urge our new government and policymakers to continue to recognise the importance of investing to support British science and in particular its translation to commercial enterprises. This will ensure that Britain remains a global leader in quantum innovation for decades to come.

Dr Claudio Marinelli and Yuri Andersson are entrepreneurs in residence at QTEC.

DEBATE

After the Tories' landslide victory, will the next election be about something other than Brexit?

YES

JOHN OXLEY

The Conservatives fought this election to effect Brexit. With a majority as strong as this, they will achieve that next month and not fight an election for five years – unless they sense victory in an earlier poll.

When that vote does come, we will have been out of the EU for years. There will be no politically credible way of reversing that. Unless the Tories somehow fail to get Brexit done, the country will have moved on.

The voters who go to the polls next time round will have everything else on their mind.

They will think about whether the Conservatives delivered the police, nurses, and hospitals that they promised. They will consider who they feel has made them and their families better off, and who will be the best guardian of public services.

Of course, these thoughts cannot be wholly disentangled from our decision to leave the EU. The transition will affect many areas of life.

But we can at least look forward to the post-Brexit election.

John Oxley is a Conservative commentator.

NO

BEN LOEWENSTEIN

Simply put, Brexit is now the cockroach of British politics.

We may be sick of talking about it, but Brexit was a major reason why voters invited the Tories behind Labour's so-called red wall to listen to what they had to say.

Whether Brexit goes boom or bust, in five years' time those voters will still be Brexiters.

So imagine, if you are Boris Johnson and your opponent's supporters actually agree with you on the most prominent and polarising question of a generation. Why would you change the subject?

Brexit is also embedded in just about every major challenge that we as a nation are likely to face.

Come the next General Election (presumably in 2024), we will still be negotiating trade deals, the NHS will still receive less than the £350m per week extra that the bus promised, and the economic climate we are in will have been shaped by the political decisions made when unshackling ourselves from all those nasty EU laws.

Ben Loewenstein is a political consultant.

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ENTREPRENEURS

DOWN TO A PINE ART

Katherine Denham meets two women who quit their City jobs to set up a floral design studio

INSIDE the hustle and bustle of The Ned, I eventually find Lil Caldwell and Mary Wood tucked away in the comparatively quiet Library Bar. The co-founders of floral design studio Grandirosa are sat on cosy sofas, and Wood, who is currently on maternity leave, has her sleepy three-month-old baby in her arms.

Judging by the way they finish each other's sentences, I can tell immediately that this pair have been friends for a long time. And there is a good reason why we are in The Ned too, because the florists have installed a gigantic 18-foot Christmas tree in the main hall, having worked through the night so that it was ready for guests when they woke up.

It was also at The Ned where the pair got their first big break back in 2017, having quit their City jobs just a few months prior to focus on Grandirosa full-time.

Before committing to the new business, Wood had worked in marketing for Cancer Research UK, while Caldwell had been a lawyer at Freshfields for 10 years. "It is an amazing firm and I worked on extremely high-profile cases, and with top people in the industry," she tells me. "It was great to be a part of that, and their standards are so high. But I just felt that I wasn't doing something that I really loved."

So how did they make the leap from these sturdy, rather conventional careers to building a firm centred on the frivolity of flowers?

Caldwell tells me that something twigged on her wedding day.

"The only time I got remotely emotional was when I saw the flowers," she says, admitting that she had always been quite arty, but ended up taking a more traditional career path. "I eventually decided to do a floristry course, and my employers were kind enough to let me take a month off. I don't think they were expecting me to come back and eventually want to do it full-time," she laughs.

With the seeds now sown, Caldwell spent the following 18 months working in a floristry shop every Saturday, while doing her day job during the week. "I mean, you can say that you like floristry, but then there is the reality. And I'll be completely frank: people think you just arrange flowers all day, but it is hard graft."

Her first big job was to organise the flowers for a friend's wedding, but working a 60-hour week and travelling abroad for conferences made it all pretty frantic. In the end, Caldwell asked for Wood's help.

"I was like 'sure, you can put a few flowers in my house', but I didn't realise my entire living room would be completely covered in them," says Wood, chuckling.

"It really went from there, and then we just decided to do a few more private weddings together."

Co-founders Lil Caldwell and Mary Wood

The pair eventually upgraded from Wood's living room to Caldwell's shed, and they now operate from a studio in Hackney.

In just three years, Grandirosa has worked with clients across the hospitality, luxury, and fashion sectors, including Annabel's club in Mayfair, Burberry, and Net a Porter.

The entrepreneurs also won both the Gold Award and the People's Champion Award at this year's Chelsea Flower Show for their sustainable installation, on behalf of John Lewis and Edinburgh Gin.

Did they ever have any regrets? Wood admits they had some doubts early on, which is partly why they operated out of the shed for such a long time before committing to a studio.

"We were leaving our jobs, so there was a big risk. We didn't think we could take that overhead of a studio straight away, as we just didn't have the confidence. But in the end, it didn't feel like a big decision because we thought it would work out — we had one big conversation where we decided to go for it."

Wood says that one family friend questioned their decision to leave their secure jobs, particularly during such an uncertain time.

Annabel's Jungle Party at the Berkeley Square club and an installation above the entrance to Fenwick on Bond Street

Caldwell adds: "We are the most risk-averse people in the whole world, so we wanted to test the water in the beginning. There is the safety of having your career, but there is also wanting to build something that you love. Law is an amazing career and I enjoyed it, but for me personally, it was missing something."

The risk certainly seems to have paid off, with Caldwell's husband Stuart quitting his engineering job to work full-time with Grandirosa. And the pair admit that Stuart has been particularly helpful when it comes to installing the huge facades.

"Even when something steps outside of our comfort zone structurally, he makes us feel like it can be done," says Wood.

And Caldwell says it has made clients feel safe knowing that everything — even down to the structural aspects — had been thought through.

