ANOTHER BAD DAY FOR THE FTSE AS COVID-19 TAKES A TOLL **P3**

CITY A.M.

BUSINESS WITH PERSONALITY

FRIDAY 28 FEBRUARY 2020 | ISSUE 3,566 CITYAM.COM FREE

GLOBAL BRITAIN: DELAYED.

HEATHROW EXPANSION HALTED AFTER COURT JUDGMENT

STEFAN BOSCIA

@Stefan_Boscia

THE HIGH Court of Appeal put the skids on Heathrow airport's third runway bid yesterday, ruling the plans as "unlawful" for not taking into account the government's climate change commitments.

Business groups said the delay made a mockery of ambitions for the country to become a "global Britain".

In a stunning decision, Lord Justice Keith Lindblom found the policy statement written by the Department for Transport (DfT) did not take account of the UK's Paris Climate Agreement commitments and needed to be re-written.

The decision effectively rendered the 2018 House of Commons vote passing the statement null and void.

"The appropriate remedy is… to declare the designation unlawful and prevent it having any legal effect until the secretary of state [for transport, Grant Shapps] has taken a review of it," Lindblom said.

The challenge — brought forward by mayor of London Sadiq Khan, environmental groups, several local authorities — was originally heard in March last year, but was thrown out by the High Court at the time.

Yesterday's appeal also attempted to challenge the expansion project on the grounds of noise and air quality complaints, however this was thrown out by Lindblom.

A separate legal challenge to the policy statement by Heathrow Hub, authors of a rival airport extension bid, was similarly unsuccessful.

Speaking outside the Royal Courts of Justice yesterday, Khan called the decision "the most important environmental case in a generation".

A spokesperson for Heathrow airport said it would appeal the Court of Appeal's decision to the Supreme Court.

CONTINUES ON P2

Poor health: Watchdog probes NMC

ANNA MENIN

@annafmenin

NMC HEALTH had another torrid day yesterday. Trading in the FTSE 100 healthcare operator's shares was suspended, the Financial Conduct Authority (FCA) launched an investigation into the company, and a major shareholder criticised its handling of an internal inquiry of its finances.

News of the FCA probe came a day after the UAE-based hospital operator fired its boss and placed its finance chief on extended sick leave following its own probe into its finances.

NMC said it would fully cooperate with the City watchdog. The FCA said earlier this month it was "making enquiries" into NMC after questions were raised over the size of major investors' holdings in the firm.

NMC shares have lost almost two-thirds of their value since December, when US shortseller Muddy Waters published a report questioning its finances and governance. NMC denied wrongdoing.

On Wednesday, NMC fired chief executive Prasanth Manghat after discovering supply chain financing facilities entered into the firm without the knowledge of its board.

Staff told the Telegraph they had not been paid on time.

CONTINUES ON P3

MANUFACTURING

FROM BAD TO WORSE FOR STRUGGLING ASTON MARTIN **P3**

TRADE

UK LAYS OUT PLANS FOR POST-BREXIT EU TRADE DEAL **P4**

HOUSING

PERSIMMON CHIEF QUITS AFTER BUILD QUALITY ROW **P8**

SPORT

BECKHAM'S INTER MIAMI VENTURE GETS UP AND RUNNING **P28**

FTSE 100 ▼ 6,796.40 -246.07 FTSE 250 ▼ 19,783.45 -839.50 DOW ▼ 25,766.64 -1,190.95 NASDAQ ▼ 8,566.48 -414.30 £/$ ▼ 1.288 -0.005 £/€ ▼ 1.173 -0.014 €/$ ▲ 1.098 +0.009

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THE CITY VIEW

Airport expansion is not a difficult decision

IT'S 1968, and the Harold Wilson government's official Roskill Commission begins to look into the possibility of a third airport for London. Heathrow is increasingly full and anybody with any foresight can see that aviation traffic is only going to become more important in the modern economy. His recommendation is an airport in Buckinghamshire, but Buckinghamshire residents don't like that. So another later plan is hatched — Maplin Sands in the Thames Estuary — but that falls away after the oil shock in the early 1970s. Various other options have since been imagined, designed, given the go ahead in parliament and yet, still, here we are in 2020: a global city with what is best described as "make do and mend" aviation infrastructure. The London mayor was lauding the court decision to stop Heathrow's expansion yesterday: London is Open, evidently, but only if you can walk there. It appears from the judgment handed down yesterday that the problem may have been more of a cockup than a conspiracy, with the Department for Transport's lawyers giving advice that meant the underpinning policy framework allowing for airport expansion ended up being unlawful. The government, having decided not to appeal, yesterday said it remained in favour of airport expansion, albeit seemingly at an indeterminate time in the future and at a location yet to be decided upon. One would be forgiven for thinking that Boris Johnson will have been rather happy with yesterday's decision, potentially giving him an easy out from this contentious topic. But should it be contentious? Not really. The government has given a green light to a domestic train set with a questionable business case costing north of £100bn, but seems incapable of throwing its full weight behind a project that would for all intents and purposes be private-funded, hugely boosting the country's economic potential and sending a signal that the capital and the country is open for business. Heathrow is confident it will triumph on appeal; British business will hope it is successful. Considering how often we have heard about fishing in the Brexit debate, we can assume our politicians have noticed that we are an island. If we want to build a growing, global, go-getting economy once we leave the EU, it may be an idea to let people who want to come here actually do so.

> London is open, but only if you can walk there

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IN DEEP WATER Flooding persists along River Severn as Storm Jorge is set to hit the UK today following weeks of torrential rain

RESIDENTS were forced to evacuate Ironbridge in the west of England after the River Severn edged up to its highest ever levels yesterday. Flood-hit communities are expected to be deluged by further heavy rain and strong winds this week as Storm Jorge is expected to make its way across the UK over the weekend. The Met Office's chief meteorologist Paul Gundersen said further flooding is also likely, with rain forecast to fall on already swamped terrain.

CONTINUED FROM FRONT PAGE

The airport believes the climate agreement issue to be "eminently fixable".

"We will appeal to the Supreme Court on this one issue and are confident that we will be successful," it said.

"In the meantime, we are ready to work with the government to fix the issue that the court has raised."

While environmental campaigners rejoiced at the judgment, it was met with consternation from the capital's leading business advocacy groups.

British Chambers of Commerce director general Adam Marshall said the decision meant that "firms risk losing crucial access to key markets around the world".

The City UK chief executive Miles Celic said: "Ongoing uncertainty over the UK's airport capacity is a blow to any serious vision of a 'global Britain'.

"The UK seems stuck in the international infrastructure slow lane."

Prime Minister Boris Johnson, who once said he would "lie down in front of the bull-dozers" to stop Heathrow expansion, did not comment yesterday.

Recently Johnson declared in parliament he did not see any "immediate prospect" of those forthcoming bulldozers. His constituency, Uxbridge and south Ruislip, lies close to the airport and is affected by aircraft noise.

The PM has previously proposed reviving older schemes to build a large airport in the Thames Estuary — known as Boris Island.

However, such a site is believed to be difficult to build due to its proximity to Amsterdam's Schiphol airport.

Another site in Grain, butting the estuary, is considered a difficult site for building due to, in part, the presence of a decaying World War II vessel off Sheerness which is believed to be carrying around 1,400 tonnes of unexploded ordnance.

Britain's ongoing aviation saga contrasts with other parts of the world. Hong Kong's new airport was built in six years.

LONDON FIRST'S VIEW

WHEN thinking about yesterday's ruling on Heathrow expansion, it's important to remember what it is not. The Court of Appeal threw out objections about noise and air pollution. And it made it clear it was not ruling on whether Heathrow expansion should happen — that is a decision for parliament. And parliament gave this project the green light with a whopping majority of 296. The court did not decide whether or not Heathrow expansion is compatible with the UK's climate change obligations. Instead, it said the government didn't follow the correct process. This is a technical disagreement and it is totally fixable. And that's what the government must do; recommit to expanding the UK's hub airport and supporting growth plans across the industry.

JASMINE WHITBREAD, LONDON FIRST

HEATHROW EXPANSION STRUGGLES TO TAKE FLIGHT

December 2003
Government publishes plans for a third runway and sixth terminal to be built at Heathrow airport by 2020

January 2007
First major climate protests against the project sees campaigners camp out just outside the airport

January 2009
Prime Minister Gordon Brown confirms support for a third runway, while opposition leader David Cameron calls plans "ridiculous"

May 2010
Conservative and Liberal Democrat coalition formed, with government support for expansion withdrawn

July 2015
Airports Commission publishes a paper recommending the project go ahead with some restrictions

June 2018
DfT releases new policy statement on the expansion under Theresa May and parliament votes in favour

Yesterday
The Court of Appeal finds the DfT's plans are "unlawful" as they do not take into account UK's climate commitments

WHAT THE OTHER PAPERS SAY THIS MORNING

FINANCIAL TIMES

BORDER RED TAPE MEANS 50,000 NEW FORM FILLERS

Michael Gove has endorsed claims that up to 50,000 people will have to be recruited to carry out customs paperwork under the government's preferred Canada-style trade deal with the EU — the equivalent of the population of a medium-sized town.

CYCLE-TO-WORK KNOCKS $4BN DEAL OFF BALANCE

The $4bn (£3.1bn) takeover of one of the UK's largest technology companies has hit an unexpected pothole after it was forced to delay the sale due to a small number of expensive bicycles. Sophos was due to complete its takeover by US private equity company Thoma Bravo yesterday, having agreed the deal in mid-October. However, the UK group was forced into a delay at the 11th hour due to taking part in a scheme to subsidise bicycles for staff.

THE TIMES

PLAYTECH ISSUES PROFIT WARNING OVER OUTBREAK

Playtech issued a warning on profits yesterday after confirming that its Italian and Chinese businesses had been hit by the spread of the coronavirus outbreak. Shares in the gambling technology company dropped 11.7 per cent, to 271p as it predicted a fall in its Asian revenues.

SAUDI ARABIA BANS TRIPS TO MECCA OVER HEALTH FEARS

Crown Prince Mohammad bin Salman of Saudi Arabia has banned pilgrimages to Mecca and Medina as the coronavirus spreads across the Middle East. The gesture reflects growing panic that the Gulf is in the thick of the outbreak.

THE DAILY TELEGRAPH

CORONA BEER MAKER HIT BY CORONAVIRUS OUTBREAK

AB Inbev, the world's largest brewer and maker of Corona and Stella Artois, said first-quarter profits would fall by a tenth after coronavirus hit beer sales during Chinese New Year. The company said the virus had led to a significant decline in demand in China — both at bars and drinking at home.

OCADO CHAIR LORD ROSE CASHES IN £1.7M SHARES

Lord Rose of Monewden, chairman of online grocer Ocado, has scooped £1.68m by selling shares in the company. The 70-year old Conservative peer sold 150,000 of Ocado shares at £11.24 per share.

THE WALL STREET JOURNAL

MOBILE CARRIERS DID NOT SAFEGUARD LOCATION DATA

The US Federal Communications Commission (FCC) is seeking hundreds of millions of dollars in fines from top mobile phone carriers that it found failed to safeguard information about customers' real-time locations, according to people familiar with the matter.

$1BN TRADE SECRET THIEF SENTENCED TO PRISON

A Chinese national was sentenced to two years in prison for allegedly stealing proprietary information worth around $1bn (£780,000) from his Oklahoma employer, the US Justice Department said yesterday.

Stocks crash as coronavirus rips through Europe

HARRY ROBERTSON
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GLOBAL stock markets slumped once again yesterday, with the US S&P 500 index suffering its worst day in more than eight years as investors were spooked by the spread of coronavirus outside of China.

European stocks also took a hammering as the virus ripped through Italy. The pan-European Stoxx 600 index fell 3.8 per cent, leaving Eurozone equities on track for their worst week since the sovereign debt crisis in 2011.

In the US, the S&P 500 finished 4.4 per cent lower. The index has tumbled 12 per cent since last week's peak, putting it well into correction territory. The tech-heavy Nasdaq slumped 4.6 per cent, while the Dow Jones index fell 4.4 per cent.

In Europe, the UK's FTSE 100 index finished 3.5 per cent lower as a row with the European Union over a future trading relationship also took a toll. Germany's Dax index ended the day 3.2 per cent down while France's CAC 40 finished 3.3 per cent lower.

The stock market routs — many of them accounting for the sixth straight day of falls — came as coronavirus spread rapidly outside China. The death toll in Italy, Europe's worst-affected country, rose to 17.

Governments have responded by locking down whole regions while flights, supply chains and businesses have been impacted, raising fears the global economy could be hit hard.

An International Monetary Fund (IMF) spokesman yesterday said the organisation was likely to downgrade its growth projections for the world. The institution has already slashed Chinese growth forecasts.

Also yesterday, the UK's chief medical officer warned that major British events may be cancelled or postponed, such as the England versus Italy Six Nations rugby game.

