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FOOTBALL RICH LIST WHICH CLUB IS TOP OF THE LEAGUE? **P26**

MEETING THE MARQUE OUR TAKE ON THE NEW LOTUS **P24**

TUESDAY 14 JANUARY 2020 | ISSUE 3,533 CITYAM.COM FREE

FLYMAYBE

TROUBLED AIRLINE IN TURMOIL AS IT SEEKS A MULTI-MILLION-POUND TAX BILL DELAY FROM MINISTERS

ALEX DANIEL

@alexmdaniel

FLYBE's chief executive Mark Anderson yesterday pleaded with employees not to speculate on its financial situation, as the struggling airline remained tight-lipped on reports that it is hurtling towards collapse.

Europe's biggest regional carrier was rocked after a fresh battle for survival emerged on Sunday night, less than a year after a buyout by a consortium led by Virgin Atlantic. However, Anderson insisted that it is business as usual.

The company is trying to convince the government to provide a rescue deal, with reports by Sky's Mark Kleinman late last night claiming the airline is seeking to defer its annual multi-million-pound air passenger duty bill.

The broadcaster said business secretary Andrea Leadsom and transport secretary Grant Shapps will meet chancellor Sajid Javid today to discuss a potential funding package, and a deferral of the tax bill until 2023.

Big Four auditor EY is said to have been put on alert to handle an administration process. Flybe's financial difficulties come just four months on from the fall of Thomas Cook, which the government refused to bail out.

Representatives for the Department for Transport and the Department for Business, Energy and Industrial Strategy declined to comment yesterday.

A spokesperson for Flybe also refused to comment on the reports, but stopped short of denying the claims.

Flybe's 2,400 employees received a letter from Anderson, which refused to give them any further details and warned against "unhelpful and unproductive speculation".

"I do appreciate that the headlines some of you have already read are disturbing but I want you to know that we are determined to do everything we can to make this work," he said.

A consortium including Virgin Atlantic, Cyrus Capital and Stobart Group acquired Flybe's assets in March.

Since then, neither Virgin or Flybe have released financial results for the firm. However, Virgin Atlantic boss Shai Weiss told *City A.M.* in October that to "keep Flybe flying" was still a priority.

FLYBE: ALL YOU NEED TO KNOW: P5

BORIS BOUNCE General Election provides sellers with helping hand

JESS CLARK

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THE RESULT of the General Election "prompted a strong close to the year as confidence to transact returned to the market", estate agent Savills said yesterday, heralding a strong start to 2020 for property in London and beyond.

Savills said Brexit uncertainty had suppressed activity in both the UK commercial and residential markets until the middle of December, at which point it picked up following Boris Johnson's election victory.

Meanwhile the UK's housing stock reached a record value of £7.39 trillion last year, according to the firm's latest research.

Total gains last year hit £101.8bn — a rise of 1.4 per cent — and the value of housing in the UK increased by £2.74 trillion in the last 10 years.

Over the decade, London and the south of England accounted for 73 per cent of all value gains with a total of £2 trillion.

Foreign secretary trades barbs with Iran as tensions continue to mount

CATHERINE NEILAN

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FOREIGN secretary Dominic Raab yesterday warned Iran of further political and economic isolation if the country does not start charting "a peaceful way forwards".

The government, which has been urging a de-escalation of tensions since the killing of Iranian general Qasem Soleimani by the US, is still seeking an independent inquiry into the Ukranian Airways crash, in which four Britons died.

Brits are currently not recommended to travel to Iran, which has unilaterally pulled back from a major nuclear deal, which restricted the country from developing weapons.

Tensions between the two countries worsened over the weekend, after UK ambassador Rob Macaire was arrested and held illegally for three hours. Iran said it was the result of Macaire attending a public vigil to pay respect to the victims of Flight 752, which was accidentally downed by an Iranian missile.

Raab summoned the Iranian ambassador to the Foreign Office yesterday to "demand an apology and seek assurances full assurances this will not happen again".

Following the meeting, Iran's foreign ministry issued a strong statement, warning the UK not to make any further missteps.

"Any new mistake of Britain will be severely confronted by Iran and London will be responsible for that," the ministry said, according to Iranian state TV.

Raab said yesterday Macaire's arrest was "a flagrant violation of international law", adding that security measures for the embassy were under review.

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CITY A.M.

THE CITY VIEW

Boardroom shakeup at Buckingham Palace

A SHOCK decision that caught the establishment by surprise led to rancour, division and a nation divided. Now, after hectic negotiations during which the media lapped up spin from each side, it looks as if a Canada-style deal is on the cards — following a pragmatic transition period. But this ain't Brexit folks, it's the modern monarchy and its growing pains have become audible. More accurately, these are shrinking pains — since the top executives at the firm (better known as Her Majesty the Queen, the Prince of Wales and the Duke of Cambridge) decided last year to focus on a slimmed-down Royal Family, focusing on the immediate heirs. The streamlining of the board was made easier (though doubtless it didn't feel like it at the time) by the epic fall of Prince Andrew, who decided to make his case directly to shareholders only to find his value tank once he opened his mouth.

His disastrous Newsnight interview meant he had to clear his desk without so much as a farewell drinks party. Within the plans for Monarchy 2020 there was surely room to accommodate the wishes of the Duke and Duchess of Sussex to take voluntary redundancy. Indeed, the Palace has let it be known that discussions about Harry and Meghan's future role were very much on the cards. Despite rumours of a tell-all interview, we may never know why the Sussex sub-branch decided to unilaterally announce a split from HQ, but the Royal Family is pragmatic (often ruthlessly so) and the Queen, despite being shocked by the behaviour of her grandson, issued a memo to all heads of department in which she demanded solutions, not problems. The result was yesterday's Sandringham summit. There were no ACAS mediators, but it seems a plan is developing. The Queen said in a statement last night that "we respect and understand their wish to live a more independent life" and that there will be "a period of transition in which the Sussexes will spend time in Canada and the UK". Crucially, the Queen acknowledged that the Duke and Duchess "do not want to be reliant on public funds in their new life". As is so often the case, money will be the sticking point of these negotiations. Harry and Meghan can't just launch a clothing line and tout for voiceover work. However, we should recognise their desire to take back control and support them as they forge a new path. Indeed, we should wish them all the best.

> "The Royal family is pragmatic - ruthlessly so

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MOVING ON UP The Museum of London unveils plans for long-awaited move into Farringdon's Grade II-listed Smithfield Market

THE MUSEUM of London has submitted its plans to relocate to Smithfield Market, claiming the new site could become one of the capital's top 10 tourist attractions. The designs, submitted to the City of London Corporation, preserve the facade of the building, with the building's "cavernous and atmospheric spaces" to be used for displays, exhibitions and events.

UK economy in surprise shrink

ANNA MENIN AND HARRY ROBERTSON

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THE UK economy fared much worse than expected in November as it struggled with political uncertainty, official data revealed yesterday, leading to a surge in expectations that the Bank of England (BoE) will cut interest rates at its next meeting.

British GDP fell 0.3 per cent in November, the Office for National Statistics (ONS) said, undershooting analysts' predictions of stagnation. The year-on-year growth figure of 0.6 per cent was the worst since 2012.

Yet many economists said Bank of England policymakers will not make decisions about rates until a batch of survey data is released at the end of the month, which will give a more up-to-date look at the economy.

Boris Johnson's thumping election win in mid-December has cheered many businesses, according to various surveys, leading some to predict an economic bounce.

The official data showed that production declined 1.2 per cent during November, while manufacturing dropped 1.7 per cent. Britain's usually resilient services sector, which accounts for more than 75 per cent of the economy, also contracted in November, by 0.3 per cent.

Philip Shaw, economist at Investec, said: "We are not convinced that this is a temporary, Brexit related occurrence following the passing of October's deadline."

The official GDP reading caused expectations that the Bank of England would cut its main interest rate from 0.75 per cent to rise markedly.

Investors now place the probability of a rate cut at 47 per cent. A week ago, that figure was just five per cent.

Russian hackers target Biden's Ukrainian firm

EMILY NICOLLE

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RUSSIAN military hackers have been conducting attacks on the Ukrainian gas firm at the centre of US President Donald Trump's impeachement trial, it was revealed in the early hours of this morning.

First reported by the New York Times, the hacking attempts were conducted against Burisma, the company where Democratic presidential candidate Joe Biden's son Hunter served on the board.

The attacks have been ongoing since November, according to cybersecurity researchers, as news regarding the impeachment proceedings and Burisma mounted.

Experts at Area 1 remarked that the tactics being utilised by the perpetrators, known by the nickname Fancy Bear, were similar to those used in the Russian hacks of Hillary Clinton's emails in 2016.

WHAT THE OTHER PAPERS SAY THIS MORNING

FINANCIAL TIMES

JP MORGAN SUSPENDS TRADER FOR WHATSAPP

JP Morgan has suspended one of its most senior credit traders for using a WhatsApp group to communicate with colleagues, highlighting Wall Street's growing concern about the use of unauthorised messaging systems that could circumvent compliance checks. Edward Koo, a longstanding credit trader at JP Morgan's New York office, was put on leave in recent days while the bank investigates his role in the Whatsapp group.

KPMG UK'S MOST SENIOR FEMALE PARTNER QUITS

KPMG UK's most senior female partner and deputy chair has quit the Big Four accounting firm after two decades. Melanie Richards will leave KPMG in September following a torrid two years for the business, which is battling to restore its reputation.

THE TIMES

PERSIMMON PAY SCANDAL EXECUTIVE RESURFACES

The former chief executive of Persimmon who was sacked after an outcry about his £76m bonus has resurfaced at another Yorkshire housebuilder. Jeff Fairburn, 53, has been appointed chief executive of Berkeley Deveer after buying a 50 per cent stake in the business.

AUSTRALIAN MORRISON'S POPULARITY SLUMPS

The popularity of Australia's Prime Minister has plummeted since the nation's bushfire crisis erupted. Scott Morrison's ratings have tumbled eight points in a month, and his government has fallen behind the opposition party.

THE DAILY TELEGRAPH

BIG BEN WILL NOT BONG FOR BREXIT AS COSTS SPIRAL

Big Ben will not bong for Brexit, after projected costs spiralled to half a million pounds. The issue was discussed at a meeting of the House of Commons Commission yesterday morning, but it was dismissed over financial and logistical issues.

ASTON MARTIN 'NEEDS £500M CASH INJECTION'

Aston Martin needs a £500m cash injection within weeks to stabilise the embattled luxury car maker. The prediction was made by analysts at Redburn and follows talks the company is understood to have held with several foreign potential investors.

THE WALL STREET JOURNAL

OLD SEARS SETTLES WITH NEW SEARS FOR $18M

Sears Holdings, the estate of the iconic department store left behind in bankruptcy, has agreed to settle litigation over new owner Eddie Lampert's $5bn (£3.8bn) purchase of the retailer's best stores for more than $18m.

PLAN TO REVAMP MEDICAID ELIGIBILITY DRAWS CRITICS

A push by the Trump administration and states to overhaul Medicaid-eligibility regulations is alarming critics who say stiffer verification measures are already creating procedural hurdles that depress enrollment. The service helps low income and disabled people.

Wall Street soars as reconciliation left on the cards

HARRY ROBERTSON
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US STOCK markets hit fresh all-time highs yesterday as investors optimistically await the signing of phase one of the US-China trade deal.

The US Treasury Department late last night withdrew its official accusation that China is a currency manipulator. Early anticipation of the move provided a boost to markets, as investors sought signs of thawing relations between the pair.

Indices were also powered up by expectations of a pick-up in profit for US companies as fourth-quarter earnings season kicks off.

The tech-heavy Nasdaq was the biggest riser, adding one per cent by close of play. The S&P 500 rose 0.3 per cent, while the Dow Jones industrial average climbed 0.3 per cent.

Tech giants Apple, Facebook, Netflix and Microsoft all drove US markets upwards. Meanwhile, Tesla surged 9.8 per cent to a record high of $524.86, surpassing the $500 per share mark for the first time.

Google's owner Alphabet rose 0.7 per cent and narrowly missed crossing the vaunted $1 trillion (£777bn) market capitalisation threshold. Only Apple, Microsoft, Amazon and Saudi Aramco have reached this milestone.

The US and China are due to sign a phase one trade deal tomorrow, which will reduce tensions between the world's two-biggest economies, but not end them.

A cooling of tensions in the Middle East also sent investors back towards riskier assets. Europe largely missed out on the US gains, except for the FTSE 100, which rose 0.4 per cent.

Some analysts cautioned against premature optimism.

"It is important to take into account the possibility that this deal could underwhelm when we finally see the finer details," said IG senior market analyst Joshua Mahony.

Visa buys fintech behemoth Plaid for $5.3bn in payments mega-deal

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VISA IS to acquire US payments giant Plaid for $5.3bn (£4.1bn), a software startup that is used by the likes of Venmo, Robinhood and Coinbase.

Plaid, which helps companies connect to users' bank accounts, was last valued at $2.65bn in a funding round in 2018. Visa and Mastercard were early investors in the tech company, which launched in the UK last year to challenge rivals such as Gocardless and Truelayer.

Chief executive Zach Perret said joining the Visa brand "represents an incredible opportunity to continue to scale our products. We'll be able to lean on their brand, resources, and international footprint to benefit our customers, our partners, and the markets we serve".

Since launching in 2013, Plaid has grown to hold connections with over 10,000 banks and reach more than 20m consumer bank accounts.

It said last month that around 25 per cent of US bank accounts have been connected to companies using its software through an app.

Other Plaid investors included Silicon Valley stalwarts Index Ventures, Andreessen Horowitz and Kleiner Perkins, and the venture arms of Citi and American Express.

CROWN JEWELS Faberge owner eyes up secondary stock listing on London's Aim

THE OWNER of the Faberge jewellery brand is to reveal plans for a future listing on London's junior stock market, Gemfields boss Sean Gilbertson told the Financial Times yesterday. Faberge is best known for its line of bejewelled eggs, favoured by Russian royalty prior to the monarchy's downfall in the 1917 revolution.

US officials hand Johnson fresh data ahead of Huawei decision

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SENIOR US officials made a last-ditch plea to Boris Johnson yesterday to keep Huawei out of Britain's telecoms network, warning that allowing the Chinese firm to be involved would be "nothing short of madness".

A dossier was presented by a US delegation to the UK that officials told media outlets included new technical information that highlighted the risks of including Huawei technology in 5G networks.

A decision on the matter by Johnson is expected shortly, with many understanding him to be leaning in Huawei's favour. British security agencies have advised that any potential risks could be mitigated by only using Huawei equipment in non-core areas.

"It would be like putting Russia in charge of anti-doping of world athletes," a US official attending the meeting told the Financial Times.

A final decision on the matter is expected by 31 January.

Huawei did not respond to a request for comment.

Thornberry nips in to round two of Labour battle

CATHERINE NEILAN

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SHADOW foreign secretary Emily Thornberry scraped through to the second round of the Labour leadership contest yesterday after she secured critical support with just minutes to go.

Thornberry is one of five candidates who secured enough nominations enter the next stage of the leadership bid, with just one contender — Clive Lewis — dropping out.

She now goes up against fellow London MP and shadow Brexit secretary Keir Starmer, Rebecca Long-Bailey, Jess Phillips and Lisa Nandy to succeed Jeremy Corbyn.

Starmer, the only man left running, is widely viewed as the frontrunner, having secured the backing of Unison — the UK's largest trade union — early on in the campaign.

Starmer yesterday secured the backing of 89 colleagues, while Long-Bailey came in second with 33 nominations.

Nandy, who has been critical of Labour's push for a second referendum came in third after securing 31 nominations, while Phillips and Thornberry received 23 apiece.

All five candidates must now seek the backing of unions and/or local constituencies .

If they make it past the second round, they will make the final shortlist, which will see the vote open out to party members and supporters of affiliated societies.

The final decision will be announced on 4 April.

Meanwhile, first-round results also rolled in for the deputy leadership race yesterday, with Angela Rayner the favourite to replace Tom Watson, who quit during the election campaign.

Rayner is up against fellow frontbenchers Dawn Butler and Richard Burgon, as well as Tooting MP Rosena Allin-Khan and Scottish MP Ian Murray.

Environment minister Zac Goldsmith was made a lifelong peer yesterday

Brexit bill reaches House of Lords as peers vote on second reading

POPPY WOOD

@poppyeh

THE HOUSE of Lords yesterday started voting on the Withdrawal Agreement Bill, which will write Boris Johnson's Brexit deal into law.

The legislation passed through the Commons unamended last week, bolstered by the Conservatives' fresh parliamentary majority.

It will now be subject to strict scrutiny by the House of Lords over the coming days, and will return to the Commons for further readings if peers decide to amend the bill.

Yesterday culture secretary Nicky Morgan, who bucked out of the General Election, and environment minister Zac Goldsmith, who lost his parliamentary seat, were made lifelong peers in the House of Lords.

Minister kicks off green bond sale in Kenya

HARRY ROBERTSON

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THE UK'S international development secretary Alok Sharma yesterday launched East Africa's first so-called green bond on the Kenyan securities exchange — a product developed with the help of the City and British aid.

The bond will help Acorn Housing raise local currency to build environmentally-friendly houses for students in Nairobi, Kenya's capital.

Environmental finance has become an increasing priority for governments and companies, bolstered by climate-related events such as the Australian bushfires.

The Bank of England has led calls for UK financial institutions to address climate change.

Sharma told *City A.M.* that the launch of the green bond — an IOU that helps fund eco-friendly projects — was an example of the role UK aid can play in promoting environmental issues globally.

He called the launch of the bond a "landmark moment" in the relationship between Kenya and the UK.

Johnson insists on 'no circumstances' for goods checks in Northern Ireland

CATHERINE NEILAN

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BORIS Johnson has insisted there will be "no circumstances" in which goods coming between Northern Ireland and Great Britain would be subject to checks after Brexit.

The Prime Minister, who is in Stormont after the breakthrough last week restored the power-sharing executive, praised those involved for having "stepped up to the plate and shown leadership".

He said circumstances are "very, very promising" for Northern Ireland. The breakthrough meant "now is the chance to deliver for the people of Northern Ireland... the people's priorities," Johnson said.

Better infrastructure, education and technology in Northern Ireland would improve things for all four nations of the United Kingdom, Johnson added, stressing that he leads a government for the whole of the UK.

Asked about life after Brexit, Johnson stressed there were "no circumstances whatever in which there will be a need for checks" on goods going between Northern Ireland and Great Britain.

However he added that goods going from Britain to Northern Ireland would undergo checks if they were destined for Ireland, and if the government had failed to negotiate a zero-tariff trade deals.

TfL mulls landover tax to fund Bakerloo extension

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TRANSPORT for London (TfL) is considering funding the planned £3.1bn Bakerloo line extension with a tax on landowners.

The proposed works would extend the line from Elephant and Castle to Lewisham via stations on Old Kent Road and New Cross Gate.

However, the project has been left unfunded with no indication from central government that it will foot the bill.

It was revealed yesterday by New Civil Engineer that TfL is considering taxing landowners along the proposed route to pay for the line as they would likely benefit from increased property values from the extension.

A TfL spokesman told *City A.M.* that the levy is just one of several options that the transport body is exploring.

Questions arise over Flybe future

Q&A

FLYBE, the biggest regional airline in Europe, is said to be on the brink of collapse. Sky News reported the carrier is engaged in a frantic bid for emergency funding, and the government is also said to be involved in the talks — which come just four months after Thomas Cook went bust in late September.

Neither party is offering any meaningful comment on the situation — so here are some of the key questions as the airline fights to stay aloft.

WHAT DO WE KNOW SO FAR?

Less than a year after it was bought out by Virgin Atlantic, Flybe is in trouble again, with reports suggesting it is making heavy losses and looking for a cash injection to keep it aloft until the peak summer season.

Big Four auditor EY is said to have been put on notice to handle an administration process, which would put more than 2,000 jobs at risk.

Sources have suggested that the government was briefed on the situation in the last few days, with one adding that the discussions included whether it might facilitate emergency funding.

WHERE DOES FLYBE OPERATE?

After starting out in 1979 as Jersey European Airways, the airline rebranded in 2002 as Flybe. Today, it operates 189 routes in the UK and Europe, with a firm grip on the British regional flight market.

The majority of UK domestic flights that do not include a London airport are operated by the airline — and it has the highest number of flights at Aberdeen, Birmingham, Glasgow, Manchester and Southampton airports. It also flies to Amsterdam, Dusseldorf and Paris.

However, Flybe only carries around 8m passengers a year. Compared to a major short haul carrier like Easyjet, which carries 96.1m a year, this is tiny.

HADN'T IT ALREADY BEEN RESCUED?

Yes — less than a year ago. After the airline put itself up for sale in 2018, a group comprising Virgin Atlantic, Stobart Group and US hedge fund Cyrus Capital bought it in March 2019.

The consortium paid £2.8m for Flybe's operations and another £2.2m for the parent company, and vowed to rebrand the airline as Virgin Connect in 2020.

The group also said it would pour an extra £100m into making the regional carrier profitable again, and brought in a new strategy of moving away from leisure routes and focusing on family and business travel.

It also removed the least cost-efficient aircraft from the fleet, and announced a number of new routes.

Since the buyout, neither Virgin nor Flybe has released financial results for the brand. However, Virgin Atlantic chief executive Shai Weiss told *City A.M.* in October that turning the struggling company around, and to "keep Flybe flying", was still a priority.

SO WHAT WENT WRONG?

Flybe has taken a serious hit from the falling value of the pound since the 2016 EU referendum. This is because a high proportion of its costs are in dollars, while most of its earnings are in sterling.

Similarly, the period of uncertainty that has struck the travel industry since the referendum has softened demand for travel in recent years.

Moreover, Flybe's competitors have pushed it to the side in many of its traditional strongholds. It has already suffered in Bristol, where Easyjet has established itself as the major presence flying to Belfast, Edinburgh and Glasgow.

Easyjet also recently said it would start operating flights from Birmingham to Edinburgh and Glasgow — another major route for Flybe.

WHO COULD IT AFFECT?

Some reports suggest as many as 2,000 jobs would be at risk if Flybe collapses – the airline's website says it has 2,400 employees.

The British Airline Pilots Association this morning reacted angrily to the news about the "secret" talks, saying the union had not been consulted.

Flybe has so far insisted that it is business as usual. If it were to go into administration, however, things would become less clear cut.

When Thomas Cook went bust in September, the government was forced to recruit other major airlines to replace the cancelled flights — bringing 150,000 stranded holidaymakers home to the UK in the process.