"Obviously floristry is about making things pretty, but the type of floristry we do — the big installations and events — it's less about beautiful bouquets and more about the wow factor. While there is a lot of smoke and mirrors, it has to be airtight and super safe."

Floristry isn't necessarily known for being a disruptive industry, but the pair have arguably won these big contracts because they have been bold in their creations, offering something a bit different.

And for anyone thinking of quitting their day job to pursue their side hustle, you can take inspiration from these two. They certainly know how to brighten up a room — with or without 4,000 fairy lights.

MARKETING

BEST AND WORST ADS OF 2019

Luke Graham looks back at the highs and lows of campaigns in the past 12 months

IT HAS been a year of highs and lows for adland. PRs, creative agencies, and brands will be examining their advertising efforts this month, and while some will be pleased with their work, others will be looking to improve next year.

To help with this process, I asked members of the marketing industry and other experts for their opinions on the best, worst, and most memorable campaigns of 2019.

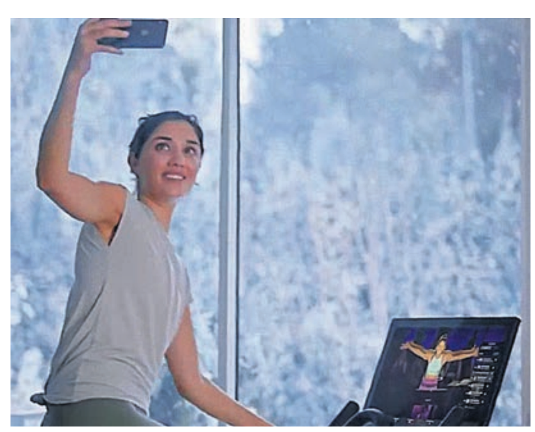
BIGGEST SUCCESS
GREGGS' VEGAN SAUSAGE ROLL

The bakery brand launched a Quorn-filled sausage roll in January. The new product proved wildly popular, and has helped Greggs' share price surge more than 60 per cent year-to-date.

But why was this campaign so successful? According to James Douglass, a public relations consultant, it was because Greggs tapped into the zeitgeist of 2019: manufactured outrage.

"2019 has been a year of outrage, and the vegan sausage roll went viral all over social media precisely because it got people frothing at the mouth," he says. "Dim carnivores — apparently unaware that they wouldn't actually be held down and force-fed — took to Twitter to scream inchoate rage (for example: 'IT'S NOT A 'SAUSAGE' ROLL THEN, IS IT?'), while the mischievous (or simply curious) reviewed them with varying responses. The bakery brand's Twitter feed, gently teasing detractors rather than offering supine apologies, kept the argument raging.

"And loads of people tried one, even those who had never before considered either vegan food or Greggs."



DAMPEST SQUIB
GILLETTE'S 'THE BEST MEN CAN BE'

Also released in January, razor giant Gillette's advert attempted to challenge sexism and toxic masculinity, and demanded that its male customers step up and behave better.

While the ad received praise for its bold stance, it was also divisive, and did nothing to boost the brand's sales. Shazia Ginai, chief executive at research firm Neuro-Insight, has some thoughts as to why the ad ultimately failed to make a significant impact on its target audience.

"Men experienced approach when watching the ad (which means that they liked the message), but personal relevance levels were low, showing that they didn't actually identify with the issues explored," she explains.

"The results bring home the reality for advertisers that making an impact on your target audience (especially when it comes to driving bottom-line sales) isn't as simple as it seems — even if the ad does get people talking on social media."

BEST ADVERT
RENAULT CLIO'S '30 YEARS IN THE MAKING'

In November, Renault released a touching video to promote its new Clio model. To mark the evolution of the car's design over 30 years, the ad charts a love story between two women.

"Less of an advert and more of an indie short film, it is impossible to watch this video without tearing up," says Rachel Cunliffe, comment and features editor at *City A.M.*

"At just two minutes and 10 seconds, '30 Years In The Making' manages to pack in three decades of a cross-border lesbian love story: from first meeting on a school exchange trip, to heartfelt teenage experimentation, a harrowing coming out scene, an ill-advised wedding, through to the joyous happy ending where the couple reunite and run away together — in a Renault Clio, of course.

"Will it make me want to buy the car? Possibly not. But only a few years ago, queer relationships like this just weren't shown in adverts, certainly not for mainstream products (that, in the case of the Clio, are clearly intended to represent 'the family').

"As a queer woman, this advert makes me deeply proud, and more than a little emotional, to see how far we've come. I challenge anyone to watch it with dry eyes."

PRIZE FOR SNATCHING VICTORY FROM THE JAWS OF DEFEAT
INNOCENT'S CONKER MILK

In October, smoothie maker Innocent got into trouble after promoting a fake product called Conker Milk. It was intended as a joke, but users on social media quickly pointed out that milk made from conkers is poisonous.

Innocent was forced to admit its mistake, but the way it handled the fallout was applauded.

"Being creative comes with its highs and lows, and ideas aren't always received in the way they were intended," says James Wood, creative director and co-founder of ShopTalk. "When Innocent launched its joke Conker Milk on social media as part of a light-hearted campaign to promote its real alternative milks, it found itself in choppy waters.

"But Innocent dealt with the backlash admirably and in a playful, 'innocent' way, never coming out of character. The brand said: 'We made a mistake. Now we're trying to put things right. Please do not eat or milk conkers'. The campaign probably reached more people than it could have originally hoped for. Good on Innocent for pushing creative ideas and staying true to its brand."

WOODEN SPOON FOR SEXISM
PELOTON'S CHRISTMAS AD

A tough competition this year. It looked like it would be between Volkswagen and Philadelphia, after the Advertising Standards Authority banned adverts from both in August because they depicted harmful gender stereotypes of women and dads.

