Drama at the Royal Opera House: Lawyer attacked designer in row over seat

SEBASTIAN MCCARTHY
@SebMcCarthy

A HEDGE fund lawyer was convicted of assault yesterday after punching a fashion designer in a bust-up at the Royal Opera House. During a performance of Wagner, Matthew Feargrieve struck Ulrich Engler at least once in a dispute over a seat, the City of London Magistrates’ Court heard.

The solicitor and barrister lashed out at Engler after the designer moved from his seat in Row B into an empty seat in Row A next to Feargrieve’s partner Catherine Chandler and moved her coat. Engler, whose clients include the Countess of Derby, told the court he had moved into the empty chair in the front row at the opera three days earlier and did so again on 7 October 2018.

The designer said he asked Chandler if he could sit in the seat next to her, but she said no. He then asked whether she had bought a ticket for the other seat, and Chandler said she had not, so Engler moved into it and moved her coat.

Feargrieve then punched Engler several times inside the Covent Garden venue as the performance of Wagner’s Siegfried began. "I had never seen anybody looking with so much anger and terror at me," Engler told City of London Magistrates’ Court, adding that he felt a “constant flow of blows”.

“He was up, leaning over the woman hitting me. While Mr Feargrieve was hitting me he said ‘how dare you talk to my wife like this’,” he added.

Feargrieve said he was acting to defend his partner, who claimed that Engler had thrown her tweed coat from the seat onto the floor. The court heard that Engler was diagnosed with post-traumatic stress disorder following the attack.
RETAILERS love to brag about breaking records, but one they won’t be cheering this Christmas is the prediction that price cuts could potentially top 50 per cent for the first time ever. Amid a fierce fight to woo last-minute shoppers into their stores, high street chains are once again turning to a festive sales bonanza over the crucial trading period. New data from Big Four accountancy firm Deloitte suggests that discounting this Christmas will be deeper than previous years: average pre-Christmas discounting has already reached a record 43.8 per cent this December, while Christmas Eve price-slashing is expected to exceed 50 per cent.

After a year of rising costs, waning consumer spending and growing competition, retailers can at least cheer the fact that they now have some political clarity and an improved exchange rate. But current levels of discounting tell us that many bricks and mortar firms are still increasingly desperate to capture our attention. And yet by making us offer more, retailers not only risk sacrificing their profit margins but also their reputation. “If one continues to pull that pricing level increasingly deep every year, that’s a difficult trend to turn around,” said Deloitte partner Jason Groves.

Such activity seems particularly apparent in mid-market apparel, Groves said, with fashion chains caught in between budget and high-end rivals as they look to make their mark with big red sale signs. Mid-market clothing, already discounted 30 per cent, could see reductions averaging 55 per cent by Boxing Day.

There are of course a number of retail groups that have resisted the temptation to discount — last week Superdry boss Julian Dunkerton blasted the “madness” of blanket Black Friday discounting. It is also true that pricing is not the all-and-end of a retailer’s success — product quality, personalisation and store experience are all levers that can be turned in times of difficulty. But as the high street heads for what is set to be its steepest Yuletide discounting, the question arises: just how deep can these retailers afford to go?

**Price cuts risk not only margins but also the reputation of retailers**

---

**What The Other Papers Say This Morning**

**City of London Street to Ban Petrol and Diesel**

Petrol and diesel cars will be completely banned from a city centre road under plans for Britain’s first 24-hour zero-emission street. Motorists of pure combustion engine cars will face £130 fines for entering the Beech Street, which runs under the Barbican estate in the City of London, where levels of toxic air regularly exceed the legal limits.

**Turkey to Shut NATO Base if US Imposes Sanctions**

Turkish President Recep Erdogan yesterday warned that he may shut down the main NATO airbase in Turkey, as increasingly toxic relations impinged US nuclear bombers in the region.

**Friends in High Places**

China’s Xi Jinping tells Hong Kong’s beleaguered leader Carrie Lam she has his ‘unwavering support’

---

No stress: Bank says lenders can withstand worst

**The Times**

FA URGED TO INVESTIGATE CORRUPTION CLAIMS

The Football Association (FA) was under pressure to open an investigation last night after two agents and a coach were convicted of bribery in a criminal trial. The former sports minister urged the governing body to examine accusations that some of England’s highest profile managers had accepted “bungs”.

**Apple faces shareholder vote on censorship**

Apple could be forced to justify why it complies with Chinese government’s censorship efforts after failing to block a shareholder vote on its human rights policies. It has blocked apps that allow citizens to bypass Beijing’s censorship.

---

**Financial Times**

**Tech Giants Sued Over Cobalt Child Deaths**

Apple, Google, Microsoft, Dell and Tesla have been sued by a human rights group on behalf of families of children killed or injured while mining the cobalt in the Democratic Republic of Congo that is used in their products. In the class-action lawsuit, International Rights Advocates claims the companies “aided and abetted” a supply chain for cobalt — a metal critical for smartphones and electric vehicles — that forces children to work in dangerous conditions in the DRC.

---

**Unrest Grows Over India Citizenship Legislation**

Gujarat police officials detained a demonstrator during a peaceful protest in Ahmedabad yesterday against the Indian government’s citizenship bill, which gives non-Muslim migrants a fast-track to citizenship.

---

**Amazon Blocks Sellers From Using FedEx Delivery**

Amazon is blocking its third-party sellers from using FedEx’s ground delivery network for Prime shipments, citing a decline in performance heading into the final stretch of the holiday shopping season.

---

**What The Other Papers Say This Morning**

**City of London Street to Ban Petrol and Diesel**

Petrol and diesel cars will be completely banned from a city centre road under plans for Britain’s first 24-hour zero-emission street. Motorists of pure combustion engine cars will face £130 fines for entering the Beech Street, which runs under the Barbican estate in the City of London, where levels of toxic air regularly exceed the legal limits.

**Turkey to Shut NATO Base if US Imposes Sanctions**

Turkish President Recep Erdogan yesterday warned that he may shut down the main NATO airbase in Turkey, as increasingly toxic relations impinged US nuclear bombers in the region.

---

**The City View**

High street discounts are a dangerous drug
Pre-Christmas discounting hits all-time record

SEBASTIAN MCCARTHY
@SebMcCarthy

CHRISTMAS eve discounting could top 50 per cent for the first time ever, as retailers scramble to woo last-minute shoppers in the crucial trading period.

Average pre-Christmas discounting has already reached a record 43.8 per cent this December, minus 0.2 per cent deeper than the same time last year, according to analysis of more than 800,000 online and in-store products by Deloitte yesterday.

The Big Four accountancy firm has predicted that price cuts could exceed 50 per cent on the night before Christmas, adding to this season’s steep discounting after a record Black Friday promotional period.

The prediction came on the same day as Springboard revealed that an anticipated lull in trading post Black Friday came to pass, with a drop in footfall across UK retail destinations of minus 0.9 per cent over the week.

Footfall is anticipated to peak on Super Saturday — which falls on the 21 December — at plus 10 per cent higher than the Saturday before.

It is also expected that footfall will be higher than on the same Saturday last year, with an increase of three per cent, however, this increase looks strong as it comes on the back of an annual drop of 4.4 per cent last year.

“Retailers have faced a challenging year, as consumer confidence has continued to fall amidst macroeconomic uncertainties. In addition, the introduction of Black Friday in recent years means consumers have also come to expect an increasing amount of pre-Christmas discounting,” said Jason Gordon, lead consumer analytics partner at Deloitte.

He added: “The result is a blending of promotions, one seeping into the next, and a steady price decline rather than a steep Boxing Day drop, reminiscent of Christmases past.”

Eurozone economy suffers worst spell since 2012 amid weak year

JOE CURTIS
@joe_r_curtis

THE EUROZONE’s economy is stuck in its worst spell in six years, economists warned yesterday, after it failed to gain momentum at the close of 2019.

Output barely increased in December, registering a score of just 50.6 on IHS Markit’s Flash Eurozone purchasing managers’ index (PMI) Composite Output Index yesterday.

Anything below 50 represents a contraction.

While services sector figures in the Eurozone PMI hit a four-month high at 52.4, manufacturing’s recession deepened over the month, falling from 47.4 in November to 45.9.

By the side of business in London

By the side of business
SPORTS Direct shares soared over 30 per cent yesterday as the retailer posted a jump in profit and said it was beginning to see the “green shoots of recovery” at House of Fraser.

Owner Mike Ashley said that he was considering introducing an employee share bonus scheme for full-time employees. “We would like to have a £100m pot,” he said.

Ashley added: “We would probably like to see 50 millionaires and 500 people get £100,000 each.”

He said he was considering putting such a scheme to investors at the firm’s next annual general meeting.

Sports Direct’s share price surged 31.2 per cent to 472.2p as the company posted a jump in profit in the first half of the year.

Sports Direct said the profit hike was driven by an increase in premium lifestyle sales due to new Flannels stores and a full-period contribution from House of Fraser.

Profits before tax increased 160 per cent to £193.4m in the 26 weeks to 27 October, with gross revenues increasing 14 per cent to £2.04bn.

Sports Direct — which will be rebranded as Frasers Group after a vote yesterday — said it was likely that more House of Fraser stores would close next year, although Ashley refused to disclose the number of branches that might be affected.

Ashley, who has come under fire from politicians in the past for working practices at his retailers, used the results as a chance to hit out at Westminster.

He described the business rates system as “broken and unworkable” and warned that some of his stores would shutter in “months, not years” if the issue was not addressed.

Prime Minister Boris Johnson promised a fundamental review of the system in his successful Conservative manifesto.

“These are people’s jobs, and these are serious issues,” said Ashley, calling the system “unintelligible”.

“Why don’t we give old Boris a call this afternoon and say ‘if you can do things quickly, why can’t you sort the rates out?’” he added.

In March, a worker was involved in a serious nearmiss, in an incident involving a train and a mobile platform. That month, Wild reported that nearmisses and injuries had reached their highest level in over a year.

Contractor Jacobs also speculated that tiredness may be to blame, saying that it was “observing some signs of ‘programme fatigue’ among construction workers.

Crossrail launched a review into contractor fatigue in July, after a scaffold fell and bruised his leg and the nearmiss rate peaked.

Unite assistant general secretary Gail Cartmail said the figures were “disturbing but not surprising”.

[Continued from Front Page]

A spokesperson for Crossrail said: “The Crossrail project has a good safety record and we continue to see an improving trend in safety performance by our contractors following a decline in performance earlier this year.”

Correspondence between the London Assembly Transport Committee and Crossrail chief Mark Wild showed that Crossrail held a “special health and safety meeting” with contractors in December 2018 to discuss increases in high potential near misses.