On routes operated under public service obligations, such as Newquay to London, the government would need to get another airline to step in.

But if standard procedure protocol is followed, others will not be able to get their flights, with all bookings cancelled and limited refunds made.

Boeing ex-boss gets $62m after 737 Max chaos

ALEX DANIEL

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FORMER Boeing boss Dennis Muilenburg has left the firm with a $62m (£48m) pay package, despite having overseen one of the most disastrous years in the company's 104-year history.

The payment comes in compensation and pension benefits, but Muilenburg will not get severance pay, according to Boeing.

The company fired Muilenburg in December in a bid to restore confidence in the firm. It came after two deadly crashes involving its 737 Max plane, which killed a total of 346 people.

The aeroplane manufacturer confirmed yesterday that David Calhoun, Boeing's new chief executive, could get a $7m bonus if he can get the 737 Max back in the air over the coming months.

Boeing said it was sure Calhoun was the right person for the job, saying he would "strengthen Boeing's safety culture, improve transparency and rebuild trust". He has served on the board since 2009, prior to being appointed chief exec and president of Boeing last year.

Travelex restores some e-services following attack

ANNA MENIN

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FOREIGN exchange company Travelex is beginning to restore some electronic systems almost two weeks after hackers held the company's systems to ransom, leading to a global blackout of its online services.

Staff at the foreign exchange giant had been forced to use pen and paper to serve thousands of customers after a cyber attack forced it to take all its systems offline on New Year's Eve.

It later emerged that the ransomware gang Sodinokibi had demanded $6m (£4.6m) from the company in return for customer data, but Travelex said it had contained the virus and there was no evidence customer data had been compromised.

"We continue to make good progress with our recovery and have already completed a considerable amount in the background," the company said in a statement.

"We are now at the point where we are able to start restoring functionality in our partner and customer service."

As of mid-afternoon yesterday, the company's global websites were still offline. Travelex said it had restored some internal and order processing systems, and was providing refunds to customers "where appropriate".

The currency trader has a presence in over 70 countries, and provides foreign exchange services for the customers of HSBC, Barclays, Virgin Money, and Tesco and Sainsbury's banking arms.

The company said yesterday it would continue to communicate with partners about restoring services and "provide a roadmap" outlining its next steps, and had been able to honour most online orders for collection in store. The firm is working with authorities including the National Cyber Security Centre and Metropolitan Police, it said.

Barr criticised Apple for providing no "substantive assistance" to US authorities

US attorney general wades into Apple iPhone security debate

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US ATTORNEY General William Barr yesterday petitioned Apple to unlock the iPhone of a suspect involved in a deadly shooting last month, pushing forward a debate surrounding the Californian tech firm's right to respect its users' privacy.

At a press conference for the 6 December shooting at a US military base, Barr asked Apple to provide access to two phones used by the gunman.

"This situation perfectly illustrates why it is critical that the public be able to get access to digital evidence," Barr said. He added that Apple had yet to provide "substantive assistance".

Apple has said it cannot bypass the security built into its phones.

Dip in German car production hurts economy

ANGHARAD CARRICK

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A SHARP decline in automotive production in Germany weighed on the economy last year, according to a report published yesterday.

A report released by the Munich-based IFO Institute showed that the German automotive workforce shrank 1.3 per cent last year — a much sharper decline than the 0.2 per cent dent in the rest of the manufacturing industry.

The steep decline halted the rise of Germany's economic output by 0.75 per cent in 2019, the IFO said.

It cited a 16 per cent rise in German imports of passenger cars from the EU, and the increasing relocation of German car production outside the country as the main reasons for the production slump.

Germany has been forced to start converting its car production sites to suit electric car manufacturing, as EU emissions targets weigh on the industry. It has had to relocate most of its car production to factories in other European countries.

"Structural change is now leaving its mark on the labour market," said Timo Wollmershaeuser, head of forecasts at IFO.

Relx snaps up ID Analytics for $375m in bid to boost fraud-spotting abilities

ANGHARAD CARRICK

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EUROPEAN information provider Relx yesterday agreed a deal to buy ID Analytics for $375m (£288m) in a bid to bolster its fraud-spotting capabilities.

The FTSE 100 company yesterday agreed the purchase of San Diego-based ID Analytics from Norton Life Lock, marking its third-largest acquisition in over a decade.

Relx — which uses data analytics to help companies make decisions — has undergone heavy transformation in the past few years after selling off the bulk of its print publications to focus on data development.

ID Analytics helps companies identify customers who want to set up new accounts that might be used fraudulently, and uses data to produce credit scores for customers who have limited credit files.

It will become part of Relx's risk and business analytics unit, and will operate under the Lexis Nexis Risk Solutions brand.

The purchase of the data firm will help Relx — which has a market valuation of £37bn — create a "comprehensive approach to detecting and preventing fraud and managing risk," said Rick Trainor, chief executive of Lexis Nexis Risk Solutions.

Relx shares rose 0.8 per cent to 1,946.5p on the news yesterday.

EY UK boss takes up new global sustainability role

JAMES BOOTH

@Jamesdbooth1

EY YESTERDAY announced the appointment of its UK and Ireland boss to a new position as global vice chair for sustainability.

Steve Varley, who is chairman and managing partner of the Big Four firm in the UK and Ireland, will relinquish the latter role when he takes up his new job on 1 July.

Varley will continue to chair EY UK and Ireland, but will be replaced as managing partner.

Varley informed EY partners of the change in a memo yesterday, Sky News reported.

The memo said the process to choose his successor will start next month and conclude in March.

Varley said: "We simply cannot stand still when it comes to protecting the environment and creating growth opportunities."

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Beales in crisis talks to stave off chain's collapse

JESS CLARK
AND HARRY ROBERTSON

@jclarkjourno @harrygrobertson

STRUGGLING department store chain Beales is in crisis talks with potential buyers in an effort to stave of a collapse that could cost hundreds of jobs.

The talks come after the Bournemouth-based firm on Sunday filed notice of its intention to appoint administrators to step in as a last resort if a sale falls through.

Beales, which was founded in 1881, is speaking to a rival retailer as well as a venture capital company. A deal could be struck by the end of this week, Beales chief executive Tony Brown told the Financial Times yesterday.

Last month Beales, which has 22 department stores across the UK, appointed KPMG to launch a strategic review and assess a potential sale of the business.

Brown yesterday accused local councils of failing to help struggling high street retailers.

The chief executive said local authorities "really don't care" about high street stores as landlords will continue to pay business rates in the event of the retailer's failure.

"We've only managed to get one council to help us out on a temporary basis," Brown told the BBC.

"Landlords — not all of them but predominantly most of them — have been helpful and they see a long term.

"Now don't get me wrong, the high streets do need to develop but there has to be a timescale on which that's done by.

"At the moment, in my view councils really don't care, because they get their business rates, whether we're there or not because the landlord pays if the store closes".

Retailers have repeatedly called on the government to reform the business rates system, as high street stores face rising costs and a drop in consumer footfall.

In December the chain said it is seeking investment to implement further cost saving strategies as it "continues to acclimatise to the ever-changing landscape and challenges of the retail market".

MALL TALK Harrods security guards vote on strike action in long-running pay dispute

HARRODS security guards started balloting for strike action yesterday after a dispute between union members and management over pay. Members of Unite will decide whether to launch industrial action over a below-inflation pay rise.

Tiktok mulls new curated feed in bid to win back advertisers' trust

JAMES WARRINGTON

@j_a_warrington

TIKTOK is said to be mulling the launch of a curated content feed as the Chinese social media app looks to assuage advertiser fears over harmful material posted to its platform.

The video-sharing firm is weighing up plans for a new stream that would contain carefully vetted content from so-called Tiktok creators or professional publishers, the Financial Times reported, citing three people familiar with the matter.

The move would allow Tiktok, which is owned by Chinese tech giant Bytedance, to charge higher advertising rates to premium brands.

The video app, which is popular with teenagers and has racked up more than 1bn users, has come under fire in recent months over concerns about harmful content, cybersecurity flaws and potential censorship by Beijing.

A gated content stream would mirror a similar initiative by rival social media firm Snapchat, which launched its Discover section in 2015.

Atlantia plans to appoint joint chief executive to up focus on overseas

FRANCESCA LANDINI

ITALIAN infrastructure group Atlantia is expected to appoint Carlo Bertazzo, general manager of the Benetton family holding company which controls the group, as chief executive for Italy, two sources with knowledge of the matter said yesterday.

One of the sources said that the company was due to hold an extraordinary board meeting yesterday at which Bertazzo's appointment as chief executive was on the agenda.

Bertazzo, who also sits on the board of telecom masts group Cellnex and toll road group Abertis, has been working since 1994 for Edizione, the holding company of the Benettons, which control Atlantia through a 30 per cent stake.

Atlantia's long-serving chief executive Giovanni Castellucci resigned last September amid the fallout from the deadly collapse of a bridge operated by the group's motorway unit Autostrade per l'Italia in 2018, in which 43 people died.

The firm did not announce a successor after Castellucci's departure but it is expected to name two leaders — one responsible for operations in Italy and the other to focus on overseas.

Reuters

Renault shares hit six-year low as Nissan prepares for potential split

ALEX DANIEL

@alexmdaniel

2.82%

FRENCH car giant Renault's shares hit a six-year low yesterday, after reports suggested Nissan had accelerated secret contingency planning for a potential split from its alliance.

The company's stock plunged as low as €40.16 yesterday, a four per cent drop for the day, before settling 2.82 per cent down to €40.66

The plans include war-gaming a total divide in engineering and manufacturing, as the downfall of former Nissan chairman Carlos Ghosn continues to hurt the 20-year alliance.

Nissan has also included wholesale changes at board level in its plans, which have hastened since Ghosn's escape from Japan in late December.

Separate reports last night said Ghosn is taking Renault to court in an attempt to recoup a €250,000 pension payment, as part of a string of legal cases lobbied in France.

Lawyers for Ghosn said he was forced to sign his resignation letter by Japanese authorities, leaving him entitled to the payment.

They will argue he is also owed a pension of €770,000 per year, and up to €15.5m in shares.

VA VA VROOM Porsche defies global auto industry gloom with record 2019 revenue

PORSCHE shrugged off a global slump for the automobile industry as the German car company yesterday posted record sales in 2019. The firm said it expects its first all-electric model, the Taycan (pictured) to generate further growth in 2020.

China's car sales drop for second successive year

ALEX DANIEL

@alexmdaniel

THE CHINESE car market was in reverse for the second consecutive year in 2019, as the cooling economy and the nation's trade disputes with the US hit consumers, data released yesterday showed.

Sales slumped 8.2 per cent to 25.8m vehicles last year, after a 2.8 per cent fall to 28.1m in 2018, according to the China Association of Automobile Manufacturers.

The slowing of the Chinese market has hit manufacturers hard.

Yesterday, Ford said its China auto sales slumped more than a quarter in 2019 for its third year of decline.

The latest fall, however, was slower than the 37 per cent weathered in 2018, and the car maker said it saw its market share stabilise in the high-to-premium segment.

It remained cautious about 2020, echoing bearish comments on China's market from General Motors.

"We expect the market downturn to continue in 2020, and anticipate ongoing headwinds in our China business," Matt Tsien, president of GM China, said last week as the US manufacturer reported a 15 per cent drop in 2019 China sales.

Sales of electric cars also struggled last year, after Beijing slashed government subsidies last June by more than half, prompting manufacturers to cut-back on production.

This prompted a number of manufacturers to wind down production.

Sales of new energy cars fell four per cent year on year to 1.2m in 2019 – far below the government's target of 1.6m.

Volkswagen, whose SUVs helped it report a smaller 1.1 per cent year-on-year fall in sales in the first 11 months of 2019, has said it expects China's market to grow at a relatively slow pace for the next five years.

Analysts at London Capital Group said the faltering market would continue hitting manufacturers hard.

"Under the weight of falling vehicle sales, a slowdown in China and the trade war, its hard to see where earnings growth materialises for automakers in the New Year," they said.

Motor manufacturers set to face €14.5bn emissions fines in 2021

EDWARD THICKNESSE

@edthicknesse

EUROPE's top 13 car makers will face fines of up to €14.5bn (£12.4bn) for missing their 2021 emissions targets, according to a new forecast from PA Consulting.

After four years of decreasing emissions, a rise in the number of customers buying SUVs, stronger demand for high-powered cars, and a shift in preference to petrol cars has seen emissions climb.

Volkswagen could be hit by a fine of as much as €4.5bn as a result of its high sales volumes across Europe.

In terms of profit, Jaguar Land Rover is on track for the biggest blow, with a fine of €93m forecast, equivalent to 400 per cent of the companies 2018 profit.

PA's analysis ranks each manufacturer against their carbon dioxide emissions forecast for 2021.

PA Consulting's Michael Schweikel said: "The good news is that there are many options open to car makers to reduce emissions and minimise future fines."

William Hill set to beat 2019 forecast

JESS CLARK

@jclarkjourno

WILLIAM Hill announced yesterday that it beat profit expectations last year due to "favourable sporting results", as the gambling chain revealed that its finance chief is set to step down.

The company said full-year adjusted operating profit for 2019 is expected to be between £143m to £148m, ahead of both market and management expectations, driven by a strong gross win margin.

William Hill also announced that chief financial officer Ruth Prior will step down as a director after more than two years with the firm to join Element Materials Technology in the same role.

In a trading update yesterday the company said its retail business generated operating profit above the guidance of £50m to £70m.

The betting firm's UK online business grew in line with the market for the third consecutive quarter, and a weakness in gaming net revenue was offset by the gross win margin.

The performance of the company's international online division was mixed, and net revenue is expected to be flat. The company's US business, meanwhile, continued to grow in the fourth quarter.

The betting firm credited favourable sports results for its high profit forecast

Investor bets on infrastructure spending bump

HARRY ROBERTSON

@harrygrobertson

INVESTMENT firm Sandton Capital Partners has allocated £100m for acquisitions in the UK infrastructure sector, it said yesterday, ahead of what is expected to be an expansive Budget from chancellor Sajid Javid in March.

The Conservatives campaigned on a promise to increase investment across the country, particularly in poorer areas, with a focus on infrastructure such as rail and road projects.

The party's emphatic election victory puts Javid in a strong position to increase spending on the regions when he holds a Budget on 11 March.

Sandton said in a statement that is sees "great potential for growth in infrastructure, in particular the subsectors of rail, highways, utilities and power".

Sandton describes itself as an investment firm that provides alternative debt and equity capital to challenged but viable companies with growth potential.

UK head of Sandton Matt Meehan said: "We are seeing encouraging signs for the UK infrastructure sector which has been hit by challenging trading conditions."

He said Sandton, which was founded in 2009 and has offices in London and across Europe, wants to "ensure we are doing everything we can to assist it and ensure businesses are poised to take advantage of the opportunities that present themselves".

The environment, public services and the cost of living are expected to be prioritised at the Budget, and Javid will also introduce new fiscal rules, as outlined during the election.

Javid said yesterday that the Budget's increased spending will "lay the foundations for a decade of renewal".

Astrazeneca in for $100m hit as drug fails trials

ALEX DANIEL

@alexmdaniel

ASTRAZENECA is in line for a $100m (£77m) hit after a heart disease drug was shown to be ineffective in treating certain heart conditions.

After the disappointing results, the drug manufacturer said it would stop running trials on the drug, known as Epanova.

It also said that it would review its $533m value on the company's balance sheet.

Epanova is used in the United States to treat hypertriglyceridamia — a condition which involves high levels of certain fats, known as triglycerides, in the bloodstream.

The condition is often a forerunner of heart disease.

Astrazeneca had hoped the drug would also prove effective in treating mixed dyslipidemia — another condition which increases the risk of heart disease.

"It was important to assess the potential benefit of Epanova in mixed dyslipidemia," said Mene Pangalos, executive vice-president of biopharmaceuticals research and development at Astrazeneca.

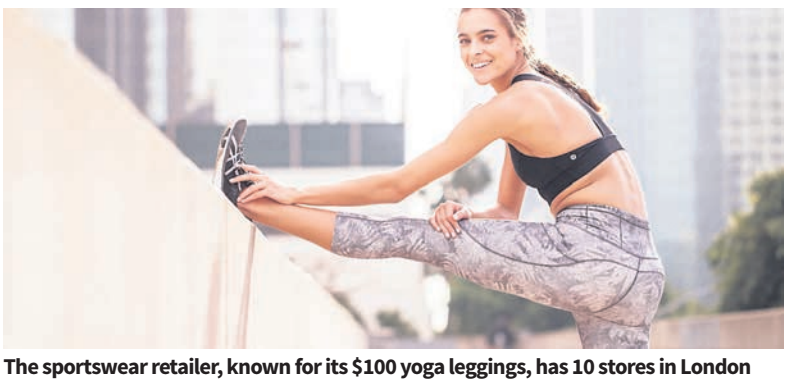
"We are disappointed by these results, but we remain committed to addressing the needs of patients in the cardiovascular space where we have an extensive pipeline."

Astrazenca bought Epanova through its 2013 purchase of Omthera Pharmaceuticals.

Then, it said there was a "clear need" for alternative treatments for people with high levels of triglyceride in the bloodstream, as obesity and diabetes continued to become more frequent in the US.

The firm said the trial results would have no bearing on the drug's use in treating severe hypertriglyceridaemia.

The loss failed to dent Astrazeneca's shares, which closed almost flat at 7,650p yesterday.



The sportswear retailer, known for its $100 yoga leggings, has 10 stores in London

Lululemon raises its quarterly profit outlook

JESS CLARK

@jclarkjourno

EXERCISE clothing retailer Lululemon raised its quarterly profit outlook yesterday after a strong sales performance over the important Christmas trading period.

Exercise clothing retailer Lululemon raised its profit outlook today after a strong sales performance over the important Christmas trading period.

Shares in the retailer jumped 4.4 after it announced that profit per share for the quarter to 2 February is expected to be $2.22 to $2.25.

The company's share price almost doubled last year.

The Canadian company also said it expected its net revenue to be between $1.37bn (£1.05bn) and $1.38bn, up from a previous estimate of $1.32bn to $1.33bn.

"We're excited by the momentum in our business over the holiday period with guests responding well to our innovative merchandise," the firm said in a statement yesterday.

Lululemon, which is known for its $100 yoga trousers, expanded its loyalty programme and improved its in-store shopping experience.

Ferrexpo shares tower as firm hails 'strong margins' over the last year

EDWARD THICKNESSE

@edthicknesse

SHARES in iron ore pellet maker Ferrexpo surged over eight per cent yesterday on the back of strong margins in 2019, despite a slowdown in pellet production.

In a trading update the FTSE 250 firm said that it had produced 10.5m tonnes of pellets in 2019, down from 10.6m in 2018. However, the Swiss company said that prices were up 16 per cent over the last 12 months, which had offset a $5 rise in production prices from $43 to $48.

Sales volumes also saw a small rise from 10.2m to 10.3m, with net debt at $282m. The company has declared an interim special dividend of 6.6 cents as a result of its strong cash generation.

A prolonged trade dispute with the US hit Chinese demand for steel, with falling prices for steel making ingredients such as iron ore the result. China is one of the world's top producers of steel, although demand is expected to fall 0.6 per cent in 2020.

Last year the firm, which has assets in Ukraine, twice delayed its full-year results, after it revealed that some of the funds it gave to a charity in the country might have been misappropriated.

Phony investors trick Lekoil into loan agreement

EDWARD THICKNESSE

@edthicknesse

AIM-LISTED oil explorer Lekoil yesterday had its shares suspended after individuals purporting to be investors tricked the firm with a fake loan deal.

The West Africa-focused firm was approached by people it believed were representatives of the Qatari Investment Authority (QIA), who agreed a $184m (£141.6m) loan with the company on 2 January.

The loan, which was for drilling and development work on the Ogo field off Nigeria, was agreed with the individuals with an annual interest rate of 3.72 per cent.

In a statement yesterday, the firm said the deal "seems to have been entered into by the company with individuals who have constructed a complex facade in order to masquerade as representatives of the QIA".

The company said it would contact the relevant authorities across a number of jurisdictions without delay over the attempt to defraud Lekoil, as well as conducting its own investigation.

Sources close to QIA had previously said that the organisation had no knowledge of any loan.

Lekoil said that its financial exposure stood at $600,000, which it paid to Seawave Invest, the firm that introduced it to those "purporting to be the QIA". The firm said it had started an investigation into Seawave and would attempt to recover the $600,000 in question.

Seawave Invest, which lists addresses in both Ghana and the Bahamas, did not respond to requests for comment.

CITY OF WESTMINSTER
LONDON LOCAL AUTHORITIES ACT 2000
PART V - REGULATION OF BUSKING

Notice is hereby given that Westminster City Council ("the Council") intends to pass resolutions pursuant to the London Local Authorities Act 2000 ("the 2000 Act") to regulate busking in Westminster.

The draft proposals involve the application of Part V of the 2000 Act to two areas of Westminster, namely (1) Oxford Street and (2) Piccadilly Circus, Chinatown and Leicester Square, on the basis that the Council has reason to believe that there has been, is being or is likely to be caused, as a result of busking (a) undue interference with or inconvenience to or risk to safety of persons using a street in those areas or other streets within the vicinity of those streets; or (b) nuisance to the occupiers of property in or in the vicinity of a street in those areas.

It is proposed that busking will be prohibited in those areas apart from busking that will be licensed in eight designated areas or pitches that will be designated as licence streets.

The draft resolutions currently proposed will be as follows:

(1) The creation of a Busking and Street Entertainment Policy, Code of Conduct, and a dedicated Buskers and Street Entertainers Forum.
(2) Supporting established self-regulation of busking and street entertainment in Covent Garden with enhanced council officer presence to encourage compliance outside of The Street Performers Association (SPA) operating area and times.
(3) Piloting newly established self-regulation of busking and street entertainment in Trafalgar Square by promoting the Code of Conduct, having a Memorandum of Understanding with the buskers and street entertainers, and establishing and monitoring pitches.
(4) Adoption of Part V of the London Local Authorities Act 2000 for the control and regulation of busking and street entertainment in designated streets and areas:
(4.1) Busking and street entertainment is prohibited in all the areas to which Part V of the 2000 Act will apply (as set out in the draft policy) apart from those pitches designated pursuant to section 34 of the 2000 Act where busking and street entertainment will only be permitted under and in accordance with a licence to busk
(4.2) permit busking and street entertainment in eight designated pitches (as set out in the draft policy)
(4.3) permit only licensed buskers and street entertainers on the pitches
subject to the conditions of the licence
(4.4) the designated streets and areas are proposed on Piccadilly Circus, Chinatown, Leicester Square and Oxford Street
(5) The making of regulations pursuant to section 36 of the 2000 Act prescribing the information that must be provided by applicants for the grant of a licence and the procedure for determining applications.
(6) The making of regulations pursuant to section 40 of the 2000 Act prescribing standard conditions applicable to all busking and street entertainment licences.
(7) Carrying out ongoing and quarterly monitoring, and an annual review after one full calendar year of operation.