But Peloton stole the prize with a late entry in December. The 30-second ad, which shows a woman receiving an exercise bike from her husband, sparked a fierce backlash, and was labelled not only sexist but actually dystopian.

"Peloton really made a hash of its latest ad: it's old fashioned, tone deaf, and cringeworthy," says Ash Bendelow, managing director of creative agency Brave. "Some have questioned whether the brand intentionally caused controversy with this ad under the mantra that 'no news is bad news'. I find this hard to believe. No brand would knowingly and deliberately cause itself a nine per cent drop in share price overnight. Chief executives get fired for less than that.

"The lazy stereotypical interpretation seems to stem from such an overzealous salesman's focus on the 'product' and 'gift-giving' that it failed to see the blindingly obvious PR-disaster elephant in the room."

WORST SPEND
THE UK GOVERNMENT'S 'GET READY FOR BREXIT'

In August, the government unveiled its "Get Ready for Brexit" campaign urging people and businesses to prepare for leaving the EU on 31 October.

That date came and went... and the UK had not left the EU. Figures released in October revealed that the Cabinet Office had spent almost £5m on the campaign in just one month. Not exactly an efficient use of taxpayer money.

"'Are you ready for Brexit?' the billboards demanded of us. 'Not really. Are you?' was surely a response felt by many," says Alex Blyth, editorial director and co-founder of Red Setter PR.

"How many people did it inspire to review their preparedness? What exactly were they meant to have done? If the Tories succeed in 'getting Brexit done' in January, we're going to need every penny we can find — let's hope that we won't see a rerun of this total waste of public funds."

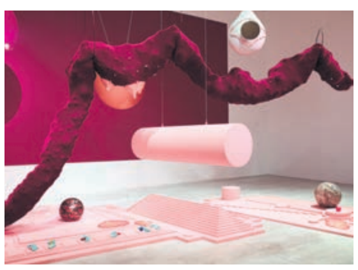
So that was the year that was. Let's hope we see more great ad campaigns next year, and fewer terrible ones.

TRAVEL

48 HOURS IN...

MARGATE, KENT

WHERE TO STAY
In the midst of a rapid regeneration, Margate is being called Shoreditch-by-the-Sea. It's not a totally inaccurate moniker, and **The Reading Rooms** B&B is ideally situated for discovering why. *Visit thereadingroomsmargate.co.uk*



WHAT TO SEE
The **Turner Contemporary** spearheads the area's rejuvenation as a hub for the creative arts. The building sits on the coast like a stoic behemoth, as though Turner himself transformed into a great steel box. *Visit turnercontemporary.org*

WHERE TO GO
Many attempts have been made to resurrect the amusement park at **Dreamland**, but the latest incarnation has stuck, drawing visitors from across the UK to its wooden rollercoasters and popcorn stands. *Visit dreamland.co.uk*

WHERE TO EAT
The best place to shelter from the biting winds of the Kent coast, **The Greedy Cow** serves restorative toasties in what looks to be somebody's front room. Good vegan options here, too. *Visit thegreedycow.co.uk*

CAN YOU TOUR JAPAN WITH A KID IN TOW?

Japan with kids could be every parent's travel nightmare. **Julian Harris** hops on a 12-hour flight to find out

The looks of incomprehension became commonplace, from colleagues, friends, neighbours and, most severely, my mother-in-law. "You're taking her... to Japan?" they asked, through a variety of similar rhetorical questions.

A trip to Japan should surprise no one, these days. The island state is undergoing an eye-watering boom in tourism, with visitor numbers soaring from 13m four years ago to more than 30m today.

Events such as this autumn's rugby world cup and the upcoming Olympic games have added to the feelgood factor, with Prime Minister Shinzo Abe – who has built his reputation on a determination to reverse Japan's decades-long economic slump – planning to attract 40m tourists in 2020.

But while the destination may be increasingly on-trend, most visitors, one suspects, do not choose to drag a 20-month-old toddler alongside their luggage.

First of all there's the flight eastwards – in this case a 12-hour night journey across Siberia. Our primary fears were realised when the infant in question woke, crying, with five hours still to go. Thus I was introduced to Japan's famous levels of hospitality and sheer politeness while still at 30,000 feet; the Japan Airlines crew ushered us into staff-only areas, helping ensure that as few passengers as possible were disturbed by the irritable child.

There is no way to sugar-coat (or matcha-coat) a 24-hour round-flight with a toddler, however. It is tough, but achievable. Stack up on snacks, toys, books, stickers, downloaded cartoons and bank on the airline granting you an empty seat even if you are only paying for two. Crucially, of course, children travel for free (bar taxes) up until their second birthday, so it really is worth considering a long-haul trip of a lifetime. In our case it saved over £1,000 on the flights.

Japan is ideal for such an adventure, partly due to all the boring stuff that suddenly becomes important when you have kids. Cleanliness, reliability, famously good transport, and an almost total absence of petty crime. Thus we were able to plan the entire trip in advance, taking in Tokyo, Mount Fuji, Osaka and finally Kyoto. The folk at travel agency Inside Japan arranged minicabs at every juncture and our hotels provided a luggage-forwarding service for each leg of the trip. You make a plan and everything works. Welcome to Japan.

I had only vaguely heard about luggage forwarding services but they took on a whole new significance. As with many Japanese ideas, it makes you wonder what on earth we're doing back home in London as we tut-tut behind "stupid" tourists on the Tube with their coffin-sized suitcases. Put simply: your hotel will forward your luggage to your next hotel, for around £15-£30 depending on weight. Levels of smug as we boarded the stunningly beautiful Fuji-express train with just a rucksack each, a pushchair and a child, were combined with the knowledge that there's no way we could have manhandled two massive suitcases in addition. As well as seeing the awesome and

THOMAS THE TANK ENGINE FACT

Thomas didn't appear in the first book in the series, 'The Three Railway Engines'. He only came along in the second.

almost haunting Fujisan – Mount Fuji – from the train, we also experienced the equally exciting Thomas Train, a special shuttle to the place of joy that is Thomas Land! Exactly as you might imagine, though with far less Ringo, Thomas Land will force you to learn all of the names of Thomas the Tank Engine's friends as you feed thousands of yen into the machine to purchase tickets for little Sebastian and Imogen to enjoy ride after ride. The kids enjoy it, at least.