However, the nearmiss rate continued to rise throughout the year, as the railway became operational.
Discover the home of online trading

Everything you need to trade, from a world-leading provider. Powerful platforms, expert insight, round-the-clock support.

Start trading today at IG.com

Spread betting / CFDs / Share dealing / Investments

Spread bets and CFDs are complex instruments and come with a high risk of losing money rapidly due to leverage. **75% of retail investor accounts lose money when trading spread bets and CFDs with this provider.** You should consider whether you understand how spread bets and CFDs work, and whether you can afford to take the high risk of losing your money.
Sadiq Khan turns on Corbyn after election debacle

STEFAN BOSCIA
@Stefan_Boscia
THE Fallout from Labour’s historic election defeat continued yesterday, as London mayor Sadiq Khan urged Jeremy Corbyn to step down “quickly.” Khan criticised the Labour leader for his role in the party’s landslide defeat, saying much of it had to do with him not being “credible”.

Despite the official leadership contest not kicking off until January, the race has already descended into acrimony, with shadow foreign secretary Emily Thornberry threatening to sue outgoing MP Caroline Flint.

Flint alleged the re-elected Thornberry had told her: “I’m glad my voters aren’t as stupid as yours” — a claim Thornberry vigorously denies.

Reports last night suggested Corbyn allies Rebecca Long-Bailey — the shadow business secretary — and Angela Rayner — the shadow education secretary — were lining up a joint bid as leader and deputy leader respectively. Long-Bailey is known to be a favourite of shadow chancellor John McDonnell.

Writing in the i, Khan said that “no amount of spin can even begin to deflect from the disaster of losing the fourth election in a row following a decade of damaging austerity by the governing party”.

“If we are truly honest with ourselves, Labour simply did not put forward a credible candidate for prime minister or a believable set of priorities for governing,” he added.

Khan spent the days leading up to the election campaigning alongside a number of Labour candidates in London and on election day called on all Londoners to vote for the party to ensure a “fairer, more equal city for all Londoners”.

But yesterday he said Corbyn should resign “quickly”, adding: “But the changes we have to make do not end with his leadership”.

ANDY SILVESTER
@silvesterldn
NICKY Morgan sensationally retained her role as culture secretary last night despite standing down as a member of parliament before the election. Morgan had been the Conservative MP for Loughborough but opted not to stand for re-election.

However, she will now be made a peer in the House of Lords in order to take up the role she was first appointed to in the summer.

In a small reshuffle of government ministers last night PM Boris Johnson also appointed Carmarthenshire MP Simon Hart as Welsh secretary.

Nick Hurd was formally removed from his office as minister for London, having also stood down as an MP. A replacement has not been announced but City A.M. understands that the position will be filled in due course.

Speculation was growing last night that Zac Goldsmith, who had been an environment minister, could also take up a seat in the Lords to continue in that role despite losing his Richmond Park seat to the Liberal Democrats.

A wider reshuffle is expected in February. Johnson and his chief aide Dominic Cummings are believed to be planning a wider reorganisation of Whitehall, including the merger of departments and the appointment of so-called technocrats into civil service departments.

Johnson is understood to be looking at rolling the functions of the Department for International Development into the Foreign and Commonwealth Office, and to abolish the Department for Exiting the European Union.

Morgan has been made a life peer in the House of Lords as part of the change

Nicky Morgan keeps culture role in Tories’ first cabinet reshuffle

ANDY SILVESTER
@silvesterldn
NICKY Morgan sensational retained her role as culture secretary last night despite standing down as a member of parliament before the election. Morgan had been the Conservative MP for Loughborough but opted not to stand for re-election.

However, she will now be made a peer in the House of Lords in order to take up the role she was first appointed to in the summer.

In a small reshuffle of government ministers last night PM Boris Johnson also appointed Carmarthenshire MP Simon Hart as Welsh secretary.

Nick Hurd was formally removed from his office as minister for London, having also stood down as an MP. A replacement has not been announced but City A.M. understands that the position will be filled in due course.

Speculation was growing last night that Zac Goldsmith, who had been an environment minister, could also take up a seat in the Lords to continue in that role despite losing his Richmond Park seat to the Liberal Democrats.

A wider reshuffle is expected in February. Johnson and his chief aide Dominic Cummings are believed to be planning a wider reorganisation of Whitehall, including the merger of departments and the appointment of so-called technocrats into civil service departments.

Johnson is understood to be looking at rolling the functions of the Department for International Development into the Foreign and Commonwealth Office, and to abolish the Department for Exiting the European Union.
TULLOW Oil’s nightmare continued yesterday after shares dropped over 10 per cent, a week after the oil explorer lost more than £1bn of its market value. Shares closed at 60.9p, having opened at 67.8p. Last week shares had staged a slow comeback, having previously fallen as low as 39.9p.

The earlier plunge followed the resignation of chief executive Pat McDade, who quit along with exploration director Angus McCoss, after the company cut its production guidance for the coming years. The Africa-focused firm said that total oil production for 2019 would now be 87,000 barrels per day, down from an earlier forecast of 89,000.

However, next year’s production is predicted to average between 70,000 and 80,000 barrels of oil per day (bpd), while over the next three years it expects an average of 70,000 bpd.

At the beginning of the year management announced that production could hit 100,000 bpd in the second half of 2019. The firm was dealt a double blow in November when problems with its Ghana drilling operations, which led to a reduction in output, were compounded by a heavy crudes find at a new site off the coast of Guyana.

Last Friday analysts at S&P Global Ratings downgraded Tullow’s credit rating to “B” from “B plus” after the production guidance cuts. Nicholas Hyett, equity analyst at Hargreaves Lansdown, said: “Tullow’s shares have been hit by the combination of target price downgrades by analysts and, more significantly in our opinion, a cut to its credit rating by S&P.

“The question now is whether Tullow can generate sufficient cash to cover its liabilities in the short term. The firm is now extremely exposed to the oil price and it may hinge on whether we see a bounce or not.”

SHARES in Saudi Aramco continued to rise for a fourth day in a row yesterday, with the firm’s value topping $2 trillion (£1.5 trillion) as shares hit 38 riyals (760p). Demand looks set to rise further when Aramco is added to global indices this week.

GRESHAM HOUSE ENERGY FUND ADDS TO PORTFOLIO

Gresham House Energy Storage Fund (Grid) yesterday announced that it had bought two of the UK’s largest battery storage facilities as it continues to expand its portfolio. The two facilities, in Kent and Cumbria, have a combined capacity of 50 megawatts and were bought from VUL Energy for £29.2m.

The acquisition increases the total capacity of operational utility-scale battery storage projects in the fund’s investment portfolio to 125 megawatts.

Grid also announced that it would purchase a 49 megawatt project at the Red Scar business park in Preston, which is currently being commissioned. The fund is also set to increase its capacity by another 105 megawatts next year, with three further storage projects earmarked for purchase.
10% off two big Christmas shops in-store.

Subscribe online today for £7.99 a month.
The number of 100-metre-plus superyachts currently being built is at its highest in history, with 21 of the mammoth vessels under construction. According to research, the total number of superyachts — boats over 24 metres long — being built is 807.

**YACHT THE HELL? More 100-metre long superyachts being built than ever before**

---

**First Group shareholder voices his support of firm’s sale of US branch**

**ARCHIE MITCHELL**

A MAJOR First Group shareholder has welcomed the firm’s decision to consider a sale of its US businesses.

The transport giant yesterday said it has appointed advisers to review its US school bus and public transit arms, adding that it will “explore all options” a month after a sinking share price pushed two big investors to urge it to dump its North American assets.

“This is a victory for the shareholders, because at least they get transparency into what the company’s intentions are,” said shareholder Robert Tchenguiz, who owns a 4.7 per cent stake in the transport firm.

He added he hoped divesting from the US would boost First Group’s market cap to the extent that shareholders could realise the value of their investments. “The shares should reflect the true value of the breakup right now,” he said.

First Group has come under increasing pressure from Tchenguiz and other investors including Coast Capital Management to sell off its US divisions, which include First Student and First Transit.

First Group’s share price climbed 5.9 per cent to 125.4p following the announcement.

---

**Introducing: The Artful Trader**

Confidence uncovered

The Artful Trader podcast series comes to the UK.

Being a trader takes confidence: in the markets; in your strategy; in yourself. Join us as we uncover confidence with former tennis grand slam champion Pat Rafter, author and inspiration behind TV show ‘Billions’, Denise Shull, industry disruptors and more.

---

**South Western rail strikes set to continue until end of December**

**ALEX DANIEL**

STRIKES across one of London’s busiest railway networks are increasingly likely to run for the whole of December, after the process of arranging peace talks between union bosses and South Western Railway has stalled.

The 27-day rail strike called by the Rail, Maritime and Transport Workers (RMT) Union has caused chaos for the first 16 days of December.

Now, it looks set to drag on until the end of the month, after union sources told City A.M. there is no plan to get back around the table this week. That would make it the longest rail strike in history, after already having caused misery for Londoners and commuters across the south west for more than two weeks.

The union and South Western had previously been trying to set a date for negotiations which could end the strike under the auspices of conciliation service Acas, but that process has come to a halt.
Under the plans, average bills would drop by 12 per cent before inflation.

Northumbrian has been tasked cutting its average bill by over a quarter, from £429 to £319 in 2024/25, while Hafren Dyfydd, Severn Trent’s Welsh subsidiary, must only reduce bills by three per cent.

Speaking to City AM, Ofwat director David Black, who heads the price review process, described the plans as “readily achievable.”

He added that the challenge for utility providers would likely be in improving their services packages.

The regulator shocked the industry in July by rejecting all but three of the plans, leaving the industry to deliver for customers and for the environment.

Yorkshire, Anglian, Northumbrian, Southern and Thames Water are thought to be facing the worst of the fallout from the decision.

Although they are all expected to complain to the Competition and Markets Authority, the response has been reserved so far, with companies keen to stress the strides they have already made.

Peter Simpson, chief executive of Anglian Water said: “We are confident about the plan submitted and worked very closely with our customers, to ensure that our programme of work up to 2025 was going to deliver the right outcomes for our customers, our region, and our environment.”

One industry body boss Christine McGourty said: “[The announcement] is highly important one as the water providers seek to deliver for their customers and for the environment, today and in the future… Companies will now take time to work through all the details as they consider the implications of this.”
Looking forward to another year-end close?  
We didn’t think so.