Information regarding the proposed busking policy and implementation of Part V of the 2000 Act (including detailed maps of the areas where busking will be prohibited or licensed) will be kept at the following Council Libraries (Westminster Reference Library and Marylebone Library) and can be found on the Council's website address: https://www.westminster.gov.uk/busking

Representations or a request to hear representations relating to the proposed resolutions may be made in writing to the Council until 24th February 2020 via the web page above or by post to Busking Consultation, PPC, 17th floor, Westminster City Hall, SW1E 6QP.

Dated: [14th January 2020]

Hong Kong eyes tax measures to lure equity cash

ANNA MENIN

@annafmenin

HONG Kong's finance secretary has said its government is considering a more "competitive" tax arrangement to attract private equity funds to the territory and help support its struggling economy.

Speaking at a regional finance forum yesterday, finance secretary Paul Chan said Hong Kong's banking system was running smoothly and had ample liquidity despite the "unprecedented" turbulence it is facing. Chan did not offer any further details on what measures the territory could take to attract private equity funds.

The financial hub's economy slipped into its first recession in a decade in October following months of often violent anti-government protests, with demonstrators calling for greater independence from Beijing.

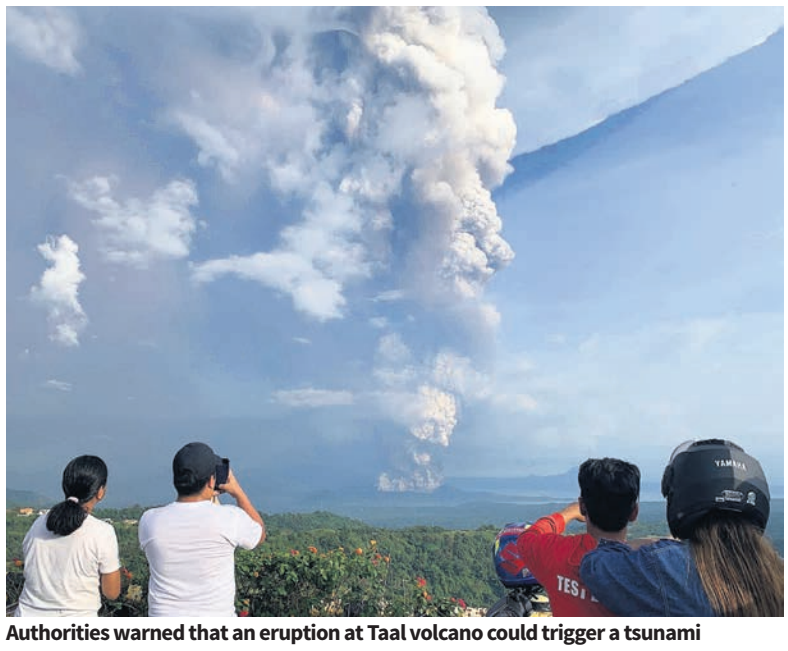
Hong Kong's most senior judge yesterday made a public plea for the rule of law to be protected in the territory.

"The rule of law is rightly cherished by the community and is the foundation of a cohesive society," chief justice Geoffrey Ma said during an event with Hong Kong and mainland Chinese lawyers.

"We do all our best to preserve it and to treasure it because once damaged, this is not something from which our community can easily recover," added Ma, who due to step down at the end of this year.

Hong Kong's judiciary, which underpins the territory's semi-autonomous status under the "one country, two systems" framework, is coming under strain following the over 7,000 arrests made during recent demonstrations.

Ma and his justices are widely regarded as symbols of Hong Kong's strength, and have been credited with helping make the region a key global financial hub.



Authorities warned that an eruption at Taal volcano could trigger a tsunami

Volcano halts Philippines capital amid fears of imminent eruption

KAREN LEMA

SCHOOLS and businesses shut across the Philippine capital of Manila yesterday as a volcano belched clouds of ash across the city and seismologists warned an eruption could happen at any time, potentially triggering a tsunami.

Thousands of people were forced to evacuate their homes around Taal, one of the world's smallest active volcanoes, which spewed ash for a second day from its crater in the middle of a lake about 45 miles south of central Manila.

The stock exchange suspended trading and government offices were closed. More than 500 flights have been cancelled or delayed. *Reuters*

China: Taiwan secession 'will leave a stink'

EDWARD THICKNESSE

@edthicnkesse

CHINA's top diplomat has said that Taiwanese separatists would "leave a stink for 10,000 years" as Beijing reacted to the re-election of President Tsai Ing-wen.

Tsai was re-elected by a landslide majority over the weekend on a platform of standing up to the mainland government.

In her victory speech, Tsai said that Taiwan would not be threatened with Chinese intimidation, and that its people had a right to self-determination.

Speaking in Africa, Chinese state councillor Wang Yi said that the international community had long accepted the so-called one China principle that sees the island state as part of mainland China.

He said: "This consensus won't alter a bit because of a local election on Taiwan, and will not be shaken because of the wrong words and actions of certain Western politicians."

The Chinese government has increased focus on forcing the state to submit to Beijing, and has been angered by US support for the island's independence.

City Pub Group warns 2019 results to fall short of profit expectations

JESS CLARK

@jclarkjourno

THE CITY Pub Group yesterday warned that 2019 profit will fall short of expectations after "one-off factors", including political uncertainty and strikes on London commuter train services, impacted performance over the Christmas trading period.

The firm's share price fell 11.4 per cent at market close, after it announced that earnings before interest, tax, depreciation and amortisation (Ebitda) for the year to 29 December will be slightly below expectations at between £9.1m and £9.2m.

In a trading update yesterday the pub operator said political uncertainty held back sales until the result of the General Election was announced in mid-December.

The company also said the Rugby World Cup did not boost sales as much as expected, and strikes on South Western Railway services in December hurt the performance of its London pubs.

A delay in opening two Jam Tree sites after refurbishment meant they did not benefit from Christmas bookings, reducing their profitability.

Bad weather in November and December was also "unhelpful", the pub chain said.

City Pub Group said this year the company will benefit from the new pubs that were opened in 2019, including Aragon House in Parsons Green — the most successful pub the firm has ever opened.

The firm is set to open new pubs in Exeter, Cambridge and Bath later this year

Khan launches a new renewable energy provider

STEFAN BOSCIA

@Stefan_Boscia

SADIQ Khan launched his own green energy company yesterday, claiming it will save the average household £300 a year on bills.

The mayor of London will run London Power, in conjunction with Octopus Energy, as a part of his Energy for Londoners programme.

The company — whose services will only be available in London — will reinvest all its profits "into community projects".

The service will be provided by Octopus Energy and will rely on 100 per cent renewable energy.

Khan said the new provider would be within the cheapest 10 per cent of similar tariffs in the market and would save the average household £300 on bills.

"It is a disgrace that many Londoners pay too much to heat and light their homes, with more than a million living in fuel poverty," he said.

"For the first time we have a fair, affordable, green energy company specially designed for Londoners."

London Power enters a market that is already home to 64 active suppliers, according to Ofgem.

The energy market watchdog's 2019 report on the energy market found that 53 per cent of consumers had never switched energy companies.

However, the figure for London — where energy prices are among the most expensive in the country — is not known. Peter Earl, head of energy at Compare the Market, said he welcomed the extra competition in the sector, but that it may be difficult to attract new customers.

"It's an industry challenge to activate the large section of people who have never changed their energy company," he said.

"[Khan's] got an offering that should be attractive to people, but it's not going to be easy."

The formation of London Power won plaudits from green energy advocacy groups the Renewable Energy Agency (REA) and National Energy Action.

Caroline Russell, Green party leader in the London Assembly, on the other hand, said Khan's plans did not go far enough. She said the mayor should have set up the company without the help of Octopus Energy so City Hall could have greater power over the company's energy resources.

The international airport welcomed a ninth year of passenger growth in 2019

Heathrow airport breaks record for Christmas passenger figures

JOE CURTIS

@joe_r_curtis

HEATHROW airport welcomed a record 80.9m passengers in 2019 to notch a ninth consecutive year of traffic growth, the transport hub revealed yesterday.

Larger and fuller aircraft pushed the passenger growth as Heathrow airport witnessed its busiest December ever, when 6.7m passengers travelled through the airport over Christmas and New Year, up 3.1 per cent compared to last year.

UK flights, such as Flybe's routes to Newquay and Guernsey, saw the biggest surge over the festive period at 10.6 per cent, while British Airways increased capacity on flights to Scotland for Hogmanay.

Middle East destinations enjoyed 7.3 per cent growth as Liverpool fans flew to watch their team win the Fifa Club World Cup in Qatar.

US flights also took off, with bookings up 7.1 per cent on new services to Las Vegas and Salt Lake City. African flights, meanwhile, dropped four per cent in the holidays.

Confusion over Farage's Brexit night bonanza

STEFAN BOSCIA

@Stefan_Boscia

CONFUSION surrounds the fate of Nigel Farage's Brexit night party as City Hall and Westminster City Council wrangled over planning responsibility for the event yesterday.

The Brexit Party leader is planning to throw a party at Westminster's Parliament Square to celebrate the UK's exit from the European Union on 31 January.

The budget for the bash is reportedly £100,000, with capacity for up to 10,000 people.

However, Farage's party is yet to gather planning approval from City Hall, which is in charge of planning permission for Parliament Square.

A Greater London Authority spokesperson said a decision "will be made in due course". However a City Hall source told *City A.M.* the decision rests with Westminster City Council and whether they're willing to "play ball".

"While the mayor is technically responsible for the area, in reality it is on them as it affects people in Westminster and there [aren't] meant to be events there that late on a weekday," they said.

"My understanding is that we'll follow Westminster Council's lead if they're willing to go ahead."

A Westminster City Council spokesperson, however, said: "It's a decision for the mayor's office."

Most banks involved in selling Aramco shares will only receive around $5m each

Banks lobby Aramco for 'incentive fee' after slim pickings from listing

HADEEL AL SAYEGH

GLOBAL banks who worked on Saudi Aramco's record initial public offering (IPO) are pushing for an additional "incentive fee", three sources familiar with the matter said, as they try to boost relatively low earnings from the deal.

Aramco said on Sunday it had exercised a so-called greenshoe option to sell an additional 450m shares, raising the size of its IPO to $29.4bn (£22.6bn) — the world's biggest listing to date.

But the energy giant's earlier decision not to market the deal internationally means most banks involved in selling Aramco's shares will earn less than $5m each, according to two of the sources — a low amount for such a large deal.

Now banks are in discussions with Aramco for the payment of the "incentive fee" under a clause in the contract that gives the Saudi government the discretion to pay banks an extra sum if the listing went well.

The payment of incentive fees is increasingly common for IPOs in Europe and the US but rare in the Gulf. The sources did not say how much extra the banks could be paid, although it would likely vary between institutions.

Reuters

LEADING THE PACK Joker scoops the most Oscar nominations with 11 film award nods

WARNER Bros' Joker yesterday led nominations for the Oscars with 11 nods, including best picture and best actor for Joaquin Phoenix. The dark comic film will compete for the top prize with films such as The Irishman at the awards ceremony on 9 February.

Amazon to ramp up counterfeit reporting to law enforcement

JEFFREY DASTIN

AMAZON is planning to give more data on counterfeit goods to law enforcement in a further crackdown on fakes listed on its e-commerce sites, a person familiar with the programme told Reuters yesterday.

The move comes as Amazon faces public scrutiny over how it polices counterfeits and allegedly unsafe products on its platform.

Fakes have long frustrated top labels such as Apple and Nike, discouraging some from selling via Amazon.

In the past, the world's largest online retailer has informed authorities of counterfeit peddlers when it thought it had enough information for police to pursue a culprit.

Now, the company plans to disclose merchant information to European and US federal authorities every time it confirms a counterfeit was sold to customers, increasing the frequency and volume of reporting to law enforcement.

In recent weeks, Amazon has held meetings with government authorities and related organizations to discuss its new counterfeit reporting strategies and how the company can further their enforcement efforts, the person said. The hope has been that Amazon's coveted data will help law enforcement make connections about criminals.

According to the source, Amazon will report a merchant's name, company name, product and contact information to authorities. *Reuters*

Travis Perkins sells off plumbing unit for £46m

HARRY ROBERTSON

@harrygrobertson

BRITISH builders' merchant Travis Perkins has sold its plumbing and heating business to distribution group Newbury Investments for £46m, it said yesterday.

The sale came just four months after Travis Perkins halted the sale of the unit, blaming "unprecedented uncertainty".

The deal, which the building material supplier said will help pay down its debt, is part of a strategy to reduce the complexity of the company.

Travis Perkins chief executive Nick Roberts said: "The divestment of our wholesale plumbing and heating business is a further step in reducing the group's overall complexity."

He said it will enable "greater focus and more disciplined capital allocation".

Shares in Travis Perkins were 0.8 per cent higher at 1,580.5p at the bell yesterday.

The building merchant said it expects the deal to be completed at the end of this month.

As part of its streamlining drive, Travis Perkins is also planning to spin off its Wickes division, which specialises in DIY.

ANNOUNCEMENTS

LEGAL AND PUBLIC NOTICES

CITY OF LONDON

Notice is hereby given that the Common Council of the City of London as traffic authority for the undermentioned streets will make several Orders on **23 January 2020** under Section 14(1) of the Road Traffic Regulation Act 1984 as amended by the Road Traffic (Temporary Restrictions) Act 1991 with the exception of **Old Broad Street** (order made on 10 September 2019) which has been amended and **Brackley Street** (order made on 2 August 2018) which has been extended. The effect of these Orders will be to prohibit vehicles (or pedestrians where stated) from entering the said roads.

Old Broad Street (Threadneedle Street to Wormwood Street) ---- *Utility Works*
Extended until 4pm on Friday 31 January 2020. Alternative route: N/B via Threadneedle Street, Bishopsgate and Wormwood Street.

Brackley Street (Viscount Street to Golden Lane) ---- *Building Site*
Extended until 6pm on Friday 31 May 2020. Alternative route: via Golden Lane, Fann St & Viscount St. Viscount St between Brackley St & Fann St to be made temporary two-way for access.

Leadenhall Street (Gracechurch Street to Billiter Street) ---- *Highways Activity*
8am to 6pm on Saturday 22 February 2020. Alternative route: via Fenchurch St & Gracechurch St.

Noble Street (London Wall to Staining Lane) ---- *Mobile Crane*
From 6am each Saturday to 8pm each Sunday from 1 February to 9 February 2020. Alternative route: via Gresham St, Staining Ln & Oat Ln. Staining Ln and Oat Ln will be made temporary two way for access.

Gutter Lane (Goldsmith Street to Carey Lane) ---- *Mobile Crane*
From 7am to 11am each Saturday from 1 February to 8 February 2020. Alternative route: Gutter Ln, Foster Ln, Cheapside and Gutter Lane.

Lothbury and Throgmorton Street (Tokenhouse Yard to Throgmorton Street) ---- *Mobile Crane*
From 9am on Saturday 22 February to 5pm on Sunday 23 February 2020. Alternative route: W/B via Bartholomew Ln, Threadneedle St, Queen Victoria St, Queen St, King St, Gresham St and Lothbury. E/B via Prince's St, Threadneedle St & Bartholomew Ln.

Gresham Street (Wood Street to Noble Street) ---- *Mobile Crane*
7pm each Friday to 4am each Monday from 14 February to 24 February 2020. Alternative route: E/B via Gresham St, Foster Ln, Cheapside & Wood St. W/B via Gresham St, Wood St, London Wall, Aldersgate Rotunda, Aldersgate St, St Martin's Le Grand & Gresham St. Staining Ln will be closed at its junction with Gresham St access via Noble St & Oat Ln. Gutter Ln will be closed at its junction with Gresham St access via Foster Ln & Carey Ln.

Basinghall Street (junction with Gresham Street) ---- *Carriageway Works*
From 8am each Saturday to 6pm each Sunday from 22 February to 1 March 2020. Alternative route: via Basinghall St, Aldermanbury Sq, Love Ln, Wood St & Gresham St. Remainder of Basinghall St will be made temporary two-way for access.

Old Jewry (Junction with Gresham St) ---- *Carriageway Works*
From 8am each Saturday to 6pm each Sunday from 15 February to 23 February 2020. Alternative route: via Old Jewry, Cheapside, King St & Gresham St. Remainder of Old Jewry will be made temporary two-way for access. Parking bays will be suspended.

Clements Lane (King William St to Lombard St) ---- *Mobile Crane*
From 8am each Saturday to 6pm each Sunday from 15 February to 23 February 2020. Alternative route: via Lombard St, Abchurch Ln & King William St.

Charterhouse Street (Lindsey Street to Charterhouse Square), **Charterhouse Square** (Charterhouse Street to Carthusian Street) & **Carthusian Street** (Charterhouse Square to Aldersgate Street) ---- *Carriageway Works*
From 12am on Saturday 1 February 2020 to 4pm on Friday 31 July 2020. Alternative route: W/B via Aldersgate Street, Goswell Rd, Clerkenwell Road, St John's St & Charterhouse St.

Hayne Street (Entire Length) ---- *Carriageway Works*
From 12am on Saturday 1 February 2020 to 4pm on Friday 31 July 2020. Alternative route: None.

Old Bailey (Holborn Viaduct to St George's Court) ---- *Mobile Crane*
From 7pm each Friday to 11 pm each Sunday from 21 February to 1 March 2020. Alternative route: N/B via Ludgate Hill, Ave Maria Lane, Warwick Lane & Newgate St. S/B via Newgate St, Warwick Ln, Ave Maria Ln, Ludgate Hill & Old Bailey.

Clements Lane (King William Street and Lombard Street) ---- *Building Site*
From 7am on Monday 3 February to 5pm on Monday 13 April 2020 as and when required. Alternative route: via Lombard St, Abchurch Ln and King William St.

Enquiries to Traffic Management Services on 020 7332 1551

Carolyn Dwyer BEng (Hons),
DMS, CMILT, FCIHT
Director of the Built Environment

Dated **14 January 2020**

CITY OF LONDON

FORUM

The more desperate you are — the more panicked — the worse a decision you're likely to make

ROBERT COLVILE ON LESSONS FOR POLITICAL PARTIES FROM THE FOOTBALL TRANSFER WINDOW

PAGE 18

CITY A.M.

ANNOUNCEMENTS

LEGAL AND PUBLIC NOTICES

CITY OF LONDON

THE PLANNING ACTS AND THE ORDERS AND REGULATIONS MADE THEREUNDER

This notice gives details of applications registered by the Department of The Built Environment

Code: FULL/FULMAJ/FULEIA/FULLR3 – Planning Permission; LBC – Listed Building Consent; TPO – Tree Preservation Order; OUTL – Outline Planning Permission

West Smithfield, London, EC1A 9NB
19/01215/FULL
Structural works to the underground tunnels, including associated above ground works.

6 Lloyd's Avenue, London, EC3N 3AX
19/01250/LBC
Erection of internal partitions to the rear left unit of the fourth floor.

Site Bounded By Fenchurch Street, Mark Lane, Dunster Court And Mincing Lane, London, EC3M 3JY
19/01307/FULEIA
i) Demolition of 41-43 Mincing Lane, 40-54 Fenchurch Street, former church hall and the Clothworkers' Hall and its redevelopment to provide a new building comprising four levels of basement (including a basement mezzanine level), ground, mezzanine, plus part 9, 31 and 35 storeys plus plant containing offices (B1) and flexible shop/financial and professional services/cafe and restaurant uses (A1/A2/A3) at ground floor level; and flexible shop/cafe and restaurant/drinking establishment uses (A1/A3/A4) at levels 10 and 11, including winter garden (Sui Generis); ii) Reprovision of the Clothworkers' accommodation (Sui Generis) within part ground, part first, part second and part third floors and four levels of basement (including a basement mezzanine level); iii) Creation of ground level public access to level 10 roof garden and basement level 1 to Grade II Listed crypt; iv) Dismantling, relocation and reconstruction of the Lambe's Chapel Crypt to basement level 1 and associated exhibition accommodation (Sui Generis) (listed Grade II); v) Alterations to and conservation of the Grade I Listed Tower of All Hallows Staining; vi) Provision of new hard and soft landscaping and other associated works.

(The total proposed floor area of the new building is 94,336sq.m GIA, comprising 88,064sq.m of office floorspace, 289sq.m of flexible retail floorspace (A1/A2/A3), 550sq.m of flexible retail floorspace (A1/A3/A4),789sq.m of livery hall floorspace, 214sq.m of crypt floorspace and 430sq.m of winter garden floorspace. The building would rise to a maximum height of 149.6m when measured from the lowest office ground floor level, 165.1m AOD.)

This application is accompanied by an Environmental Statement which is available for inspection with the planning application. Copies of a CD containing the Environmental Statement may be obtained from Gerald Eve LLP, 7 Welbeck Street, London, W1G 0AY.

68 King William Street, London, EC4N 7HR
19/01308/FULL
(i) Change of use of lower ground floor from retail (Class A1) to leisure (Class D2), (ii) change of use of part ground floor from retail (Class A1) and office (Class B1) to restaurant (Class A3), restaurant and bar (flexible Class A3/A4) and leisure (Class D2), (iii) change of use of first to third floors from retail (Class A1) to office (Class B1), (iv) creation of rooftop restaurant and bar (flexible Class A3 / A4) on the ninth and tenth floors, (v) associated ancillary facilities including plant, refuse storage, cycle storage and changing and shower facilities at basement level.

18 - 20 King Street, London, EC2V 8EG
19/01312/LBC
i) The re-instatement of a secondary entrance to 18 King Street and ii) the re-instatement of a rooflight in the rear lightwell and (iii) minor internal works.

St Paul's Cathedral, St Paul's Churchyard, London, EC4M 8AD
19/01356/FULL
Re-landscaping works to re-align the existing pathway in the North Churchyard leading to the area immediately in front of the North Transept.