SNOW WAY Switzerland's largest sporting event cancelled due to Wuhan virus spread

THE ANNUAL Engadin ski marathon, one of the world's largest cross-country skiing events with around 14,000 participants, was cancelled yesterday because of concerns over coronavirus. The Swiss skiing race was due to happen next month.

Former NMC vice chair 'shut out' of probe as shares suspended

CONTINUED FROM FRONT PAGE

NMC said the financing facilities had been controlled by founder BR Shetty and former vice chairman Khaleefa Butti Omair Yousif Ahmed Al Muhairi.

Butti yesterday hit back at the company, issuing a statement denying any wrongdoing and accusing NMC of shutting him out of the investigation.

The Financial Times reported yesterday that NMC Health has resorted to pledging future credit card payments from customers to secure bank funding. NMC declined to comment last night.

The ongoing suspension of the firm's shares may soon hit savers, whose savings are held in pension funds invested in NMC.

IN BRIEF

THYSSENKRUPP SELLS LIFT UNIT FOR €17BN

Thyssenkrupp yesterday said it agreed to sell its elevators division to a consortium of Advent, Cinven and Germany's RAG foundation for €17.2bn (£14.6bn) in what could be the world's largest buyout this year. The bidding group prevailed against a rival consortium comprising Blackstone, Carlyle and the Canada Pension Plan Investment Board. The deal is expected to close by the end of the year, Thyssenkrupp said.

TECH GIANTS CANCEL BIG CALIFORNIA EVENTS

Facebook said yesterday it would cancel its annual developer conference due to fears over the coronavirus outbreak, and Microsoft followed suit by withdrawing from a gaming conference scheduled for next month. The F8 conference, which attracted 5,000 people from around the world last year, was scheduled to be held on 5 and 6 May in California. Microsoft now has plans to hold a digital-only event.

FACEBOOK: TRACKING OF POLITICAL ADS ALLOWED

Facebook will provide a way for people to track political sponsored content on Facebook and Instagram ahead of the US presidential election, it said late last night. The move comes after US Democratic presidential candidate Michael Bloomberg's campaign started paying popular meme accounts on Facebook-owned Instagram to post content as part of its social media offensive ahead of the 2020 election.

Chinese bright spot dims for embattled Aston as value plummets

EDWARD THICKNESSE
@edthicknesse

ASTON Martin's shares fell to their lowest ever level yesterday as the luxury car maker posted a £104m loss after a year in which the firm has lurched from challenge to challenge.

Since listing in October 2018, the iconic British brand has seen its stock plummet from nearly 1,900p to yesterday's nadir of 349.1p.

The firm also announced that finance chief Mark Wilson would leave by mutual agreement as it prepares for a "reset" under new executive chairman Lawrence Stroll, who in January took a 16.7 per cent stake in Aston Martin. In addition to Wilson, three board members, Richard Solomons, Imelda Walsh and Tensie Whelan, will also depart.

The one bright spot in the car maker's year had been its performance in China, where sales grew 28 per cent, but the onset of the coronavirus outbreak means the FTSE 250 firm is expecting a drop in demand this year.

John Moore, senior investment manager at Brewin Dolphin, said the outbreak "could not have come at a worse time":

"China is one of the business's main growth drivers and among the few bright spots in today's update."

Chief executive Andy Palmer said that the firm's Brexit stockpiling meant that it had a secure supply of parts until the end of March.

All eyes will now be on how Stroll, whose £182m stake is part of a £500m fundraise from major shareholders, looks to turn around a company which fast looks like it is running out of road.

The car maker posted a £104m loss

However, Russ Mould, investment director at AJ Bell, said that the fundraise might not be large enough: "This may be all the company thinks it is capable of raising in the near-term, but there seems a big risk it will have to go cap in hand to shareholders again in the not too distant future", he said.

"New strategic investor and incoming executive chairman Lawrence Stroll may have underestimated the scale of Aston Martin's financial problems. Let's hope he has deep pockets."

Aston Martin will be hoping for a sales boost from the new James Bond film, No Time to Die, which will feature four of its cars.

The firm, which has long been associated with the superspy, will also release the new DBX and Valkyrie models in summer 2020, which it said would be crucial to its turnaround.

WPP shares plunge as turnaround strategy stutters in fourth quarter

JAMES WARRINGTON

@j_a_warrington

16.16%

SHARES in WPP suffered their biggest daily fall in three decades yesterday after the advertising giant failed to deliver growth in the fourth quarter.

While the results were broadly in line with WPP's previous comments, a 1.9 per cent fall in fourth-quarter organic sales spooked investors.

It marks the first set of results since chief executive Mark Read set out a three-year transformation plan following the acrimonious departure of founder Sir Martin Sorrell.

The ad giant delivered a surprise return to growth in the third quarter, but was unable to maintain its momentum, as a downturn in its major markets meant fourth-quarter revenue was flat. Shares closed down more than 16 per cent to 761.6p.

WPP's principal strategy has been slimming down its business, including the $4bn (£3.2bn) sale of Kantar last year. The move has had a positive impact on WPP's debt pile, which was slashed from £4bn to £1.5bn over the year.

"From the perspective of delivering on our plan to return WPP to growth we had a good first year, notwithstanding pressures in the industry," Read told *City A.M.*

UK ups the ante with EU no-deal caution on trade

CATHERINE NEILAN

@CatNeilan

DOWNING Street will demand autonomy over "our own laws and political life" in a future trade deal with the EU — and will walk away from talks as early as June if it appears that an agreement is not likely, according to the UK's negotiating mandate.

The 30-page mandate, published yesterday, set out how the UK will "not negotiate any arrangement in which the UK does not have control of its own laws and political life", ruling out alignment with the EU, or any suggestion that UK laws could be subject to the European Court of Justice.

The document envisaged a comprehensive free trade agreement similar to those struck with Canada and Japan, supplemented by other areas including "principally" fisheries, law enforcement and judicial cooperation in criminal matters, transport and energy.

While it was not given high priority within the mandate, financial services did get its own chapter, with the UK seeking an agreement that provides "a predictable, transparent and business-friendly environment for cross-border financial services business".

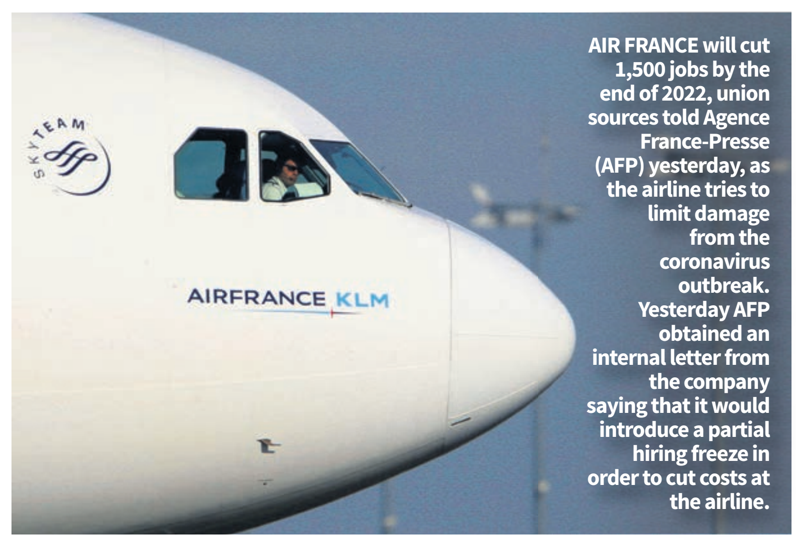
The UK is hoping to strike an equivalence-based agreement with legally binding obligations on market access and fair competition.

Although there was no explicit timescale within the mandate, it is thought that chief sherpa David Frost and his negotiating team will seek a more substantial notice period than the standard timescale of 30 days, to ensure greater stability for the City.

On areas dubbed the "level-playing field" by the EU — a term that includes issues such as environmental regulations, labour laws, tax and state aid, although not recognised by Downing Street — the mandate made clear that the UK will not accept any subordination.

"The government will work hard to agree arrangements on these lines," the mandate said. "However if it is not possible... then the trading relationship with the EU will rest on the 2019 withdrawal agreement and will look similar to Australia's."

TURBULENCE Air France to cut 1,500 jobs in attempt to limit impact of virus outbreak



AIR FRANCE will cut 1,500 jobs by the end of 2022, union sources told Agence France-Presse (AFP) yesterday, as the airline tries to limit damage from the coronavirus outbreak. Yesterday AFP obtained an internal letter from the company saying that it would introduce a partial hiring freeze in order to cut costs at the airline.

Coronavirus fails to subdue rising optimism in the British economy

HARRY ROBERTSON

@harrygrobertson

OPTIMISM in the UK services sector rose at its fastest pace in almost five years in the three months to February, a survey has shown, in the latest sign that the removal of some political uncertainty has cheered businesses.

A separate survey today showed that UK consumers also became more optimistic in February, with rising wages and low unemployment boosting public sentiment.

Despite the better sentiment in the services sector, business volumes continued to decline in the last quarter, according to the CBI's quarterly services survey.

The drop in consumer services volumes quickened, while business and professional services volumes continued to fall.

"After a sustained period of falling volumes and sentiment, the service sector has a renewed sense of optimism," said the CBI's Ben Jones.

Police raid ABN Amro offices in cum-ex scandal

JAMES BOOTH

@Jamesdbooth1

GERMAN authorities yesterday confirmed a raid on the Frankfurt office of Dutch bank ABN Amro in relation to the cum-ex dividend stripping scandal that has rocked the European financial sector.

"We can confirm that we are carrying out measures at ABN Amro in Frankfurt within the cum-ex context," a spokesperson for the Cologne state prosecutor's office said.

Earlier, newspaper Sueddeutsche Zeitung and western German public broadcaster WDR reported the raid on their websites.

Citing eye witnesses, they said several police vans and passenger cars were in front of the German headquarters in Frankfurt's banking district and officers were entering.

A spokesperson for ABN said: "At this moment we confirm that it is cum-ex related and we are cooperating with German authorities."

The cum-ex scandal led to billions of euros in losses for the treasuries of countries such as Germany, Denmark, France and Italy has led to arrests, raids and court cases dragging in some of the financial world's largest players.

Cum-ex trading involved using a now-closed legal loophole to claim tax credits for both buyers and sellers of shares by buying shares just before their dividends expired and then selling them on straight away.

Numerous banks and investors are being scrutinised for their role in it.

In August it emerged that law firm Freshfields had agreed to a €50m (£42m) settlement with the administrators of the German arm of Canadian bank Maple that was closed by German authorities in 2016 for its role in the scandal. Freshfields denies all wrongdoing. Auditor EY was hit with a €95m lawsuit by Maple's administrator which it said it will fight.

Hong Kong, which has been hit by the virus, is Standard Chartered's biggest market

StanChart lowers growth target over coronavirus outbreak fears

ANNA MENIN

@annafmenin

STANDARD Chartered yesterday reported a 46 per cent jump in annual profit, but warned that operating income growth would be lower than expected this year due to the impact of the coronavirus epidemic in key Asian markets.

The lender warned that the epidemic, as well as economic slowdown and unrest in Hong Kong, meant it was likely to miss its target of five to seven per cent growth in 2020. StanChart also said it would take longer to achieve its goal of a 10 per cent return on tangible equity previously targeted for 2021.

Shares ended 3.55 per cent down.

Co-op Bank's losses deepen after PPI costs

ANNA MENIN

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THE CO-OPERATIVE Bank yesterday reported an increased pre-tax loss for 2019, as the high street lender struggled with tough mortgage competition and PPI compensation payouts.

Co-op Bank posted a loss before tax of £152.1m for 2019, an eight per cent rise on the £140.7m recorded the previous year. The lender's net interest margin — the difference between what it earns from loans and pays for deposits — fell to 1.75 per cent, compared to 2.05 per cent in 2018.

Co-op Bank, like many of its rivals, has faced pressure on profitability from intense mortgage market competition and record low mortgage rates. Despite this, it grew its mortgage book five per cent last year. It also warned that ongoing competition and the anticipated high cost of issuing so-called MREL debt this year would increase pressure on its margins.

"While there is still work ahead, we have significantly improved our digital proposition and reinvested in our distinctive ethical brand," said chief executive Andrew Bester.

Persimmon boss to depart after short time at top

JOE CURTIS

@joe_r_curtis

6.34%

PERSIMMON's chief executive signalled his intention to step down yesterday just over a year after replacing the housebuilder's former boss Jeff Fairburn, who left in 2018 amid outrage over a huge £75m bonus.

Group chief executive Dave Jenkinson will depart "in due course", he said yesterday as Persimmon revealed a drop in 2019 profit as it sought to improve construction quality.

Jenkinson, a 23-year veteran of the housebuilder who became interim chief executive in November 2018, said he would stay on until a successor is found.

"I'm very pleased with the progress that we've made over the last year in reshaping Persimmon's approach and culture while at the same time maintaining our operational momentum," he said.

"Persimmon is an outstanding business with a strong balance sheet and a great team of talented and dedicated people who mean a great deal to me. I will remain fully committed to both the [chief executive] role and to our programme of change until my last day in the job."