Make the move to modern accounting at blackline.com
’Tis my season to get extra

Don’t forget yourself, now you can choose from a range of extras for up to 6 months, on us

Search O2 Christmas extras

On selected tariffs

Customers are auto-rolled into paid monthly subscription after Extra Period. Prime Video is £3.99/month, Amazon Music Unlimited is £3.99/month, Audible is £3.95/month, Callplan is £5.99/month. Opt-out at any time before the end of the Extra Period. Charges are applied to your O2 bill and are subject to change. Qualifying Purchase direct from O2 required. You will be entitled to a 3 or 6 month Partner Extra Period depending on the Eligible Tariff you select. You must select your Extra within 28 days of making a Qualifying Purchase and redeem the Extra within 28 days of selecting the Extra. You may not be eligible to select a particular Partner if you hold an existing account with that Partner. To activate Partner Extras you will have to sign-up for a Partner account and agree to Partner’s terms and conditions of use. Amazon, Amazon Prime Video, Amazon Music Unlimited and Audible are trademarks of Amazon.com, Inc. or its affiliates. Tariff eligibility criteria may apply which includes, but is not limited to, being a UK resident and being over 18. For details on How to Claim and full terms, see: o2.co.uk/termsandconditionschristmas/02-extras
Pearson secures Home Office contract to give English language tests

JAMES WARRINGTON

PUBLISHING and education firm Pearson yesterday said it has won a Home Office contract to provide secure English Language Tests (SELTs), which are used for visa, settlement and citizenship applicants to demonstrate a certain level of ability in English.

Pearson won a similar contract with the Australian Home Office in 2014, and the division has now become a key area of growth for the company. The Pearson Test of English (PTE) pulled in revenue of £77m last year, up from just £14m in 2015. The digital test is currently accepted by the Australian and New Zealand governments for all visa applications, as well as by 98 per cent of UK universities.

Despite the announcement, shares in Pearson dropped as much as one per cent yesterday, bucking a wider upward trend for the FTSE.

“We are extremely pleased that the government joins the Australian and New Zealand governments in recognising this test for visa applications, alongside thousands of leading universities across the globe who already accept it for study purposes — including most UK universities,” said Rod Bristow, president of the company.

“Our new English language test PTE Home has also been accepted by the UK government for the first time and now allows people to prove their speaking and listening skills when applying for family visas, for instance,” he added.

SPD’s Huawei plan puts German coalition at risk

JAMES WARRINGTON

GERMAN Chancellor Angela Merkel’s coalition government could be plunged into further conflict today as the Social Democrats (SPD) vote on a proposal to block Huawei from the country’s 5G network.

The government has announced plans to toughen up scrutiny of telecoms suppliers, but has stopped short of excluding any country or company.

The SPD will today hold an internal vote on the following objections from the government.

Despite growing political pressure, Germany’s three major operators — who are all Huawei customers — have warned a ban would slow down the rollout of 5G.

Last week Telefónica Deutschland, the country’s second-largest telecoms firm, chose both Huawei and Nokia to build its network.

IN BRIEF

Cineworld said the acquisition, which values Cineworld at CA$34 per share, will create annual pre-tax combination benefits of $130m by the end of 2021. The cinema chain’s largest shareholder Global City Theatres, which holds an approximate 28 per cent stake, has agreed to vote in favour of the acquisition.

IN BRIEF

German Chancellor Angela Merkel has been met with SPD backlash

The SPD and Merkel’s Christian Democratic Union last week agreed a plan that would make it more difficult for Huawei to take part in Germany’s 5G rollout.

The proposals, seen by Reuters, dictate that suppliers from countries where “state influence without constitutional supervision, manipulation or espionage cannot be ruled out” would be “categorically excluded” from all parts of the network.

UBER PREPS $400M SALE OF INDIAN DELIVERY BUSINESS

Uber is said to be in talks to sell its Indian food delivery business to local rival Zomato in a deal worth roughly $400m (£299m). The ride-hailing giant is looking to offload Uber Eats in India to Zomato as part of its plan to reach profitability by 2021, according to several media reports. One source told Financial Times the move followed Uber’s disappointing initial public offering earlier this year, which had left the company needing to “think about burning cash”: “Uber needed to be one or two in India otherwise it would pull out. I don’t think the brand will continue in India,” the person said.

In Uber were up 0.5 per cent yesterday to $83.10. Zomato was founded in India in 2008 and has secured backing from Ant Group, a fintech affiliate of the Chinese tech conglomerate Alibaba, it’s India’s second-largest food delivery firm before Uber Eats. A Zomato spokesperson said the firm did not comment on speculation.

POST OFFICE WORKERS WIN MAJOR HIGH COURT RULING

Hundreds of former Post Office employees yesterday won a major victory in their ongoing legal battle with the firm after the High Court ruled in their favour. More than 500 subpostmasters at the Post Office first filed a lawsuit against the company in April 2016 over accusations of fraud, theft and false accounting after using the firm’s Horizon IT system. Many workers were left bankrupt and imprisoned over the allegations.

Yesterday, a High Court judge ruled that the Horizon accounting system that the subpostmasters had been forced to use was not "remotely robust.” Justice Peter said an earlier version of the IT software was riddled with severe defects that led to a "significant and material risk" of branches suffering from "bugs (and) errors.” Post Office chief executive Nick Read said the postal firm was taking measures to put “postmasters and our customers at the centre of the business.”

Kier appoints new chairman in tough year

CONSTRUCTION firm Kier has appointed a new chairman after a turbulent year to date that has seen the struggling outisurcer’s market cap fall more than 75 per cent.

Matthew Lester will step down from the board at Barclays to take up the role in January, replacing outgoing chairman Philip Cox.

His appointment comes during an attempted turnaround in which Kier has announced 1,200 job cuts and the sale of noncore divisions, including property and environmental services.

Lester said: “I am delighted to be joining Kier as its chairman. I look forward to working with the board to deliver the group’s strategic priorities and in continuing to build the foundations for its future.”

Lester was the chief financial officer of Royal Mail and has held senior finance positions at Diageo.

Kier’s share price rose 5.6 per cent to 96.3p on the announcement.

House hunt with confidence

Call today and you could get offer ready with a mortgage agreement in principle that lasts 6 months

Our specialist mortgage advisers are here to advise on our mortgages.

8am to 9pm Monday to Friday,
9am to 9pm Saturday and Sunday.

Your home may be repossessed if you do not keep up repayments on your mortgage.

firstdirect 0800 085 2376
firstdirect.com/mortgages
Boris Johnson “loves infrastructure”. At least, that’s what the Prime Minister said when he was asked about the HS2 rail project on the campaign trail earlier this month.

And it is just as well. Because some of London’s biggest infrastructure problems are creaking at the seams. If the PM were not so keen on building things, managers might be getting twitchy.

In fact, 2019 has been a blockbuster year for things going wrong on some of the capital’s most high-profile — and high-risk — projects. Crossrail, Battersea Power Station and HS2 have all faced soaring costs and mounting delays. Meanwhile, the failed Garden Bridge, once beloved by Johnson, has been the subject of even more derision than in previous years.

As 2019 draws to a close, City A.M. takes a look back at some of the key moments in the life of London’s most troubled schemes.

CROSSRAIL

In an alternate universe, Londoners are getting the tube directly from Woolwich to Heathrow terminal five in less than an hour. That is how long it will take on the Elizabeth Line, according to Crossrail’s journey planner tool — handily placed on the chronically delayed infrastructure project’s website.

Snap back to reality, however, and that tool — though very much real — is incongruous. After years of hitches, budget overruns and managerial changes, Crossrail remains nothing more than an abstract concept below the pavement for most people, more than a decade after it was signed off.

The list of delays is staggering. First it was pushed back to autumn 2019; then, to December 2019; then again, to late 2020; and then once more, when Crossrail boss Mark Wild said there was no chance of it opening in 2020. Now, the official message is that the line will open “as soon as practically possible” in 2021 — City A.M. encourages readers to believe it when they see it.

And as it turns out, time is money. Last month, it emerged that costs had spiralled to as much as £18.3bn – £2.35bn over budget. Of course, the received wisdom surrounding Crossrail is that, despite it all, the project will more than pay for itself in the long run, with the benefits to Londoners far outweighing the harm caused by the sky-high bills and jarring delays.

“The Jubilee Line extension suffered similar issues,” wrote Emma Long in City A.M. last month, “Almost doubling in cost during the six years it took to complete, the project was at first deferred by a year, then another two months. Eventually the first phase opened in May 1999, with the entire line opening later that year.”

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

Nevertheless, the expense has proven a growing headache for Khan, who has been accused of being too hands-off with the project.

His response to that claim in May? “I don’t get to see the ducks’ legs, I get to see the ducks moving swiftly across the lake.”

But this is Europe’s biggest infrastructure project. Sooner or later, Khan may well have to look at the work going on beneath the surface.

BATTERSEA POWER STATION

Another conundrum for London authorities is an extension of the Northern Line to the landmark redevelopment at Battersea Power Station, which is running at least a year late. It was hoped the line would be ready next year. Now? September 2021 at the very earliest.

And above ground, things are not looking much better. In March, it emerged the £9bn project – which will create 25,000 new jobs and 20,000 new homes – was so far behind its plans that hundreds of people who bought flats there will be allowed to reclaim their deposits and walk away.

Battersea Power Station is vast enough to envelop St Paul’s Cathedral. London authorities will hope that, despite recent hiccups, it does not grow into an even bigger problem in the coming years.

HIGH SPEED 2

HS2 seems to grow more expensive by the minute. The ambitious rail line will one day connect London to Birmingham, Manchester and Leeds. Or at least, that is what bosses hope.

A final decision is yet to be made. And last month, a leaked draft of the government-commissioned review into the project cast yet more doubt on how much it will actually contribute to the UK. HS2 was supposed to provide a cost benefit to the taxpayer of £2.30 for every £1, but that has now dropped as low as £1.30, according to the report chairman Douglas Oakervee’s estimates.

Even Boris Johnson recently admitted HS2’s £88bn price tag, revised up from £55.7bn in 2015, would likely break the £100bn barrier. Meanwhile, it is unlikely to be finished in its entirety before 2040. That was also revised up by seven years over the summer. Britain will have had four new governments by then (or possibly more than 10, based on the current rate of change). Any one of them could chuck the project on the scrapheap.

GARDEN BRIDGE

Garden Bridge was meant to have the utopian charm befitting a city still in the state of euphoria after London’s 2012 Olympic triumph. The brainchild of Absolutely Fabulous star Joanna Lumley, it was envisaged as a traffic-free link across the Thames brimming with trees and flowerbeds, offering views of the City from the South Bank.

But this is 2019. Times have darkened. There is no bridge.