Applications can be viewed at www.planning2.cityoflondon.gov.uk or at the Department of the Built Environment, North Wing, Guildhall, Basinghall Street, London EC2, between 09.30 and 16.30. Representations must be made within 21 days of the date of this newspaper online or in writing to PLNComments@cityoflondon.gov.uk or the Chief Planning Officer, PO Box 270, Guildhall, London, EC2P 2EJ. In the event that an appeal against a decision of the Council proceeds by way of the expedited procedure, any representations made about the application will be passed to the Secretary of State and there will be no opportunity to make further representations.

CITY OF LONDON

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

LONDON REPORT

FTSE towers as US-China trade deal advances

LONDON's main stock index gained yesterday, in step with global peers, as investors took heart from the imminent signing of a phase one US-China trade deal, while hopes of further interest rate cuts by the Bank of England helped the midcaps outperform.

The FTSE 100 added 0.4 per cent, having earlier touched its highest level so far this year, as trade hopes were complemented by easing Middle East tensions.

The FTSE 250 outshone the bluechips and the European benchmark with a 0.7 per cent rise on its best day since 2 January.

A Bank of England policymaker said over the weekend that he would vote for policy easing later this month unless economic data improved significantly.

Data showing Britain's economy grew at its weakest annual pace in over seven years in November also fanned hopes of a rate cut.

The midcaps were also boosted by a 7.1 per cent jump in **Pennon** after a Bloomberg report claimed that the company had rejected private equity firm KKR's bid for the UK utility's waste management unit.

Its shares hit an all-time high and helped those of bluechip peers **United Utilities**, **Severn Trent** and **Centrica** gain more than two per cent each.

Housebuilders climbed higher, led by a 2.2 per cent rise in **Taylor Wimpey**, after upbeat forecast and bullish comments from real estate services provider **Savills**.

Savills' shares leapt 7.2 per cent to scale a record high.

Ted Baker shares slid six per cent yesterday after a stock downgrade

Focus now shifts to Washington, where the United States and China will ratify their preliminary trade deal tomorrow, while the corporate earnings season also kicks off this week.

Retailers were among steepest small-cap fallers.

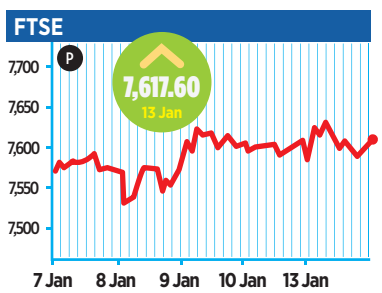
Fashion brand **Ted Baker** lost six per cent after RBC downgraded the stock. Fellow retailer **Superdry**, which issued a profit warning last week, shed 6.5 per cent.

TOP RISERS

1. **Evraz** Up 5.47 per cent
2. **BAE** Up 3.58 per cent
3. **Antofagasta** Up 2.71 per cent

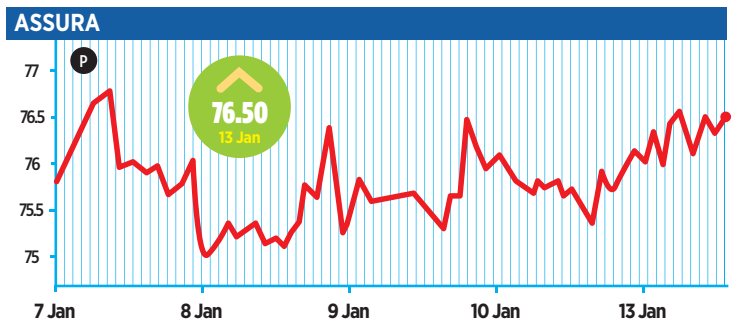
TOP FALLERS

1. **NMC Health** Down 6.89 per cent
2. **Lloyds** Down 2.64 per cent
3. **Flutter** Down 2.02 per cent

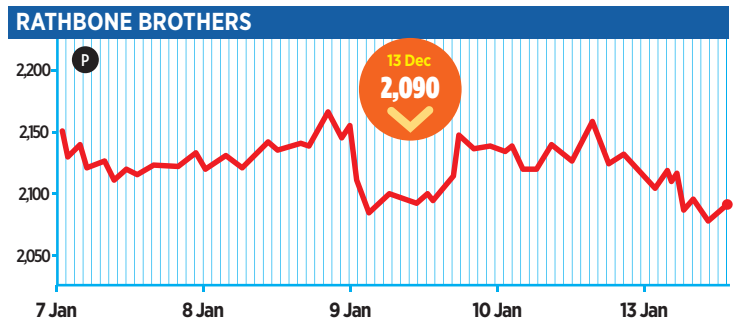


BEST OF THE BROKERS

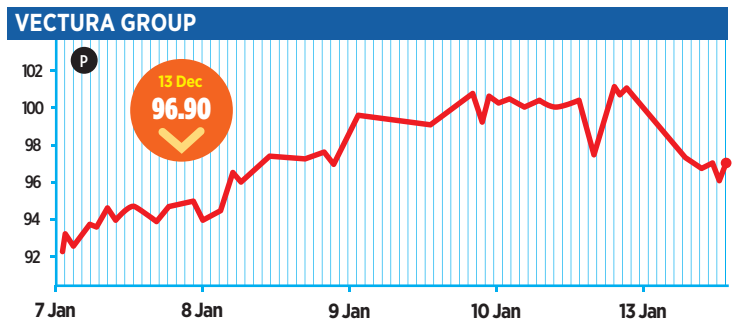
To appear in Best of the Brokers, email your research to notes@cityam.com



Property firm Assura has been beefing up its portfolio in recent months, snapping up six assets and completing its third development of the year. Analysts at Liberum were impressed with the company's third-quarter update, which showed its annualised rent roll has increased 1.3 per cent since the first half to £105.8m. Assura, which specialises GP surgeries and healthcare buildings, also has an acquisition pipeline of £252m — its strongest in a decade. Liberum kept its "hold" rating for Assura with a target price of 76p.



It's been a tense festive period for Rathbone Brothers. The firm's investment management flows were "significantly worse" than expected in the fourth quarter, Liberum brokers said, even after a ropey set of figures in the previous three months. While some of this should be non-recurring, Liberum took the opportunity to reduce its flow assumptions. Nevertheless, they forecast an uptick in net flows this year and were reassured by continued strong growth in unit trusts. Liberum maintained its "hold" rating with a slightly higher target price of 2,100p.



Vectura's trading update was just what the doctor ordered, according to brokers over at Peel Hunt, who saw nothing in the figures to alter their forecasts or valuation materially. The Chippenham-based pharmaceuticals firm said 2019 trading was in line with expectations, while 2020 outlook came as no surprise. The analysts said they were looking forward to the first public presentation from new chief executive Will Downie, which is due on Thursday at the JP Morgan conference. Peel Hunt gave Vectura a "hold" rating with a target price of 114p.

NEW YORK REPORT

Wall St nears a record high on fresh optimism

TECH favourites propelled Wall Street to record highs yesterday, fuelled by optimism about the signing of a preliminary US-China trade deal, as well upcoming fourth-quarter earnings reports.

Apple, **Facebook**, **Netflix**, **Microsoft** and **Amazon**, which have powered the longest bull run in US equities, were among the top contributors to record high closes for the S&P 500 and Nasdaq.

Apple rose 2.14 per cent to close at a record high. Also reaching a record high, Google-owner **Alphabet** added 0.8 per cent, bringing its market capitalisation to $993bn (£764bn).

An easing of Middle East tensions and the phase one US-China trade agreement, which is expected to be signed in Washington tomorrow, have encouraged riskier bets over the last week.

Bloomberg, citing sources, reported that the Trump administration planned to lift its designation of China as a currency manipulator, adding to the positive mood.

Investors are awaiting earnings from big banks **JP Morgan**, **Citigroup** and **Wells**, which kick off the fourth-quarter reporting season today.

Many investors, however, are already looking ahead to a potentially rosier earnings outlook once Washington and China resolve their trade dispute.

The Dow Jones Industrial Average rose 0.29 per cent to end at 28,907.05, while the S&P 500 gained 0.70 per cent to 3,288.13, its highest close ever.

The Nasdaq Composite jumped 1.04 per cent to 9,273.93, also a record high.

Aerospace companies **Hexcel** and **Woodward** jumped 9.6 per cent and 4.8 per cent, respectively, after the two Boeing suppliers said they would combine in an all-stock merger valued at $6.43bn.

Tesla surged 9.8 per cent to a record high after a report that China would not make significant cuts to subsidies for new energy vehicles this year, while Oppenheimer boosted its price target on the stock.

CITY MOVES WHO'S SWITCHING JOBS

COMMIFY

Business communications firm Commify has announced the appointment of Richard Hanscott as its new chief executive officer (CEO). Richard's most recent role was CEO of Yell where he joined in 2011, leading a successful transformation of the business to a fully digital. Prior to this, he spent 13 years in the mobile industry with NEC and Orange, delivering growth in both consumer and business-to-business markets. Carla Cico, chair of the board, commented: "After an extensive selection process, the board is delighted to have appointed Richard as Commify's new chief executive officer. "Richard is an outstanding leader...with his experience in telecommunications and delivering value for SMEs, [he] is primed to accelerate Commify's growth."

UNITE GROUP

The Unite Group, the UK student accommodation developer, has announced the appointment of Polly Troughton to its executive team as group investment director. Polly has joined Unite following over six years at Landsec, one of the UK's largest commercial property companies, where she was head of retail markets. She has extensive experience in capital allocation, maximising value and improving portfolio quality. Polly will lead Unite's investment and asset management activity, following the recent acquisition of Liberty Living. Richard Smith chief executive of Unite, commented: "I'm delighted to welcome Polly to the business. Her appointment further strengthens the breadth and expertise of our executive team... She joins at an incredibly exciting time for Unite — in the wake of the Liberty Living acquisition, and the significant opportunities it provides — and I look forward to working with her."

REDE PARTNERS

Independent private equity fundraiser Rede Partners has hired Magnus Goodlad as head of transactions. Magnus brings a wealth of valuable experience, having managed the execution and implementation of numerous sophisticated private fund and direct investments over the past 20 years working in the industry. His previous roles include chief of staff to Lord Rothschild, partner at Hermes GPE, a global private equity and infrastructure fund, and 10 years at Top Technology Ventures and IP Group. Magnus started his career qualifying as a solicitor with Slaughter and May. Adam Turtle, co-founder at Rede Partners, said: "We are very pleased to have Magnus on board. Through his unique mix of experience, coupled with our existing skilled team, we can provide a distinctive proposition to our clients delivering truly accretive GP-led transactions."

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

FORUM

EDITED BY RACHEL CUNLIFFE

In politics as in football, a star transfer player isn't enough

Robert Colvile

AS EVERY football fan knows, the start of a new year marks the opening of the January transfer window. A host of Premier League teams, anxiously surveying their position in the table, will be forking out eight-figure sums for new players in order to drag themselves out of the relegation zone or up towards the Champions League places, or else fill some position or other of desperate need.

But as new research from the 21st Club consultancy shows, this kind of panic-buying is a mug's game. For the average team, splashing out £30m will generate an extra 0.1 points per game on average — which equates to just one or two points over the remaining half-season.

The problem is particularly acute when it comes to strikers. The archetypal winter buy is the star forward, meant to add some desperately needed end product to a struggling side.

But 21st Club shows that a staggering 55 per cent of such signings do not score a single goal over the remainder of the season. And even those that do find the target will have less impact on the club's eventual league position than those doing the buying generally imagine.

Why bring this up? Well, at the risk of twisting the knife, this is the position that Britain's opposition parties currently find themselves in.

Labour, for example, has a respectable range of candidates from all wings of the party. But they are being asked, effectively, to provide a miracle fix for a club that is in disarray — to alter its trajectory by sheer force of personality, without anyone pausing to consider the deeper causes of the party's decline.

> A Rebecca Long-Bailey or Richard Burgon may talk a great game about how they share the club's values, but sooner rather than later, you'll be desperate to offload them

Moreover, the fact that the Labour selectorate is firmly of the left means that, with the exception of the Blairite standard-bearer Jess Phillips, each candidate is having to pay lip service to the idea that Labour's main problem was Corbyn, or at a stretch Corbynism, rather than the party's socialist agenda.

And so we have Sir Keir Starmer, north London barrister and doyen of the Islington Remainers, launching with a campaign video suggesting that he'd spent half his life on the picket line.

In football terms, this is rather like a club that insists on focusing on the problems on the pitch, rather than the leaking stands and shambolic front office — that buys new players and hires new managers, but never stops to address the fundamentals.

For the Liberal Democrats, the situation is even worse. The fact that the next leader has to be an MP means that they are choosing from a pitifully small pool — a threadbare squad, many well past their best, barely able to get a full 11 on the pitch, with no transfer budget to speak of.

What are the odds of finding a superstar, given such limited choices?

Of course, any football fan reading this will be able to think of a host of January transfers that do work out, most recently, Liverpool snapping up Virgil van Dijk as the lynchpin of their defence.

But again, the political lessons are striking. Liverpool had been courting van Dijk for months, having decided (rightly) that he was exactly the piece they needed in their tactical jigsaw.

The parallel here is with the Conservatives earlier this year. It is hard to remember, as Boris Johnson basks in the glow of a thumping election victory, but the party under Theresa May was facing an existential crisis: winning just nine per cent of the vote at the European elections, Leavers and Remainers at each other's throats, the delivery of any form of Brexit in significant jeopardy.

The calculation made by the party's members was that the one person who could convincingly dissociate himself from May's Brexit deal and see off Nigel Farage was the man who had led the Leave campaign in the first place.

And Boris' own calculation was that the only route to Tory survival — let alone his eventual triumph — was to go hell for leather to deliver Brexit and ask the voters to punish those who insisted on blockage and delay.

It is true that the Liverpool centre-half has a rather more elegant manner on the football pitch than the PM. But in both cases, there was an extensive period of diagnosis, followed by exactly the right signing to fit the team's needs.

The message to the opposition parties, then, is to think very carefully and strategically about exactly what you need. The more desperate you are — the more panicked — the worse a decision you're likely to make.

A Rebecca Long-Bailey or Richard Burgon may talk a great game about how they share the club's values, and there's nobody better at kissing the badge. But the odds are that sooner rather than later, you'll be desperate to offload them.

Robert Colvile is director of the Centre for Policy Studies.

Unleash the digital economy: Three ways the PM can spur technological progress

Kulveer Ranger

SO FAR, the new government has yet to unveil its detailed plan for building a stronger, more prosperous, rebalanced Britain that we heard about so much during the election campaign last year.

The first post-Brexit Budget in March will be an opportunity for Downing Street to show its commitment to this cause — and pledges to roll out full fibre broadband and invest in digital skills and infrastructure are a promising sign.

But if Boris Johnson really wants to unleash our potential and equip our economy to meet the challenges of the 2020s, we need to settle for nothing less than the wholesale digital transformation of Britain — at both local and national levels.

Fortunately for the government, techUK has a blue-print for doing just that, with three key priorities that will enable businesses and individuals alike across the UK to "plug in" to the digital age, and prosper.

First, we must address the level of regional inequality when it comes to digital investment. Between 2015 and 2018, London received £9bn in tech investment. The second closest UK city was Cambridge, receiving just £583m. This is an unacceptably large gap.

Britain is home to technologies which are addressing some of society's biggest challenges, from the ageing population to climate change, but too many are housed in and around the capital. More funding to develop world-class digital clusters outside London, and tax and regulatory incentives for businesses within them, will support innovation while creating local jobs and attracting the best global talent beyond the M25.

Second, we must increase levels of knowledge. Existing technology could be transformational to many smaller businesses, dramatically increasing their size and productivity, but they simply do not have the expertise to take full advantage of it.

A new service which helps smaller businesses adopt technologies such as cloud computing, artificial intelligence and digital identity software could be established through existing channels such as Local Enterprise Partnerships, enabling firms to easily access support that can enable them to level up

Finally, we must ensure that businesses have the financial relief they need to grow. Productivity is already in crisis, and we are at risk of falling further behind the global leaders. Figures show that fewer than one in five UK firms are adopting internal digital infrastructure, well below the European average.

Tax relief on the initial adoption of productivity-boosting technologies would spur digital investment in the short term while also increasing productivity and tax receipts in the long term.

Crucially, it would also promote the UK as an attractive market to larger multinationals offering relevant digital products, helping to stimulate direct investment from overseas and positioning the UK as a genuine global leader.

As the largest trade association for technology businesses in the UK, we are well aware that this is a pivotal time for the UK. After years of political upheaval, where so many policy areas were put on the back-burner due to the Brexit debate, we finally have a chance to create a national digital economy that can power Britain into an exciting digital age.

Kulveer Ranger is board member and deputy president for economy & productivity at techUK, senior vice president at Atos UK&I, and former digital adviser to London mayor Boris Johnson.

LETTERS
TO THE EDITOR

RIP Roger Scruton

One headline announced the sad news as "Roger Scruton: conservative thinker dies at 75". But to describe Roger Scruton as a conservative thinker is to understate the breadth of his influence. At Conservative Philosophy group meetings, he often encouraged others to think about defining "a philosophy of conservatism" and not "a philosophy for the Conservative party".

In defining his own thoughts, Roger compared conservatism to its historical rivals: liberalism and socialism. For him, liberalism was the product of the enlightenment, which views society as a contract and the state as a system for guaranteeing individual rights. By contrast, he saw socialism as the product of the industrial revolution, which sees society as an economic system and the state as a means of distributing social wealth.

Roger felt that conservatives leaned more towards liberalism than socialism, but he cautioned that freedom should also entail responsibility, manifested in public spirit and virtue. He scolded conservatives for allowing themselves to be caricatured as leaving social problems to the market, but also felt that markets were not necessarily expressions of selfishness and greed.

Perhaps his conservative philosophy was best summed up when he wrote "Liberals seek freedom, socialists equality, and conservatives responsibility. And, without responsibility, neither freedom nor equality have any lasting value."

Syed Kamall, academic and research director, Institute of Economic Affairs

BEST OF TWITTER

Saddened to hear news of death of @Roger_Scruton a man of extraordinary intellect, learning & humour, great supporter of C European dissidents, &the kind of provocative, sometimes outrageous Conservative thinker that a truly liberal society should be glad to have challenging it.
@fromTGA

In the 1980s, Roger Scruton organized money and books for dissidents in Eastern Europe. I was one of the student couriers who helped smuggle them "across the iron curtain." I am still grateful for what Roger did for them, and for me.
@anneapplebaum

Lots of tributes to the late Roger Scruton tonight. I'm not questioning his intellect or his academic contributions and I am sure he was a fine friend to many. He also referred to Syrian refugees in Hungary as a "sudden invasion of huge tribes of Muslims from the Middle East"
@mehdirhasan

There's a very good chance that a woman candidate could, for the first time in Labour's history, come as high as second in a leadership contest.
@thhamilton

Harry and Meghan latest: World enters sixth day of coming to terms with 35-year-old man moving out of his nan's house.
@haveigotnews

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

Farming isn't outdated, it's sowing the seeds of our future

Mark Bridgeman

IN HIS Channel 4 documentary last week "Apocalypse Cow" and the accompanying op-ed, the journalist George Monbiot both predicted and celebrated the end of farming. "After 12,000 years of feeding humankind," he wrote, "all farming except fruit and veg production is likely to be replaced by ferming: brewing microbes through precision fermentation." He went on to say that food production was "ripping the living world apart". New technologies, Monbiot argued, will soon make dietary arguments irrelevant, and most of our food will come from "unicellular life".

Monbiot is right to say that we are on the cusp of a huge technological revolution in agriculture — but it won't be this. The kind of food production he describes may one day have its place in our societies. But not only is it expensive and difficult to scale up — there is no evidence whatsoever that there is a consumer market for this kind of food.

Rather, the imminent revolution is taking place within farming itself.

The story of agriculture, which gave rise to the first civilisations, is one of constant change. Over thousands of years, driven by necessity and a natural human affinity for the land, farming practices have evolved and efficiency has risen. Whereas once it was forecast that population growth would lead to mass food shortages and starvation, farming has consistently risen to meet the challenges of the day.

You only have to look at the progress in the UK of the last 25 years to see this in action. We've become far more efficient with our use of resources — and are using far less fertiliser and pesticide for the same yield. In 2018, there were 3.2 million hectares of land within a UK government scheme to promote biodiversity and wildlife habitats. And animal welfare has improved significantly with the growth of free range products.

Imagine where we could be 25 years from now. A the heart of future food production will be a drive to bring farming into harmony with nature. There is rising interest in regenerative agriculture, agro-ecological practices and organic farming, but even conventional agriculture, through the use of technology and precision farming, is becoming more sustainable.

And of course, data will play a growing role in maximising sustainability. This is already the situation in horticulture, which makes the precise management of high-value crops possible.

> "Monbiot paints a gruesome picture of bacterial sludge turned into food

The next frontier is the creation of advanced artificial intelligence, enabling remote decision-making, highly precise nutrient use and diet formulation, all of which will increase efficiency while dramatically reducing waste and environmental impact. Large tractors will begin to disappear, to be replaced by small intelligent machines able to work in all conditions and perform diverse tasks.

The government's new environmental land management scheme will further encourage the creation of conditions that support biodiversity, improve soil and water quality, and limit flooding and ecological damage.

This isn't futuristic sci-fi — these technologies already exist and will only improve. Meanwhile, Monbiot paints a gruesome picture of bacterial sludge being turned into food, exalting a technology that is in its infancy and has yet to produce anything approaching complex taste, texture or nutrition.

He is throwing the baby out with the bathwater, arguing that because of its flaws — flaws which farmers are addressing — farming, the wholesome food it produces, and the tens of thousands of jobs associated with it should be consigned to history.

This is unnecessary. We are making progress and will continue to do so. One wonders why Monbiot does not use his platform to help us improve existing agricultural practices, rather than to try to engineer the industry's destruction. Farmers want to feed the nation and protect the environment. We should all be on their side.

Mark Bridgeman is president of the Country Land and Business Association.

DEBATE

Should Boris Johnson consider a complete cabinet overhaul after the UK leaves the EU this month?

YES

VICTORIA MACKARNESS

Boris Johnson has an overwhelming majority, Brexit is on track to be delivered in just a couple of weeks, and the Conservative party is at last united on Europe for the first time in decades.

This all gives the Prime Minister an entirely free hand when choosing his cabinet — a rare power. While collective responsibility is still vital, the ideological purity on Brexit that was necessary pre-election is no longer a requirement. Instead, the PM should make sure he has the very best people in each post.