From the lakes around Fujisan we traveled west again for the main part of the trip – Osaka and Kyoto. Japan seems primed for travelling with children, given the prominence of food on the go and ubiquitous, spotlessly clean toilets. Suddenly, train stations become a joy as using the loo and getting your lunch is actively pleasurable, not something one can say at Euston or Manchester Piccadilly. And when you're the parents of a Tiger-Who-Came-To-Tea appetite-sized child, this is no laughing matter. A local tip in which we delighted was buying food on the platform of the Shinkansen; freshly made hot bento boxes (when they're gone, they're gone) mere steps away from the specifically numbered section of platform where your ticket tells you to wait.

The St Regis hotel in Osaka is exceptionally plush, to such an extent that checking in with a toddler felt frankly absurd. Head chef Gianluca Visani did little to help combat this feeling when he insisted on making our spoiled infant spaghetti pomodoro to her exact taste. Thankfully his skills were also present in the adults' tasting menu.

But one doesn't come to Osaka to indulge in high-end Italian fare, and fortunately the St Regis is located is a lively part of town close to Dotonbori, a canal-side neighbourhood renowned for Japanese street food and in particular, takoyaki (fried octopus balls). Given the effortlessly healthy nature of most Japanese food, by now we felt more than justified gorging on takoyaki, karaage (fried chicken) and two or three beers.

The most extraordinary meal of the trip, however, came courtesy of Kenny Row at his self-titled restaurant in a suburb of Osaka. This tiny venue, housing just 10 diners with only one service per evening, is a unique one-man-show as Kenny preps, slices, carves, and cooks on the teppanyaki directly in front of you – and then does the washing up.

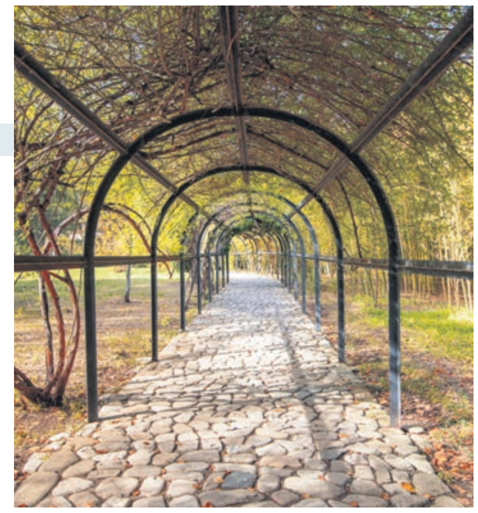
Thoughtfully accommodating, he offers kiddy-friendly meatballs in tomato sauce (also for big kids who can't quite stomach Japanese sea snails.) The glistening orange ikura were lip-smackingly salty and juicy, the tender rare beef doused in the in-house gravy – do take a bottle home with you – accompanied by rich mushrooms and asparagus shavings, this was grown-up food taken seriously, but not without humour as chef Kenny practices his English jokes learnt while cheffing in Australia.

We finished our journey in the ancient city and former capital, Kyoto. Although the originator of many stunningly beautiful images of temples and gardens, you don't get this impression arriving at the modern-ish train station, with the 1960s Jetsons-style Kyoto tower to greet you. However, a trip to the top of the tower reveals Kyoto's serene position, nestling in a belt of green with temples stretching out on all sides. Our home was the Hyatt Regency Hotel, handily situated opposite the Kyoto National Museum and nearby many temples. An international hotel with strong Japanese motifs, it includes a daily dance performance given by a Geisha, or Geiko, in the Kyoto way, and the kind of brutal shiatsu massage that will make your back and shoulders feel like plasticine – in a good way. The in-house Japanese food goes far beyond what one expects from hotel fare, and I must give a nod to the ebi tempura (battered prawns, a phrase which does absolutely no justice); you come this far partly to experience better Japanese food than you can find in London, and we certainly discovered it in the unlikely surrounds of the Hyatt Regency's Japanese restaurant.

Such is the depth of experience offered by Japan that it is only possible to skim the surface when faced with the limitations of time and an ultra-demanding infant. Nonetheless the increasingly-popular destination is unique not just for its singular, island culture, but also for how exceptionally suitable it proves for a young family. From the commonplace, epic playgrounds to the tolerance of passers-by, Japan felt like one of the world's most child-friendly societies as we meandered our way across its southern coast. As tourism booms, expect to see more wide-eyed western infants being whisked around Japan's major cities and attractions in the years to come.

NEED TO KNOW

InsideJapan's 12 night Mountains and Culture Family Activity Holiday costs from £8530 in total for a family of four (excl. international flights). Call 0117 244 3380 or visit *InsideJapanTours.com*. The **Hyatt Regency Kyoto** has rooms available from £245 per night. Visit *hyatt-regency.kyotohotelspage.com/en/*



THE LONG WEEKEND

KAKHETI
GEORGIA

Angelina Villa-Clarke drinks up Georgian heritage by visiting the country's remote wine region

THE WEEKEND: It's not quite a midnight plane to Georgia, but the flight to Tbilisi, the country's capital city, is the last flight out of Gatwick. While there is plenty to see and do in the capital – from visiting ancient churches (Anchiskhati, the oldest Orthodox Church, dates back to the 6th century) to tasting the local (and lethal) brew that is chacha (a 'vine vodka') – a side trip to Georgia's wine area of Kakheti is a must. A two-and-a-half hour drive out of the city and through picturesque hills and valleys brings you to the vineyard covered foothills of the majestic Caucasus Mountains.