Eventually, it became clear that the organisers were unable to raise the necessary funds to carry on, and the plug was pulled in 2017. In its place is a £43m black hole in public coffers – part of the eye-watering £53m final cost of the failed project, revealed earlier this year.

The Garden Bridge Trust, which managed the project since November 2015, has subsequently been accused of “squandering public money” on the ill-fated venture.

To boot, a recent report from the London Assembly shed light on the bad spending choices that allowed the bridge to get as far along the road as it did. It included the decision to award £21.3m of construction contracts before planning permission had been granted, £400,000 on a gala dinner and £160,000 on its website.

Transport for London was ordered to give more than £5m to the Trust to pay backgrunted donors including Bloomberg, Glencore and Royal Mail.

One donor paid £3,200 at auction for the privilege of playing table tennis with Boris Johnson. They got their money back. As for the British taxpayer? Absolutely not.

BUDGE THE BUILDER?

It’s not all bad. Work will finally start on the desperately needed Silverton Tunnel link next year. But in a capital whose economy runs on smart decisions, tight budgets and creativity, the record on infrastructure projects is dire. Businesses will hope that the next decade leaves the capital with a smoother ride on London’s biggest projects than the previous 10 years have provided.

2019 has been a bumper year for delays, cost overruns and stinging criticism of some of London’s biggest infrastructure projects. Alex Daniel finds out what went wrong.
Mountains have loomed large in mankind’s collective imagination for centuries; their colossal, towering form a constant reminder of our own ephemeral existence. Rising majestically from powder blue horizons, they provide a dual sense of both unattainable awe and an irresistible desire to conquer. It’s this subsequent exploration of the sublime that lures us through the cloud-topped peaks, where the dazzling vistas offered at summits serve as a constant reminder that the journey is always worth it, in spite of adversity. That’s why more of us than ever are donning our hiking boots and setting off in search of the unknown, and why Taiwan has become a must-visit for every discerning adventurer.

A spectacular state in East Asia reachable by direct flights from the UK, Taiwan is an island blessed with enchanting natural beauty. With a spine of jagged spikes cutting through its centre, it’s home to nine national parks, 13 national scenic areas, and more than 200 peaks, which soar skywards past the 3000-metre mark. Each area boasts its own unique geographical features, which range from tropical forests and walled gorges to dramatic sea cliffs and abundant wildlife — small wonder that when Portuguese sailors first sighted the uncharted island they noted it on their maps as Ilha Formosa or the ‘beautiful island’.

It’s this wildly intoxicating landscape, created by a tussle between two merciless tectonic plates, that’s proven to be the biggest draw for international hikers. They come in hope of scaling snow-capped peaks, careering down canyons, and spotting as much indigenous wildlife as possible along the way. And what they often discover on arrival is that all this natural wonder is totally accessible, thanks to well marked hiking trails that crisscross the island and a world class transportation network that delivers them directly to the foot of the giants, or in the case Mt. Hehuan, right into the middle of it. In fact, even the island’s highest peaks can be reached by bus from the coastal flatlands, and many can even be seen from the capital city of Taipei.

One such mountain is Xueshan, or Snow Mountain as it’s known. Measuring 3,886m above sea level, Xueshan registers as Taiwan’s second highest peak and on a clear day when the sun bursts down from above, it’s visible from the hills surrounding Taipei. Because of its stature, Xueshan is loved by both locals and tourists alike, making it one of the island’s most popular hiking destinations. Arriving at the summit of this particularly beautiful mountain takes two days and is widely considered the quintessential Taiwan hike; those looking for a jam-packed taster of the island’s exceptional outdoor offerings find it by the bucketload here.

Elsewhere and many make haste for Yushan, keen to secure the accolade of having scaled Taiwan’s tallest peak. Measuring at 3.952m above sea level, Yushan’s snow cover in winter has earned it the nickname of Mt. Jade, primarily because its peak glistens beneath the frozen ice like a sparkling green gemstone. Despite its size, Yushan can be hiked relatively easily by hikers of all levels (with the relevant permits obtained in its case) which adds to its popularity. Nevertheless, it’s a mountain that manages to retain indescribable magic — because of its altitude, for instance, clouds often collect in the surrounding valleys and that makes for some truly breath-taking vistas from the summit, particularly at daybreak and dawn.

And, while it’s perfectly geared up for mountaineering, those who prefer to go in search of adventure on two wheels are also well catered for — that’s why the island has earned a justified reputation as a cyclists’ paradise. A series of both simple and challenging routes wind through the island’s dazzling scenery, showcasing a mesmerising juxtaposition between coastal and cliffside, sea and mountain. A big sense of community among cyclists also pervades here — many Taiwanese are keen cyclists themselves — and that makes for a safe, adrenaline-fuelled cycling experience that few ever forget.

Aside from the high octane activities that thrust visitors into the beating heart of Taiwan’s scenery, a wealth of options exist to slow the heart rate, so relaxation also becomes an intrinsic part of every visit to the island. For comfortable stays, there’s a fabulous selection of hotels, inns, and B&Bs lining each hiking path, for example, while for authentic experiences, there are plenty of wild camping spots to pitch the tent and spend the night stargazing. The island is also peppered with naturally occurring hot springs, perfect for easing tired legs, either in a state of seclusion or total luxury. And of course, it’s also home to 16 tribes of Taiwanese indigenous peoples — some with history dating back as far as 5,000 years — whose unique cultures can still be experienced either in person, or at places like the Shung Ye Museum of Formosan Aborigines, which has a collection of over 2000 artefacts.

Indeed, Taiwan has an abundance to explore, and with the second European branch of the Taiwan Tourist Board opening in London at the end of December, it’s more accessible than ever. Take the opportunity to dive into its gastronomy, culture, communities and nature and emerge enriched. This one-of-a-kind destination really is a true Ilha Formosa.
Franco Manca expansion slices owner Fulham Shore’s profit

ARCHIE MITCHELL
FRANCO Manca owner Fulham Shore yesterday revealed that profit halved in the six months to the end of September, despite higher revenue as it continues to expand.

The restaurant chain owner saw profit before tax sliced in half from £1.5m last year to just £743,000 in its latest half-year period as it poured money into opening six new Franco Manca pizzerias and one new outlet of the Real Greek.

The dent to earnings came despite 9.3 per cent year-on-year jump in revenue to £36m. It plans to open between eight and 10 new restaurants in the next financial year.

The company paid out £1.3m in dividends at the end of its financial year, remaining at a manageable level as it continues to expand.

For all the political and economic uncertainty, unemployment is at its lowest level for 45 years, businesses continue to invest, showing confidence in Britain’s fundamentals, and international visitors have arrived in their tens of millions. That is not to say that there are not pressing needs facing our society, but there is good reason to be positive about our long-term prospects and place in the world.

The UK Government became the first country to commit to a 2050 target for net-zero carbon and UK innovation continues to thrive, with everything from vegan sausage rolls to energy-tech companies like Igloo, who have disrupted the sector to make our homes more energy efficient.

I’m proud to say that 2019 has been a year of success for London City Airport and we will finish the decade with more than 5 million passengers in a year for the first time in our history. To give you some context, there have been 74 days this year where we served over 18,000 passengers and 12 days with over 20,000. And that is with more or less the same infrastructure that we had when we opened in 1987, handling 133,000 passengers in the first year.

Franco Manca serves sourdough pizza and has spread from a stall in Brixton village to over 82 restaurants across the country.

The chain has proved more resilient to difficult high street trading that has claimed Jamie Oliver’s Italian restaurants and knocked Pizza Express to its knees.

The UK’s top 100 restaurants lost £59m in total over the last year compared with a profit of £57m a year earlier, research by UHY Hacker Young has shown.

Fulham Shore shares fell 3.1 per cent to 10.9p following the update.
US-China deal and Brexit hope turbo charge UK shares

British shares continued to power higher yesterday as a preliminary US-China trade deal and hopes of an orderly Brexit after UK Prime Minister Boris Johnson’s election victory saw investors flock to perceived riskier assets such as equities.

The benchmark FTSE 100 soared 2.3 per cent, its biggest one-day percentage gain in nearly a year, while the mid-cap FTSE 250 surged 1.9 per cent and hit a new all-time high.

Both moves followed hefty gains in the previous session.

Markets breathed a sigh of relief after US trade representative Robert Lighthizer said a phase one trade deal with China was “totally done,” boosting trade-exposed UK stocks including HSBC, Burberry and miners.

MIRA Macquarie Infrastructure and Real Assets (MIRA) has announced the appointment of Anna Einfeldt as managing partner and head of Nordics. In her new role Anna will be responsible for identifying new investment opportunities in the Nordics for MIRA’s suite of infrastructure and real asset funds. She will also oversee asset management activities and engagement with stakeholders for MIRA’s suite of Nordic regional. Anna has more than 17 years of experience in corporate finance and advisory services and joins MIRA from PwC where she was most recently head of energy, utilities and resources. Leigh Harrison, head of MIRA in Europe, the Middle East and Africa, said: “Utilising Anna’s deep understanding of Nordic markets and significant experience in the infrastructure sector [will] further grow our local investment portfolio and relationships.”

FUTURE FINANCE Private student lender Future Finance has announced the appointment of Jeffrey Jackson as its new chief executive, subject to obtaining the necessary regulatory approvals. Jeffrey is promoted from his role as group chief financial officer and head of capital markets. Jeffrey joined Future Finance in 2018 and has been instrumental to its success and continued expansion over the last year. He has significant experience in the consumer finance sector. Prior to joining Future Finance, he held vice president roles at Goldman Sachs, where he ran the Specialty Finance Group, and UBS, where he worked in the Student Loan Group. He also founded and ran White Pine Advisers, a corporate advisory firm focused on the specialty finance sector. Jeffrey commented on his appointment: “Future Finance plays an incredibly important role in enabling access to higher education for students who might otherwise not be able to afford it. With over £10bn lent [so far], I look forward to working with our excellent team to build on our many successes to date.”

ROXI Music streaming and entertainment firm Roxi has appointed advertising and media industry veteran Rupert Howell as independent non-executive chairman. Rupert has previously served various senior roles such as managing director and executive director of ITV, and executive director of Reach. Roxi’s shareholders include Robbie Williams, Sheryl Crow and Alesha Dixon. Rob Lewis, founder and chief executive of Roxi, said: “With his extensive branding and media experience, we are excited to have Rupert join the management team and bring his expertise in publishing, technology and entertainment spheres... makes him a perfect fit for Roxi as we prepare for growth and flotation.”