The government's bold new agenda encompasses everything from major foreign trade deals to increased infrastructure in the north. If this ambitious programme is to be accomplished in the next five years, the Prime Minister cannot afford to reward Brexit loyalty over expertise.

To ensure that he sees his vision brought to life, Boris needs to view his cabinet with a pair of fresh eyes. Come February, there should be no such thing as a safe job, as the Prime Minister sets about proving that he cares about competence over cronyism.

Victoria Mackarness is an account manager at CMS Strategic.

NO

ELIOT WILSON

Politicians like change. It makes them look forward-thinking and dynamic. Cabinet reshuffles are best of all, because they're easy: after all, the Prime Minister holds all the cards. But a major shuffle of Boris Johnson's deck at the moment would be a mistake.

A good cabinet minister takes at least a few months to master his or her brief. That's just the time it takes to learn, to understand, and to be able to go toe-to-toe with the entrenched civil service policy experts. Only then can they begin to flower.

Bear in mind that most of Johnson's top team have only been in place since last summer, so they're just starting to get settled.

Now more than ever we need sound, competent government. The current administration is ambitious, and has a lot of challenges to face.

Don't add to ministers' woes by putting them in jobs where they're frantically staying one page ahead of their advisers in the briefing. Let them learn, consolidate, and breathe.

Eliot Wilson is head of research at Right Angles and a former House of Commons official.

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abc
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Printed by West Ferry Printers Ltd, Kimpton Rd, Luton LU2 0SX

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/$	1.2984	0.0076	€/£	0.8579	0.0067
/¥	142.71	0.3000	€/¥	122.42	0.6900

GILTS

	Price	Chg	High	Low
Tsy 4.750 20	100.61	-0.01	104.5	100.6
Tsy 8.000 21	110.42	0.05	117.2	110.3
Tsy 2.500 24	362.17	0.72	377.9	358.8
Tsy 5.000 25	122.67	0.23	126.0	122.1
Tsy 4.250 27	128.14	0.26	132.8	125.2
Tsy 6.000 28	146.12	0.31	152.1	143.1
Tsy 4.125 30	379.15	1.30	404.2	364.2
Tsy 4.250 32	139.33	0.31	146.4	132.4
Tsy 4.250 36	147.06	0.32	155.7	137.5
Tsy 4.750 38	161.50	0.40	171.8	150.0
Tsy 4.250 46	168.47	0.37	181.0	1.0

AEROSPACE & DEFENCE

	Price	Chg	High	Low
BAE Systems	614.0	21.2	614.0	443.9
Cobham	164.4	0.0	168.3	99.8
Meggitt	697.2	14.4	697.2	489.9
QinetiQ	354.2	-1.8	367.4	267.0
Rolls-Royce	675.6	-7.0	988.4	665.6
Senior	179.7	1.2	239.2	165.7
Ultra Electronics	2276.0	36.0	2276.0	1232.0

AUTOMOBILES & PARTS

	Price	Chg	High	Low
Aston Martin	461.9	-7.8	1374.4	399.3
TI Fluid Systems	253.0	0.0	273.0	155.2

BANKS

	Price	Chg	High	Low
Barclays	181.7	0.7	192.5	136.2
BGEO Group	1635.0	65.0	1755.0	1252.0
HSBC Hldgs	590.8	6.2	680.6	552.3
Lloyds Banking	58.7	-1.6	67.2	48.6
Royal Bank of Scot	232.0	-3.3	270.4	177.7
Standard Chartered	714.0	3.4	738.6	575.7
TBC Bank Group	1276.0	38.0	1706.0	1150.0
Virgin Money UK	178.0	-0.3	220.1	104.4

BEVERAGES

	Price	Chg	High	Low
Barr (AG)	553.0	17.0	975.0	526.0
Britvic	882.0	2.0	1068.0	850.0
Coca-Cola HBC AG	2680.0	19.0	3074.0	2299.0
Diageo	3232.5	-12.5	3625.5	2701.0

CHEMICALS

	Price	Chg	High	Low
Croda International	5115.0	55.0	5375.0	4564.0
Elementis	164.7	1.2	197.9	129.8
Johnson Matt	2983.0	44.0	3454.0	2770.0
Synthomer	340.8	1.2	420.8	279.0
Victrex	2454.0	-20.0	2540.0	1845.0

CONSTRUCTION & MATERIALS

	Price	Chg	High	Low
Balfour Beatty	263.6	2.6	295.0	194.2
CRH	3038.0	52.0	3100.0	2169.0
Galliford Try	157.7	-0.7	177.2	102.4
Grafton Group	858.0	16.0	937.0	645.5
Ibstock	307.0	2.8	322.0	208.6
Marshalls	820.0	4.0	876.0	496.0
Polypipe Group	517.5	5.5	546.5	367.6

DIVERSIFIED INDUSTRIALS

	Price	Chg	High	Low
Smith (DS)	375.7	0.0	394.8	307.9
Smiths Gp	1747.0	3.5	1748.0	1378.0
Smurfit Kappa Gp	2874.0	48.0	2966.0	2096.0
Vesuvius	464.0	-0.8	642.0	341.0

ELECTRICITY

	Price	Chg	High	Low
Contour Global	195.0	6.2	222.5	159.1
Drax Gp	291.2	1.4	413.8	251.0
SSE	1444.5	19.5	1467.5	1008.0

ELECTRONIC & ELECTRICAL EQUIPMENT

	Price	Chg	High	Low
Halma	2115.0	23.0	2164.0	1385.0
Morgan Advanced	312.2	8.4	324.8	232.4
Oxford Instruments	1564.0	-14.0	1626.0	866.0
Renishaw	3700.0	-18.0	4670.0	3232.0
Spectris	2830.0	26.0	2962.0	2234.0

EQUITY INVESTMENT INSTRUMENTS

	Price	Chg	High	Low
3i Infrastructure	296.5	5.0	306.5	263.8
Aberforth Smlr Cos	1498.0	6.0	1546.0	1114.0
Alliance Trust	862.0	6.0	862.0	708.0
AVI Global Trust	790.0	9.0	790.0	695.0
Baillie Gifford Japan	846.0	7.0	848.0	711.0
Bankers InvTst	1018.0	12.0	1018.0	803.0
BlackRock Smaller	1712.0	-4.0	1726.0	1280.0
BMO Global Smaller	145.8	0.6	150.0	127.0
Caledonia Inv	3140.0	25.0	3180.0	2910.0
City of London IT	443.0	1.0	448.5	381.5
Edin Inv Trust	629.0	4.0	652.0	535.0
European Opp	847.0	13.0	875.0	675.0
F&C Investment	773.0	4.0	778.0	655.0
Fidelity China SPE	249.0	4.0	250.0	193.4
Fidelity Euro Values	264.5	2.5	264.5	214.0
Fidelity Spec Val	278.5	2.5	280.5	240.5
Finsbury G&I Tst	886.0	-1.0	958.0	757.0
GCP Infra Inv	132.2	1.0	132.4	122.6
Genesis Emerging	805.0	8.0	805.0	659.0
Greencoat UK	149.2	0.0	152.8	128.8
Harbourvest Glb	1828.0	8.0	1832.0	1384.0
Herald Inv Trust	1490.0	26.0	1514.0	1150.0
HICL Infr	170.8	1.6	174.0	156.6
JPM American	499.5	4.0	499.5	411.0
JPM Emerg Mkt	1084.0	14.0	1084.0	861.0
JPM Indian IT	761.0	11.0	790.0	633.0
JPM Japan IT	471.5	6.0	477.5	368.0
Jupiter Fund Mngt	391.0	5.1	432.0	311.1
Law Debenture	646.0	4.0	654.0	552.0
Mercantile IT	260.0	3.0	267.5	188.0
Monks Inv Tst	988.0	10.0	988.0	768.0
Murray Intl Tst	1258.0	14.0	1286.0	1114.0
Next Energy Solar	125.0	0.5	126.5	112.0
Pantheon Intl Partn	2450.0	-15.0	2620.0	2020.0
Perpetual Inc & Grth	329.5	2.5	342.0	284.5
Pershing Square	1530.0	26.0	1570.0	1102.0
Personal Assets Tst	430000	-500	431500	390000
Polar Cap Tech Tst	1674.0	28.0	1674.0	1154.0
Renewables Infra Gp	136.6	1.0	139.2	115.4
RIT Cap Partners	2080.0	5.0	2180.0	1944.0
Schroder Asia	483.5	13.5	483.5	412.0
Scottish Inv Tst	830.0	1.0	843.0	769.0
Scottish Mortgage	601.5	3.0	601.5	465.7
Sequoia Econ Infra	117.0	-0.6	118.0	110.0
Smithson Inv	1328.0	18.0	1334.0	1016.0
Syncona	218.5	1.5	294.0	203.0
Temple Bar IT	1428.0	-2.0	1486.0	1162.0
Templeton Em Mkts	867.0	8.0	867.0	716.0
Vietnam Enterprise	464.5	0.5	509.0	421.5
VinaCapital Vietna	325.0	-1.0	357.5	323.0
Witan Invest	235.0	2.5	235.0	197.4
Wwide Healthcare	3160.0	-5.0	3255.0	2495.0

FIXED LINE TELECOMMUNICATIONS

	Price	Chg	High	Low
BT Gp	189.4	-2.8	238.9	158.9
Talktalk Telecom	118.3	-0.7	126.5	96.5
Telecom Plus	1516.0	6.0	1534.0	1130.0

FOOD & DRUG RETAILERS

	Price	Chg	High	Low
Greggs	2396.0	-40.0	2476.0	1496.0
Morrison (WM)	188.9	1.1	245.8	176.9
Ocado Gp	1280.0	20.5	1435.0	873.8
Sainsbury(J)	220.5	0.5	293.9	177.1
SSP Group	679.0	6.0	721.0	608.0
Tesco	248.6	-0.8	258.9	212.6

FOOD PRODUCERS

	Price	Chg	High	Low
Assoc British Foods	2575.0	-46.0	2672.0	2106.0
Bakkavor	138.8	2.0	170.0	93.3
Cranswick	3284.0	24.0	3464.0	2472.0
Greencore Gp	248.8	1.8	281.8	185.1
Hilton Food Gp	1064.0	12.0	1118.0	894.0
Tate & Lyle	788.8	3.2	800.4	663.8
Unilever	4343.0	38.5	5324.0	3941.0

FORESTRY & PAPER

	Price	Chg	High	Low
Mondi	1673.0	-5.0	1898.0	1510.5

GENERAL FINANCIAL

	Price	Chg	High	Low
3i Group	1103.5	15.0	1184.5	810.8
Ashmore Gp	530.0	16.0	542.5	367.8
Brewin Dolphin	354.0	1.2	375.2	287.6
Close Brothers	1595.0	1.0	1663.0	1227.0
Coats Group	76.6	0.6	91.3	68.1
Finablr	127.0	0.1	215.0	126.0
Hargreaves Lans	1830.0	-14.5	2433.0	1633.0
IG Gp	683.2	0.8	708.0	474.8
Integrafin Holdings	442.0	7.0	462.0	315.0
Intermediate Capital	1646.0	31.0	1646.0	971.5
Intl Public Prtnshps	165.8	-1.8	171.0	146.8
Investec	432.7	-3.0	518.6	395.3
IP Group	67.7	-0.8	112.4	55.7
John Laing Gp	388.0	3.0	402.0	339.0
London Stock Exch	7566.0	-86.0	7766.0	4404.0
Man Group	152.3	-6.2	175.2	130.5
Onesavings	420.0	0.4	452.0	313.6
Paragon	505.0	-0.5	553.5	388.0
Plus500	938.2	28.2	1647.0	495.0
Provident Fin	423.6	5.5	610.0	356.0
Quilter	162.6	-0.8	167.6	120.8
Rathbone Brothers	2090.0	-30.0	2540.0	2045.0
Schroders	3260.0	-8.0	3419.0	2541.0
TP ICAP	401.5	-2.2	417.5	270.0

GENERAL RETAILERS

	Price	Chg	High	Low
B&M	372.3	-0.7	420.9	310.5
Dixons Carphone	138.5	1.9	150.0	104.9
Dunelm Gp	1094.0	12.0	1173.0	680.0
Frasers Group	497.0	6.2	497.0	214.0
Howden Joinery Gp	669.6	7.2	685.8	474.0
Inchcape	702.5	4.0	720.0	545.5
JD Sports Fashion	840.8	8.8	844.2	425.4
Just Eat	894.0	-7.0	901.0	587.4
Kingfisher	214.0	3.6	266.2	185.9
Marks & Spencer	189.5	-1.8	303.2	163.9
Next	6728.0	-26.0	7340.0	4644.0
Pets at Home Gp	271.6	6.6	287.8	118.0
Vivo Energy	120.8	-0.4	139.5	111.4
Watches of Switz	368.4	4.2	390.0	270.0
WH Smith	2492.0	14.0	2654.0	1860.0

HEALTH CARE EQUIPMENT & SERVICES

	Price	Chg	High	Low
Convatec	213.8	1.6	213.8	118.5
Mediclinic Intl	405.6	11.0	415.3	293.4
NMC Health	1256.5	-93.0	3000.0	1256.5
Smith & Neph	1869.0	3.0	1990.0	1405.5
UDG Hlthcare	793.5	11.5	832.5	551.0

HOUSEHOLD GOODS

	Price	Chg	High	Low
Barratt Devel	768.4	12.2	774.2	498.5
Bellway	3900.0	58.0	3900.0	2698.0
Berkeley Grp Hldgs	4848.0	41.0	5214.0	3437.0
Countryside Prop	476.4	6.4	476.4	277.6
Crest Nicholson	429.0	5.2	445.0	332.0
McCarthy & Stone	142.0	2.1	158.8	123.5
Persimmon	2735.0	29.0	2826.0	1836.0
Reckitt Benckiser	6088.0	49.0	6688.0	5593.0
Redrow	766.0	6.0	771.0	533.0
Taylor Wimpey	202.0	4.3	202.0	142.9
Vistry Group	1285.0	16.0	1399.0	926.8

INDUSTRIAL ENGINEERING

	Price	Chg	High	Low
Bodycote	927.5	11.5	971.0	652.0
Hill & Smith	1469.0	26.0	1510.0	1049.0
IMI	1173.0	10.0	1206.0	906.0
Melrose Ind	236.3	-1.0	242.3	156.8
RHI Magnesita	3718.0	20.0	5000.0	3420.0
Rotork	323.5	8.7	341.2	263.0
Spirax-Sarco	9015.0	100.0	9400.0	6240.0
Weir Gp	1509.0	39.0	1814.0	1261.5

INDUSTRIAL METALS

	Price	Chg	High	Low
Evraz	412.5	21.4	709.4	341.4
Ferrexpo	157.7	12.1	301.3	123.0

INDUSTRIAL TRANSPORTATION

	Price	Chg	High	Low
Clarkson	2925.0	0.0	3030.0	2200.0
Fisher (James)	1982.0	14.0	2260.0	1790.0
Royal Mail	218.0	-2.8	304.3	188.4
Signature Avi	324.9	0.0	406.0	285.2

LEISURE GOODS

	Price	Chg	High	Low
Games Workshp	6375.0	-45.0	6530.0	2800.0

LIFE INSURANCE

	Price	Chg	High	Low
Aviva	411.6	-1.2	438.8	352.3
Lancashire Hldgs	771.0	7.5	780.5	561.5
Legal & General	302.2	-3.9	317.7	216.7
Phoenix Gp	733.9	-0.1	758.7	609.6
Prudential	1471.5	-8.5	1790.0	1279.5
St James Place	1120.0	-19.0	1199.5	913.6
Std Life Aberdeen	312.0	0.2	336.9	231.1

MEDIA

	Price	Chg	High	Low
4imprint	3320.0	0.0	3500.0	1855.0
Ascential	409.8	6.0	409.8	319.0
Auto Trader Gp	575.0	8.8	607.6	441.8
Euromny Inst Inv	1300.0	-10.0	1498.0	1152.0
Future	1390.0	-32.0	1572.0	491.0
Informa	843.4	9.2	892.0	646.6
ITV	147.7	0.5	156.5	103.6
Moneysupermkt.com	334.0	-0.4	417.7	285.7
Pearson	625.6	-2.2	976.6	615.0
RELX	1946.5	14.5	2011.0	1606.0
Rightmove Group	645.8	8.0	649.6	465.9
WPP	1062.5	1.5	1077.5	800.4

MINING

	Price	Chg	High	Low
Anglo American	2185.5	20.5	2266.0	1666.6
Antofagasta	970.8	25.6	1022.5	779.6
BHP Group	1804.6	22.6	2049.0	1563.0
Centamin	127.2	1.6	152.3	79.8
Fresnillo	619.0	-6.2	1027.5	539.6
Glencore	242.3	2.1	340.3	216.9
Hochschild Mining	169.9	0.2	227.0	152.0
Kaz Minerals	564.0	11.8	738.4	380.3
Polymet Int	1235.5	1.5	1272.0	772.6
Rio Tinto	4555.0	67.0	4976.5	3761.5

MOBILE TELECOMMUNICATIONS

	Price	Chg	High	Low
Vodafone Gp	151.6	0.0	165.2	123.3

NONLIFE INSURANCE

	Price	Chg	High	Low
Admiral Gp	2306.0	7.0	2317.0	2014.0
Beazley	539.5	3.5	628.0	492.6
Direct Line Ins	328.7	2.8	366.5	270.5
Hastings Gp Hldgs	185.3	0.1	231.6	167.9
Hiscox	1339.0	-1.0	1777.0	1213.0
RSA Ins Gp	565.2	-3.6	597.0	501.6

OIL & GAS PRODUCERS

	Price	Chg	High	Low
BP	497.1	1.9	582.5	462.4
Cairn Energy	195.8	-4.0	213.8	143.1
Energean Oil & Gas	895.0	-1.0	1082.0	613.3
Premier Oil	115.8	1.4	117.8	65.1
Royal Dutch Shell A	2268.0	4.5	2612.0	2144.5
Royal Dutch Shell B	2280.0	10.0	2622.0	2126.5
Tullow Oil	62.3	3.3	250.0	39.9

OIL EQUIPMENT & SERVICES

	Price	Chg	High	Low
Hunting	395.0	-6.6	657.0	363.8
Petrofac	388.8	-5.8	559.0	374.4
Wood Gp(J)	386.7	7.4	598.6	319.6

PERSONAL GOODS

	Price	Chg	High	Low
Burberry Gp	2242.0	25.0	2345.0	1695.0
PZ Cussons	200.5	-3.0	227.0	178.6

PHARMACEUTICALS & BIOTECHNOLOGY

	Price	Chg	High	Low
AstraZeneca	7650.0	5.0	7808.0	5325.0
Dechra Pharma	3062.0	38.0	3062.0	2290.0
Genus	3104.0	-10.0	3246.0	2158.0
GlaxoSmithKline	1809.2	11.8	1818.8	1436.0
Hikma Pharma	1928.0	21.5	2200.0	1510.5

REAL ESTATE

	Price	Chg	High	Low
Assura	76.5	1.1	79.3	53.5
Big Yellow Gp	1180.0	10.0	1200.0	898.0
BMO Comm Prop	112.2	-0.4	131.2	106.0
British Land	587.4	2.2	638.8	468.3
Captl & Count Prop	256.0	0.1	270.5	184.8
CLS Hldgs	285.0	3.5	312.5	212.0
Daejan Hldgs	5300.0	10.0	6160.0	4715.0
Derwent London	3920.0	18.0	4010.0	2884.0
Grainger	303.0	2.2	315.6	214.8
Grt Portland Est	878.0	25.0	878.0	649.4
Hammerson	272.7	-0.6	388.4	203.9
Land Securities	953.2	-3.6	1001.5	735.4
LondonMetric Prop	226.0	0.0	241.2	176.6
NewRiver Retail	196.0	-0.4	246.0	147.6
Primary Hlth Prop	157.6	0.6	160.0	112.0
Safestore Hldgs	781.5	14.0	817.5	527.5
Savills	1232.0	83.0	1232.0	728.0
SEGRO	873.6	3.4	900.0	622.4
Shaftesbury	913.5	8.5	979.5	739.5
St Modwen Props	500.0	15.0	510.0	373.0
TR Property IT	484.0	5.0	491.5	377.0
Tritax Big Box	142.0	0.0	159.7	135.3
UK Commercial Prop	86.2	0.5	92.7	79.9
Unite Group	1250.0	1.0	1261.0	855.0
Workspace Gp	1161.0	9.0	1198.0	806.0

SOFTWARE & COMPUTER SERVICES

	Price	Chg	High	Low
Avast	511.5	12.1	511.5	276.0
Aveva Gp	4830.0	86.0	4830.0	2654.0
Computacenter	1726.0	32.0	1829.0	1008.0
FDM Group	1026.0	4.0	1100.0	647.0
Kainos Gp	796.0	22.0	796.0	430.0
Micro Focus Intl	1087.4	16.8	2160.0	1004.0
Playtech	395.8	-5.8	457.7	360.5
Sage Group	735.8	-4.2	820.4	593.0
Softcat	1218.0	67.0	1218.0	672.0
Sophos	568.0	3.0	577.0	298.2

SUPPORT SERVICES

	Price	Chg	High	Low
Aggreko	861.0	7.2	861.0	693.2
Ashtead Gp	2469.0	17.0	2473.0	1805.5
Babcock Intl Grp	638.4	2.4	646.6	416.7
Bunzl	2081.0	41.0	2551.0	1943.0
Capita	166.7	-0.8	183.0	99.9
DCC	6544.0	38.0	7496.0	6225.0
Diploma	1908.0	-22.0	2084.0	1260.0
Electrocomp	689.6	1.8	729.8	530.2
Equiniti	215.4	2.4	236.2	186.2
Essentra	418.6	2.2	449.0	357.4
Experian	2566.0	-3.0	2631.0	1874.5
Ferguson	7166.0	88.0	7166.0	4800.0
G4S	205.5	2.8	234.3	168.3
Hays	170.4	1.0	183.5	138.0
Homeserve	1296.0	-16.0	1316.0	874.0
Intertek Gp	5848.0	98.0	5962.0	4643.0
IWG	445.1	0.4	445.9	220.2
Network Int	581.0	2.0	645.0	513.0
Pagegroup	468.2	-1.8	539.0	367.8
Paypoint	1042.0	10.0	1118.0	820.0
Rentokil Initial	451.7	-3.5	467.8	329.0
Sanne Group	630.0	-16.0	752.0	450.0
Serco	160.2	-3.3	165.0	110.1
SIG	93.3	0.1	153.0	93.2
Travis Perkins	1580.5	12.0	1692.5	1160.5