WHERE? Found in the historic Tsinandali Estate and carved out of a 19th century winery is a new Radisson Collection Hotel, which focuses on the Georgian traditions of winemaking, and is inspired by its bucolic setting. The estate itself was once home to the aristocratic Georgian poet and wine innovator Prince Alexander Chavchavadze. While the area is dotted with many traditional boutique wineries, the hotel itself is harnesses the estate's long history of winemaking with a vinotheque, vineyard tours, tastings, and a bulging wine cellar, with 16,000 bottles – the oldest, from the Prince's collection, dating back to 1841.

THE STAY: The hotel blends the original features of the winery – think bare brick walls, metal work and stone arches – with tactile touches – soft velvets, tapestries and statement lighting – and typical Georgian furniture. Its façade is covered with a 'living wall' and nature is referenced throughout the interior design. The project was a collaboration between Septiembre Arquitectura, a Spanish architectural agency, German industrial designer Ingo Maurer and Georgian artist Tamara Kvesitadze. Each of the rooms are themed according to the seasons – pinks and lilacs for spring, bottle green walls for summer, russet red touches for autumn and smart navy and white hues for winter. A rooftop spa and pool, three restaurants and three bars, plus a stunning outdoor amphitheatre, carved out of old ruins, completes the offering.

TOP TIP
Visit the Alaverdi Monastery, an 11th century Orthodox Monastery, for a sublime wine-tasting experience.

THE FOOD: Georgians are known for their warm hospitality and feasting culture – known as 'supra'. While the all-day diner, Prince Alexander, serves a range of international crowd-pleasers – such as pasta and club sandwiches, and Le Bistro, is good for light bites, it is the Kakheti Restaurant which is the highlight. Typical Georgian dishes from the local region include crisp shoti bread, piquant mountain cheese, chakapuli (lamb or veal stewed with herbs), mtsvadi (typical meat skewers roasted over coals) and khinkhali (meat dumplings). There's plenty of wine to try, of course. Try the smoky and deep 'Saperavi', from the estate – a red wine which goes well with the flavour-some dishes.

ASK ABOUT? The Mystery Room – a hidden, private dining room, which is accessed via a secret door, is a dramatic space. The long table is by suspended candles hung on invisible wires as if floating in air. It's the perfect place to experience a traditional 'supra' – which involves an endless array of sharing dishes and copious amounts to drink, led by a 'tamada' or toastmaster. If you are lucky, your meal will be accompanied by local acapella polyphony singers for a moving experience.

NEED TO KNOW: Rooms at Tsinandali Estate are available from $90 per night on a room only basis. Flights from Gatwick to Tbilisi with Georgian Airways depart twice a week, on Wednesdays and Saturdays, from £329 return.

OFFICE POLITICS

Prison break: Hiring 'alternative' talent

Restaurants and bars can serve up plenty of lessons on why to employ ex-offenders

Neil Pattison

THE HOSPITALITY sector is serving up more than Christmas parties this month. In the face of intense staffing challenges, employers in the industry can also serve up a lesson in how to effectively hire alternative talent.

Restaurants, bars, and hotels are in the midst of the biggest skills shortage in decades — almost 80 per cent are on the hunt for new staff, with a staggering 74 per cent struggling to fill roles. With the dark clouds of Brexit uncertainty and possible tighter immigration criteria drawing in, the industry could have a 1.3m staff shortfall by 2024.

But this resilient sector is finding ways to look beyond traditional workforces to talent pools that might have previously been overlooked, including those recently out of prison.

The stats behind this trend are compelling. In spite of the staff shortages in hospitality — alongside many other industries — just 17 per cent of the 70,000 ex-offenders released from prison each year are on a payroll within 12 months. Most end up reoffending — costing taxpayers up to £13bn annually.

Research shows that an employed ex-offender is up to 67 per cent less likely to reoffend than one who is unemployed, and that having a job is a key step in rehabilitating back into society.

Understandably, some offenders of more serious crimes will not be suitable for employment, and rehabilitation is no mean feat. However, with the right tools, there is an opportunity for employers to rethink recruitment and help to plug the skills gap, while also enabling ex-offenders to avoid committing another crime.

Hospitality is paving the way when it comes to hiring these groups, and research from Caterer.com has revealed that a third of hospitality businesses already have support programmes in place, while 81 per cent of employees say that they've worked alongside ex-offenders and are comfortable doing so.

There are some key catalysts driving this. Only A Pavement Away is a charity that assists ex-offenders and people who have experienced homelessness in finding hospitality jobs by providing training and guidance to help them rebuild their lives, confidence and self-worth. The charity has engaged big brands, including The Ivy, Franco Manca, Honest Burger and Greene King pubs.

Research shows that an employed ex-offender is up to 67 per cent less likely to reoffend

Elsewhere, Social Pantry, Key4Life, and The Clink are also helping to drive change.

Crucially, these charities act as a conduit between vulnerable groups and employers. Every individual is different, and the first step is meeting the candidate to better understand their history and interest.

A key point is trying to actively put aside any unconscious bias and look at individual skills, regardless of backgrounds.

To support the industry, we have created a downloadable toolkit. Central to this is advice on interview processes and how to provide the right training. Alongside developmental support, fundamentals like uniform or help with accommodation can go a long way.

Hospitality might be a natural fit for this strategy, but hopefully this trend will inspire those outside of the sector. The benefits are clear, as it helps to plug the skills gap.

Our research shows that the social impact of a restaurant is among the top priorities when it comes to deciding where to eat.

Around 72 per cent would be more likely to visit a restaurant if they knew it helped support vulnerable people get onto the career ladder.

Hiring is never easy for any employer. But in today's challenging recruitment climate, I hope that other sectors take note to help drive change while stopping staff numbers from going off the boil.