The company revealed a 4.5 per cent slip in profit before tax to £1.04bn and a squeeze on its underlying housing operating margin, which fell from 30.8 per cent in 2018 to 30.3 per cent.

It followed a renewed focus on improving the quality of homes and customer satisfaction, following a review of the firm published in December.

Meanwhile, Persimmon sold four per cent fewer homes than in 2018 to a total of 15,855 at an average price of £215,709. Persimmon will pay a final dividend of 110p per share for 2019.

As investors took stock of the results and Jenkinson's resignation, shares closed down 6.34 per cent at 2,883p.

Topps Tiles said it had been "significantly" impacted by political uncertainty

Cracks appear for Topps Tiles on 2019 half-year earnings warning

JOE CURTIS

@joe_r_curtis

TOPPS Tiles issued a warning yesterday that first-half profit will fall "materially" below market expectations due to Brits dodging home improvement and a 2019 full of Brexit uncertainty.

Shares plunged 24.9 per cent by market close, after investors had expected a profit in the range of £13.5m to £14.5m. The home improvement retailer said like-for-like sales in the eight weeks to 22 February have dropped 5.5 per cent.

That comes after a 5.4 per cent drop in comparable sales in the first quarter of its current financial year, which ended on 28 December.

Profit plunges 42 per cent at insurance giant

JAMES BOOTH

@Jamesdbooth1

CAR INSURER Hastings yesterday said its adjusted profit plummeted 42 per cent in 2019, which it blamed on tough market conditions.

Chief executive Toby van der Meer said: "The market environment was challenging in 2019, particularly due to elevated claims inflation which has impacted our loss ratio for the year and our adjusted operating profit."

While the average cost of a motor insurance policy in Britain rose in 2019, competition and a change in the Ogden's discount rate, which is used to calculate compensation for personal injuries, hurt insurers last year.

The change means companies will now have to make larger lump sum payments for such claims.

Hastings warned on profit in January, saying it would take an £8.4m pre-tax charge due to the rate change.

Yesterday it said its adjusted operating profit for 2019 was £109.7m, down from £190.6m the previous year. It said profit after tax was £69.7m, a fall from £130.6m in 2018.

Tech giants' ad revenue to beat TV for first time

JAMES WARRINGTON

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BRANDS are set to splash out more advertising dollars on tech titans Facebook and Google than the entire global TV sector this year, according to figures released yesterday.

Ad revenue for Facebook and Google parent company Alphabet is forecast to reach $231.9bn (£185bn) in 2020, according to industry body Warc.

TV ad spend is set to rise 2.5 per cent to hit 29.2 per cent of all global spend, driven largely by growth in the US, where just over $4bn will be splashed out on presidential campaigns.

Yet the TV total of $192.6bn remains behind annual ad revenue for the so-called duopoly, and marks the first time the tech giants have pulled ahead.

Overall, global advertising spend is set to rise 7.1 per cent to $600bn, thanks to 13.2 per cent growth in online campaigns. Together, Facebook and Alphabet are set to take 35 cents on every ad dollar.

"Internet ad growth has been far stronger than the state of the global economy would suggest, rising seven times faster on average since 2015," said James McDonald, managing editor at Warc.

"But — regulation aside — online platforms are bound by the law of large numbers, and revenue growth is easing for key players like Alphabet and Facebook."

While the tech giants are building up their dominance, the figures showed traditional media are expected to record growth of 1.5 per cent to $324.2bn — the first rise since 2011. This growth will likely be boosted by TV's return to growth, helped largely by the US presidential election campaigns and the summer Olympic Games in Tokyo.

However, Warc said the figures did not include the potential impact of the coronavirus outbreak.

Pest controllers Rentokil cleaned up once again with its highest revenue in 15 years

Rentokil continues worldwide expansion effort as sales jump

EDWARD THICKNESSE

@edthicknesse

RENTOKIL posted its highest level of revenue growth in 15 years in 2019 as the pest control service continued its global expansion.

The Camberley-based ratcatchers posted full-year revenue growth of 4.5 per cent, reaching £2.7bn in 2019.

Rentokil embarked on a buying spree in 2019, acquiring 41 businesses over the course of the year, with total revenues of £137m.

Of these, 14 were in North America — Rentokil's biggest market — including Florida Pest Control, which is worth £50m.

The firm said it would continue to target further acquisitions in 2020, anticipating a total spend of around £250m over the year.

Investors wary as BAT income takes a tumble

JAMES BOOTH

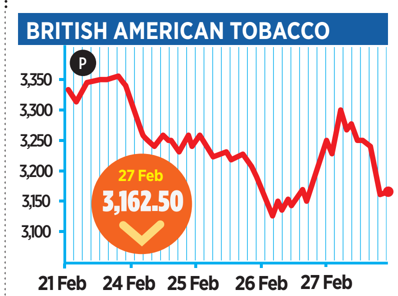
@Jamesdbooth1

BRITISH American Tobacco (BAT) yesterday said profit fell three per cent to just over £9bn, despite its revenue rising nearly six per cent to £25.8bn last year,

The tobacco giant reported adjusted diluted earnings per share of 323.8p, which was ahead of expectations. But reported earnings per share was 12 per cent below Bloomberg's consensus after a number of adjustments.

Shares rose during trading, but closed down 1.77 per cent.

It booked a number of charges in 2019 which hit profit including £436m related to its Canadian operations.



Coronavirus concerns spur purchases of Dettol products, says Reckitt Benckiser

JAMES BOOTH

@Jamesdbooth1

CONSUMER goods giant Reckitt Benckiser said yesterday it had seen a spike in demand for its Dettol and Lysol disinfectant brands in the wake of the coronavirus outbreak.

Pictures of the Dettol label went viral recently because of claims it can kill the coronavirus.

Reckitt Benckiser cautioned that as Covid-19 was a novel virus it had not been tested with Dettol, but said: "We would expect our Dettol products...to be effective against the new strain."

The company, which announced its results for the full year yesterday, said it was too early to fully assess the impact of the coronavirus outbreak on its business but was seeing disruption at retailers, and in distribution and supply chains.

New chief executive Laxman Narasimhan said yesterday that the company would take a £5bn writedown on its 2017 acquisition of baby formula milk-maker Mead Johnson, which was valued at the time at $17bn (£13bn). The writedown dragged the company to a £3.6bn loss for the period.

Narasimhan also revealed the results of a strategic review that will involve a £2bn investment over three years, in an attempt to increase revenue growth. The business will be split into three main divisions: hygiene, health and nutrition.

TERMINAL Half of London Waterloo train station to be closed for works this weekend

HALF of London Waterloo station will be closed this weekend as South Western Railway carries out track maintenance and renewal work. Some lines between Waterloo and Clapham Junction will be closed, with a reduced service running.

'Light touch' on IR35 promised by government

ANGHARAD CARRICK

@angharadcarrick

PEOPLE will not have to pay penalties for IR35 errors in the first year of the tax changes, as the government confirmed a "light touch" approach yesterday.

The government has published its review into the tax changes after announcing it would look into IR35 following concerns from businesses and the City.

HM Revenue & Customs (HMRC) said: "Customers will not have to pay penalties for errors relating to off-payroll in the first year, except in cases of deliberate non-compliance."

The government said it recognised the rules have not been "fully effective", echoing business concerns. Businesses had lobbied HMRC to take a softer approach on compliance in the first year of reform, as chancellor Rishi Sunak settles into his new role.

In its review, the government said it had listened to the concerns and had changed its approach "where appropriate to better support affected businesses and individuals".

However the review was blasted as "recklessly inadequate" by the Association of Independent Professionals and the Self-Employed (IPE) yesterday, saying the plans will be "catastrophic" for contractors.

The Federation of Small Businesses chairman Mike Cherry added: "It's disappointing that the government has decided to press on with these changes, particularly against a backdrop of an unprecedented 18-month slump in small business confidence."

Sunak faced criticism over the changes

OUT FOR JUSTICE Film star Steven Seagal fined $314,000 by US financial watchdog

ACTION film star Steven Seagal (left) found himself on deadly ground yesterday when he was hit with a $314,000 (£244,000) fine by the US markets regulator. He had promoted an initial coin offering (ICO) without disclosing he was being paid to do so.

Regulator tells Big Four auditors to accelerate break-up strategy

ANGHARAD CARRICK

@angharadcarrick

THE FINANCIAL Reporting Council (FRC) has told the Big Four to accelerate the ring-fencing of their audit businesses by strengthening independent governance and improving financial transparency.

The regulator wrote to Deloitte, EY, KPMG and PwC this week to set out details of the "operational separation" blueprint, according to Sky News.

The FRC is said to have told the firms that they must create separate boards for their audit practices with an independent chairman. The firms will also be required to have a majority of independent directors on their audit boards.

IN BRIEF

ST JAMES'S PLACE POSTS FALL IN 2019 PROFIT

St James's Place posted a fall in full-year operating profit yesterday after the pace of inflows of client cash slowed. The wealth manager reported operating profit of £952m, down from £1bn. This was in part due to a fall in new business from £852.7m in 2018 to £793m in 2019. Chief executive Andrew Croft said he was optimistic about future growth particularly following the decisive General Election result.

FCA WARNS UK ASSET MANAGERS ABOUT LIBOR

The Financial Conduct Authority (FCA) has written to asset managers to tell them to get ready for the end of Libor. Libor is being phased out after banks were fined billions for trying to manipulate it. The benchmark, used for pricing trillions of dollars of swaps, futures and loans, is set to end in late 2021. In a letter to bosses Nick Miller, head of its asset management arm, said: "If your firm has Libor exposures or dependencies, your transition activities should now be underway."

BURFORD CAPITAL PICKS MEN FOR ALL-MALE BOARD

Burford Capital yesterday chose three new directors for its all-male board, all of whom are men. The litigation funder said it was "sensitive to the fact that its board will remain, with these new appointments, entirely male, which is not our desire and is inconsistent with the significant level of gender diversity in the business".

Drax to cut up to 230 jobs as firm axes coal early

JACK RICHARDSON

@JackRich93

ENERGY generator Drax will stop burning coal in 2021, four years ahead of the government's deadline, the company announced yesterday.

The news, released on the same day as its results, means Drax will have to cut 200 to 230 jobs.

Earnings before interest, tax, depreciation and amortisation went up to £410m by the end of 2019, a 64 per cent year-on-year growth from £250m in 2018.

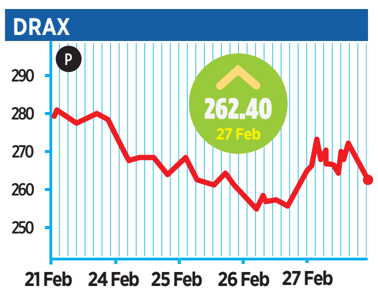
Shares rose two per cent to 262.42p on the news yesterday.

"Ending the use of coal at Drax is a landmark in our continued efforts to transform the business and become a world-leading carbon negative company by 2030," according to Drax's boss Will Gardiner.

"Drax has delivered a strong set of full-year results following the successful integration of new hydro and gas generation assets and made good progress with strategic initiatives to build a long term future for sustainable biomass and be the leading provider of power system stability."

Drax's net debt increased 163 per cent from £319m to £841m and total dividends increased from 14.1p to 15.9p year on year and total revenue also grew from £4.2bn to £4.7bn.

Drax will begin consultations with unions and employees about job losses shortly.



Carney is due to take over as the UN special envoy on climate finance next month

Mark Carney tells City to answer 'calls to action' on climate risk

ANNA MENIN

@annafmenin

OUTGOING Bank of England governor Mark Carney has demanded the City helps speed up the transition to a low-carbon economy.

In a speech given in the City yesterday, Carney called on money managers to "ensure that every financial decision takes climate change into account" ahead of the COP 26 climate summit in November.

"Achieving net zero will require a whole economy transition — every company, every bank, every insurer and investor will have to adjust their business models," said Carney. He added that such a transition "could turn an existential risk into the greatest opportunity of our time".

Oil price lowest for a year due to coronavirus

JACK RICHARDSON

@JackRich93

OIL PRICES hit their lowest level since January last year yesterday as fears grew about the impact of the coronavirus on the world economy.

Brent crude was down 4.3 per cent to $51.14 a barrel yesterday as the virus continues to spread outside China to South Korea, Italy and Brazil.

Any impact on global consumption or manufacturing patters will suppress global demand for crude.

Facts Global Energy said demand for oil this year would grow at a rate it called "practically zero" due to the outbreak.

There are now concerns around oversupply in the global oil market towards the end of this year.

"The optics of the market look poor, though it's interesting to me that the Chinese Teapot [refiners] were returning as the growth of the virus within China was slowing," said Scott Shelton, energy broker with Icap.

The Opec group of countries and its allies including Russia, known as Opec Plus, will meet next week and analysts will look closely to see if more production cuts are agreed.