TECHNOLOGY HARDWARE & EQUIPMENT

	Price	Chg	High	Low
Spirent Comms	233.5	29.0	251.5	139.0

TOBACCO

	Price	Chg	High	Low
Br Am Tob	3495.0	13.0	3495.0	2375.0
Imperial Brands	1972.4	12.4	2713.5	1668.2

TRAVEL & LEISURE

	Price	Chg	High	Low
Carnival	3562.0	31.0	4430.0	3056.0
Cineworld Group	200.7	1.9	321.0	191.0
Compass Gp	1930.0	17.5	2138.0	1583.0
Dominos Pizza	306.3	3.0	326.4	221.2
easyJet	1492.0	-7.0	1501.0	854.8
EI Group	284.2	0.2	285.0	194.0
FirstGroup	123.1	2.3	137.5	89.0
Flutter Ent	9210.0	-190.0	9456.0	5525.0
Go-Ahead Gp	2124.0	36.0	2278.0	1686.0
GVC Hldgs	922.6	-16.4	939.0	507.5
Intercontl Htls	5051.0	31.0	5738.0	4257.5
Intl Cons Airl	655.8	-8.2	667.6	413.5
Marstons	118.4	-2.8	131.4	93.3
Mitchells & Butlers	420.5	-12.5	470.5	238.0
National Express	464.2	6.4	476.0	379.0
PPHE Hotel Gp	1960.0	20.0	1990.0	1630.0
Rank Gp	266.0	-4.0	280.0	144.0
Restaurant Grp	146.0	-4.1	166.4	111.9
Stagecoach Gp	153.5	-5.0	167.0	115.5
Wetherspoon (JD)	1600.0	-5.0	1734.0	1178.0
Whitbread	4710.0	61.0	5152.0	3988.0
William Hill	186.0	1.6	205.2	132.3
Wizz Air Holdings	4284.0	165.0	4284.0	2880.0

AIM 50

	Price	Chg	High	Low
Abcam	1353.0	32.0	1500.0	1066.0
Advanced Medical	290.0	-5.0	354.5	225.0
Alliance Pharma	81.1	-0.5	84.5	60.0
ASOS	3300.0	-118.0	4066.0	2107.0
Blue Prism	1236.0	-21.0	1472.0	788.0
Camellia	8700.0	-50.0	11750.0	8475.0
Caretech Holdings	473.0	13.0	473.0	325.0
Central Asia Metals	228.0	6.0	266.5	180.0
Clinigen Group	907.0	2.0	1069.0	737.5
CVS Group	1137.0	-5.0	1160.0	395.0
Dart Group	1806.0	-11.0	1817.0	709.5
Diversified Gas & Oil	106.0	0.5	116.5	97.0
Draper Esprit	487.0	2.0	548.0	410.0
EMIS Group	1168.0	48.0	1242.0	890.0
Fevertree Drinks	1949.5	58.5	2475.0	1732.5
First Derivatives	2600.0	0.0	3555.0	2050.0
Frontier Devs	1226.0	-16.0	1260.0	844.0
Gamma Comms	1325.0	20.0	1390.0	766.0
GB Group	731.0	-14.0	800.0	420.0
Gooch & Housego	1427.5	12.5	1527.5	954.0
Hurricane Energy	29.1	-1.2	53.6	29.1
Impax Asset Mgmt	378.0	7.5	394.0	184.0
Iomart Group	377.5	-5.5	400.0	316.5
IQE	48.4	-1.6	98.0	41.8
James Halstead	556.0	16.0	560.0	440.0
Johnson Service Gp	208.0	0.0	211.5	128.0
Keywords Studios	1508.0	31.0	1838.0	900.0
Learning Tech Gp	135.0	1.8	143.0	62.2
M&C Saatchi	111.0	-1.0	394.0	79.0
M.P. Evans	720.0	4.0	750.0	612.0
Majestic Wine	225.0	-1.0	318.0	213.0
Midwich Group	550.0	10.0	633.0	474.5
Mortgage Advice B	706.0	-4.0	795.0	546.0
Next Fifteen Comm	556.0	11.0	658.0	465.0
Nichols	1380.0	-40.0	1880.0	1380.0
Numis Corporation	279.5	-10.5	306.0	212.0
Polar Capital Hdgs	568.0	-20.0	604.0	450.0
Purplebricks Gp	122.0	-2.0	132.0	96.0
Redde	107.2	0.8	127.6	100.6
Renew Holdings	514.0	14.0	568.0	358.0
RWS Holdings	619.0	4.0	670.0	450.0
Scapa Group	265.0	5.5	403.0	157.0
Secure Income REIT	455.0	-1.0	456.0	384.0
Serica Energy	122.6	2.6	143.4	103.6
Smart Metering Sys	551.5	3.5	665.0	310.0
Telford Homes	349.5	0.0	358.0	267.0
Thorpe (F.W.)	346.0	0.0	359.0	248.5
Watkin Jones	241.5	-0.5	247.5	199.6
Young's Brew NV	1275.0	0.0	1310.0	1030.0
Young's Brew-A	1622.5	-7.5	1885.0	1475.0

MAIN CHANGES UK 350

Risers ↑		%	Fallers ↓		%
Spirent Comms	233.50	14.2	NMC Health	1256.50	-6.9
Ferrexpo	157.65	8.3	Man Group	152.30	-3.9
Savills	1232.00	7.2	Stagecoach Gp	153.50	-3.2
Pennon	1078.50	7.1	Mitchells & Butlers	420.50	-2.9
Softcat	1218.00	5.8	Restaurant Grp	146.00	-2.7
Tullow Oil	62.30	5.6	Lloyds Banking	58.74	-2.6
Evraz	412.50	5.5	Sanne Group	630.00	-2.5
BGEO Group	1635.00	4.1	Marstons	118.40	-2.3
Wizz Air Holdings	4284.00	4.0	Future	1390.00	-2.3
BAE Systems	614.00	3.6	Flutter Ent	9210.00	-2.0

EU SHARES

	Price	Chg	High	Low
ADIDAS	309.15	0.10	310.00	197.00
AIR LIQUIDE	126.25	0.45	130.80	103.55
ALLIANZ AG	219.65	-0.60	223.80	179.22
AMADEUS IT GROUP	74.44	0.32	74.30	42.30
ANHEUSER BUSCH INBEV	72.66	-0.97	92.71	61.83
ASML HOLDING NV	269.05	0.45	272.40	137.50
AXA	25.34	-0.02	25.47	19.74
BANCO SANTANDER	317.30	-0.45	402.00	295.05
BASF	65.79	-0.04	74.49	56.20
BAYER AG	74.73	-0.63	75.36	52.53
BMW	73.63	-0.94	77.75	58.70
BNP PARIBAS	51.93	-0.23	53.58	39.32
CRH	3038.00	52.00	3100.00	2169.00
DAIMLER	48.90	-0.54	59.31	40.53
DANONE	72.26	-0.34	82.00	61.47
DEUTSCHE POST AG	33.73	-0.33	34.91	24.91
DEUTSCHE TELEKOM	14.65	-0.11	16.25	14.10
ENEL	7.40	-0.02	7.42	5.10
ENGIE	14.80	0.04	15.12	12.45
ENI	14.04	-0.06	15.94	13.04
ESSILORLUXOTTICA	128.75	0.00	128.75	128.75
FRESENIUS MEDICAL CARE	66.30	0.04	76.32	57.92
IBERDROLA	9.00	0.02	9.54	6.02
INDITEX	31.59	0.02	32.37	2.55
ING GROEP NV	10.73	-0.11	12.05	8.34
INTESA SANPAOLO	2.34	-0.02	2.41	1.83
KERING	593.80	1.70	600.90	394.30
KON KPN NV	2.67	0.00	2.96	2.47
L'OREAL	262.50	-1.40	266.10	195.25
LVMH MOET HENNESSY	426.75	3.10	424.50	246.55
MUENCHENER RUECKVE	267.60	-0.20	268.70	190.45
NOKIA	21.88	0.00	21.88	21.88
ORANGE	13.05	-0.07	15.01	13.11
ROYAL PHILIPS	44.35	-0.08	44.69	30.77
SAFRAN	137.45	-1.05	149.90	108.00
SANOFI	92.07	-0.65	92.72	72.24
SAP SE	123.76	0.00	124.72	88.07
SCHNEIDER ELECTRIC	91.86	-0.28	93.74	58.20
SIEMENS AG	115.76	-0.24	119.90	85.00
SOCIETE GENERALE	31.43	0.00	31.79	21.13
TELEFONICA SA	6.10	-0.08	9.18	5.94
TOTAL	49.56	-0.23	52.27	43.18
UNILEVER NV	50.26	-0.04	57.56	46.03
VINCI	99.74	0.32	102.40	73.46
VIVENDI	25.70	-0.20	26.42	21.49
VOLKSWAGEN AG	185.28	-0.24	185.52	138.16

CRYPTO A.M. DAILY POWERED BY BEQUANT

CRYPTOCURRENCIES

Name	Price (USDT)	↑/↓(24h)
Bitcoin (BTC)	$ 8,099.63	-0.63% ↓
Ethereum (ETH)	$ 143.23	-0.66% ↓
Ripple (XRP)	$ 0.21	-0.99% ↓
Bitcoin Cash (BCH)	$ 263.94	-0.80% ↓
Litecoin (LTC)	$ 49.83	-1.05% ↓
EOS.IO (EOS)	$ 3.11	0.68% ↑
Bitcoin SV (BSV)	$ 162.41	1.38% ↑
TRON (TRON)	$ 0.01	-0.29% ↓
NEO (NEO)	$ 9.86	-4.08% ↓
Cardano (ADA)	$ 0.03	-0.52% ↓
CryptoCompare Large Cap Index		-0.31% ↓
CryptoCompare Small Cap Index		0.26% ↑

Market	$216,033,824,194	
Bitcoin Volatility	-4.00%	↓
Bitcoin Volume on BEQUANT Exchange (USDT)	199,996,230	

Sources: Bequant.io, CryptoCompare.com
Prices and data are correct as of 13:00, 13.01.2020
Crypto AM features in City AM every Tuesday.
Previous Editions:www.cityam.com/crypto-insider
Read more at: https://bequant.pro/cityam

CRYPTO & COFFEE

The market managed to hold onto the bullish sentiment that dominated the closing stages of last week and as a result, Bitcoin, alongside its major counterparts, traded broadly higher.

BSV continued to perform well and looks set to takeover EOS, as the seventh largest cryptocurrency by market capitalisation. BSV's hash rate is now at its highest level since the infamous split from Bitcoin Cash and of note, BSV's Genesis hard fork upgrade is scheduled to get activated on February 4, 2020.

Crypto mining has become a very competitive landscape and to complicate matters for miners, the upcoming block reward halving by Bitcoin, Bitcoin Cash (BCH) and BSV will not take place simultaneously. Bitcoin Cash is due to halve on April 8, followed by BSV and then by Bitcoin in mid-May.

This is widely expected to result in elevated volatility for the assets involved and consequently lead to arbitrage opportunities. Ethereum Classic's hash rate is also back on the uptrend and of note, the network successfully completed the "Agharta" hard fork at block number 9,573,000 at 06:26 UTC on Sunday, according to etcnodes.org.

COMMODITIES

Gold	1550.00	-3.40
Silver (Pence)	1791.50	+0.50
Silver (Cents)	1370.00	-6.00
Krugerrand	1565.25	-6.73
Brent Crude	64.98	-0.39
Platinum	969.00	+11.00
British Sovereign	365.39	-1.54
Lead Cash Official	1921.75	+20.75
Copper Cash Official	6155.00	-0.50
Aluminium Cash Official	1771.25	+0.50
Nickel Cash Official	14045.00	-77.50
Aluminium Alloy Cash Official	1375.00	+10.00
Natural Gas	30.45	-0.58
Tin Cash Official	17262.50	+35.00
Zinc Cash Official	2381.50	-36.50
White Sugar	376.80	+9.40

TOURIST RATES

Canada	1.63
Croatia	7.94
Czech Republic	26.93
Denmark	8.25
Hong Kong	9.67
Iceland	146.27
India	82.38
Israel	4.26
New Zealand	1.85
Norway	10.85
Poland	4.52
Singapore	1.67
Sweden	11.63
Switzerland	1.21
Turkey	7.50
United States	1.26

WORLD INDICIES

	Price	Chg	%Chg
FTSE 100	7617.60	+29.75	+0.39
FTSE 250	21716.76	+150.09	+0.70
FTSE All-Share	4225.78	+19.06	+0.45
FTSE AIM All-Share	966.39	+4.74	+0.49
S&P 500	3288.07	+22.72	+0.70
Dow Jones I.A	28907.05	+83.28	+0.29
Nasdaq Composite	9273.93	+95.07	+1.04
Xetra DAX	13451.52	-31.79	-0.24
CAC 40	6036.14	-0.97	-0.02
Swiss Market Index	10622.41	-17.08	-0.16
ISEQ Overall Index	7242.21	-31.98	-0.44
FTSEurofirst 300	1635.65	-2.92	-0.18
Hang Seng	28954.94	+316.74	+1.11
Nikkei	23850.57	U/C	U/C
STI Index	3251.07	-4.88	-0.15
ASX All Ordinaries	7020.20	-21.70	-0.31

US SHARES

	Price	Chg	High	Low
3M	180.92	0.45	219.50	150.74
ABBOTT LABORATORIES	85.12	-0.24	88.74	69.05
ADOBE INC	345.63	5.82	340.45	238.27
ALPHABET NON VTG-C	1439.23	9.50	1429.73	1036.23
ALPHABET-A	1440.03	11.07	1428.96	1116.79
AMAZON.COM	1891.30	8.14	2020.99	1588.22
AMERICAN EXPRESS	128.54	1.26	128.57	97.99
APPLE INC	316.96	6.63	310.33	152.70
AT&T	38.10	-0.47	39.63	29.37
BANK OF AMERICA	35.06	0.32	35.64	26.25
BERKSHIRE HATHAWAY	228.45	1.83	228.65	195.81
BOEING CO	330.22	0.30	432.69	320.42
CATERPILLAR INC	146.82	0.69	150.53	113.38
CHEVRON	116.66	0.22	126.54	111.39
CISCO SYSTEMS	47.97	0.84	58.05	43.52
CITIGROUP	80.65	1.40	81.23	60.33
COCA-COLA CO	56.13	0.60	55.77	44.69
COMCAST	45.80	0.82	46.97	34.97
DOW	52.35	0.85	66.65	40.71
EBAY INC	34.73	-0.16	41.57	30.29
EXXON MOBIL	69.80	0.66	83.38	66.70
FACEBOOK	221.91	3.85	218.30	174.60
GOLDMAN SACHS GROUP	245.21	3.10	242.60	179.91
HOME DEPOT INC	223.34	-0.88	238.85	174.87
HONEYWELL INTERNATIONAL	181.27	2.59	182.01	137.77
IBM	136.60	-0.09	151.36	121.62
INTEL	59.59	0.65	60.84	43.46
JOHNSON & JOHNSON	145.70	0.64	146.44	126.95
JPMORGAN CHASE & CO	137.20	1.13	141.09	98.93
MASTERCARD INC	315.21	4.04	311.17	196.52
MCDONALD'S	206.51	-0.76	221.15	173.97
MEDTRONIC	118.01	-0.63	118.64	84.15
MERCK & CO	89.51	-0.02	92.04	72.92
MICROSOFT	163.28	1.94	162.09	102.78
NETFLIX	338.92	9.87	385.03	254.59
NIKE INC	102.16	1.26	102.20	77.14
ORACLE	54.58	0.13	60.15	48.06
PAYPAL HOLDINGS	115.28	2.35	121.30	96.64
PEPSICO	136.53	2.00	140.28	118.61
PFIZER INC	39.41	-0.08	44.40	34.24
PROCTER & GAMBLE	124.88	0.91	126.09	90.44
TRAVELERS COMPANIES	136.26	0.75	154.83	121.82
TWITTER	32.69	-0.09	45.42	28.89
UNITED HEALTH GROUP	285.85	-9.28	295.97	215.26
UNITED TECHNOLOGIES	152.05	0.19	153.68	110.87
VERIZON COMMUNICATIONS	59.15	0.16	62.07	53.28
VISA	195.33	1.56	193.77	168.86
WALGREENS BOOTS ALLIANCE	54.06	-0.16	76.05	49.29
WALMART	115.88	-0.50	121.28	93.86
WALT DISNEY CO	143.88	-0.74	151.64	107.79
WELLS FARGO & CO	52.11	-0.39	54.46	43.38

TRADING & INVESTMENT

Luke Graham looks at how oil markets are coping with rising tensions in the Middle East

BARRELLING TOWARDS CONFLICT

FOR GOOD or ill, oil remains the lifeblood of the global economy. It is essential to industrial production, to how we transport goods (as well as ourselves) around the world, and how we heat our homes and generally go about our everyday lives.

Rising oil prices can therefore act as a handbrake on global growth, as the increased costs cut into the profits of manufacturing and other industrial activity, or reduce the amount of disposable income that consumers have when they aren't fuelling their cars.

So the recent volatility in oil prices caused by rising tensions in the Middle East is a major concern for markets around the world. The price for Brent crude rose as high as $71.75 per barrel at one point last week, before ending on Friday below $65.

The price spike was triggered by the death of Iran's top general Qassem Soleimani. The US-approved killing of Soleimani on 3 January sent fear rippling through world markets that this was the first step in an escalating military conflict that could spill out across the Middle East — the source of much of the world's oil production.

Iran retaliated by firing ballistic missiles at air bases housing US forces in Iraq. While the attack was not free of consequences (Iran later admitted to "unintentionally" shooting down a Ukrainian passenger jet, killing 176 people) the lack of US casualties thankfully seems to have allowed both sides to back down from further escalation, at least for now.

The easing of tension by the end of last week meant that oil prices were able to settle down and stock markets to rise, with some indices like New York's S&P 500 and Nasdaq setting all-time highs.

> "Higher prices will hit consumers and businesses, which is the last thing that Trump wants before the election

But just because the geopolitical situation has calmed, does that mean it will remain so? Not necessarily. The recent clash was not an isolated incident, but the latest episode in the long-running conflict between Washington and Tehran.

"The key turning point for the region was last year, when the US ended the sanction waivers," explains Torbjorn Soltvedt, principal MENA analyst at risk consultancy Verisk Maplecroft. These waivers permitted countries around the world to import oil from Iran. Ending the waivers caused a sharp decline in Iranian oil exports, from around two million barrels per day to just 500,000.

"For the last eight months or so, Iran has been losing out on billions of dollars in lost revenue because of US oil sanctions. It's since then that we've seen the ratcheting up of tensions," Soltvedt adds.

The Trump administration has been pursuing a campaign of maximum pressure on Iran in order to get it back to the negotiating table and agree to a more comprehensive nuclear agreement than the one struck in 2015, hence why it scrapped the sanction waivers.

But taking this hardline stance has had consequences. In the months after this decision, two foreign oil tankers were attacked near the strategically important Strait of Hormuz. Then in September, Saudi Aramco oil facilities were attacked by swarms of drones and low-flying cruise missiles.

The facilities had to be shut down for repairs, cutting Saudi Arabia's oil production by about half, which represented around five per cent of global oil production. Iran was blamed for these incidents, though it denied involvement.

> "For the last eight months or so, Iran has been losing out on billions of dollars in lost revenue because of US oil sanctions

These attacks were designed to demonstrate Iran's ability to disrupt the flow of oil from the region, according to Soltvedt. He warns that the outlook for the security and stability of the oil industry in the region remains negative.

However, markets do not currently seem concerned about this risk, which has been reflected in the falling price for oil.

"With Brent prices falling back below $65, traders seem convinced that Iran will not block the Strait of Hormuz or carry out attacks on shipments. That's because Iranian exports to China are a significant source of the government's revenue, and without it, the economic crisis will only exacerbate," says Hussein Sayed, chief market strategist at FXTM.

It also seems unlikely that the US will escalate conflict with Iran in the immediate future.

"President Trump has backed away from military confrontation, as increased tensions in the Middle East and higher oil prices will hit both consumers and businesses, which is the last thing that he wants before the November presidential election," adds Sayed.

It is also worth remembering that the Middle East is not the only source of oil. Thanks to the shale gas revolution and the development of the Permian Basin in Texas and New Mexico, the US is now a net exporter of oil. So if oil production in the Persian Gulf were significantly disrupted or reduced, America may be able to step in and fill any gaps.

But fundamentally, while things currently appear calm, the underlying sources of tension between the US and Iran remain unresolved. The likelihood of further geopolitical conflict and instability is thus still high.

So will oil prices remain around $65 a barrel this year? Probably not.

CRYPTO A.M.

Our series on AI, Blockchain, Cryptoassets, DLT and Tokenisation

PARTNER CONTENT

CITY A.M.'S CRYPTO INSIDER

JAMES BOWATER

The last week has seen its fair share of tumultuous events with the uncertainty in the Middle East continuing to dominate. Iran's admission of 'accidentally' shooting down the Ukrainian Boeing 737 has certainly not helped investor confidence with many looking for safe havens such as gold and increasingly, it seems, Bitcoin.

As per normal, crypto eyes are focused on Bitcoin (BTC) and the debate continues as to whether the mid-year halvening has been priced in and whether or not it is a safe haven hedge. At the time of writing it was trading at US$8,128.95 / GB£6,260.36; Ethereum (ETH) is at US$143.89 / GB£110.63; Ripple (XRP) is at US$0.2118 / GB£0.1631; Binance (BNB) is at US$15.08 / GB£11.61 and Cardano (ADA) is at US$0.03707 / GB£0.02855. Overall Market Cap is at US$216.33bn / GB£166.66bn (data source: www.CryptoCompare.com)

The conference season is now well and truly underway with Washington Elite taking place today and tomorrow before all focus shifts to The World Economic Forum next week where I shall be attending a number of the 'Crypto side events' including CVVC Crypto Valley week where notable speakers include my friend Charles Hoskinson for whom 2020 should be the breakout year for Cardano (ADA) as they progress to mainnet launch and full decentralisation.

In a similar vein with the DeFi (Decentralised Finance) space being espoused as the main adoption arena for Blockchain and in particular the use of the Ethereum blockchain which counts the majority of DeFi projects as users. 2019 saw DeFi expanding 2.1x with many an observer believing that US$100bn as being the size by the end of 2020.