Neil Pattison is director at UK hospitality job board Caterer.com.

SEARCH 'EM

Indeed
Free

Indeed claims to be the most comprehensive search engine for jobs. You can find out about vacancies from thousands of company websites, save your favourite jobs, and even follow certain companies. And if you see a job that takes your fancy, you just need to upload your CV and write a message.

COFFEE BREAK

SUDOKU

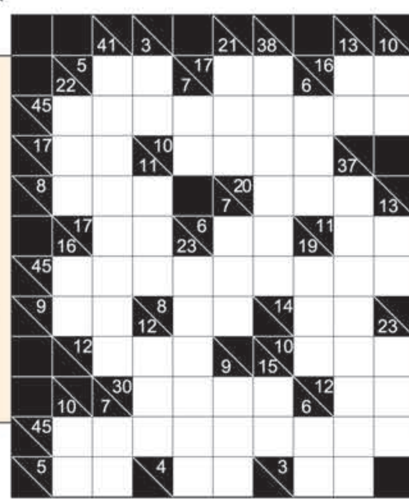
Place the numbers from 1 to 9 in each empty cell so that each row, each column and each 3x3 block contains all the numbers from 1 to 9 to solve this tricky Sudoku puzzle.

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

KAKURO

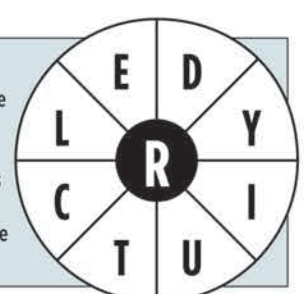
Fill the grid so that each block adds up to the total in the box above or to the left of it.

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

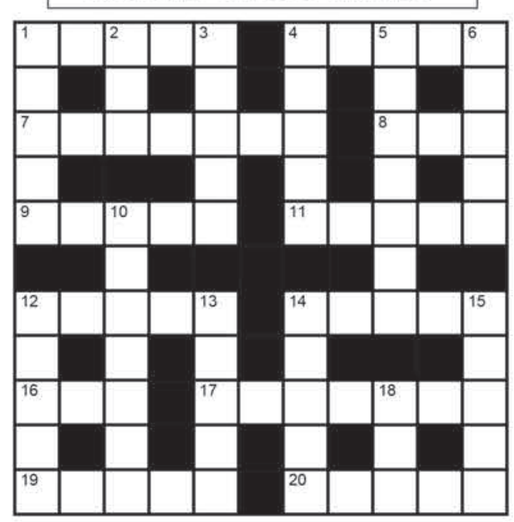


WORDWHEEL

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



QUICK CROSSWORD



ACROSS

1 Exists (5)
4 Scriptures (5)
7 Foot digit protector (7)
8 Go on at (3)
9 Tool used for digging (5)
11 Person held in servitude (5)
12 Muscular strength (5)
14 Angler's basket (5)
16 Pouch (3)
17 Sound excluder (7)
19 Drivers' resting place (3-2)
20 Racing vessel (5)

DOWN

1 Yoga position (5)
2 Compete for something (3)
3 Give form to (5)
4 Large pill used in veterinary medicine (5)
5 Dressing for a wound (7)
6 Emblem representing power (5)
10 State of lawlessness and disorder (7)
12 Aromatic annual herb of the mint family (5)
13 Very poor, impoverished (5)
14 Bear, convey (5)
15 Visible radiation of which rainbows are composed (5)
18 Resin-like substance secreted by certain insects (3)

LAST ISSUE'S SOLUTIONS

QUICK CROSSWORD

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

KAKURO

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

SUDOKU

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

WORDWHEEL

The nine-letter word was PENSIONER

2019 IN SPORTBIZ

Industry insiders pick the trends that defined the year. By **Frank Dalleres**

Clockwise from above: Megan Rapinoe helped elevate women's football at the World Cup; England lock George Kruis has started a CBD business; Japanese fans embraced the Rugby World Cup this autumn; Liverpool won their court case with kit manufacturer New Balance

IZZY WRAY

Consultant in Deloitte's Sport Business Group

WOMEN'S FOOTBALL

The growing popularity of women's football has been one of the defining sports trends of 2019.

The Women's World Cup smashed TV audience records, with a reported 1bn people watching it worldwide and over 28m people tuning in to the tournament on the BBC. Numerous attendance records have been broken, including 77,768 people attending Wembley to see England play Germany in November.

This rising popularity has not gone unnoticed by major financial service organisations and consumer brands, who have signed up as sponsors. Three fifths of top flight women's football clubs globally currently have front-of-shirt sponsors that are different to the men's equivalent, but we expect this to reach 100 per cent by the 2023 Women's World Cup.

DIGITAL CONSUMPTION

Pay-TV has been a key driver of revenue growth for major sports leagues and competitions in the last decade. In 2019-20, revenue from Premier League domestic rights dipped slightly to £1.7bn, indicating a cooling of the market and reflecting changing consumer demands for live sport content. Fewer people are purchasing linear pay-TV subscriptions, with a growing number instead choosing to follow sport through online channels such as social media.

ATHLETE INFLUENCERS

The growing dominance of social media has fuelled a trend for athletes as influencers. To reach fans in a crowded digital world in which attention spans are waning, athletes are becoming increasingly important to reach and engage with fans.

Athletes' social media channels provide leagues and clubs with a low-cost method to build stories around individuals, bringing fans closer and creating emotional connections with their idols. This is not only a powerful method in which to build a fanbase, it also provides an opportunity for brands to create authentic and valuable sponsored content.

NEIL HOPKINS

Global head of strategy at M&C Saatchi Sport and Entertainment

TIPPING POINT

We have been predicting the breakthrough of women's sport for years now but there is no doubt that from a marketing and sponsorship point of view 2019 represented the tipping point.