Uber set to appeal London ban in July as taxi union granted inclusion in trial

STEFAN BOSCIA

@Stefan_Boscia

THE COURT date for Uber's appeal of its London ban is set for 6 July, with a judge deciding yesterday that the capital's largest taxi union can take part in the proceedings.

Chief magistrate of England and Wales Emma Arbuthnot ruled yesterday that the Licensed Taxi Drivers' Association (LTDA) is an "interested party" in the case, meaning it can access documents and make submissions.

The LTDA has run an ongoing campaign against Uber operating in the capital, claiming that the ride-sharing app has undercut the taxi industry. Its members rejoiced when Transport for London (TfL) failed to renew Uber's operating licence in November over a "pattern of failures"related to passenger safety.

TfL said that when it banned Uber the app had unlicensed operators uploading photos on other people's accounts, leading to at least 14,000 trips involving fraudulent drivers.

It has been allowed to operate while it awaits its appeal.

LTDA general secretary Steve McNamara said: "As the voice of London taxi drivers for nearly 50 years, we will be vigorously opposing this outrageous appeal and defending the best interests of Londoners."

Uber declined to comment.


Transport for London chose not to renew Uber's licence in the capital last November

DEPUTY EDITOR'S NOTES

News and views from the City, Westminster & beyond

ANDY SILVESTER @SILVESTERLDN

CHRISTIAN MAY IS AWAY

The platforms have a responsibility to their content providers

ANOTHER day, another sign of the times in the media and advertising market. For the first time ever, brands are splashing out more on Facebook and Google ads than they are on the entire TV sector this year. Alphabet — Google's parent company — is set to rake in £185bn, reckon industry watchers Warc. TV is set to come in just under £150bn.

TV, then, has been hit by the digital train too. What that means for the future of broadcast news, in particular, is unclear: will ITV be able to justify the expense it puts into its news shows if advertisers are increasingly sticking ads on the end of Youtube videos instead? Will it be able to bag exclusives like their exclusive at MI5 this week?

The government seems to be alive to the problem of the platforms, and proposes that even in a free market there are things worth carving out from the very sharpest edges of competition. In the written media, it has (belatedly) woken up to the realisation that Facebook, Google and Twitter hoover up content produced by newspapers both in print and online and make money off the back of it, with barely the tiniest of slivers going anywhere near the people that actually created it. The government's response to the Cairncross Review — which, to summarise, said that the pivot of advertising away from news organisations themselves to platforms on which they were shared was a clear and present danger to public interest journalism — acknowledged the premise that there needed to be action taken, and promised to consider what to do next. We still await what that exactly is.

The smarter move, though, doesn't rely on the state. The platforms should realise that their continued success — and their freedom from regulators — relies on reliable, good quality journalism. They'd be better off looking at a revenue sharing model with their content creators.

BAKED OFF

WE'RE not quite sure why she's in a giant pint glass to make it, but former Bake Off winner and now pub landlord Candice Brown has a good point nonetheless. Yesterday Brits' cumulative beer tax bill since the turn of the year hit the same level that Germans will cough up in the whole of 2020, according to the Long Live the Local campaign. With tax rates squeezing pubs, it's hardly a surprise that 20-odd pubs are closing each week. Something for the chancellor to think about.

Speaking of the chancellor, Rishi Sunak faces an unenviable task of balancing Boris' spending commitments — which are somewhat innumerable — with the need to have some semblance of financial discipline. Sajid Javid, it seems, was not considered quite as open to the idea of throwing out the Tories' reputation for economic competence as figures around the Prime Minister wanted him to be, so is now on the backbenches for the first time in eight years. If Rishi Sunak is going to have credibility as his own man in Number 11, he should be very wary of fiddling with the fiscal rules on which the Conservatives were elected which restrict wild government spending plans. It's not just that it isn't very "Tory" — it's that investors across the world want to know that somebody is keeping an eye on the purse strings. If the forthcoming Budget really is a giveaway on a par with the famed 2001 Gordon Brown pre-election Budget, then we will know who is really in charge.

CAN I QUOTE YOU ON THAT?

We are the Aston Martin of governments

Commons leader Jacob Rees-Mogg yesterday, just two hours after the car maker revealed a £104m loss and fired its CFO

It appears there could be trouble on the way for outfits like Klarna and Afterpay, which provide interest-free or "pay later" payment models for online and high street retailers. Nothing wrong with that, you might think, but that might not stop government and regulators from interfering in an industry that allows people who aren't necessarily on top of their finances to get into even more trouble. The calls for the FCA to get involved will no doubt get louder in the months to come; the lenders should think about how they plan to respond.

Crowdfunding campaigns are ten-a-penny these days but one caught my eye yesterday: to build a new statue of a Womble — of overground, underground fame — in the heart of Wimbledon Common. In these green-conscious times, what better way to remind people of the need to keep their neck of the woods in good shape than a tribute to London's finest litter pickers? As the campaign says, if Paddington station can have a Paddington bear, shouldn't Wimbledon have a Womble?

RSA posts record year for underwriting profit as firm beats analysts' forecasts

EDWARD THICKNESSE
@edthicknesse

INSURER RSA posted a record year for underwriting profit yesterday as the firm beat analyst expectations for 2019 after restructuring its international business.

The British firm posted an operating profit of £656m, up from £517m in 2018 and ahead of forecasts of £644m. A record year for underwriting profit was the main driver of the gain, increasing to £405m, around 60 per cent up on 2018's £250m.

RSA said that its combined ratio, which is a key metric of a firm's underwriting profitability, stood at 93.6 per cent.

Home, motor and commercial insurer RSA, which is best known in the UK for its More Than brand, also has businesses in Ireland, Scandinavia and Canada.

RSA has pulled out of several lines in its commercial insurance business, including international freight and construction, as a way of streamlining its international business.

The firm used yesterday's results to announce that the programme was nearly complete.

Results in commercial lines in Canada and Denmark remain poor, however.

Stephen Hester, RSA group chief executive, commented: "We are pleased to report strong results for RSA in 2019. Our profits are up, our dividends are up and return on tangible equity is very good. This progress is driven by improved underwriting, which has produced record current year profits."

"There is plenty more we can do to improve each of our businesses for customers and shareholders," he added.

Hester said that the recent coronavirus outbreak was unlikely to have much impact on the firm's business, although shares in many insurers have fallen as a result of fears about the virus.

He said that claims related to the virus had been "negligible" as the company did not do a lot of its business in countries most hit by the disease.

However, the recent flooding in the UK is likely to impact RSA, he added, although the scope of the damage appears to be less severe than that suffered by the firm in 2015's floods.

Shares in the firm were more or less flat as markets closed, at 535p.

ON THE HOME STRAIGHT Homebase posts early return to profit amid turnaround plan

HOMEBASE has returned to profit earlier than expected thanks to a radical turnaround plan. The DIY retailer posted earnings of £3.2m for the year, up from a £114.5m loss in 2018. Homebase credited cost-cutting and new product ranges for its recovery.

Provident Financial increases dividend by 60 per cent as it posts a climb in earnings

ANGHARAD CARRICK
@angharadcarrick

3.64%

PROVIDENT Financial announced a 60 per cent increase in its final dividend yesterday after reporting a rise in profit.

The wealth manager proposed an increase in its final dividend to 16p, up from 10p in 2018, after reporting that group tax profit rose 1.6 per cent to £162.2m.

It brings the total dividend per share up to 25p, a 150 per cent increase.

Provident's vehicle financing arm Moneybarn posted a 10 per cent increase in profit as demand for used cars remained robust.

Earlier this month Moneybarn was handed a £2.8m fine which concluded the latest in a line of investigations into its sales and business practices.

Provident said its customer numbers have now started to stabilise at just over 500,000 and added that a pick up in collections was now expected to offset impairment trends in 2020.

The wealth manager said it is setting out to return its consumer credit division to profitability after suffering a wrongly executed restructuring in 2017.

Chief executive Malcolm Le May said: "I am pleased with both the group's operational and financial performance in 2019 and the momentum behind our strategic initiatives as we enter 2020."

He added: "We have delivered an increase in profits as we have continued to adapt our businesses and culture to changing customer needs and the evolving regulatory environment."

Shares closed down 3.6 per cent at 434.7p yesterday.

FORUM City lockdowns and school shutdowns will no longer be a scene only viewed from Wuhan.

JUMANA SALEHEEN ON THE CORONAVIRUS
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CITY A.M.

Aviation services firm John Menzies sees shares slide amid coronavirus

JAMES BOOTH

@Jamesdbooth1

SHARES in aviation services company John Menzies fell almost six per cent yesterday after it warned of the impact of the coronavirus outbreak on its business.

"The outbreak and continued spread of Covid-19 [coronavirus] is having a direct impact on the operations of the group," it told the stock exchange in a trading update yesterday.

"This impact has been at its greatest within our operations in Macau and where we handle Chinese carriers across our network.

"The situation is still evolving, and we only have limited visibility of what flight schedules are being impacted into March and beyond, so it is difficult to assess how extensive the impact could be at this point."

The company estimated a hit to profit of approximately £6m to 9m for the year on the assumption the impact of the virus will subside towards the end of the quarter.

John Menzies said it was taking mitigation actions "wherever possible" alongside a tight control of costs and expenditure.

"Given the otherwise underlying positive momentum of the business, this headwind is disappointing, but the group is well positioned to manage it effectively and return to our positive growth trajectory for this year and beyond," the company said.

The group is set to announce its full-year 2019 results on 10 March.

The firm said it felt the effects of the virus most strongly in its Macau operations

Flutter reports a blow to its profit amid tax fallout

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BETFAIR and Paddy Power owner Flutter posted tumbling 2019 profit yesterday as UK gaming taxes and the firm's increased investment in the US both took their toll.

Profit before tax plunged 38 per cent year on year to £136m despite a 14 per cent hike in revenue to £2.14bn.

Earnings per share also fell 24 per cent to 183.2p per share, down from 2018's 241.7p.

But the betting giant held its dividend steady at 200p per share. However, net debt also rose, from £162m in 2018 to £265m last year.

Flutter took a £73m hit from higher gambling taxes in the UK, Ireland and Australia. The UK hiked online betting tax from 15 per cent to 21 per cent last April amid a regulatory crackdown on the sector.

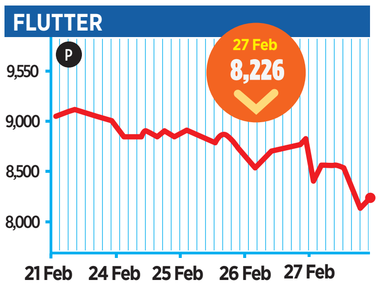
Flutter's share price fell 6.8 per cent to 8,226p as a result yesterday. Despite that Flutter's brands still saw online revenue grow 18 per cent, up from an 11 per cent growth rate in 2018.

Profit also suffered from the company's decision to close in the US, where it is expanding its business to take advantage of relaxed sports betting laws in most states.

But Flutter pointed to a 44 per cent stake in online gambling revenue as a result in states where its Fanduel venture was live last year.

The blow to profit comes as the UK's competition watchdog investigates Flutter's proposed £11bn merger with Toronto's The Stars Group.

Yesterday Flutter said it still expects the merger to close in the second or third quarter this year, adding it is "working closely with relevant competition authorities globally to obtain the necessary clearances". Flutter boss Peter Jackson said he was "proud of the group's performance given the complex regulatory environment".




Enders poured scorn on Netflix hit Sex Education's Americanised style

Netflix's UK shows 'not aligned to British taste', analysts warn

JAMES WARRINGTON

@j_a_warrington

NETFLIX's UK shows are "not necessarily aligned to British taste" and cannot be compared to the BBC's home-grown dramas, according to top media analysts.

In a note issued yesterday, Enders Analysis threw its weight behind the BBC's value to the creative economy and blasted "naive" comparisons between the broadcaster and Silicon Valley rivals such as Netflix.

The analysts said the BBC was the largest investor in British TV shows, with 94 per cent of its £1.3bn budget in 2018 spent on UK programming.

Enders also took aim at Netflix over the quality of the US streaming giant's British productions, saying they were made for an international audience."This is programming not necessarily aligned to British taste or a skewing of cultural touchstones," the note said.

The researchers singled out Safe — a Netflix adaptation of the hit Harlan Coben crime novel — and popular comedy-drama series Sex Education.

Asset managers lower exposure to UK property

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FOLLOWING the high-profile suspensions of the M&G and Prudential UK property funds last year, UK wealth managers have significantly reduced their exposure to property.

Six adviser groups have removed direct property funds from their portfolios for investors across all risk profiles, according to FE Fundinfo's Adviser Fund Index.

Ten funds in the sector were removed overall, the highest from one sector single in the index, with Threadneedle's UK Property Authorised Investment IGA, L&G's Property Feeder and M&G's Property Portfolio funds among them.

Earlier this week M&G announced that it was continuing the suspension of its £2.5bn property fund despite making good progress in selling some of the fund's assets.

M&G suspended trading in its flagship property fund in December after investors rushed to withdraw their money, which the asset manager blamed on Brexit-related political uncertainty.