The news surrounding the Australian bushfires has been with us since September, however with worsening conditions the fire has spread further down the east coast and intensified. Inflection points have seemingly come on an almost daily basis, and this has awoken the world from its new year slumber. As you would expect international efforts and fundraising drives have begun in earnest.

One of the joys of my position is that I get to meet people from all over the world and have, within my community groups, a large number of Australians. James O'Donoghue, from HiveEx, reached out to me before Binance and Wirex launched their own efforts, to talk about raising AUD$50.0m from the global Crypto Community.

Thus the Crypto Fire Alliance was born. Phillip Snelling and I, from Bowater Media, designed a logo, the folks 'down-under' did the rest and now we are launching having received the various authorisations to move forward. Please, whether you are in the industry or not, read the Ad Strip at the bottom of the opposite page and make a donation!

Thank you very much in advance!

What technology benefits more than 3 Billion people for 80% of their waking hours?

WEB 2.0.

Web 2.0, coined as Web 1.0 boom burst, moved the world on from static desktop web pages and expensive servers to interactive experiences and user-generated content and brought us Uber, AirBnB, Facebook and Instagram. The rise of Web 2.0 was largely driven by three core layers of innovation: mobile, social and cloud.

With the launch of the iPhone in 2007, mobile internet access broadened both the user-base and the usage of the Web: the browser, mobile apps were now in everyone's pocket.

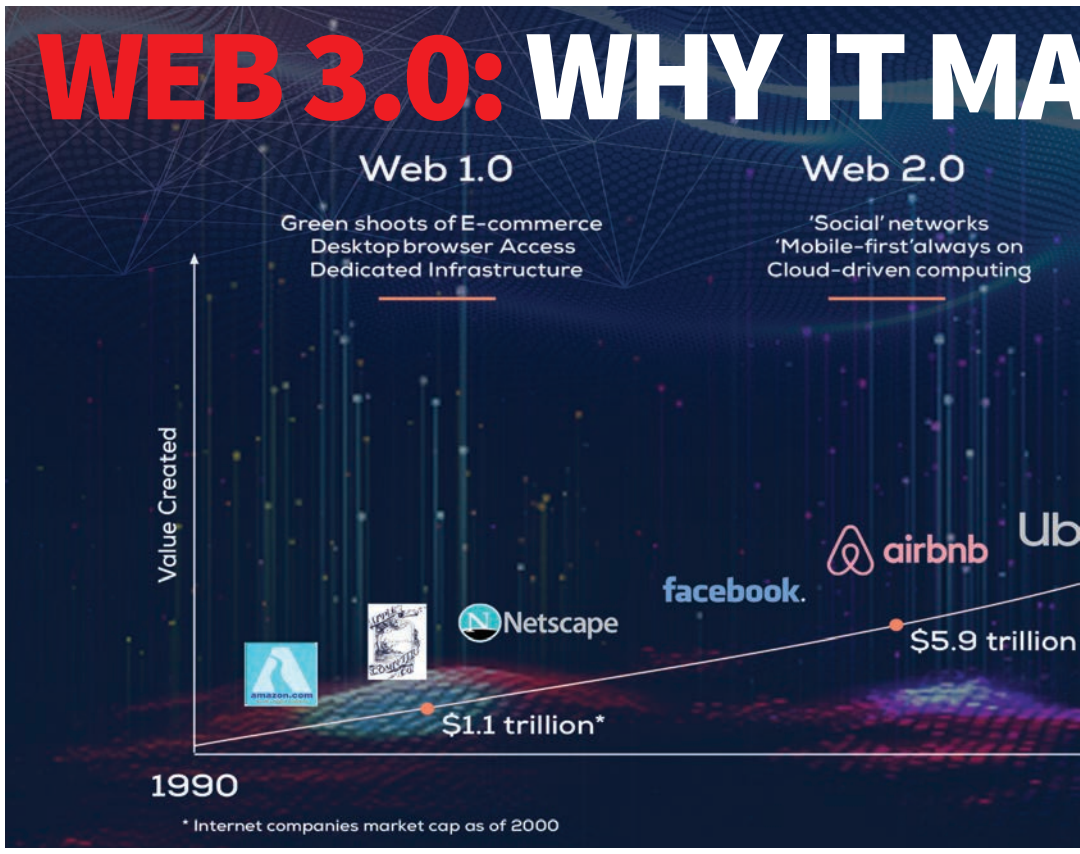
Until social networks such as MySpace and Facebook created online identities, the Internet was largely an anonymous place. These networks coaxed users into good behaviour, content generation and recommendations: from sharing photos online; to entrusting unknown travelers with homes on AirBnB; and getting into a stranger's car with Uber.

Cloud commoditised the production and maintenance of internet pages & applications: shifting from owning expensive dedicated infrastructure to renting storage and compute power. Millions of entrepreneurial experiments could now benefit from low-cost resources that scaled smoothly as businesses grew.

While the Web 2.0 wave is still bearing fruit, the next large paradigm shift in applications has begun, logically entitled Web 3.0 - an even more fundamental disruption. It is a leap forward to open, trustless and permissionless networks.

- 'Open': open source software built by an open and accessible community of developers and executed transparently.
- 'Trustless': the network itself allows participants to interact publicly or privately without a trusted third party.
- 'Permissionless': anyone, both users and suppliers, can participate without authorisation from a governing body.

The ultimate outcome of these new open, trustless and permissionless networks is the possibility to incentivise the long tail of work, service, data and content providers across health, food, finance and sustainability.



Designed by Phill Snelling, Bowater Media

Where Web 2.0 was driven by the advent of mobile, social and cloud, Web 3.0 is built on edge computing, decentralised data networks and artificial intelligence.

While in Web 2.0 recently commoditised personal computer hardware was repurposed in data centers, the shift to Web 3.0 pushes the data center out to the edge: our phones, computers, appliances, sensors and vehicles, which are forecast to produce 160 times more data in 2025 as compared to 2010.

Decentralised data networks are making it possible for these data generators (from an individual's personal health data, to a car's location & performance data) to sell or barter their data without losing ownership, giving up privacy or reliance on third-parties. In this way the entire long tail of data generators enters the 'data economy'.

Powerful Artificial intelligence algorithms layered on top of these new decentralised data structures give access to a wealth of data that would be the envy of today's tech giants. The potential applications go far beyond targeted advertising into areas like precision materials, drug design and climate modelling.

The Web 3.0 future is where distributed actors interact between peers delivering a composable, human-centric computing fabric.

So much for the technology but what difference will this make to the individuals and society as a whole? It has been said that the characteristic which sets humankind apart is our ability to organise

Crypto A.M. shines its Spotlight on Aave

London-based decentralized finance company Aave launched its Aave Protocol on the Ethereum mainnet last week. Aave was founded in 2017 by blockchain pioneer Stani Kulechov, and since then the team has grown internationally. Headquartered in the fintech capital of the world, Aave hopes to see London become the hub for decentralized finance. Aave's focus is on building an open, transparent, and trustless infrastructure for the $693.6 million USD decentralized finance market, and the release of Aave protocol is a huge step toward bringing the DeFi ecosystem into the mainstream.

Aave protocol is a decentralized, open-source, and non-custodial money market protocol. Depositors can earn interest by providing liquidity to lending pools, while borrowers can obtain loans by tapping into these pools with both overcollateralized and undercollateralized loan options. Aave protocol is unique in that it tokenizes deposits as Aave interest bearing tokens called aTokens which accrue interest in real time directly in your wallet. It also features access to flash loans, which allow developers/people with some technical knowledge to borrow instantly; no collateral needed. Users are also able to switch between stable and variable interest rates with one click, ensuring the best possible rates. Aave protocol currently has 16 different cryptographic assets available to be deposited or borrowed. 5 of these are stablecoins with minimal volatility as they are pegged to a stable asset or fiat currency. Chainlink's decentralized oracle service secures Aave protocol's 16 cryptocurrency price feeds in real-time, ensuring that the lending rates/prices reflect on-chain as well as off-chain data, and guaranteeing that Aave protocol is decentralized all the way.

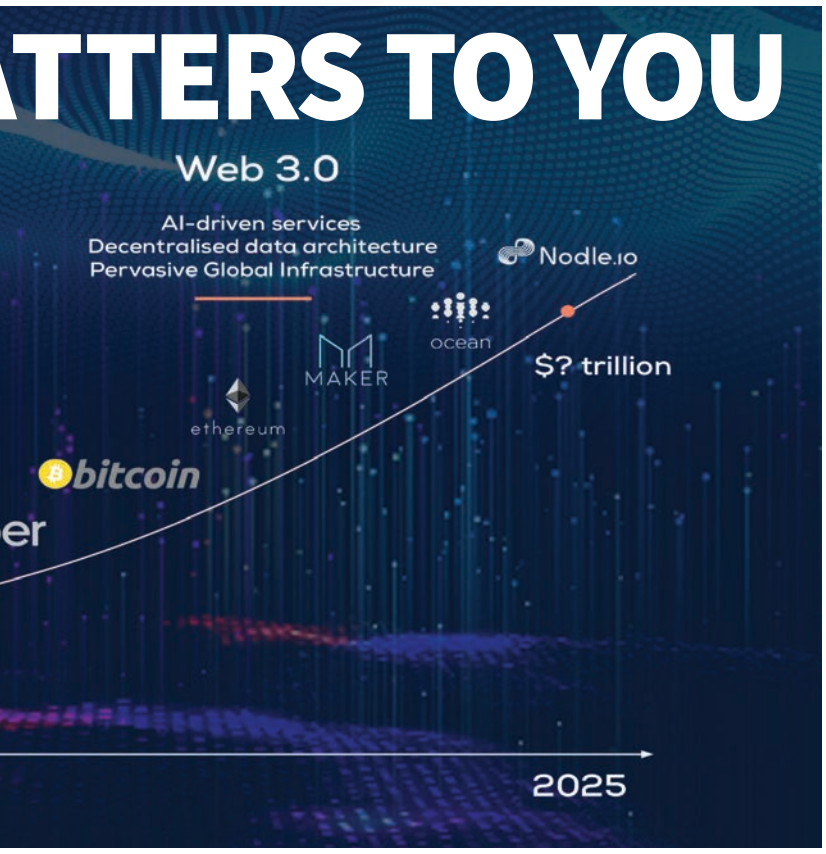
> "Aave protocol is a decentralised, open-source, and non-custodial money market protocol.

Stani Kulechov, CEO of Aave

"Our mission is to create a diverse money market to enable anyone to receive higher yields for their money via stablecoin deposits compared to traditional savings accounts offered by banks. DeFi provides new opportunities for the mainstream depositors." -- Stani Kulechov, CEO

Since it went live last week, there are already over $2 million USD in assets circulating in Aave protocol. The next steps for Aave are to move ownership of the protocol into the hands of the community. To do this, Aave must add governance smart contracts, self-executing, trackable contracts where no third party is needed. In this initial launch phase, Aave is keeping ownership of the protocol to further audit and respond to any potential issues. Once the governance is released, Aave's native LEND tokens will be used to propose and vote on changes in the protocol. This is an important step toward building an open financial ecosystem where those participating have a say in the governance. DeFi is about creating a more equitable financial system, and people are increasingly taking control of their money as DeFi moves into the mainstream.

E: CryptoInsider@cityam.com @CityAm_Crypto In association with CryptoCompare



ourselves in the pursuit of a commonly envisioned goal. Let's look back at the four major social & technological stages in human collaboration:

In Villages, people could trade value, information & work with the small group of counterparties they already knew - limited by geographic proximity & personal trust. The small scale meant individuals had multiple roles in society e.g. farmer, warrior and father.

In Urbanised Cities, the set of counterparties rocketed beyond those trusted personally. It became economically viable to launch new specialised businesses, and rely on others to produce all the remaining goods and services required by the city.

Web 1.0 & Web 2.0 radically shrunk the latency and cost at which people & businesses could trade with geographically distributed counterparties. Truly global businesses started to form since today's internet allows global coordination via digital social trust intermediaries : from Facebook, to eBay & AirBnB. Unfortunately we have become dependent on these platforms, and when they move from "attract" to "extract", their customers suffer via higher fees or the risk of the underlying platform destroying the business they rely upon.

With Web 3.0, women, men, machines & businesses will be able to trade value, information & work on a global scale with counterparties they don't know or yet explicitly trust, without a trusted intermediary. Constituents of a network trust each other implicitly rather than seeking to achieve trust extrinsically.

Web 3.0 will enable us to interact with any individual or machine in the world, without having to pass through fee-charging middlemen. This shift will enable a whole new wave of previously unimaginable businesses and business models: from global co-operatives to decentralised autonomous organisations and self-sovereign data marketplaces.

This matters because:

- Societies can become more efficient by reducing rent-seeking third parties and returning this value directly back to the users and suppliers.
- Organisations can be intrinsically more resilient to change through their new mesh of more adaptable communication and governance.
- Humans, enterprises and machines can share more data with more privacy & security assurances
- We can own our data footprints by using digital scarcity & tokenised digital assets
- Through 'modern mutual' ownership, governance and economic incentives, participants can collaborate to solve 'thinly spread' problems

The forthcoming wave of Web 3.0 goes far beyond the initial use cases in finance. Through the richness of interactions and the global scope of counterparties, Web 3.0 will cryptographically connect data from individuals, corporations and machines, with machine learning algorithms, leading to the rise of fundamentally new markets and associated business models. The result is akin to a "return to the global village" - everyday, highly-personalised interactions, yet now delivered at global scale powered by a myriad of human and machine skills specialisations.

Richard Muirhead, Managing Partner of Fabric Ventures & Max Mersch, General Partner in conversation with James Bowater. For further information visit https://www.fabric.vci

IMPORTANT INFORMATION: THE VIEWS AND OPINIONS PROVIDED BY CITY A.M.'S CRYPTO INSIDER AND IN THE CRYPTO A.M. SECTION SHOULD NOT BE TAKEN AS INVESTMENT OR FINANCIAL ADVICE. ALWAYS CONSULT WITH YOUR FINANCIAL ADVISOR.

SECURITY TOKENS REALISED

TOKENISATION OF SECURITIES AND ASSETS HAS GONE INSTITUTIONAL

Michael Barrell, Founder STR Global Summits

As we come up to our fourth event within twelve months focusing on blockchain and tokenization within financial markets it is very clear its gone from general information gathering from thought leading start-ups to real institutional projects.

At our last regional STR(Security Tokens Realised) summit in New York in December senior executives from Citigroup, Fidelity Investments, BNY Mellon, and State Street, all confirmed visions to tokenise securities and assets, backed up with in motion projects.

A robust conversation on timeframes was also held with the institutional grade solution providers present, including Tokeny, IBM, Ownera, Koine, and Archax. General agreement was that tokenisation of the existing markets was three to five years away. While this may seem long, in an 800 trillion global industry it would certainly be record breaking, and requires real projects and spend now.

Conversation has moved from blockchain use cases to deployment decisions such as DiFi (distributed financial networks) and new blockchains built specifically for the financial communities.

The next focused forum for discussion on this is the STR Global event in London on the 4th and 5th of February at the Grand Connaught Rooms. While still showcasing the early movers such as independent platforms tokenising assets including property, STOs, and institutionalisation of digital currency, we now have a heavy emphasis on deployable institutional solutions, including a live demo zone. The leading institutions and suppliers will also be recognised through awards that are being presided over by a panel of judges headed up by James Bowater.

Different global regions also have different incentives to change/tokenise. Ranging from fundamentally broken - much of South America, efficiency improvement - Europe/USA, to enabling sharia law compliance - Dubai. To share knowledge and help enable these changes we are also running events and workshops during 2020 in these regions.

Please check www.securitytokensrealised.com for more information

CRYPTOCOMPARE MARKET VIEW

Bitcoin's Momentum Continues Past $8,000

Crypto continued its bullish start to 2020 with Bitcoin soaring past the $8,000 level to reach a high above $8,400 on Wednesday. Trading at the time of writing at $8,110, Bitcoin's solid gains have also sparked some movement in altcoin markets. Ethereum (ETH) recovered from a mid-week slump to trade at the time of writing at $143, while Litecoin (LTC) surged over 11% last week to trade once again above the $50 level.

With Bitcoin's halving (where the Bitcoin mining reward halves in size) now only five months away, all eyes will be watching every price movement for signs of a bull run.

In other major news for the space last week, Chinese search giant Baidu announced the release of its own cryptocurrency, Xuperchain. While it remains unclear how decentralised it will be, local news outlets explained that the blockchain-based network is capable of supporting over 10,000 transactions per second and is designed to support blockchain applications, much like the Ethereum network. The cryptocurrency's whitepaper claims the project aims to modernize China's governance capacity, helping it become a leader in distributed ledger technology.

European Central Bank president Christine Lagarde in an interview last week revealed that the regulator wishes to "play an active role" in the digital asset space. Explaining her position with respect to stablecoins, Lagarde noted that Central Bank Digital Currencies (CBDCs) shouldn't "discourage" private alternatives for "fast and efficient retail payments."

Finally, leading cryptocurrency exchange Binance has committed $1 million to support the Australia bushfire relief through its blockchain-based charity platform - the Binance Charity Foundation. Binance will donate $1 million worth of BNB towards its Australia Bushfire Donations program, which seeks donations from the crypto community to provide relief for the ongoing wildfire crisis.

CRYPTO A.M. INDUSTRY VOICES

The UK should lead global consensus for blockchain applications and governance

Blockchain is in full swing in major countries around the world. Although it offers many applications, as well as a lot of investment opportunities, the industry is still in its infancy. Various problems widely exist within the current blockchain applications market. For example, many companies are guilty of releasing immature and even non-existent blockchain products just to raise funds or to simply attract attention, whilst others use blockchain in applications where it is not needed and provides no use at all.

As a new technology, blockchain needs to be guided during its development with collective effort from government, enterprises and research institutions, so as to form an important consensus to ensure this emerging tool is used properly and effectively. For example, when humans first invented the automotive, people in different countries would create similar standards such as efforts to set traffic rules, built infrastructures, and requirements for driving licences. This was to ensure the safety of users and non-users, to reduce the overall negative impact that the technology might bring to society whilst also enhancing its positive impact. The same should be applied to the development of blockchain. We, therefore, need to agree on rules and regulations for this technology. The UK is well regarded globally for inventing standards in many areas, and it can certainly lead the world again in this respect through blockchain.

An opportunity for creating a rules-based consensus on blockchain exits through cooperation with China. In terms of developing useful applications for this technology, China is a global leader. In fact, China now may have the most applications in the market. For example, an innovative blockchain App, PxBee, successfully addressed the gap of the IP protection for Photographers, and it now ranks second in the world in regards to daily active users (more than 10,000+). In another application, China's large steel producer Pzhsteel has developed blockchain for supply chain finance. This has brought substantial value by helping SMEs to raise funds along their supply chains, through its provision of trustful data. The Chinese government has also started to use blockchain technology for anti- corruption purposes. One government department in Chengdu has developed a blockchain application to store data that cannot be altered, no matter who has power in that department. These are indeed very good and positive examples of how blockchain can serve the needs of society in China. However, these applications could still project further influence and provide greater utility in all countries, if they could be investigated and refined further. To do this, we should, therefore, start work on building industry standards and rules to form part of a new global consensus on blockchain. The UK, as a proven and experienced leader, is in the perfect position to lead this effort.

Professor Yu Xiong, Chair of Technology and Operations Management, Newcastle Business School. He's chief scientific advisor to the blockchain app PxBee, which now has more than 10,000+ daily active users. He is also President of the UK International Innovation Centre, which runs more than 7000 square meters innovation space in Liverpool Street Station of Central London.

Professor Yu Xiong and Professor Birgitte Anderson are both co-chairs of the Global Council for Blockchain Application and Governance

MOTORING

BY MOTORINGRESEARCH.COM FOR CITY A.M.

WHAT THE FUTURE HOLDS FOR LOTUS

Tim Pitt speaks to Lotus CEO Phil Popham about the marque's direction – and drives the thrilling Elise Cup 250

Last summer, I boarded a red Routemaster bus for a London sightseeing tour. Along with a handful of British hacks, the top deck was crammed with Chinese journalists and social media stars, many armed with selfie sticks.

Our final stop was the Royal Horticultural Halls near Victoria, where the Lotus Evija would be revealed. The most powerful road car ever, it heralded the rebirth of a famous but flatlining British brand. China's media were there because Geely – the world's fastest-growing carmaker, based in Hangzhou – was bankrolling it.

Six months later, at Lotus HQ in deepest Norfolk, that balmy July evening feels like a distant dream. The sleet is blowing sideways, lashing at the hoisted Union Jack outside Phil Popham's office. Thankfully, the 54-year-old CEO hasn't let the deluge dampen his spirits. "I had an Esprit on my bedroom wall as a teenager," he says. "So the opportunity to rejuvenate Lotus was one I couldn't turn down."

Popham joined Land Rover as a graduate trainee in 1988 and stayed until 2014, rising to managing director and overseeing its rise to global ubiquity. He then turned around the fortunes of luxury yacht maker Sunseeker, before taking the top job at Lotus in 2018. All three companies have close connections with China, so Popham is no stranger to long-haul flights. His Mandarin, however, is still a work-in-progress.

Industry watchers will recall the last new dawn for Lotus. Under controversial former CEO Dany Bahar, it revealed five new concepts at the 2010 Paris Motor Show, yet none came to fruition. Popham says this time will be different, citing the examples of Volvo and LEVC (manufacturer of the London black cab). Both have flourished under Geely ownership, without forsaking their core values.

"Geely understands that for a brand to be successful, it's got to be distinct," he says. "Our British heritage is very important."

The 2,000hp, £2m electric Evija "makes a statement that Lotus is back", but a more affordable petrol-engined sports car arrives in late 2020. Beyond that, Popham says every Lotus will be electrified (either hybrid or full EV) and new platforms, currently under development, will underpin a host of new models from 2022. Will these include the seemingly inevitable SUV? The CEO remains tight-lipped, although he recognises Porsche, which makes most of its profit from SUVs, as "a good benchmark".

After much talk about Lotus' future, I drive home in the most tangible link to its past. The evergreen Elise, which celebrates its 24th birthday this year, is the bottom rung in the range: beneath the track-focused Exige and (slightly) more luxurious Evora.

For a not-inconsiderable £49,555, the Cup 250 boasts a 248hp Toyota engine and downforce-boosting bodykit. It also has a removable roof – although, as I swiftly discovered before reinstalling it, soft-tops and sleet aren't a great mix.