To appear in CITYMOVES please email your career updates and pictures to citymoves@cityam.com
<table>
<thead>
<tr>
<th>Company</th>
<th>Price</th>
<th>Change</th>
<th>High</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elementis</td>
<td>175.6</td>
<td>4.1</td>
<td>197.9</td>
<td>129.8</td>
</tr>
<tr>
<td>Coca-Cola HBC AG</td>
<td>249.8</td>
<td>20.0</td>
<td>307.4</td>
<td>229.9</td>
</tr>
<tr>
<td>Barr (AG)</td>
<td>580.0</td>
<td>5.0</td>
<td>975.0</td>
<td>540.0</td>
</tr>
<tr>
<td>Tsy 4.250 46</td>
<td>166.75</td>
<td>-1.04</td>
<td>181.0</td>
<td>151.7</td>
</tr>
<tr>
<td>Kon KPN NV</td>
<td>2.62</td>
<td>0.01</td>
<td>2.96</td>
<td>2.47</td>
</tr>
<tr>
<td>IBERDROLA</td>
<td>9.08</td>
<td>0.08</td>
<td>9.54</td>
<td>6.02</td>
</tr>
<tr>
<td>AMADEUS IT GROUP</td>
<td>72.78</td>
<td>0.12</td>
<td>72.76</td>
<td>42.30</td>
</tr>
<tr>
<td>ORANGE</td>
<td>13.35</td>
<td>0.07</td>
<td>15.01</td>
<td>13.15</td>
</tr>
<tr>
<td>Banks</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Temple Bar IT</td>
<td>1482.0</td>
<td>58.0</td>
<td>1482.0</td>
<td>1116.0</td>
</tr>
<tr>
<td>Riverstone Energy</td>
<td>416.0</td>
<td>7.0</td>
<td>1118.0</td>
<td>403.5</td>
</tr>
<tr>
<td>Renewables Infra Gp</td>
<td>132.6</td>
<td>1.2</td>
<td>133.2</td>
<td>110.4</td>
</tr>
<tr>
<td>Mercantile IT</td>
<td>267.5</td>
<td>7.5</td>
<td>267.5</td>
<td>168.0</td>
</tr>
<tr>
<td>Fidelity Euro Values</td>
<td>254.5</td>
<td>3.5</td>
<td>257.5</td>
<td>202.0</td>
</tr>
<tr>
<td>BlackRock Smaller</td>
<td>1694.0</td>
<td>44.0</td>
<td>1694.0</td>
<td>1170.0</td>
</tr>
<tr>
<td>Bankers InvTst</td>
<td>977.0</td>
<td>11.0</td>
<td>977.0</td>
<td>766.0</td>
</tr>
<tr>
<td>Contour Global</td>
<td>208.0</td>
<td>0.0</td>
<td>222.5</td>
<td>159.1</td>
</tr>
<tr>
<td>Electricity</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Platinum</td>
<td>933.00</td>
<td>-7.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FTSE AIM All-Share</td>
<td>929.45</td>
<td>+11.74</td>
<td>+1.28</td>
<td></td>
</tr>
<tr>
<td>Inchcape</td>
<td>687.0</td>
<td>-1.5</td>
<td>688.5</td>
<td>525.5</td>
</tr>
<tr>
<td>B&amp;M</td>
<td>420.9</td>
<td>11.2</td>
<td>420.9</td>
<td>278.6</td>
</tr>
<tr>
<td>Schroders</td>
<td>3419.0</td>
<td>59.0</td>
<td>3419.0</td>
<td>2385.0</td>
</tr>
<tr>
<td>Rathbone Brothers</td>
<td>2145.0</td>
<td>60.0</td>
<td>2540.0</td>
<td>2045.0</td>
</tr>
<tr>
<td>Tesco</td>
<td>258.9</td>
<td>7.6</td>
<td>258.9</td>
<td>189.6</td>
</tr>
<tr>
<td>Talktalk Telecom</td>
<td>112.0</td>
<td>7.0</td>
<td>126.5</td>
<td>96.5</td>
</tr>
<tr>
<td>Fixed Line Telecommunications</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aluminium Alloy Cash Official</td>
<td>1420.00</td>
<td>+35.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aluminium Cash Official</td>
<td>1763.00</td>
<td>+8.25</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Copper Cash Official</td>
<td>6153.75</td>
<td>+57.75</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bellway</td>
<td>3888.0</td>
<td>57.0</td>
<td>3888.0</td>
<td>2456.0</td>
</tr>
<tr>
<td>Watches of Switz</td>
<td>320.0</td>
<td>0.0</td>
<td>338.8</td>
<td>270.0</td>
</tr>
<tr>
<td>Sports Direct Intl</td>
<td>472.2</td>
<td>112.2</td>
<td>472.2</td>
<td>214.0</td>
</tr>
<tr>
<td>JD Sports Fashion</td>
<td>810.0</td>
<td>27.2</td>
<td>810.0</td>
<td>318.5</td>
</tr>
<tr>
<td>Hastings Gp Hldgs</td>
<td>181.8</td>
<td>3.7</td>
<td>231.6</td>
<td>167.9</td>
</tr>
<tr>
<td>Direct Line Ins</td>
<td>324.6</td>
<td>11.0</td>
<td>366.5</td>
<td>270.5</td>
</tr>
<tr>
<td>Sirius Minerals</td>
<td>3.5</td>
<td>0.0</td>
<td>24.3</td>
<td>2.9</td>
</tr>
<tr>
<td>Fresnillo</td>
<td>589.4</td>
<td>17.0</td>
<td>1027.5</td>
<td>539.6</td>
</tr>
<tr>
<td>TRACTOR</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>United States</td>
<td>1.2778</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Elemental</td>
<td>295.0</td>
<td>6.0</td>
<td>295.0</td>
<td>212.0</td>
</tr>
<tr>
<td>Fevertree Drinks</td>
<td>2124.0</td>
<td>34.0</td>
<td>2475.0</td>
<td>1732.5</td>
</tr>
<tr>
<td>Eland Oil &amp; Gas</td>
<td>165.8</td>
<td>0.4</td>
<td>165.8</td>
<td>101.0</td>
</tr>
<tr>
<td>CVS Group</td>
<td>1092.0</td>
<td>29.0</td>
<td>1105.0</td>
<td>395.0</td>
</tr>
<tr>
<td>Central Asia Metals</td>
<td>220.0</td>
<td>0.0</td>
<td>266.5</td>
<td>180.0</td>
</tr>
<tr>
<td>Caretech Holdings</td>
<td>401.0</td>
<td>3.0</td>
<td>405.0</td>
<td>325.0</td>
</tr>
<tr>
<td>ASOS</td>
<td>3000.0</td>
<td>10.0</td>
<td>4066.0</td>
<td>2107.0</td>
</tr>
<tr>
<td>Advanced Medical</td>
<td>272.0</td>
<td>5.0</td>
<td>354.5</td>
<td>225.0</td>
</tr>
<tr>
<td>Advanced Medical</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AIM 50</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AIM 50</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AIM 50</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AIM 50</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AIM 50</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AIM 50</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AIM 50</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AIM 50</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AIM 50</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
INVESTMENT

MAKING A MORTGAGE OUT OF A MOLEHILL

Rod Lockhart explains why pension funds are putting money into property debt

W
hen the Alternative Credit Council recently predicted that the global private debt market will be worth in excess of $1 trillion by the end of 2020, some might have called the claim a little audacious. Only seven years ago, less than £1 in every £10 lent in the UK came from an alternative lender. Today, alternative lenders account for more than a quarter of the total UK lending market. It isn’t a fad, it is the new status quo.

It has come at a time when property finance from mainstream or high street banks is severely restricted. The banks that provided loans before 2008 have only returned to narrow parts of the property finance market, and with less than convincing enthusiasm. Cue thousands of creditworthy small and medium-sized property investment and development companies struggling to source the finance they need to finance their assets and grow their businesses. Add to that the sheer volume of outstanding loans that are due to mature and will require refinancing.

Take, for instance, the commercial real estate market. In Europe alone, there are an estimated £500bn of loans due to refinance in the next four years. Without the traditional lenders there to offer new loans, alternative lenders have a big gap to fill. But it’s the surge in interest from a widening global pool of investors that’s putting this alternative investment option so firmly on the map.

The appetite from institutions like pension funds and insurers has ramped up exponentially. One of the UK’s largest pension funds, RPMI Railpen, announced this summer that it is boosting its direct lending allocation (on behalf of its 350,000 UK railway industry pension holders) to as much as £4bn.

The constant hunt for yield is, unsurprisingly, a predominant driver to private debt. In this lower-belonger interest rate environment, the search for income is a perennial preoccupation for investors. Plus, with equities at high valuations, new equity issues underperforming, and bond yields hitting historic lows, private debt has become the light at the end of the tunnel for yield-hungry allocators.

But what, beyond yield, is putting money into property debt?

“INVESTMENT

MAKING A MORTGAGE OUT OF A MOLEHILL

Rod Lockhart explains why pension funds are putting money into property debt

W
hen the Alternative Credit Council recently predicted that the global private debt market will be worth in excess of $1 trillion by the end of 2020, some might have called the claim a little audacious. Only seven years ago, less than £1 in every £10 lent in the UK came from an alternative lender. Today, alternative lenders account for more than a quarter of the total UK lending market. It isn’t a fad, it is the new status quo.

It has come at a time when property finance from mainstream or high street banks is severely restricted. The banks that provided loans before 2008 have only returned to narrow parts of the property finance market, and with less than convincing enthusiasm. Cue thousands of creditworthy small and medium-sized property investment and development companies struggling to source the finance they need to finance their assets and grow their businesses. Add to that the sheer volume of outstanding loans that are due to mature and will require refinancing.

Take, for instance, the commercial real estate market. In Europe alone, there are an estimated £500bn of loans due to refinance in the next four years. Without the traditional lenders there to offer new loans, alternative lenders have a big gap to fill. But it’s the surge in interest from a widening global pool of investors that’s putting this alternative investment option so firmly on the map.

The appetite from institutions like pension funds and insurers has ramped up exponentially. One of the UK’s largest pension funds, RPMI Railpen, announced this summer that it is boosting its direct lending allocation (on behalf of its 350,000 UK railway industry pension holders) to as much as £4bn.

The constant hunt for yield is, unsurprisingly, a predominant driver to private debt. In this lower-belonger interest rate environment, the search for income is a perennial preoccupation for investors. Plus, with equities at high valuations, new equity issues underperforming, and bond yields hitting historic lows, private debt has become the light at the end of the tunnel for yield-hungry allocators.

But what, beyond yield, is putting property debt investment so firmly on the radar of our pension funds and insurers?

Simply put, property equity investments are not as attractive as they once were. We’re observing a marked shift among investors from direct property equity investments to the private debt route.