"The suspension of M&G and Prudential underlines the issue of liquidity in the sector," said Oliver Clarke-Williams, adding that "some wealth managers [see] more trouble ahead for the sector".


Amigo has said it is in talks with several parties over a potential sale

Amigo's investors lose faith amid sink in earnings on impairment fine

JAMES WARRINGTON

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19.65%

SHARES in guarantor lender Amigo slumped 19.7 per cent to 43.95p yesterday after it reported a sharp drop in pre-tax profit and withdrew its guidance for the full year.

Amigo's revenue grew 8.5 per cent to £218m on a higher net loan book of £722.3m in the nine months to the end of December.

However, pre-tax profit dropped from £79m to £53.5m, largely as a result of higher impairment charges.

Amigo said it was withdrawing its previous guidance for the full year as it was considered no longer valid.

"While a number of variables could impact the final outcome, the lower risk appetite on new lending being trialled as part of the ongoing strategic review could result in a material reduction in future lending volumes and net loan book," it said.

It comes at a turbulent time for Amigo, which loans money to people with poor credit ratings. Earlier this month the company revealed that it is exploring a sale, while it is also facing pressure from the Financial Conduct Authority over its business model as part of a crackdown on guarantor lenders. Amigo said its sales process was still ongoing.

National Express hails record year as coach firm posts £240m in profit

EDWARD THICKNESSE

@edthicknesse

COACH operator National Express said it had "beaten expectations" yesterday as the firm posted a record year for revenue and profit in 2019.

Profit before tax rose 9.1 per cent over the year, from £220m in 2018 to £240m last year, as the firm reported growth in every one of its divisions.

Group revenue hit £2.7bn, a 12 per cent increase from 2018's £2.5bn, led by a record year in North America and at Spanish subsidiary Alsa.

2019 also saw passenger numbers grow five per cent across the group, with record numbers in both the Alsa and UK coach divisions.

Over the course of the year National Express extended lucrative contracts in North America and Spain, including its deal in Bilbao, its largest urban bus contract.

It also added new partnerships in Casablanca and Rabat, which made it Morocco's largest bus operator, and adding an estimated £2bn to the firm's coffers over the contract life.

The firm also made nine acquisitions, including We Drive U, Silicon Valley's main employee shuttle bus service.

National Express also used the results to make a string of new environmental pledges, including a promise never to buy another diesel bus for its fleet.

The firm will look to bring its first electric buses into service next year, and has set a target of achieving net zero across its UK operations by 2035.

Bus company National Express is in cruise control after 2019's record year for profit

Hunting shares surge despite earnings slip as group builds portfolio

JACK RICHARDSON

@JackRich93

ENGINEERING group Hunting saw its shares jump almost 14 per cent to 331p by the close of trading in London yesterday after it gave a "cautiously optimistic lookahead for the year.

Hunting makes equipment for the oil industry and credits its success with a strong balance sheet which has $40m (£31m) in cash without debt.

Underlying earnings for 2019 fell one per cent compared to 2018 from $142m to $140m.

Boss Jim Johnson said: "Our results announced today reflect the group's commitment to capital discipline, retaining strong balance sheet while delivering a solid performance in difficult market conditions."

Revenue increased five per cent to $960m from $911.4m in 2018 and the dividend has been proposed at six cents per share, up five on last year.

Although the market for onshore products is going down, Johson said the offshore market is improving.

South-east Asia and the North Sea were both strong market areas.

Hunting's portfolio has grown in the past year with the purchase of RTI Energy Systems in August 2019 and Enpro Subsea this month.

The company can continue this strategy due to its strong balance sheet though a lack of clarity around commodities and the coronavirus could harm its performance, but Johnson said it is too early to say.

ORDER CONFIRMED Deliveroo rival files to go public in latest test for tech startups

DOORDASH, the loss-making US food delivery startup backed by Softbank, said last night it has filed for an initial public offering, setting it up to be one of the most high-profile listings of 2020. The listing will be a test of appetite for unprofitable firms.

Government to launch future of radio review

JAMES WARRINGTON

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THE GOVERNMENT yesterday outlined plans for a review aimed at protecting the future of radio amid growing pressure from new technology and listening habits.

The digital radio and audio review will address changing trends in the UK audio market, including the rise of smart speakers and streaming services.

It will focus on how to ensure radio remains viable in the future, assessing potential future listener trends and dishing advice to bolster the UK's audio industry and promote innovations.

It aims "to ensure a vibrant and sustainable future for the UK's cherished radio and audio sector," said John Whittingdale, minister of state for media and data.

FORUM

An opposition leader able to showcase polish and competence is a serious threat

RACHEL CUNLIFFE ON KEIR STARMER AND THE LABOUR LEADERSHIP CONTEST

PAGE 18

CITY A.M.

HS2 minister vows to eye rail scheme with scrutiny

EDWARD THICKNESSE

@edthicknesse

THE NEW minister for HS2 rail has promised to oversee the controversial project with "forensic scrutiny", saying that the rail link had to regain "the public's trust".

The project was given the go-ahead by Prime Minister Boris Johnson earlier this month, despite estimations that the cost could run to more than £100bn by the time it is completed.

Andrew Stephenson, who was last week appointed specifically to look after HS2, yesterday emphasised his commitment to the project in his first speech in post in Manchester.

Stephenson, the MP for Pendle in Lancashire, said that he believed the project "will redefine rail travel for northern passengers".

"It is an unprecedented opportunity to reverse decades of underinvestment in our northern railways and to fire up the northern economy, just as the original railways did," he said.

Stephenson added that although he had been a long-time supporter of the project, he had watched "with deep concern" as costs had risen and deadlines been pushed back:

"Very simply, that can't continue," he said. "We need to have a much better, improved approach from HS2 Ltd this time. The company has a new budget for phase one, and now must deliver it."

HS2 Ltd, the company charged with delivering the project, has come under heavy fire for its "poor management" of the project.

When giving the project approval, Johnson stressed that his decision had "not [been] made easier by HS2 Ltd".

"I cannot say HS2 Ltd has distinguished itself among local communities," he said.

"Costs have exploded," he added.

Speaking to the New Statesman's Northern Powerhouse conference in central Manchester, Stephenson said that the project would form just one part of an integrated rail plan for the north and midlands.

He said that it would "examine how HS2 and Northern Powerhouse Rail can best work together, alongside wider investment in Transport for the north and the midlands".

HS2 has now been carved up into three packages of work, with the first phase between Old Oak Common and Birmingham to be completed before the Euston regeneration and High Speed North phases.

Work on phase one will start in April, while the government will revive the legislation to deliverpPhase 2a, connecting Birmingham to Crewe, "as soon as possible".

A YouGov poll last month found that more people were opposed to the project — 39 per cent — than supported it — 34 per cent.

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

LONDON REPORT

UK shares briefly slip into correction amid coronavirus

LONDON stocks plummeted yesterday, with both benchmark indexes briefly confirming a correction, as a sharp rise in the number of coronavirus cases outside China raised fears of a global pandemic and crippled risk appetite.

The FTSE 100 tumbled 3.5 per cent to its lowest since January 2019, with heavyweight banks, miners and oil stocks dragging the most.

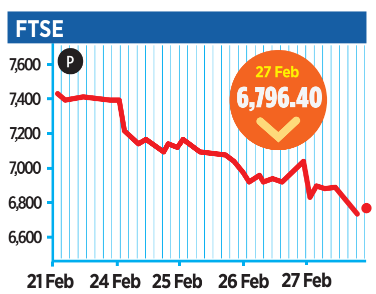
At its lowest in the session, the index was more than 10 per cent below its peak from just a week ago.

The domestically focused mid-cap index tanked 4.1 per cent, its biggest one-day drop since June 2016 and a fifth straight day in the red.

It also traded more than 10 per cent lower from its recent peak on 20 February during the session.

Britain's hardline stance on trade talks with the EU heaped pressure on domestic equities already battered by concerns over the virus.

Both the FTSE 100 and the FTSE 250 are currently on course for their biggest weekly drop since August 2011.



BEST OF THE BROKERS

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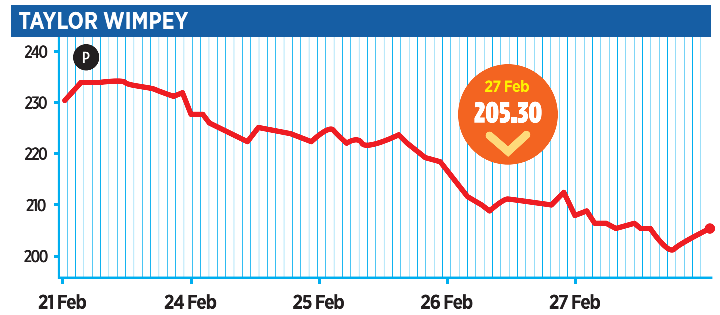
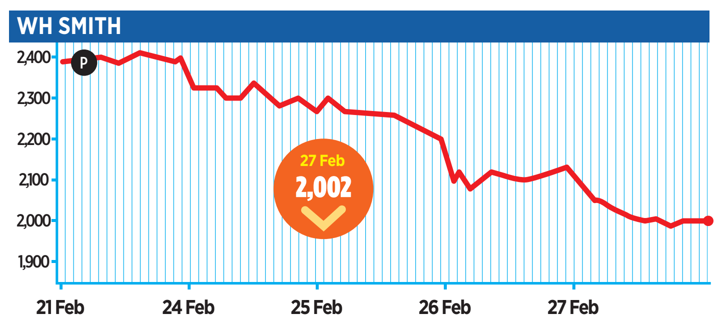


With a more positive outlook evident in this week's annual results, Taylor Wimpey is in a good position to build. Higher house price inflation and a strong order book are set to benefit the homebuilder, according to Canaccord Genuity analysts, who maintain their "buy" rating with a lowered target price of 243p.



Coronavirus-related contagion is hitting stocks across the world, and WH Smith is no exception. But Peel Hunt analysts say the epidemic's impact on the retailer's global footprint is limited, and the newly-lowered share price is a good opportunity. They rate WH Smith as "buy", with a target price of 3,000p.

NEW YORK REPORT

US stocks dive amid outbreak

US STOCKS plummetted yesterday as fears about the effect of the coronavirus outbreak on economic growth flared even as US officials pledged that they were stepping up efforts to safeguard Americans from the virus' spread.

A day after US President Donald Trump told Americans that the risk from coronavirus remained "very low," the S&P 500 logged its fastest correction in history in a sixth straight day of declines.

Centers for Disease Control and Prevention (CDC) director Robert Redfield revised its criteria for who should be tested for the coronavirus and was shipping more test kits to states. California only has about 200 test kits, an "inadequate" number, but has been in "constant contact with federal agencies" who have promised to send a fresh supply in coming days, governor Gavin Newsom said.

HHS Secretary Alex Azar told a US House of Representatives committee yesterday that at least 40 public health labs should now be able to test specimens for coronavirus and that could more than double as soon as today.

CITY MOVES WHO'S SWITCHING JOBS

YODEL

UK independent parcel carrier, Yodel, has appointed Helen Marshall as its new chief information officer (CIO). Helen has been promoted from her role as Yodel's IT director, having previously been director of technology transformation. Helen has over 30 years' experience leading IT teams across various blue-chip organisations — including Virgin and Talktalk — focusing on the implementation of large-scale transformation with technology departments. During her time at Yodel, Helen has been central to Yodel's IT development, helping the team achieve several technology awards. Mike Hancox, chief executive at Yodel, said: "As Yodel continues to invest in tech to deliver the best user experience for its customers, we are delighted to have Helen leading as CIO."

PEEL HUNT

Peel Hunt, the investment bank focused on UK mid and small caps, has announced the appointment of Liz Blythe to its board as non-executive director and chair of its audit committee. Liz has over 25 years' experience working in financial services and is a qualified chartered accountant, with extensive experience in governance, risk management and finance. She is a founding member and previous chair of the mutual sector internal audit group, a formal negotiating body for the UK building society industry, promoting best practice in audit-related matters. Simon Hayes, chairman of Peel Hunt, commented: "We are delighted to welcome Liz to Peel Hunt. Her extensive financial insight and experience will be of great value to the board as we continue to grow our client offering and deliver on our strategy to become the UK's leading investment bank focused on mid and small-cap companies."

BOODLE HATFIELD

Private wealth law firm Boodle Hatfield has appointed employment law specialist Simon Gorham as a partner. He joined the firm's corporate team from international law firm Weil Gotshal and Manges, where he held the role of counsel. Nigel Stone, partner and head of corporate at Boodle Hatfield, said: "Simon [will] be a significant asset to our team and his recruitment is an important part of our strategy."

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

FORUM

EDITED BY RACHEL CUNLIFFE

Keir Starmer is a reminder to Labour of what it takes to win

Rachel Cunliffe
Comment and features editor at City AM

FOR LABOUR members, the interminable leadership contest has been a never-ending ordeal. Increasingly desperate pleas from the candidates have been interrupted only by a line of unwatchable TV debates.