For the first time, the Women's World Cup was awash with sponsors, including Visa and Adidas, determined to embrace the diversity and inclusivity of a sport that has, in the likes of Megan Rapinoe, some genuinely progressive role models.

Their enthusiasm is well-founded. In the UK alone, the coverage of women's sport is on the rise. The Telegraph launched a devoted supplement, attendances continue to grow and the popularity of women's cricket and rugby union are growing apace.

BET REGRET

This year saw the first real attempt to untangle the relationship between betting companies and sport with the introduction of a whistle-to-whistle ban on gambling advertisements before the 9pm watershed.

This comes as part of a concerted effort by the industry to urge responsible gambling and is supported by campaigns such as GambleAware's Bet Regret, which found that just 13 per cent of football fans are happy for their club to be sponsored by a gambling company.

COKE FLOAT

Whatever the headwinds facing Britain's economy as it approaches Brexit, it can still boast an undisputed, world-leading cultural phenomenon that was described this year as its most successful export since The Beatles. The Premier League has come to define global Britain and its popularity overseas has added buoyancy to the UK sponsorship market. Nothing else comes close in terms of commercial value and opportunity.

To underline this, 2019 saw Coca-Cola celebrate its return to UK football sponsorship for the first time in a decade as it became a partner of the Premier League and embarked on a mission to celebrate the game's inclusivity through its Where Everyone Plays campaign.

SIMON LEAF

Sports lawyer, Mishcon de Reya

HI TO CBD

This year it has been impossible to avoid the hype surrounding the use of cannabidiol – commonly referred to as CBD – in sport. Not only have athletes started working closely with CBD brands, some, such as Saracens duo Dominic Day and George Kruis, have even co-founded their own CBD supplements business. This has arisen after the World Anti-Doping Agency relaxed its rules, meaning many CBD products became exceptions to its list of banned substances.

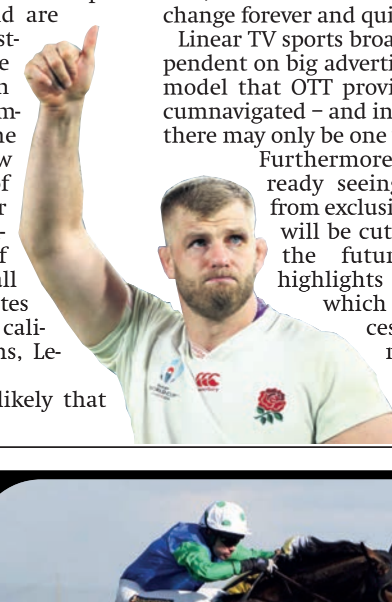
Given the hype, but also due to strict rules on certain ingredients, it is perhaps only a matter of time before we see a high-profile breach of Wada's rules, as there are still relatively few regulations governing the provenance, quality and composition of CBD products on the market.

A RIGHT TO MATCH?

A major legal talking point was the High Court showdown between Liverpool and New Balance. The club claimed victory over its current kit sponsor as New Balance was unable to show that Liverpool had failed to comply with a broadly drafted "matching rights" clause in the contract when it opted to make Nike its new supplier.

These clauses are common in sponsorship agreements and are designed to protect existing partners but the problem is that often deals are difficult to compare. In this case, the court agreed that New Balance was incapable of matching Nike's "offer on marketing", which included the promise of using "three non-football global superstar athletes and influencers of the calibre of" Serena Williams, LeBron James and Drake.

Going forward, it is likely that similar disputes will crop up as these types of clauses have become increasingly prevalent in sports contracts and are ripe for challenge.



MATTHEW FLETCHER-JONES

Director of communications at Engine Sport

WOMEN'S SPORT

It's been a game-changing year for women's sport with a huge increase in awareness, rising viewing figures, record breaking attendances and sponsors making significant commercial investment.

There may be no major women's football tournament next summer, but the domestic product is stronger than ever before and attendances will continue to grow along with local commercialisation.

Euro 2021 will be hosted in England and brands will want to be established in the game ahead of the tournament. Keep an eye on the big clubs too – how long before a Premier League side announces that their women's team will play all their home games at the men's stadium?

JAPANESE OUTLOOK

This autumn's Rugby World Cup in Japan will have a significant long-term impact too, especially on the international game where sponsors will be more than keen to access the growing Asian market and the international calendar might well be restructured accordingly.

With the Olympics to come next summer too, Tokyo could join London as a go-to sporting destination where crowds and big viewing figures are guaranteed.

GOING OTT

Football is becoming all about three letters: not VAR, but OTT. Amazon Prime's first Premier League games this month promise to show us whether UK football fans have the appetite – and pockets deep enough – for another provider. If deemed a success, the broadcast landscape will change forever and quickly.

Linear TV sports broadcasting is dependent on big advertising bucks – a model that OTT providers have circumnavigated – and in the long term there may only be one winner.

Furthermore, we are already seeing shifts away from exclusivity and rights will be cut differently in the future, especially highlights and clips, which are being accessed with immediacy by younger generations.

BUSINESS TRENDS Industry insiders pick their stand-out movements in 2019 PAGE 27

SPORT

MASTERCLASS

De Bruyne destroys a dispirited Arsenal with a first-half blitz at the Emirates, writes **Felix Keith**

BEING torn apart by a player as brilliant as Kevin De Bruyne is not in itself embarrassing. But the ease and speed with which the Belgian playmaker ended Manchester City's trip to Arsenal as a contest was dispiriting.

As the popular refrain goes, Gunners fans arriving at the Emirates Stadium yesterday afternoon expected little and yet still managed to leave feeling let down.

Someone as talented, multi-faceted and intelligent as De Bruyne does not always need space and time on the ball to operate, but he was afforded it by Arsenal's ramshackle midfield. Matteo Guendouzi against De Bruyne was simply not a fair fight.