As this extended economic cycle continues, the capacity for growth in property investments is tailing off. Furthermore, with yields in most sectors at all-time lows and rental growth prospects for the residential and commercial sectors also being relatively limited (according to the Office for National Statistics, rents grew by just 1.3 per cent in the year to October), while CBRE reports that commercial rents are flat, the outlook for returns from property is modest. When these are compared with the returns generated by property debt positions, property debt investment looks really attractive on a risk-adjusted basis.

Your traditional direct property equity position might last as long as a decade to defend against cyclical downturns in capital values and to offset high transaction costs. Even in institutional property investment funds, the minimum hold will be for no less than seven years. But shorter-term direct lending permits more flexibility; investors recoup their capital and recycle it sooner as opportunities and markets evolve.

Perhaps the most impactful – and exciting – driver is what institutional investors like about direct lenders’ evolving models.

The faceless bank mortgage or the transactional approach of a hedge fund or private equity lender are fast losing favour. Direct lenders and property finance borrowers are striking up a new, more sustainable way of working: a more specialist, relationship-managed experience that complements both parties’ goals.

Borrowers get finance on terms that work for them, and direct lenders achieve astonishingly high repeat borrower rates and lower than average arrear rates: testaments to a formula of lending that really works, and provides confident signals to investors that the credit quality is high.

However, we’re not there yet. Dutch non-bank lenders have been shaking up their mortgage market for years, and the Netherlands is home to myriad tales of how direct lending has transformed institutional investing. But at a time when every investment decision counts, it’s encouraging to see the diversification and ambition of UK pension managers to try the alternative. More often than not, it’s better than the norm.
Domestic challenges have been piling up — now the government must tackle them

T MAY have seemed like a life- time, but the six-week election campaign period has finally come to a close. And at the end of January, the UK is set to leave the EU — at the fourth attempt. With a thumping majority, the Prime Minister should face little challenge in getting his withdrawal agreement through parliament later this week.

For Boris Johnson, the key concern has moved on to ensuring that we do not run the risk of crashing out of the EU on January 31, 2020, and working towards the closest possible future trading relationship with the EU. But the government cannot and must not do this to the exclusion of everything else. Domestic issues have been piling up for years, and need to be tackled.

First, infrastructure. The Conservative manifesto commitments on developing mega-city connectivity and delivering Northern Powerhouse Rail — both of which are sorely needed. However, it was lukewarm on HS2 and airport expansion. Mega-city connectivity projects like these can be transformative for local and national economies alike; as they crowd in jobs, supply chains and housing, as well as sending a signal that the UK is open for business.

For the South East, the absence of Crossrail 2 from the manifesto commitments was lamentable — all the more so given that Boris Johnson, as mayor of London, pledged to launch the project as the business case for the scheme. Yes, Crossrail is running behind schedule, but this is a scheme of such national importance that the benefits will be felt for decades. Meanwhile, Crossrail 2 has the support of businesses up and down the country, and it is vital that the government shows its commitment to projects like this that put us ahead of the game.

Second, housing, on which the manifesto was vague. There is a national housing crisis, particularly stark in London and the South East, and felt across the country. Solving it requires more investment — an additional £8.6bn is required to meet the capital’s housebuilding target alone — and more land. Reform of the planning system is critical, as is backing the Planning Inspector’s recommendations on locally-led reviews of the green belt.

To deliver the infrastructure and homes our country requires, we need the right skills. The government has committed to a points-based immigration system and, encouragingly, sees the need for an official independent migration agency that can respond to economic need.

Mandelson once did. They also echo Conservative campaign stole New Labour’s million-policy mandate from the tech sector, have a bonfire of promises that somehow don’t quite materialise, this one has cost us absolutely no choice other than to deliver. Second, again unlike other promises, failure to deliver on this will have far-reaching deep consequences for all of us.

We need a government which is capable of looking past the more immediate political issues and brave enough to focus on challenges that seem less immediate but are of greater concern. History teaches us many things, but one lesson in particular springs to mind: that we are a nation of optimists, when the right thing is done, it can achieve really great things. Looking at the challenges of developing clean energy sources and cutting emissions, we can but hope that history repeats itself now.

It’s a brave new political world we are all entering, and we still have a things to iron out, but movement in any direction must be welcomed. Standing still for long periods doesn’t do anyone any good at all, and that may be a factor in why we saw the election results we did last week.

Churchill said: “If you’re going through hell, keep going.” That is a quote that is on the wall of our factory, and it seems to be one that can be fittingly attributed to our Prime Minister too. I think we all hope that, with Boris Johnson taking the reins of power, the Prime Minister will take another of Churchill’s quotes to heart: “never worry about action, but only about inaction.”

Bruce Dear is head of London real estate at Evernden Sutherland.

OPINION
TUESDAY 17 DECEMBER 2019
CITYAM.COM

LETTERS
TO THE EDITOR

If you’re going through hell...

The Conservative manifesto contained a promise of investment in clean energy sources and infrastructure to reduce carbon emissions and pollution. This promise is unusual in two ways. First, unlike many previous promises that somehow don’t quite materialise, this one has cost us absolutely no choice other than to deliver. Second, again unlike other promises, failure to deliver on this will have far-reaching deep consequences for all of us.

We need a government which is capable of looking past the more immediate political issues and brave enough to focus on challenges that seem less immediate but are of greater concern. History teaches us many things, but one lesson in particular springs to mind: that we are a nation of optimists, when the right thing is done, it can achieve really great things. Looking at the challenges of developing clean energy sources and cutting emissions, we can but hope that history repeats itself now.

It’s a brave new political world we are all entering, and we still have a things to iron out, but movement in any direction must be welcomed. Standing still for long periods doesn’t do anyone any good at all, and that may be a factor in why we saw the election results we did last week.

Churchill said: “If you’re going through hell, keep going.” That is a quote that is on the wall of our factory, and it seems to be one that can be fittingly attributed to our Prime Minister too. I think we all hope that, with Boris Johnson taking the reins of power, the Prime Minister will take another of Churchill’s quotes to heart: “never worry about action, but only about inaction.”

David Bowen, CTQ and founder, Logician

BEST OF TWITTER

When the Conservatives gain voters, it’s a sign of their Electoral Viritity and capacity to Win the Battle of Ideas — even if Labour gains voters it’s proof that they’ve forgotten what it “means” to be Labour — logically they’ve just got to be betraying someone.

“@MariosRichards
“We have to learn the lessons of Thursday” “So will you now drop your opposition to Brexit” “No” “That Labour fighhtback is full” @DPJHodges

It’s very strange how some people think it’s unforgivable that Lisa Nandy spent weeks, months, even years, as Shadow Secretary of State, despite her offensive and toxic record of sharing panels with truly awful people going back 30 years @AM_HC

To beat Northern woman Boris Johnson must clear that Labour needs... oh, hold on. @lavinmartin

Sure the BBC made mistakes and cock-ups — navigating a world of fake news is never easy — but the CNN left and Johnson right alike are now combining to wound a great institution, maybe fatally. If it goes down Britain will be the poorer — a civilizational disaster.

@williamshutton

The Conservative manifesto contained a promise of investment in clean energy sources and infrastructure to reduce carbon emissions and pollution. This promise is unusual in two ways. First, unlike many previous promises that somehow don’t quite materialise, this one has cost us absolutely no choice other than to deliver. Second, again unlike other promises, failure to deliver on this will have far-reaching deep consequences for all of us.

We need a government which is capable of looking past the more immediate political issues and brave enough to focus on challenges that seem less immediate but are of greater concern. History teaches us many things, but one lesson in particular springs to mind: that we are a nation of optimists, when the right thing is done, it can achieve really great things. Looking at the challenges of developing clean energy sources and cutting emissions, we can but hope that history repeats itself now.

It’s a brave new political world we are all entering, and we still have a things to iron out, but movement in any direction must be welcomed. Standing still for long periods doesn’t do anyone any good at all, and that may be a factor in why we saw the election results we did last week.

Churchill said: “If you’re going through hell, keep going.” That is a quote that is on the wall of our factory, and it seems to be one that can be fittingly attributed to our Prime Minister too. I think we all hope that, with Boris Johnson taking the reins of power, the Prime Minister will take another of Churchill’s quotes to heart: “never worry about action, but only about inaction.”

David Bowen, CTQ and founder, Logician

BEST OF TWITTER

When the Conservatives gain voters, it’s a sign of their Electoral Viritity and capacity to Win the Battle of Ideas — even if Labour gains voters it’s proof that they’ve forgotten what it “means” to be Labour — logically they’ve just got to be betraying someone.

“@MariosRichards
“We have to learn the lessons of Thursday” “So will you now drop your opposition to Brexit” “No” “That Labour fighhtback is full” @DPJHodges

It’s very strange how some people think it’s unforgivable that Lisa Nandy spent weeks, months, even years, as Shadow Secretary of State, despite her offensive and toxic record of sharing panels with truly awful people going back 30 years @AM_HC

To beat Northern woman Boris Johnson must clear that Labour needs... oh, hold on. @lavinmartin

Sure the BBC made mistakes and cock-ups — navigating a world of fake news is never easy — but the CNN left and Johnson right alike are now combining to wound a great institution, maybe fatally. If it goes down Britain will be the poorer — a civilizational disaster.

@williamshutton

The Conservative manifesto contained a promise of investment in clean energy sources and infrastructure to reduce carbon emissions and pollution. This promise is unusual in two ways. First, unlike many previous promises that somehow don’t quite materialise, this one has cost us absolutely no choice other than to deliver. Second, again unlike other promises, failure to deliver on this will have far-reaching deep consequences for all of us.

We need a government which is capable of looking past the more immediate political issues and brave enough to focus on challenges that seem less immediate but are of greater concern. History teaches us many things, but one lesson in particular springs to mind: that we are a nation of optimists, when the right thing is done, it can achieve really great things. Looking at the challenges of developing clean energy sources and cutting emissions, we can but hope that history repeats itself now.

It’s a brave new political world we are all entering, and we still have a things to iron out, but movement in any direction must be welcomed. Standing still for long periods doesn’t do anyone any good at all, and that may be a factor in why we saw the election results we did last week.

Churchill said: “If you’re going through hell, keep going.” That is a quote that is on the wall of our factory, and it seems to be one that can be fittingly attributed to our Prime Minister too. I think we all hope that, with Boris Johnson taking the reins of power, the Prime Minister will take another of Churchill’s quotes to heart: “never worry about action, but only about inaction.”