For everyone else, it has barely registered. Coronavirus, floods, and the internal battles within Downing Street have far overshadowed the question (as Have I Got News For You put it) of who gets to lose to Boris Johnson in 2024.

But complacent Tories who see the leadership race as a sideshow might want to tune in to what's been going on — namely, how a party shredded with division after an electoral disaster seems to be coalescing around a single candidate.

On paper, Sir Keir Starmer ticks none of the right boxes. He's male — an embarrassment for a party that has never had a female leader despite traditionally championing, women's rights. He's also white and went to private school — black marks in the age of identity politics — and he grew up in the metropolitan bubble that is London.

Most damagingly, Starmer was not only an ardent Remainer in the EU Referendum but has spent the last three years continuing the fight as shadow Brexit secretary. He was instrumental in softening his party's position, resulting in the commitment for a second referendum in Labour's 2019 manifesto.

All the electoral logic suggests that Labour needs a northern Brexiteer from a minority background with top-notch working-class credentials if it is ever to recover.

And yet, Starmer is way out ahead, despite the best efforts of the unions and pressure group Momentum that dominated the party under Jeremy Corbyn. The latest polls put him on 53 per cent of the vote — enough to win outright. Why?

For Starmer's critics, the answer is that Labour members have lost their minds. That was certainly the view of the trade unionist I encountered on Sky News last week, who argued that Labour's failure in December could be pinned entirely on its Brexit policy, which could in turn be laid at the feet of its Brexit secretary.

Anyone supporting the man who had, in his eyes, single-handedly lost Labour the election was either mad, or actively trying to undermine the party.

This analysis is convenient for Labour's hard-left contingent, as it lets them off the hook. The architects of the Corbyn project don't have to consider their own role in its defeat — a leader derided on doorsteps, a vicious internal war that saw dedicated MPs shafted by party insiders, and a manifesto that failed to resonate with its target audience.

> An opposition leader able to showcase polish and competence is a serious threat

By writing December off as the "Brexit election", they can maintain the myth that the policies weren't the problem, rekindling Corbyn's absurd claim that Labour "won the argument" even if it lost the vote.

And they can push Rebecca Long-Bailey, groomed for years as the "continuity Corbyn" candidate, to lead the party further along a road that voters have twice rejected.

But within Labour, it seems there exists a growing cohort who care more about electoral results than ideological purity. And they have figured out that Starmer is more formidable in this political climate than his critics realise.

For a start, even if the call for a second referendum was a major factor in Labour's downfall in December, we're now in a brave new post-Brexit world. While debates over Britain's trade links with the EU rage on, the question of whether to Leave or Remain was answered on 31 January.

The issue has been neutralised: people voted to "get Brexit done", it has been, and the next election will be fought on different grounds.

If Labour wants to win power, it needs a leader who can fight the Conservatives where they are weak. With the Tories' ambitious spending programme, that doesn't mean tacking further to the left and promising voters an endless list of giveaways (like free broadband, mass renationalisation, or banning work emails out-of-hours).

Rather, it means looking back to an era when Labour actually won elections and remembering what worked: calm, cultivated expertise — in which a down-to-earth but engaging human rights barrister, rumoured to be the inspiration for the hero in Bridget Jones's Diary, excels.

It also means someone who can go toe-to-toe with the Prime Minister, bring out the sense of sloppiness that is already beginning to plague his government, and puncture the personality cult around him.

This week, with Johnson facing criticism for being AWOL during a flooding crisis, would have been the perfect time for a quicksilver rhetorician to make the House of Commons laugh at the bumbling Prime Minister's shabby excuses for sticking to his holiday plans, rather than letting him get away with a joke about cabinet meeting rooms.

Right now, barely two months after the election, Johnson seems invincible. But over the next five years, he will slip up, and his cabinet's discipline will fray. An opposition leader able to capitalise on that, showcasing polish and competence as a viable alternative to every bungled crisis, is a serious threat.

As for whether a posh white man from a leafy part of London could ever resonate with working-class voters in Labour's heartlands, Boris Johnson has already proved decisively that one can. So if Starmer is as popular as the polls suggest, it isn't because Labour members have given leave of their senses — it's because they have finally remembered what it takes to win.

LETTERS
TO THE EDITOR

Light words, heavy hands

[Re: Chancellor Rishi Sunak needs to step back and rethink IR35]

HMRC's statement that customers will not have to pay penalties for IR35 errors in the first year except "in cases of deliberate non-compliance" may be welcomed, but it does nothing to address long-term problems. It is not a deferral of the legislation, merely of the penalties.

The real issue concerning companies is not whether penalties will be levied, but that falling within the rules may mean an additional 14.3 per cent charge to their profit and loss statement and, at worst, losing the best-quality labour. A concession on penalties does nothing to assist with the logistical difficulties businesses must grapple with in a short space of time.

The chancellor's recent comments that HMRC will not be "heavy-handed" in its implementation of IR35 during the first 12 months similarly fails to alleviate concerns — hollow and unenforceable words which give little guidance as to how HMRC will enforce IR35 in practice. At best, the implication is that if you do not have your house fully in order by 6 April but are taking all practical steps to remedy this, HMRC may be inclined to leniency — but there is no legal obligation on it to do so.

With 200,000 UK contractors potentially affected, it will take more than a cosmetic suggestion of vague goodwill to mitigate the fall-out and assist businesses with this administrative nightmare. That HMRC will not be "heavy-handed in the first year" in enforcing IR35 implies that it will have free rein to be "heavy-handed" afterwards — a worrying approach for a public authority to take in such a complicated and controversial area of the tax code.

Martin Griffiths, tax and structuring partner, Addleshaw Goddard

The City must stop complaining and start talking about the opportunities of Brexit

Adam Vile

TOO MUCH of the discussion around Brexit's impact on the City has treated it as something of an inconvenience that must be "managed". This is perhaps understandable — business rarely likes change, certainly not on this scale. But it's time that we start talking about the opportunities Brexit will present to the City.

The conversation largely remains dominated by politicians, with some in the UK government championing "permanent equivalence", while figures from the EU's Michel Barnier to Sir Jon Cunliffe, deputy governor of the Bank of England, warn that significant divergence is both likely and necessary.

Such divergence is typically framed negatively, with the focus being on the possibility of the City losing unfettered access to the EU's Single Market. However, I see two potential ways in which London's financial institutions might not just survive but thrive from the opportunity presented once the transition period ends in December.

First, if the regulatory regime diverges even slightly from that of the EU by placing less onerous requirements on financial organisations, it can have a positive knock-on effect on UK banks' performance and competitiveness.

As we have seen in the US, a more flexible approach to regulation has been a contributing factor to the stronger recovery and greater profitability of the American banking industry over the past decade.

City advocacy groups are already eyeing a new regulatory framework beyond the Markets in Financial Instruments Directive (Mifid II) — the EU directive that instituted an extensive set of new obligations on banks, fund managers, brokers, exchanges, and underlying investors.

Overseen solely by the UK government, such a framework would inevitably better reflect the priorities of UK firms: maintaining financial stability and investor protections, without inhibiting the City's global competitiveness.

The second and much less talked about opportunity is something over which financial institutions have far more direct influence. Long-established firms are in a constant struggle to keep pace with the technical requirements of regulatory change. Often, to meet tight deadlines, changes are shoe-horned into existing architectures at the expense of technical progress and evolution. This was the experience for many European banks around Mifid II's adoption.

That represented a huge missed opportunity. The ultimate goals of new regulations are not necessarily detrimental to banks' commercial interests. In fact, as with Mifid II, they are often directly aligned. For example, the requirement to comprehensively categorise and record all customer interactions, if done properly, can be an accelerator for better customer relationship management and risk control.

Technological advancement is already driving the reconfiguration of banks' tech systems. The City should embrace divergence not simply as a new box-ticking requirement, but as an opportunity to expand outside of constraints and give London's financial services the technological edge over its international competitors.

While we may be a long way from knowing where the chips will fall, and a clean break may remain the less likely outcome, firms must stop undervaluing the possibility and start considering the opportunities for the financial services industry.

Adam Vile is head of EMEA at Lab49.

BEST OF TWITTER

We are the Aston Martin of governments — I am tempted to say the Bentley of governments says @Jacob_Rees_Mogg
@PARLYapp

Aston Martin's shares are down 79.5% since the company floated at the end of 2019 (including an 11% fall just today). Bentley is owned by Volkswagen.
@_BenWright_

Happy to report that the speed limit across @TfL roads in central London will reduce from 30mph to 20mph from Monday 2 March. This new measure will save countless lives and eradicate serious injuries on our roads, whilst making it safer to walk and cycle around the capital.
@MayorofLondon

Where do you get anywhere near 30mph in Central London traffic!
@JeremyPSnelling

Plot twist: Premier League ends up being temporarily suspended due to Coronavirus meaning Liverpool are prevented from setting the record for earliest Premier League title confirmation
@jburnmurdoch

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

The coronavirus is on track to cause a global recession

Jumana Saleheen

COVID-19 has dominated news headlines since mid-January. The human and social costs have been heavy, disrupting the normality of life primarily in China but also around the world. Now the recent outbreaks in Italy, Iran and South Korea have ignited fears of a global pandemic, and in response major equity indices have plummeted by nearly 10 per cent.

Even under the optimistic scenario of successful virus control, global growth forecasts now need downgrading. My company CRU has lowered its 2020 forecasts for China's GDP growth by 0.4 percentage points to 5.3 per cent, and for world GDP growth by 0.2 percentage points to 2.3 per cent.

The last time world growth was this low was during the global financial crisis (albeit not at its lowest trough).

At the time of writing, the risks of a global pandemic are rising. Should it materialise, a short global recession cannot be ruled out.

But why is this the case? It's worth explaining how the virus is likely to hurt China's growth, and how that would transmit to the rest of the world.

Clearly, Covid-19 is expected to hit China the hardest. Restrictions on the movement of people and transport across China continue. These give rise to a fall in the demand for goods and services such as entertainment, tourism and retail, as consumers have fewer opportunities to spend.

Meanwhile, delays in the return of employees to work will result in a shock to production and supply. Weak sentiment will amplify the downturn.

We do expect Beijing to counter some of the slowing through additional fiscal and monetary stimulus, which will benefit the economy from the second quarter onwards.

But to adapt the well-known saying, when China — the second largest economy in the world — sneezes, the rest of the world catches a cold.

China is now the factory to the world. It supplies 66 per cent of the world's imports of intermediate and capital goods. These intermediate parts and components get embedded into consumer final goods, such as cars and electronics.

As such, it should be no surprise that problems in China have a global reach: the likes of Apple, Adidas, Mastercard and others have issued profit warnings attributed to Covid-19.

Asia will feel the pain acutely, given its proximity to China and complex intra-Asian trade, which often involves several rounds of re-imports and re-exports. The shutdowns at Hyundai Motors in South Korea, Nissan in Japan, and disruptions to Samsung's factories in Vietnam are examples of how the absence of key components from China leads to a halt in production.

> Apple, Adidas, and Mastercard have all issued profit warnings linked to Covid-19

Chinese travel restrictions will also hurt Asia, especially Thailand, Cambodia and the Philippines where tourism contributes to over 20 per cent of GDP.

Looking to the west, the Eurozone is known to be manufacturing and trade dependent. China and Asia make up eight per cent and 16 per cent respectively of the bloc's total goods exports. Lower demand from Asia has led us to mark down our Eurozone forecast.

America is a more closed economy. But reduced tourism from China is negative for the US outlook too, as are disruptions to supply chains. China is second only to Canada in importance for imported intermediate goods.

Covid-19 is a moving target. A few days ago, it felt as though the pace of virus's spread was slowing. But things have taken a turn for the worse, as virus cases outside China climb. The spread outside China indicates that economies in the rest of the world may weaken further in coming months, independently of their links to China.

Fear is running high. Where things go next is unclear, but we do know that isolation has been effective in containing the virus. City lockdowns and school shutdowns will no longer be a scene only viewed from Wuhan.

Jumana Saleheen is chief economist at commodities consultant CRU Group.

DEBATE

Following a court ruling in favour of environmentalists, should the Heathrow expansion go ahead?

YES

ADAM MARSHALL

Business communities across the UK will be bitterly disappointed that plans for a world-leading hub airport are now at risk. Without expansion, firms risk losing crucial regional connectivity and access to key markets across the world.

The benefits of a third runway would extend far beyond south-east England. Hundreds of UK companies are already invested in the supply chain for expansion, and tens of thousands of additional jobs will be created if the project goes ahead.

Heathrow and the wider aviation sector have set ambitious emissions targets, and like every industry must continue to become greener. Britain's future depends on investment in a modern, integrated, low-carbon transport infrastructure that keeps trade flowing while minimising environmental impacts.

There has never been a more important time to demonstrate that Britain is open for business. The government must back the expansion unequivocally and take all necessary steps to move the project forward.

Dr Adam Marshall is director general of the British Chamber of Commerce.