He blasted a cut-back into the roof of the net after just two minutes before making a mockery of the theory that his left foot is weaker, crossing for Raheem Sterling to tap in a second just 15 minutes in. A driving run and precision finish, once again on his left foot, saw the three points gift-wrapped and ready to go by half-time.

Arsenal are not many things, but they are certainly accommodating hosts during the festive period.

SOFT CENTRE

As good as De Bruyne and City were, the fact they managed to launch decisive counter-attacks inside the first quarter of the game told you plenty about the welcoming approach of their opponents. De Bruyne created three chances – as many as the entire Arsenal team – and had four times as many shots on target over the 90 minutes.

Arsenal's lack of leadership and of a clear tactical style was brutally exploited, with Pep Guardiola promoting Phil Foden to the David Silva role on his first league start of the season.

Little positional discipline coming up against technically gifted players is only likely to bring one outcome and City responded to their 2-1 derby defeat by Manchester United in impressive fashion. Gabriel Jesus did not score, but played the part of Sergio Aguero well, while full-backs Benjamin Mendy and Kyle Walker stretched Arsenal's creaking defence to breaking point out wide.

DAMAGE LIMITATION

Arsenal's one and only shot on target came inside the first minute, as bright young forward Gabriel Martinelli gave the pessimistic home fans false hope.

But while the Gunners failed miserably to get the under-served Pierre-Emerick Aubameyang into the game, City bombarded the hosts' goal with high-quality attempts. Had it not been for the reflexes of goalkeeper Bernd Leno, the score would have been much uglier.

In a season defined by underperformance, Leno has been Arsenal's standout player. His full-length diving save from De Bruyne's effortless yet powerful curling attempt to seal a first half hat-trick was exceptional. And his speed and decision-making to close down Jesus in a second-half one-on-one kept the score somewhere close to respectable.

"After four or five minutes the game was done," Leno lamented. "I think in the first half we deserved this result. In the second half we couldn't touch the ball and also couldn't create chances."

FOGGY FUTURE

Freddie Ljungberg may have got a first win as Arsenal's interim boss against West Ham last Monday, but the step up in opposition yesterday reminded everyone just how far off the team currently is.

Unai Emery was dismissed as manager on 29 November. In the days since Arsenal have not enjoyed a new manager bounce. They have simply continued along the same path.

"It's good to know what is in the future or in the coming weeks but that is not our job. It is the job of the club," Leno added.

"We accept Freddie, he is doing a good job. I don't think the manager is the problem, everyone has to look at himself and be honest at himself. If everyone was giving everything today. I think the mentality is the main thing."

Leno is right: the blame can't be laid at Ljungberg's door. But with Arsenal flagging and ninth in the Premier League, a full-time manager is desperately needed to provide some stability and direction.

Whether that is Ljungberg, or someone from outside the current set-up, there is no time like the present.

PREMIER LEAGUE

ARSENAL	MAN CITY
0	3
	De Bruyne (2', 40'), Sterling 15'

SPORT DIGEST

VERTONGHEN'S LATE HEADER WINS IT FOR TOTTENHAM

Jose Mourinho hailed "three incredible points" after Tottenham struck late to earn a 2-1 win over Wolves in the Premier League yesterday. Jan Vertonghen's header in injury-time won it for Spurs at Molineux. Lucas Moura opened the scoring early on, but Adama Traore hit back before Vertonghen ended Wolves' 11-game unbeaten streak. Elsewhere, Mason Greenwood came off the bench to give Manchester United a 1-1 draw against Everton. Victor Lindelof's own goal put Everton ahead, but Greenwood fired in from the edge of the area to claim a point.

STOKES SCOOPS BBC SPORTS PERSONALITY AWARD

Ben Stokes was crowned BBC Sports Personality of the Year for 2019 last night. The England all-rounder came out on top at the event in Aberdeen, finishing ahead of Formula One world champion Lewis Hamilton and sprinter Dina Asher-Smith. Stokes, 28, helped England win the Cricket World Cup in July, as well as scoring 135 in third Ashes Test triumph against Australia at Headingley. He is the first cricketer since Andrew Flintoff in 2005 to win the prize.

EXETER BREEZE PAST SALE BUT BATH THRASHED BY CLERMONT

Exeter moved a step closer to the quarter-finals of the Champions Cup with a 35-10 win over Sale yesterday. Sam Simmonds' try put them 10-3 up at half-time, and after a hail storm briefly stopped play, the hosts ran riot with Simmonds grabbing another, his brother Joe, Ben Moon and Jack Nowell also getting on the score sheet. Elsewhere, Bath's winless Champions Cup run continued as they were thrashed 52-26 by Clermont. The French side ran in eight tries to leave Bath bottom of Pool Three with no chance of reaching the quarter-finals.

FURY SPLITS FROM DAVISON AHEAD OF WILDER REMATCH

Tyson Fury has split from his long-time trainer Ben Davison. The former heavyweight world champion worked with Davison for five fights, including Fury's draw with Deontay Wilder last year. Fury, who is set to fight American Wilder next year, is expected to join up with Javan "Sugar" Hill. Davison tweeted: "Tyson and myself had to both make decisions for our careers which resulted in our working relationship coming to an end, however, we remain friends." Fury's father John had been critical of Davison following the win over Otto Wallin in September.

NGIDI TO MISS BOXING DAY TEST AGAINST ENGLAND

South Africa fast bowler Lungi Ngidi is expected to miss the first Test against England on Boxing Day after suffering a hamstring injury. Ngidi, 23, was injured in the warm-up while playing for Tshwane Spartans in a Mzansi Super League play-off on Friday. South Africa said in a statement that the seamer had suffered a "significant grade one hamstring muscle tear" and would focus on returning in January. England play four Tests in South Africa between 26 December and 28 January before moving onto three One-Day Internationals and Twenty-20s.