David Bowen, CTQ and founder, Logician

BEST OF TWITTER

When the Conservatives gain voters, it’s a sign of their Electoral Viritity and capacity to Win the Battle of Ideas — even if Labour gains voters it’s proof that they’ve forgotten what it “means” to be Labour — logically they’ve just got to be betraying someone.

“@MariosRichards
“We have to learn the lessons of Thursday” “So will you now drop your opposition to Brexit” “No” “That Labour fighhtback is full” @DPJHodges

It’s very strange how some people think it’s unforgivable that Lisa Nandy spent weeks, months, even years, as Shadow Secretary of State, despite her offensive and toxic record of sharing panels with truly awful people going back 30 years @AM_HC

To beat Northern woman Boris Johnson must clear that Labour needs... oh, hold on. @lavinmartin

Sure the BBC made mistakes and cock-ups — navigating a world of fake news is never easy — but the CNN left and Johnson right alike are now combining to wound a great institution, maybe fatally. If it goes down Britain will be the poorer — a civilizational disaster.

@williamshutton
Business must learn and adapt in this age of political renewal

Michael Hayman

This is not just about biding time. The stock of the commercial world also needs to rise. Like this new government, the challenge for business is not just demonstrating competence, but about conveying compassion in its actions. The emerging renewal project of government will be an important mirror for business to take a good look at its own promise as a positive force for change in society and, most importantly, to get involved.

That will take many into new territory, where profit lives alongside purpose as a measure of success. This will fast become the new normal, the general and expected measure of quality: the ability to contribute to the improvements of people’s lives.

The political labels may be the same but this is a very different government than the one we had last week. It will spend more, so don’t expect tax cuts. It will invest heavily in the Midlands and the North, so don’t hold your breath for the South West trains line upgrade anytime soon. And it will focus on social priorities first, so you’ll be waiting a while for eulogies on the power of the free market.

The Renaissance replaced the Middle Ages and ushered in a vibrant period of social and economic rebirth. Whether Boris Johnson can prove himself to be the new Renaissance man is yet to be seen, but a political rebirth of Conservative government through national renewal is his goal.

That’s going to need a cavalry, and business is the horse that will be led to water. The question is, will it drink?

Harry Potter characters: that which must not be named. Conservatives what Voldemort was to election trail, it proved to be to the mutual benefit of those who would govern since the 1920s, where it will be defined by decision, not by deadlock and enter into one big battle”, this event was to finally settle the hostilities between immoral and ailing corporations and the new broom of detractors ready to lance at the first opportunity to accuse it of betrayal, so look forward to seeing his team work flat-out to come good on their promise to protect the NHS from their very first days in office.

For the commercial world, a singular focus presents potential challenges. Business is not the priority and hasn’t been for some time. On the election trail, it proved to be to the Conservatives what Voldemort was to Harry Potter characters: that which must not be named.

Businesses themselves were reluctant to express a view despite the stakes. In turn, one of Labour’s most successful tactics was to characterise the business scene as one of brutal millionaires and ailing corporations ready to be nationalised.

The assumption by many businesses is that this will change now a familiar friend has been returned to power. But they may have to think again as the social and societal priorities define the early days of this new administration.

This is not just about biding time, the stock of the commercial world needs to rise
Welcome to the last edition of Crypto AM for 2019. Last night I hosted the London Blockchain Forum Christmas Keynote Supper at Smith & Wollensky which was attended by 160 members of the AI, Blockchain and DLT community with several others flying in from overseas. The general mood about 2019 is that it was the year of great expectations for the industry which failed to materialise. This sentiment was echoed at the SwissBorg (see Spotlight on SwissBorg) launch announcement event in London, also yesterday, where there was overall agreement that regulation is vital.

Even the crypto market was feeling depressed since last week's edition with Bitcoin (BTC) at the time of writing trading at US$7,118.86 / GB£5,431.27; Ethereum (ETH) is at US$141.43 / GB£106.23; Ripple (XRP) is at US$0.2129 / GB£0.1694; Binance (BNB) is at US$134.24 / GB£101.68 and Cardano (ADA) is at US$0.03082 / GB£0.02703. Overall Market Cap is at US$159.78Bn / GB£129.92Bn (data source: www.CryptoCompare.com)

My general feeling is that there is still a hangover from the damaging impact of the crypto crash scenarios that took advantage of an unregulated environment. The good news is that the vast majority of these bad actors have now either exposed or realised that there is no way too much scrutiny to take jilt term risk. Certainly in the UK the distraction and uncertainty from the polarising topic of Brexit took its toll making it doubly difficult for those in financial raise mode. The lack of clear regulation from the financial authorities for much of the year meant that the much anticipated wave of STO (security token offerings) didn’t really materialise. The net effect being that only the strongest and careful of projects survived Crypto Winter.

Despite this damp squib the outlook for 2020 looks and feels a lot stronger. The Libra Effect which is the shock on effect of Facebook’s announcement of its global cryptocurrency has played a major in moving things forward from a regulatory. The central banks were shaken to the core by the announcement with a knee-jerk reaction quickly coming in for an outright ban at worst and at best strict regulatory control. Since the announcement, China, Germany, Ukraine, Dubai and Abu Dhabi are in the process of or have delivered legislative frameworks for the use of Crypto and / or Digital Assets. It certainly feels to me that 2020 will be a pivotal year where institutional adoption can legitimately take place.

So off I go, I would now like to take the opportunity to wish all Crypto AM readers a very Merry Christmas, Happy Holidays and a Happy New Year. I would also like to say a massive thank you too for the continuing support of Lawson, Jens and Harry at City AM Media Group. Finally, last but not least, thank you to Bridie Wilson, Taylor Campbell and Phillip Snelling without whom this double page spread could not happen!

CRYPTO A.M.
PARTNER CONTENT

CITY A.M.'S CRYPTO INSIDER

JAMES BOWATER

As the European commission pushes out its fourth AML directive, it appears that banking conglomerates will soon have full regulatory approval to offer Bitcoin and cryptocurrency custodial services to their clients. The recent report posted by regional financial news publication Handelsblatt, revealed that in 2020, German banking institutions will be able to manage cryptocurrencies for their clientele. The newly enacted legislation will effectively allow banks to receive, store and sell digital assets like Bitcoin, Ethereum and other digital assets which have been subject to Euro regulatory scrutiny. Among other things, this fourth EU money laundering directive highlights the fact that “electronic money products are increasingly considered to be a substitute for bank accounts.” As per the report, the removal of the “separation bid”, will allow banks to directly handle cryptocurrencies without using a third-party custodian, which is to say that German banks will be able to offer cryptocurrency solutions alongside bonds, equities and traditional stocks.

A PRESS FOR ADOPTION

Taking a bird’s eye view, it would seem that while custodian solutions are in direct conflict with the spirit of cryptocurrency freedoms and privacy, the partial merging of cryptocurrencies with conventional banking and traditional finance could arguably be good for the nascent industry. Irrespective of one’s personal opinions, it comes as no surprise that age-old calls for “institutional adoption” are finally coming to fruition, with custodial services giving the go-ahead for traditional money to come flooding into the space. To this end, thought leaders and market analysts have long touted the financial “transitory period” where “old meets new” and where two worlds mingle in a more profound and tangible manner. This inevitable meeting is also set to take place amidst stubborn reports of a looming generational wealth transfer; the likes of which the West has never seen. Indeed, the clock is ticking and the game is on.

BITCOIN GETS THE BANKING NOD OF APPROVAL

CRITICS HAVE THEIR SAY

That being said, it’s not all sunshine and roses in the cryptocurrency, as some experts remain unconvinced about the merits of this alleged pro-crypto move by the German central bank. In fact, critics are arguing that it is a bad idea to allow banks to directly sell crypto services to customers. According to Niels Nauhausen, banks are too aggressive in targeting new customers and cryptocurrency offerings may result in a significant downswit. He stated: “Basically, banks sell a variety of financial products if the commission is right. If they are allowed to sell cryptocurrencies and keep them for a fee, they run the risk of returning a total loss to their clients, without them knowing what they are getting into.” Put simply, this looks to the likelihood of banks selling a product or services without necessarily divulging the full risks associated with it.

DEUTSCHE BANK AND OTHER EUROPEAN WOES

It’s no secret that the German prized jewel has been struggling ever since its peak back in 2007, from which its stock has plummeted 94%. While there’s plenty of blame to go around the German boardroom for its dismal perform-
TUESDAY 17 DECEMBER 2019 | FEATURE | 23

CITYAM.COM

CROP CRYPTO MARKET VIEW

Bitcoin Development is Getting Funded

This week the price of Bitcoin dropped from $7,500 to less than $7,100 as it continues on a downward trend since July, when it was trading close to $13,000 mark. The largest altcoin Ethereum dropped from $150 to little over $140, as it follows BTC in a downward trend from $300 in July. Despite the lackluster price performance, bitcoin development is gaining support. The payments firm behind the popular Cash app, Square, has funded a pseudonymous Bitcoin developer going by ‘ZmnSCPxj’, who’s known for his work on scaling Bitcoin. The VeChain Foundation, a non-profit organization supporting the VET cryptocurrency, saw a wallet that was set to be used to buy tokens get compromised, with the hacker stealing 1.1 billion VET tokens (worth $6.5 million). The breach is being investigated, but it’s believed a team member didn’t follow proper security procedures. VeChain’s price had been rising this month as it was announced Microsoft was looking to use its blockchain to develop a card game called “Arena of Death.” Its blockchain allows players to actually own their own cards, without dealing with private keys or cryptocurrency exchanges, as on VeChain there’s no need to own crypto to own collectibles.

Finally, Ethereum has seen its Google search interest hit a near three-year low. Google Trends data shows that on a scale of 0 to 100 it’s currently at a 6, down from a high close to 74 one year ago. While searches for Ethereum are down, searches for the Brave browser and other crypto projects are on the rise. The Brave browser, which uses a privacy-focused ad system to hand back fees to users, was at its all-time high close to $1,400. Despite the lackluster price performance, there’s no need to own crypto to own collectibles. When people gain confidence in the new internet, they don’t fail, there will be a slow ramp up. After this we can have more liquidity and things will time high cooling down. Global liquidity could be much larger than we think. If we go global and understand what is liquid, more liquidity will flow there, and attract more liquidity. All of this will be enabled by decentralisation.

To enable mass adoption of DeFi we need global liquidity and understanding building on an ecosystem that is safer, faster, and easier to use. Until then, the industry can only address enthusiasts. We believe that the best way to offer this is through a custodial wallet. We see wallets somewhat like the internet browser for the blockchain. It holds the key to our crypto future.