NO

ALEX CHAPMAN

The case for Heathrow expansion is rotten throughout. That it got this far — in the midst of a climate emergency — is testament to the airport's highly effective lobbying machine.

The proposed expansion has the carbon footprint of a small country. Technological development is important, but it will not fix this problem, nor will "net out of jail free" net-zero carbon offsetting schemes.

The court said that the government had not properly considered its international climate commitments. These obligations mean that the number of flights must stop growing.

The economic case doesn't stack up either. Heathrow expansion flies in the face of Boris Johnson's pledge to "level up" the UK economy. The vast majority of flights are taken by a minority of wealthy frequent-flyers. New research from the New Economics Foundation uses previously unpublished government data to show that the scheme would hammer regional economies, shifting up to 27,000 jobs and £43bn of GDP to the south east.

Alex Chapman is a researcher at the New Economics Foundation.

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abc
Certified Distribution
from 30/12/2019 till
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Printed by West Ferry Printers Ltd, Kimpton Rd, Luton LU2 0SX

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246.07	839.50	140.03	1190.95	414.30	137.63

£			€		
/€	1.1730	0.0142	€/$	1.0978	0.0088
/$	1.2879	0.0049	€/£	0.8524	0.0100
/¥	141.84	0.8140	€/¥	120.91	0.7350

	Price	Chg	High	Low
GILTS				
Tsy 4.750 20	100.10	-0.01	104.0	100.1
Tsy 8.000 21	109.60	0.05	116.3	109.5
Tsy 2.500 24	362.83	0.71	377.9	358.8
Tsy 5.000 25	123.26	0.31	126.0	122.1
Tsy 4.250 27	130.03	0.51	132.8	125.5
Tsy 6.000 28	148.63	0.62	152.1	143.4
Tsy 4.125 30	385.69	1.63	404.2	365.4
Tsy 4.250 32	143.60	0.76	146.4	132.9
Tsy 4.250 36	152.84	0.83	155.7	138.2
Tsy 4.750 38	168.67	0.90	171.8	150.9
Tsy 4.250 46	178.43	1.01	181.0	1.0
AEROSPACE & DEFENCE				
BAE Systems	631.8	-9.2	669.0	443.9
Meggitt	555.6	-13.0	697.4	489.9
QinetiQ	361.6	-10.4	387.8	267.0
Rolls-Royce	600.6	-16.0	941.2	600.6
Senior	142.5	-3.8	235.0	142.5
Ultra Electronics	1962.0	-98.0	2292.0	1273.0
AUTOMOBILES & PARTS				
Aston Martin	355.8	-35.2	1181.0	355.8
TI Fluid Systems	205.0	-4.0	273.0	155.2
BANKS				
Bank of Georgia	1513.0	0.0	1755.0	1252.0
Barclays	154.4	-11.5	192.5	136.2
BGEO Group	1691.0	-23.0	1818.0	1252.0
HSBC Hldgs	529.3	-25.7	680.6	529.3
Lloyds Banking	50.4	-1.6	67.2	48.6
Royal Bank of Scot	183.4	-9.7	270.4	177.7
Standard Chartered	570.6	-21.0	738.6	570.6
TBC Bank Group	1294.0	-32.0	1706.0	1150.0
Virgin Money UK	156.2	-8.6	220.1	104.4
BEVERAGES				
Barr (AG)	542.0	-18.0	975.0	526.0
Britvic	874.5	-35.0	1068.0	850.0
Coca-Cola HBC AG	2606.0	-51.0	3074.0	2299.0
Diageo	2820.0	-113.5	3625.5	2820.0
CHEMICALS				
Croda International	4620.0	-162.0	5375.0	4564.0
Elementis	107.1	-6.4	184.5	107.1
Johnson Matt	2481.0	-125.0	3454.0	2481.0
Synthomer	291.8	-16.2	420.8	279.0
Victrex	2124.0	-108.0	2540.0	1845.0
CONSTRUCTION & MATERIALS				
Balfour Beatty	253.8	-10.4	295.0	194.2
CRH	2695.0	-93.0	3100.0	2279.0
Galliford Try	156.8	-7.3	190.4	102.4
Grafton Group	874.5	-22.5	990.0	645.5
Ibstock	287.8	-14.0	322.2	208.6
Marshalls	749.5	-30.5	876.0	542.0
Polypipe Group	548.5	-25.0	619.0	372.8
DIVERSIFIED INDUSTRIALS				
Smith (DS)	335.4	-11.2	394.8	307.9
Smiths Gp	1592.0	-65.0	1769.5	1378.0
Smurfit Kappa Gp	2654.0	-88.0	3010.0	2096.0
Vesuvius	423.4	12.2	642.0	341.0

	Price	Chg	High	Low
ELECTRICITY				
Contour Global	179.0	0.0	222.5	163.0
Drax Gp	262.4	2.6	386.8	251.0
SSE	1570.5	-41.5	1686.5	1008.0
ELECTRONIC & ELECTRICAL EQUIPMENT				
Halma	2022.0	-86.0	2244.0	1575.0
Morgan Advanced	288.6	-13.0	324.8	232.4
Oxford Instruments	1400.0	-90.0	1654.0	963.0
Renishaw	3530.0	-76.0	4638.0	3232.0
Spectris	2845.0	-64.0	3005.0	2234.0
EQUITY INVESTMENT INSTRUMENTS				
3i Infrastructure	295.5	-6.5	317.5	270.4
Aberforth Smlr Cos	1306.0	-52.0	1546.0	1114.0
Alliance Trust	781.0	-30.0	876.0	730.0
AVI Global Trust	751.0	-22.0	802.0	713.0
Baillie Gifford Japan	699.0	-26.0	848.0	699.0
Bankers InvTst	939.0	-39.0	1032.0	851.0
BlackRock Smaller	1572.0	-88.0	1794.0	1298.0
BMO Global Smaller	130.3	-5.7	150.0	127.5
Caledonia Inv	2940.0	-65.0	3180.0	2910.0
City of London IT	397.5	-13.5	448.5	396.5
Edin Inv Trust	546.0	-20.0	652.0	535.0
European Opp	807.0	-37.0	926.0	708.0
F&C Investment	705.0	-31.0	786.0	675.0
Fidelity China SPE	228.0	-8.0	253.0	205.5
Fidelity Euro Values	248.0	-8.0	272.0	218.0
Fidelity Spec Val	239.0	-13.0	280.5	239.0
Finsbury G&I Tst	828.0	-35.0	958.0	797.0
GCP Infra Inv	117.0	-2.2	134.0	117.0
Genesis Emerging	728.0	-21.0	818.0	686.0
Greencoat UK	139.4	-4.2	152.8	133.8
Harbourvest Glb	1690.0	-120.0	1868.0	1406.0
Herald Inv Trust	1418.0	-2.0	1530.0	1205.0
HICL Infr	171.8	-3.0	183.0	156.6
JPM American	462.5	-22.0	524.0	421.0
JPM Emerg Mkt	962.0	-38.0	1088.0	878.0
JPM Indian IT	657.0	-16.0	790.0	640.0
JPM Japan IT	396.0	-14.5	477.5	384.0
Jupiter Fund Mngt	326.3	-23.4	432.0	314.0
Law Debenture	572.0	-12.0	654.0	552.0
Mercantile IT	244.0	-15.5	278.5	188.0
Monks Inv Tst	927.0	-36.0	1026.0	809.0
Murray Intl Tst	1080.0	-50.0	1286.0	1080.0
Next Energy Solar	116.5	-1.0	126.5	114.0
Pantheon Intl Partn	2240.0	-40.0	2620.0	2020.0
Perpetual Inc & Grth	293.5	-12.0	342.0	284.5
Pershing Square	1368.0	-84.0	1578.0	1224.0
Personal Assets Tst	42450	-400	44050	39850
Polar Cap Tech Tst	1530.0	-86.0	1746.0	1220.0
Pollen Street	872.0	-10.0	884.0	802.0
Renewables Infra Gp	132.2	-2.8	139.2	115.4
RIT Cap Partners	1962.0	-53.0	2180.0	1962.0
Schroder Asia	438.5	-11.5	485.5	424.5
Scottish Inv Tst	736.0	-37.0	843.0	736.0
Scottish Mortgage	584.5	-24.5	659.0	472.0
Sequoia Econ Infra	110.2	-3.8	118.6	110.0
Smithson Inv	1240.0	-62.0	1388.0	1105.0
Syncona	244.0	-3.5	294.0	203.0
Temple Bar IT	1232.0	-62.0	1486.0	1162.0
Templeton Em Mkts	776.0	-20.0	876.0	731.0
Vietnam Enterprise	412.0	-4.0	509.0	412.0
VinaCapital Vietna	283.0	-5.0	357.5	283.0
Witan Invest	205.5	-9.5	235.0	201.6
Wwide Healthcare	3055.0	-85.0	3330.0	2495.0
FIXED LINE TELECOMMUNICATIONS				
BT Gp	139.5	-7.0	230.7	139.5
Talktalk Telecom	110.2	-3.0	126.5	99.0
Telecom Plus	1394.0	-56.0	1552.0	1130.0
FOOD & DRUG RETAILERS				
Greggs	2130.0	-114.0	2476.0	1730.0
Morrison (WM)	170.1	-3.2	231.3	170.1
Ocado Gp	1080.5	-41.0	1435.0	1045.0
Sainsbury(J)	194.1	-9.4	240.6	177.1
SSP Group	535.0	-33.0	721.0	535.0
Tesco	231.0	-10.4	258.9	212.6
FOOD PRODUCERS				
Assoc British Foods	2334.0	-82.0	2708.0	2106.0
Bakkavor	112.0	-12.6	149.6	93.3
Cranswick	3486.0	-142.0	3852.0	2488.0
Greencore Gp	215.6	-9.4	281.8	193.4
Hilton Food Gp	1008.0	-42.0	1118.0	905.0
Tate & Lyle	729.6	-21.8	801.4	663.8
Unilever	4321.0	-65.5	5324.0	3983.0
FORESTRY & PAPER				
Mondi	1619.5	-0.5	1846.0	1510.5
GENERAL FINANCIAL				
3i Group	1044.5	-61.5	1184.5	942.2
Ashmore Gp	488.2	-33.3	570.0	397.8
Brewin Dolphin	319.2	-22.4	375.2	287.6
Close Brothers	1309.0	-48.0	1663.0	1227.0
Coats Group	62.5	-3.1	87.5	62.5
Finablr	57.2	-12.6	215.0	57.2
Hargreaves Lans	1559.0	-84.5	2433.0	1559.0
IG Gp	664.2	-6.2	708.0	474.8
Integrafin Holdings	481.0	-24.0	529.0	337.0
Intermediate Capital	1672.0	-97.0	1877.0	999.0
Intl Public Prtnshps	160.8	-3.6	171.2	146.8
Investec	421.4	-13.8	518.6	395.3
IP Group	73.8	-1.7	103.2	55.7
John Laing Gp	328.4	-9.4	402.0	328.4
London Stock Exch	7810.0	-266.0	8542.0	4538.0
Man Group	146.0	-5.8	175.2	130.5
Onesavings	404.0	-2.8	452.0	313.6
Paragon	469.6	-19.8	553.5	388.0
Plus500	872.4	-4.8	949.6	495.0
Provident Fin	434.7	-16.4	599.8	356.0
Quilter	153.7	-8.2	174.7	124.2
Rathbone Brothers	1714.0	-104.0	2540.0	1714.0
Schroders	2976.0	-125.0	3443.0	2541.0
TP ICAP	371.8	-17.0	417.5	270.0
GENERAL RETAILERS				
B&M	329.1	-4.5	420.9	315.0
Dixons Carphone	125.0	-5.5	152.4	104.9
Dunelm Gp	1123.0	-58.0	1404.0	730.5
Frasers Group	401.2	-43.8	518.0	214.0
Howden Joinery Gp	660.8	-16.8	732.6	478.8
Inchcape	562.5	-32.5	720.0	545.5
JD Sports Fashion	741.8	-42.0	881.4	464.5
Kingfisher	186.1	-10.3	266.2	185.9
Marks & Spencer	159.1	-12.9	290.1	159.1
Next	6216.0	-294.0	7340.0	5086.0
Pets at Home Gp	268.2	-13.8	314.6	140.0
Vivo Energy	100.4	-4.6	139.0	100.4
Watches of Switz	335.0	-14.0	392.8	270.0
WH Smith	2002.0	-118.0	2654.0	1896.0
HEALTH CARE EQUIPMENT & SERVICES				
Convatec	206.1	-2.3	220.4	132.6
Mediclinic Intl	355.7	-14.2	415.3	293.4
NMC Health	938.4	0.0	3000.0	700.0
Smith & Neph	1828.0	-11.5	1990.0	1439.0
UDG Hlthcare	704.5	-26.5	832.5	551.0
HOUSEHOLD GOODS				
Barratt Devel	768.8	-17.4	878.4	552.8
Bellway	3821.0	-205.0	4310.0	2698.0
Berkeley Grp Hldgs	4850.0	-190.0	5474.0	3437.0
Countryside Prop	475.0	-18.0	540.5	277.6
Crest Nicholson	453.0	-21.0	519.0	332.0
McCarthy & Stone	137.9	-8.5	158.8	123.5
Persimmon	2883.0	-195.0	3298.0	1836.0