Clamber over the huge sill (no mean feat with the roof in place) and the Lotus has the pared-back feel of a race car. Its carbon fibre seats are sparsely padded, its Momo wheel is tiny and the manual gearbox's exposed linkage is pure petrolhead porn. You'll find no touchscreens or infotainment, save for a dated Sony stereo. But you won't care, because the Elise is utterly life-affirming to drive: its supercharged motor is gutsy and pleasingly gruff, its telepathic steering and nuanced chassis just sublime.

In fact, simplicity is key to the Elise's longevity. Company founder Colin Chapman's maxim was "simplify, then add lightness" and Popham frequently uses "lightweighting" as a verb. Taking that philosophy forward in a world of tightening legislation and increasingly complicated cars will be a challenge, but I'm optimistic Lotus won't lose sight of its roots. "Ultimately, it's all about the enjoyment of driving, says Popham. Amen to that.

Tim Pitt works for motoringresearch.com

LOTUS ELISE CUP 250

PRICE:	£49,555
0-62MPH:	3.9 SECS
TOP SPEED:	154MPH
CO2 G/KM:	177G/KM
MPG COMBINED:	36.2MPG

THE VERDICT

DESIGN	★★★★☆
PERFORMANCE	★★★★★
PRACTICALITY	★★☆☆☆
VALUE	★★★☆☆

NOT CONVINCED? CHECK OUT THESE ALTERNATIVES...

ALPINE A110 LEGENDE

		THE VERDICT:	
PRICE:	£50,810	DESIGN	★★★★★
0-62MPH:	4.5 SECS	PERFORMANCE	★★★★☆
TOP SPEED:	155MPH	PRACTICALITY	★★☆☆☆
CO2 G/KM:	144G/KM	VALUE	★★★★☆
MPG COMBINED:	45.6MPG		

CATERHAM 620S

		THE VERDICT:	
PRICE:	£50,390	DESIGN	★★★☆☆
0-62MPH:	3.4 SECS	PERFORMANCE	★★★★★
TOP SPEED:	145MPH	PRACTICALITY	★☆☆☆☆
CO2 G/KM:	N/A	VALUE	★★☆☆☆
MPG COMBINED:	N/A		

PORSCHE 718 BOXSTER S

		THE VERDICT:	
PRICE:	£54,891	DESIGN	★★★★☆
0-62MPH:	4.6 SECS	PERFORMANCE	★★★★☆
TOP SPEED:	177MPH	PRACTICALITY	★★★☆☆
CO2 G/KM:	210G/KM	VALUE	★★★☆☆
MPG COMBINED:	33.2MPG		

OFFICE POLITICS

Telling tall tales? Why job seekers are lying on CVs

Automated recruitment tech is helpful, but dishonest candidates are gaming the system

Eugene Tavyev

THE JOB market is intense, both for candidates, who have to stand out among hundreds of competitors, and for businesses, which have to spot the best talent from hundreds of applications. As a result of this challenge, an increasing number of businesses are turning to technological solutions in the hiring process.

However, as businesses start using more tech to find and hire the best talent, job seekers across the UK are looking for quick hacks to get ahead.

Our recent research, entitled "Hiring Humans vs Recruitment Robots", found that 69 per cent of job seekers have gamed the system to their advantage. A third (36 per cent) had updated the skills on their CV to match the required criteria, whether or not they actually had that skill, while 22 per cent had searched online to find out how other people had been hired.

Nearly a fifth (19 per cent) used buzzwords in their CV in order to manipulate an automated system, or had lied or exaggerated about their experience to get to the interview stage.

Of course, it's perfectly natural for job seekers to adapt their profile and mention keywords for skills they have, or are close to having, that fit the job ad. Being "good" at something might become "excellent" on an application form, for example.

Nearly a fifth of job seekers admitted to using buzzwords in their CV in order to manipulate an automated system

But where the line is crossed is when candidates deliberately lie about the skills they have, or look for ways in which they can game the system. This leads to UK businesses getting the best liars, and missing out on the best — and most honest — talent.

This probably has you thinking: let's just get rid of technology then. But technology and automation do have their benefits — 42 per cent of respondents agreed that automation in recruitment makes things easier, and only 23 per cent said it makes it harder.

Jobs

WHO'S LYING TO WHO?

Glassdoor Jobs
Free

Obviously, lying on your CV or in a job interview isn't the best of ideas — a quick background check or call to a former boss will expose the truth. But how can you tell if a potential new employer is totally honest about what it's like working for them? Glassdoor not only lists job opportunities but also provides reviews from current and former employees about a company's work environment, culture, and senior leaders.

A vast number of candidates prefer applying online, too — 79 per cent said that recruitment apps have had a positive impact on their job search. And it helps many feel more confident to make the first move from behind the safety of a screen.

As technology becomes more advanced, an increasing number of useful, time-saving technologies can be developed. It also helps firms remove the boring admin bits of recruitment, such as scheduling interviews or keeping candidates updated on their progress — we all know that the small things can make a big difference.

Given the advantages that this technology offers for recruiters and businesses, the challenge is to mitigate any distrust that applicants might feel. You have to strike the right balance between human and technology, ensuring that candidates can apply in a way that works for them, without the worry that they're being gamed out of the process — or the wrong people are being gamed in.

Recruiters who strike this balance will find technology working for them in the right ways — saving time that they can use for searching, interviewing, and engaging with people.

The key thing is knowing where technology will augment, and where it will hinder. Too many obstacles, and you will end up with candidates who are willing to cheat to get ahead.

But with the right amount, you can spot the diamond in the rough, while keeping candidates happy at all points of the hiring process.

Dean Sadler is chief executive of TribePad.

COFFEE BREAK

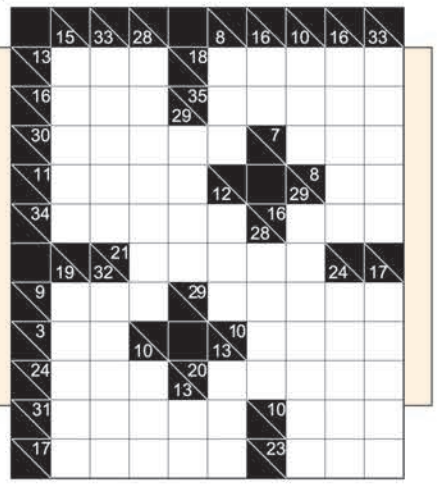
SUDOKU

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

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

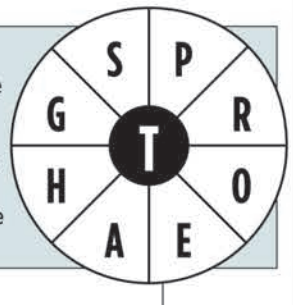
KAKURO

Fill the grid so that each block adds up to the total in the box above or to the left of it.
You can only use the digits 1-9 and you must not use the same digit twice in a block. The same digit may occur more than once in a row or column, but it must be in a separate block.

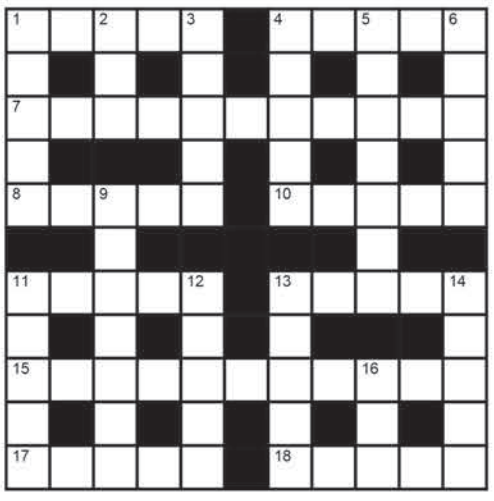


WORDWHEEL

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



QUICK CROSSWORD



ACROSS

1 Caste (5)
4 Drift on water (5)
7 Recklessly wasteful (11)
8 Period of unrestrained indulgence (5)
10 Run off to marry (5)
11 Hindu religious teacher (5)
13 At a lower place (5)
15 Off limits, prohibited (3,2,6)
17 Less common (5)
18 Compact (5)

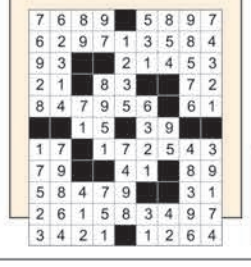
DOWN

1 Board game (5)
2 Behave (3)
3 Relative magnitude (5)
4 Blaze up (5)
5 Having a streak of good luck or success (coll) (2,1,4)
6 Offering of a tenth part of some personal income (5)
9 Nuclear plant (7)
11 Scent trail of an animal (5)
12 Establish by deduction (5)
13 Wide (5)
14 Use inefficiently (5)
16 Grandmother (3)

LAST ISSUE'S SOLUTIONS

QUICK CROSSWORD

KAKURO



WORDWHEEL

The nine-letter word was **SLAVERING**

SUDOKU

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

SPORT

NUMERO UNO

Barcelona replace Real Madrid as world's richest club. By **Frank Dalleres**

BARCELONA have overtaken Real Madrid to become the world's richest football club, according to Deloitte's Football Money League.

The Spanish champions saw revenue soar to €840.8m (£741.1m) last year – a record figure for any team and almost 10 per cent more than domestic rivals Real Madrid.

Manchester United remain the highest placed English club in the annual ranking, which is based on revenue and published today.

United recorded income of €711.5m (£627.1m) for 2018-19 but may soon find their status as the Premier League's financial powerhouse under threat from Manchester City and Liverpool, says Deloitte.

Bayern Munich and Paris Saint-Germain complete the top five, with City, Liverpool, Tottenham Hotspur and Chelsea the other English teams in the top 10.

Spurs are now London's richest club after they enjoyed major revenue growth due to a run to the Champions League final and their move to the state-of-the-art Tottenham Hotspur Stadium.

Local rivals Arsenal dropped out of the top 10 as their continued absence from European club football's elite competition saw income stagnate.

BARCA'S IN-HOUSE BOOST

Barcelona's ascent to the top of the rich list came as they won the Spanish title for an eighth time in 11 years and reached the semi-finals of the Champions League.

Their €150m surge in revenue was rooted in off-field activity, however, and the club's decision to bring merchandising and licensing operations in-house instead of farming them out to third parties.

This affords Barca greater control of how its products are sold and allows them to report associated income on a gross rather than net basis.

While not suitable a strategy for all clubs, rivals may take note.

"Bringing operations in-house was probably the biggest impact on their commercial revenue, which increased by 19 per cent to €383.5m," Izzy Wray of Deloitte's Sports Business Group told *City A.M.*

"Other clubs will see those big numbers and may look to do an analysis of their own commercial structures to see whether it would make sense to bring operations in-house as well."

The Catalan club are the first to record annual revenue of more than €800m.

Barcelona's commercial income alone was greater than the total revenue of any club outside the top 11 on Deloitte's list.

DELOITTE FOOTBALL MONEY LEAGUE

		€M	£M
1. ▲ 1	BARCELONA	840.8	741.1
2. ▼(1)	REAL MADRID	757.3	667.5
3. ● 0	MANCHESTER UNITED	711.5	627.1
4. ● 0	BAYERN MUNICH	660.1	581.8
5. ▲1	PARIS SAINT-GERMAIN	635.9	560.5
6. ▼(1)	MANCHESTER CITY	610.6	538.2
7. ● 0	LIVERPOOL	604.7	533.0
8. ▲2	TOTTENHAM HOTSPUR	521.1	459.3
9. ▼(1)	CHELSEA	513.1	452.2
10. ▲1	JUVENTUS	459.7	405.2

COMMERCIAL IS KING

Elite football continues to prove robust, with the aggregate revenue of the 20 richest clubs swelling 11 per cent year-on-year to €9.3bn (£8.2bn).

That growth was driven in part by a new cycle of broadcast contracts for European competitions, meaning bigger payouts for those in the Champions League. Commercial income is an increasingly significant differentiator among the biggest clubs, however, with growth in the value of broadcast rights showing signs of slowing.

Paris Saint-Germain overtook Manchester City after they banked the second highest commercial income in football history – €363.4m (£320.3m) – thanks to five new sponsors and six renewals with existing partners.

Juventus, meanwhile, re-entered the top 10 of Deloitte's ranking on the back of signing Cristiano Ronaldo.

The Portugal superstar, who boasts more Instagram followers than Barcelona and Real Madrid combined, helped Juve achieve commercial growth through greater brand visibility and improved merchandise sales.

The Premier League's financial supremacy is underlined by the presence of eight of its clubs in the top 20 of the Football Money League.

West Ham and Everton, 18th and 19th respectively, are the only teams on the list despite not qualifying for European competition – again, due to the value of English broadcast rights.

United face threat to English supremacy

JUST two years ago they were the world's richest team, their unrivalled commercial operation allowing them to capitalise on a brand built up during two decades of dominance of English football.

Now, however, Manchester United are increasingly being left behind by Spain's big two clubs and in danger of being eclipsed financially by Premier League rivals Manchester City and Liverpool.

United brought in revenue of £627.1m (€711.5m) last year, a long way off Barcelona's €840.8m (741.1m) and the €757.3m (£667.5m) of Real Madrid. But while Barca are projecting income to grow further this season, United have forecast a drop to £560m-580m owing to their absence from the Champions League.

"This could put the club at risk of losing its position as the Premier League's highest revenue generating club," Deloitte says in its Football Money League report. Back-to-back Premier League winners City and European champions Liverpool, meanwhile, continue to reap the rewards of on-field success.

"That is one to look out for next season," Deloitte's Izzy Wray told *City A.M.* "But there is still a significant difference in total revenues between Manchester City and Liverpool and United, so it may not necessarily be next season that we see those clubs overtake them."

Spurs overtake Chelsea and Arsenal

THEY may have lost out to Liverpool on the night but Tottenham Hotspur's run to a first ever Champions League final came with a consolation prize: they are now London's richest club.

Spurs' best ever European campaign helped grow revenue by 21 per cent to £459.3m (£521.1m), taking them above rivals Chelsea and Arsenal to eighth place in Deloitte's latest Football Money League.

Broadcast income grew by £43m and commercial revenue by £31m, with both largely attributable to the club's Champions League success.

Tottenham's relocation to a new £1bn, 62,000-capacity stadium has also begun to pay off in matchday revenue, which is expected to see significant growth this year, their first full season at the ground.

North London neighbours Arsenal, by contrast, have slipped to 11th in Deloitte's rankings, published today.

The Gunners saw income grow only marginally to £392.7m (£445.6m) as they counted the cost of their absence from the Champions League for a second consecutive season.

Chelsea's revenue was also largely flat at £452.2m (£513.1m), despite them winning the Europa League.

West Ham climbed two places to 18th in the list as income grew by £15m to £190.7m (£216.4m) – an illustration of the Premier League's enduring financial strength.

NEED FOR SPEED Collingwood backs Wood to replace Anderson

England fast bowler Mark Wood has got the "X-factor" to replace Jimmy Anderson in the third Test match against South Africa on Thursday, says assistant coach Paul Collingwood. Wood is competing with Jofra Archer and Chris Woakes for a place in the side after Anderson suffered a broken rib. The 30-year-old has not played Test cricket since February 2019 due to a side strain. "He's got the skills to go out there and make an impact," Collingwood said. "Port Elizabeth is generally a slower pitch so sometimes having that kind of X-factor bowler would be great."

ENGLAND OPT FOR FRESH START WITH NEW COACHES

Eddie Jones has filled the gaps in his England coaching staff by hiring England Sevens boss Simon Amor and former South African coach Matt Proudfoot. Amor replaces Scott Wisemantel as attack coach after he joined Australia's management team. Proudfoot has been appointed forwards coach in place of Neal Hatley, who has joined Bath. Steve Borthwick, who is expected to join Leicester following the Six Nations, has been given a new role of skills coach. "The Six Nations is a fresh start for the team so that is how we have approached our coaching staff," said Jones.

MOURINHO: ERIKSEN WILL PLAY DESPITE POOR FORM

Jose Mourinho says he would have to be an "idiot" not to see the reasons behind Christian Eriksen's recent poor performances. Eriksen will start for Spurs in their FA Cup third round replay against Middlesbrough this evening, despite being booed off by a section of the crowd in the 1-0 defeat by Liverpool on Saturday. The Danish midfielder has been linked with a move to Inter Milan this month. "Is this the best Christian Eriksen? I have to be honest and say no," Mourinho said. "I know the reasons. I'm not an idiot."

SPORT DIGEST

TRIAL OF EX-IAAF CHIEF DIACK DELAYED UNTIL JUNE

The trial of the ex-head of athletics' world governing body the IAAF Lamine Diack has been delayed until June after new evidence was presented. Diack and his son, Papa Massata Diack, are facing charges of corruption and money-laundering linked to the Russian doping scandal. The 86-year-old Senegalese is accused of accepting €3.45m from athletes suspected of doping to delay sanctions so they could compete at the 2012 Olympics.

VILLA LOAN REINA AFTER GOALKEEPER INJURIES

Aston Villa have signed former Liverpool goalkeeper Pepe Reina on loan until the end of the season from AC Milan. Reina, a World Cup winner with Spain, played for Liverpool between 2005 and 2013 before going on to represent Bayern Munich, Napoli and AC Milan. Villa have signed the 37-year-old after No1 goalkeeper Tom Heaton was ruled out until the end of the season with a knee injury, while understudy Jed Steer has an Achilles problem. Meanwhile, Premier League bottom side Norwich have signed Hoffenheim midfielder Lukas Rupp.

Home conditions help Grace find his feet

GOLF COMMENT

Sam Torrance

LOUIS Oosthuizen held a one-shot lead going into the final day of the South African Open on Sunday and nine times out of 10 his closing round of 68 would have been enough for him to successfully defend his title.

But Oosthuizen could do nothing about Branden Grace, who hit eight birdies and an eagle in a superb 62 to finish three shots ahead and claim the trophy instead of his fellow South African.

Grace had not won on the European Tour since triumphing at the Nedbank Golf Challenge in November 2017 and finished 113th in the Race to Dubai last year, so this was a big return to form for the 31-year-old.

Winning on home soil is always special. Oosthuizen rated his success in December 2018 at the Randpark Golf Club in Johannesburg up there with his Major win at the Open Championship in 2010, so that shows the regard the event is held in among home players.

Grace single-putted nine greens in a row and needed just 22 putts on his nine under-par final round, which is very impressive.

But to overturn a four-shot deficit against a player of Oosthuizen's quality and experience and win such an event you need everything to be almost perfect.

He's a high calibre player – he finished third at the PGA Championship in 2015 and tied fourth at the US Open in the same year – so in familiar conditions his performance was not altogether surprising.

Grace's win means 14 of the last 22 winners of the South African Open have been from the host country, with the distinctive coarse grass favouring those who grew up with it.

ARMITAGE'S OPEN DREAM

This was the ideal way to start the year, considering that he had slipped down as far as No129 in the world rankings in 2019.

His victory automatically qualifies him for entry into the Open in July alongside compatriot Jaco Ahlers and England's Marcus Armitage, who made a birdie putt on the 72nd green to secure third place outright.

Armitage, who climbed from world No1386 to No475 with that finish, had to go through qualifying school to earn his European Tour card for 2020, so this is a brilliant result for him.

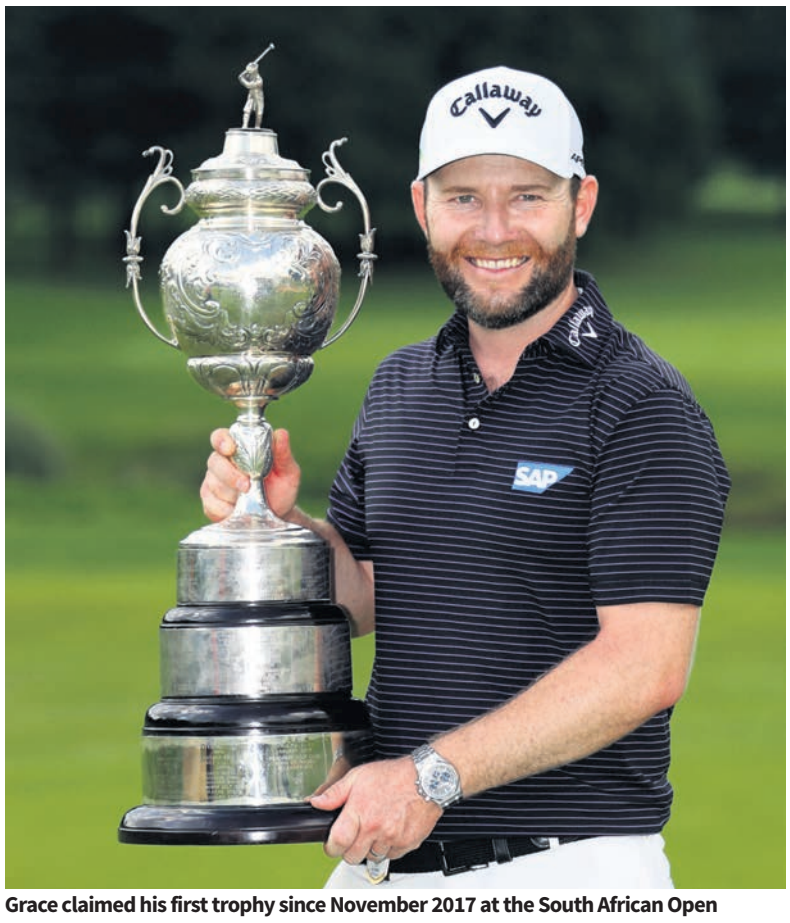
SMITH'S WIN FOR AUSTRALIA

On the PGA Tour, meanwhile, Cameron Smith won the Sony Open in Hawaii, beating Brendan Steele at the first play-off hole.

Smith has now won all three of the play-offs he has reached in his career, which is a great statistic to have on your CV.

The Australian is a hell of a player and, while he turned professional in 2013, he is still only 26 so has time on his side.

His victory is a good story for another reason, too. Smith has donated a portion of his prize money, as well as $500 for every birdie and $1,000 for every eagle he managed, to the Australian bushfire crisis in which his uncle lost his home.



Grace claimed his first trophy since November 2017 at the South African Open

> Grace single-putted nine greens in a row and needed just 22 putts on his round altogether

Sam Torrance OBE is a multiple Ryder Cup-winning golfer and media commentator. Follow him @torrancesam

CHRIS TREMLETT'S THIRD TEST PREVIEW

IN THURSDAY'S SPORT SECTION