Alex Batlin, CEO and Founder of Trustology
For further information visit https://trustology.io/
here are two schools of thought here. For some, SUVs are a contradiction in terms. They are offroaders that rarely (if ever) venture beyond tarmac. They aspire to dynamism, yet are blunted by bulk and a high centre of gravity. And they diminish the ‘utility’ of a Sports Utility Vehicle for a sleeker silhouette.

Then again, an arsenal of technology lends most such cars an agility and a high centre of gravity. And they are still amply practical for family life, despite some concessions to style. Like a certain political debate, there seems to be no middle-ground. But whichever side of the fence you sit on, high-riding coupes are here to stay. In which limits you to four seats, costs £7,482 and saves just 22kg – negligibly on a 2,275kg SUV. On the plus side, the carbon fibre roof and retro 911-style houndstooth trim are incontestably cool. And an analogue rev counter is an asset in a large SUV. And it helps make the Cayenne Coupe the most driver-focused car in its class.

Select one of the sportier drive modes and body control is iron-fisted, the Porsche hugging the road with steady focus. Its steering is nuanced and direct, while its brakes – £4,217 ceramic-composite discs here – are progressive and mighty. Sitting so high, you’re never totally immersed in the action, but this is the closest an SUV gets to a sports car.

Me? I’d go for the Porsche Panamera Sport Turismo estate, which is prettier, nearly as practical and even more engaging to drive. But you’ve already made up your mind, right?

Tim Pitt works for motoringresearch.com

NOT CONVINCED? CHECK OUT THESE ALTERNATIVES...

AUDI SQ8 TDI VORSPRUNG

PRICE: £104,240
0-62MPH: 4.8 SECS
TOP SPEED: 155MPH
CO2 G/KM: 258G/KM
MPG COMBINED: 23.7MPG

THE VERDICT: DESIGN PERFORMANCE PRACTICABILITY VALUE

BMW X6 M

PRICE: £93,530
0-62MPH: 4.2 SECS
TOP SPEED: 177MPH
CO2 G/KM: 255G/KM
MPG COMBINED: 23.1MPG

THE VERDICT: DESIGN PERFORMANCE PRACTICABILITY VALUE

MERCEDES-AMG GLE 63S COUPE

PRICE: £89,840
0-62MPH: 4.2 SECS
TOP SPEED: 177MPH
CO2 G/KM: 275G/KM
MPG COMBINED: 22.8MPG

THE VERDICT: DESIGN PERFORMANCE PRACTICABILITY VALUE
An important note to remember is the iconic line from Miracle on 34th Street: “Christmas isn’t just a day, it’s a frame of mind.”

Matthew Kay is the managing director of Vario from Pinsent Masons.
LIVERPOOL will play Aston Villa tonight in the EFL Cup quarter-final less than 24 hours before the Reds are due to play in the Club World Cup semi-final halfway across the world in Qatar.

It means Jurgen Klopp’s side will have played three games in the space of five days following Saturday’s 2-0 win over Watford.

They have been granted permission by the English Football League to field a team “that is largely consistent with those that have participated in earlier rounds of this season’s competition” in tonight’s tie.

Liverpool will likely field a number of younger players as they have tended to in the competition and will reportedly be led by under-23 coach Neil Critchley, with Klopp’s senior squad to Qatar for the Club World Cup.

Even youngsters Neco Williams and Curtis Jones have travelled for the tournament, while the injured Dejan Lovren has been left behind.

It is the 16th edition of the annual Club World Cup which involves the winners from the six continental competitions plus the host nation’s league winners.

Champions League winners Liverpool and Copa Libertadores winners Flamengo will both join at the semi-final stage, playing Mexican side Monterrey and Saudi Arabian outfit Al-Hilal respectively after they won their second round ties on Saturday.

However this seven-team, largely uncompetitive affair, is set for an upgrade from 2021, with FIFA President Gianni Infantino announcing plans to expand it to a 24-team competition earlier this year.

There are to be some teething issues, though, with Infantino looking to incorporate six South American sides into the competition. Thus far the European Clubs Association has displayed its intent to boycott the new format altogether.

And while plans to host it every four years are favourable, it would clash with the African Cup of Nations, leaving players like Mohamed Salah and Sadio Mane unable to play in what would be a blow to Liverpool.

None of that will help Klopp now, however, as he endeavours to fight for trophies on multiple fronts.

Despite Liverpool being given the all-clear to play a team largely consistent with previous round, they will be without the likes of James Milner, Alex Oxlade-Chamberlain, Naby Keita and other senior squad members to have participated in the EFL Cup so far, as well as Jones and Williams.

It means Liverpool’s fate in the competition will lie entirely in the hands of the under-23s, with Harvey Elliot and Rhian Brewster among the more talented youth players tasked with competing for a place in the semi-final.

So far this season Liverpool’s under-23s have not hit the heights of their seniors, sitting seventh of 12 in the Premier League this campaign as they sit 10 points behind leaders, sitting fifth in a highly-competitive Bundesliga.

Guardiola has not won the competition since 2011 with Barcelona, and if he is to change that he will have to beat the most successful coach of recent times in the competition.

Zinedine Zidane has never faced Guardiola as a coach, but his Real Madrid side won three successive titles from 2016 to 2018 and are vying for Barca for dominance in La Liga.

With rumours about Guardiola’s long-term future at City continuing to swirl, this tie will be a proper test of his credentials.

TOTTENHAM V RB LEIPZIG

On the face of it Spurs have landed the best draw out of the English clubs, but Jose Mourinho will know that is not necessarily the case.

Led by Julian Nagelsmann and powered by Timo Werner’s 16 goals and five assists this season, Leipzig are unbeaten in their last 10 games across all competitions and are flying at the top of the Bundesliga.

Spurs were beaten home and away by Bayern in the group stages, shipping 10 goals, and are yet to tighten up their defence since Mourinho’s arrival. An intriguing tie awaits for Spurs in February.
**SPORT DIGEST**

**WALES’ HOWLEY BANNED FOR BETTING ON MATCHES**
Former Wales coach Rob Howley has been banned from rugby for 18 months for betting breaches. Howley, 46, made 363 bets on rugby union, featuring 1,163 matches between 14 November 2015 and 7 September 2019. His suspension has nine months suspended and is backdated to his withdrawal from Wales’ World Cup team in September.

**STOKES TO MISS ENGLAND TWO-DAY WARM-UP GAME**
Ben Stokes will miss England’s first warm-up game against South Africa Invitational XI after winning BBC’s Sports Personality of the Year award. Stokes will arrive in South Africa today, too late to take part in the game, but Jimmy Anderson should feature after returning from a calf injury.

**FREEMAN TRIBUNAL MAY NOT FINISH UNTIL OCTOBER**
The medical tribunal of ex-British Cycling and Team Sky doctor Richard Freeman may not finish until October 2020 after being adjourned on medical grounds yesterday. Freeman, who could be struck off after accepting 18 of the 22 charges against him, withdrew his ill health hearing. The hearing should restart in late April or May 2020.

**GOLF COMMENT**

Sam Torrance

**OLF HAS enjoyed another great year and with 2019 drawing to a close it is time for me to look back on its stand-out protagonists, moments and more.**

**PLAYER OF THE YEAR**
This is a tricky one, but the world rankings don’t lie: Brooks Koepka (picture left) and Rory McIlroy are No1 and No2 for a good reason. Both have been remarkable in their own ways.

You can’t fault McIlroy’s season. He has been brilliantly consistent, winning four events as well as the FedEx Cup – and $15,000,000, the biggest prize in the sport.

The Northern Irishman enjoyed a great season, winning big events – the Players Championship, Canadian Open, Tour Championship and the WGC-HSBC Champions – but he did not manage to add to his four Majors.

Koepka, meanwhile, won the PGA Championship for the second straight year to become the first player since Tiger Woods in 2001 to successfully defend his title at the American Major.

It does come down to consistency against big-occasion play and I can’t separate them, so the two are tied as my players of 2019.

**BREAKTHROUGH PLAYER**
This category is much easier. It has to be Jon Rahm. Many times this year I’ve written of my admiration of the Spaniard, whose star has risen so much over the last 12 months.

Like McIlroy, the 25-year-old claimed four events over the year, with victory at the DP World Tour Championship last month sealing the European Tour’s Race To Dubai crown.

Rahm is a super impressive individual. The way he birdied the 18th hole in Dubai to seal the season-ending triumph showed just how calm he is under pressure.

I am backing him to take the next step and win a first Major in 2020.

**BEST MOMENT**
First of all I have to give a mention to Europe’s win at the Solheim Cup in September. The closing stages were so dramatic and Suzann Pettersen’s winning birdie putt at the 18th was a wonderful moment which sealed Europe’s first win since 2013.

However, for me there is simply no beating Shane Lowry at The Open. I was commentating at Portrush and the atmosphere was so special.

Lowry’s long celebratory walk up to The Open and the way he birdied the 18th green, knowing he had sealed the win, was extraordinary – as was the margin of his six-shot victory.

**FAVOURITE TOURNAMENT**
The Open beats The Solheim Cup to it again. The women’s team competition was out of this world and the last hour was good as any Ryder Cup I’ve ever seen.

But being at The Open made a real impression on me. It is something I will never forget: the perfect story, with an Irishman winning his first Major in Northern Ireland.

The tournament is the pinnacle for European players and the way Lowry did it was phenomenal.

**SPECIAL MENTION**
The FedEx Cup was over by the end of August this year and that really helped the end of the European Tour season to reach a dramatic climax.

With no American events to play in, the world’s biggest players were free to compete elsewhere and their involvement helped enhance the back end of the European Tour.

**PREDICTION FOR 2020**
I think next year could be the one where we see Europe’s top two players take over. Koepka missed the Presidents Cup last week because he is recovering after having stem cell procedure on his knee, so he might take a while to get up to speed.

That could leave the way open for McIlroy and Rahm in the Majors. Both have enjoyed brilliant years and I think they can cash in next year.

Finally, I believe Padraig Harrington will prove to be a fantastic captain for Europe at the Ryder Cup next year. Next year is certainly looking bright from a European perspective.

Sam Torrance OBE is a multiple Ryder Cup winning golfer and media commentator. Follow him @torrancesam
A WORLD OF ADVICE IN ONE ST. JAMES’S PLACE

We’re a partnership of over 4,000 advisers. Helping people, like you, take charge of their financial future every day.

FACE-TO-FACE AWARD-WINNING ADVICE

sjp.co.uk

Partnership is a marketing term used to describe St. James’s Place representatives. St. James’s Place Representatives represent only St. James’s Place Wealth Management plc, which is authorised and regulated by the Financial Conduct Authority. Registered in England Number 4113955.