MAIN CHANGES UK 350

Risers		%	Fallers		%
Hunting	331.00	13.2	Finablr	57.20	-18.0
Hikma Pharma	1910.00	4.6	WPP	761.60	-16.2
Vesuvius	423.40	3.0	G4S	164.60	-15.1
Rentokil Initial	504.00	1.7	Playtech	272.70	-11.2
Kainos Gp	772.00	1.6	Puretech	290.00	-10.8
RHI Magnesita	3052.00	1.5	Evraz	337.00	-10.5
Drax Gp	262.40	1.0	Bakkavor	112.00	-10.1
National Express	416.00	0.8	Frasers Group	401.20	-9.8
RSA Ins Gp	535.00	0.6	Aston Martin	355.80	-9.0
Sophos	575.00	0.4	Hammerson	207.90	-8.8

	Price	Chg	High	Low
Reckitt Benckiser	5841.0	-258.0	6688.0	5797.0
Redrow	756.0	-29.0	848.0	533.0
Taylor Wimpey	205.3	-7.1	236.2	142.9
Vistry Group	1296.0	-44.0	1478.0	975.0
INDUSTRIAL ENGINEERING				
Bodycote	781.0	-17.0	971.0	652.0
Hill & Smith	1368.0	-73.0	1510.0	1049.0
IMI	993.0	-29.5	1206.0	906.0
Melrose Ind	216.8	-9.2	248.5	160.7
RHI Magnesita	3052.0	46.0	5000.0	2984.0
Rotork	292.0	-5.3	341.2	269.8
Spirax-Sarco	8705.0	-340.0	9415.0	6760.0
Weir Gp	1365.0	-26.0	1814.0	1250.5
INDUSTRIAL METALS				
Evraz	337.0	-39.6	709.4	337.0
Ferrexpo	134.3	-4.2	301.3	123.0
INDUSTRIAL TRANSPORTATION				
Clarkson	2545.0	-110.0	3110.0	2200.0
Fisher (James)	1680.0	-134.0	2260.0	1680.0
Royal Mail	164.6	-6.3	283.2	164.6
Signature Avi	291.2	0.0	406.0	291.2
LEISURE GOODS				
Games Workshp	6380.0	-310.0	7350.0	2800.0
LIFE INSURANCE				
Aviva	364.7	-15.2	438.8	352.3
Legal & General	269.1	-19.6	318.4	216.7
Phoenix Gp	716.1	-30.1	803.0	634.2
Prudential	1327.5	-95.0	1790.0	1279.5
St James Place	1045.0	-38.5	1199.5	913.6
Std Life Aberdeen	284.9	-16.5	336.9	238.1
MEDIA				
4imprint	2840.0	-230.0	3500.0	2035.0
Ascential	344.2	-10.6	421.2	319.0
Auto Trader Gp	524.0	-16.4	607.6	469.1
Euromny Inst Inv	1036.0	-46.0	1498.0	1036.0
Future	1192.0	-42.0	1572.0	736.0
Informa	690.0	-33.0	892.0	690.0
ITV	119.0	-3.9	156.5	103.6
Moneysupermkt.com	309.8	-16.3	417.7	309.5
Pearson	569.4	-10.6	927.0	556.4
RELX	1946.0	-48.0	2099.0	1606.0
Rightmove Group	635.0	-19.2	701.2	471.9
WPP	761.6	-146.8	1077.5	761.6
MINING				
Anglo American	1850.8	-93.6	2266.0	1666.6
Antofagasta	786.0	-24.0	1022.5	779.6
BHP Group	1489.8	-68.4	2049.0	1489.8
Centamin	141.5	-4.2	153.2	79.8
Fresnillo	685.2	-23.2	921.2	539.6
Glencore	199.1	-9.2	340.3	199.1
Hochschild Mining	181.6	-5.0	227.0	152.0
Kaz Minerals	420.7	-16.2	738.4	380.3
Polymet Int	1294.5	-14.0	1345.0	772.6
Rio Tinto	3679.0	-233.5	4976.5	3679.0
MOBILE TELECOMMUNICATIONS				
Vodafone Gp	141.1	-5.2	165.2	123.3
NONLIFE INSURANCE				
Admiral Gp	2183.0	-56.0	2330.0	2014.0
Beazley	532.0	-22.0	628.0	504.5
Direct Line Ins	313.0	-8.7	366.5	270.5
Hastings Gp Hldgs	166.2	-6.3	231.6	166.2
Hiscox	1258.0	-42.0	1777.0	1213.0
Lancashire Hldgs	740.0	-35.0	807.0	640.5
RSA Ins Gp	535.0	3.0	597.0	501.6

	Price	Chg	High	Low
OIL & GAS PRODUCERS				
BP	414.1	-14.2	582.5	414.1
Cairn Energy	140.8	-9.4	213.8	140.8
Energean Oil & Gas	690.0	-33.0	1082.0	675.5
Premier Oil	84.8	-6.1	118.7	65.1
Royal Dutch Shell A	1731.6	-49.8	2612.0	1731.6
Royal Dutch Shell B	1732.4	-53.6	2622.0	1732.4
Tullow Oil	32.9	-2.6	250.0	32.9
OIL EQUIPMENT & SERVICES				
Hunting	331.0	38.6	657.0	290.8
Petrofac	331.0	-13.5	527.2	331.0
Wood Gp(J)	374.9	-23.7	598.6	319.6
PERSONAL GOODS				
Burberry Gp	1675.5	-76.0	2345.0	1675.5
PZ Cussons	181.6	-6.0	227.0	178.8
PHARMACEUTICALS & BIOTECHNOLOGY				
AstraZeneca	7142.0	-268.0	7878.0	5644.0
Dechra Pharma	2670.0	-88.0	3068.0	2348.0
Genus	3158.0	-52.0	3294.0	2178.0
GlaxoSmithKline	1629.8	-2.8	1846.0	1501.6
Hikma Pharma	1910.0	84.5	2200.0	1556.5
REAL ESTATE				
Assura	74.0	-3.9	83.5	56.7
Big Yellow Gp	1113.0	-47.0	1240.0	955.5
BMO Comm Prop	100.2	-3.4	124.2	100.2
British Land	505.6	-26.0	638.8	468.3
Captl & Count Prop	206.7	-14.8	270.5	184.8
CLS Hldgs	247.5	-15.5	312.5	212.0
Daejan Hldgs	8020.0	0.0	8020.0	4715.0
Derwent London	4014.0	-164.0	4282.0	2884.0
Grainger	311.6	-12.8	338.0	217.4
Grt Portland Est	884.2	-31.0	966.0	649.4
Hammerson	207.9	-20.1	388.4	203.9
Land Securities	863.6	-44.2	1001.5	735.4
LondonMetric Prop	212.6	-8.6	241.2	191.4
NewRiver Retail	164.0	-12.2	246.0	147.6
Primary Hlth Prop	148.6	-7.8	162.8	123.0
Safestore Hldgs	817.0	-25.0	867.0	586.0
Savills	1109.0	-57.0	1258.0	822.0
SEGRO	857.0	-25.0	935.0	653.8
Shaftesbury	818.5	-24.0	979.5	739.5
St Modwen Props	472.0	-12.5	530.0	373.0
TR Property IT	447.0	-25.0	497.5	377.0
Tritax Big Box	132.8	-6.5	159.7	132.8
UK Commercial Prop	81.6	-3.0	92.7	79.9
Unite Group	1200.0	-69.0	1339.0	896.5
Workspace Gp	1169.0	-75.0	1307.0	806.0
SOFTWARE & COMPUTER SERVICES				
Avast	389.0	-15.6	551.0	282.0
Aveva Gp	4442.0	-148.0	5315.0	2962.0
Computacenter	1665.0	-103.0	1920.0	1049.0
FDM Group	894.0	-49.0	1100.0	647.0
Kainos Gp	772.0	12.0	880.0	430.0
Micro Focus Intl	720.0	-52.0	2160.0	720.0
Playtech	272.7	-34.3	457.7	272.7
Sage Group	723.2	-15.8	820.4	655.0
Softcat	1057.0	-63.0	1260.0	746.0
Sophos	575.0	2.4	577.0	298.2
SUPPORT SERVICES				
Aggreko	685.6	-33.4	869.2	685.6
Ashtead Gp	2467.0	-118.0	2774.0	1805.5
Babcock Intl Grp	455.4	-17.8	646.6	416.7
Bunzl	1982.0	-26.0	2551.0	1911.5
Capita	135.2	-7.5	183.0	99.9
DCC	5594.0	-130.0	7496.0	5594.0
Diploma	1921.0	-45.0	2134.0	1342.0
Electrocomp	607.8	-31.2	729.8	540.8
Equiniti	200.4	-9.6	236.2	186.2
Essentra	348.0	-17.4	449.0	348.0
Experian	2669.0	-96.0	2898.0	1970.5
Ferguson	7060.0	-192.0	7602.0	4800.0
G4S	164.6	-29.2	234.3	164.6
Hays	140.9	-7.0	183.5	138.0
Homeserve	1202.0	-39.0	1340.0	966.5
Intertek Gp	5368.0	-212.0	6170.0	4643.0
IWG	384.0	-35.0	469.0	231.2
Network Int	546.0	-36.0	650.0	513.0
Pagegroup	401.4	-18.0	539.0	367.8
Paypoint	867.0	-38.0	1118.0	844.0
Rentokil Initial	504.0	8.4	508.4	345.2
Sanne Group	604.0	-22.0	752.0	498.0
Serco	152.0	-5.8	167.7	120.3
SIG	61.4	-3.8	153.0	61.4
Travis Perkins	1515.5	-62.0	1720.0	1166.0
TECHNOLOGY HARDWARE & EQUIPMENT				
Spirent Comms	218.0	-12.5	256.0	140.4
TOBACCO				
Br Am Tob	3162.5	-57.0	3507.0	2648.0
Imperial Brands	1646.2	-43.8	2648.5	1646.2
TRAVEL & LEISURE				
Carnival	2397.0	-173.0	4267.0	2397.0
Cineworld Group	150.7	-13.7	321.0	150.7
Compass Gp	1773.5	-62.0	2138.0	1682.5
Dominos Pizza	297.4	-16.5	326.4	221.2
easyJet	1110.0	-92.5	1552.0	854.8
EI Group	284.6	-0.2	285.0	194.0
FirstGroup	119.5	-4.7	137.5	89.6
Flutter Ent	8226.0	-600.0	9456.0	5525.0
Go-Ahead Gp	1957.0	-16.0	2278.0	1783.0
GVC Hldgs	812.8	-35.4	939.0	507.5
Intercontl Htls	4422.5	-115.5	5738.0	4422.5
Intl Cons Airl	515.4	-44.2	671.0	413.5
Just Eat Takeaway.com	6830.0	-335.0	8255.0	6830.0
Marstons	92.6	-5.3	131.4	92.6
Mitchells & Butlers	338.0	-28.5	470.5	238.0
National Express	416.0	3.4	476.0	387.4
PPHE Hotel Gp	1750.0	0.0	2140.0	1630.0
Rank Gp	281.0	-12.0	326.0	144.0
Restaurant Grp	106.0	-3.0	166.4	106.0
Stagecoach Gp	134.0	-1.5	167.0	115.5
Wetherspoon (JD)	1369.0	-40.0	1734.0	1269.0
Whitbread	4074.0	-151.0	5152.0	3988.0
William Hill	157.5	-14.5	205.2	132.3
Wizz Air Holdings	3494.0	-221.0	4496.0	2880.0
AIM 50				
Abcam	1160.0	-20.0	1500.0	1066.0
Advanced Medical	250.5	-7.5	354.5	225.0
Alliance Pharma	82.0	-0.8	87.5	63.0
ASOS	3063.0	-10.0	4066.0	2107.0
Blue Prism	1489.0	-7.0	1841.0	788.0
Camellia	8300.0	-300.0	11350.0	8300.0
Caretech Holdings	467.0	-6.0	502.0	325.0
Central Asia Metals	184.0	-11.2	266.5	180.0
Clinigen Group	718.0	-27.5	1069.0	718.0
CVS Group	1090.0	-5.0	1250.0	490.6
Dart Group	1229.0	-91.0	1943.0	709.5
Diversified Gas & Oil	85.4	-4.4	116.5	84.2
Draper Esprit	578.0	8.0	602.0	410.0
EMIS Group	1152.0	-28.0	1242.0	942.0
Fevertree Drinks	1314.5	-36.5	2475.0	1314.5
First Derivatives	2825.0	-75.0	3555.0	2100.0
Frontier Devs	1170.0	-40.0	1444.0	866.0
Gamma Comms	1195.0	-60.0	1460.0	830.0
GB Group	652.0	-11.0	800.0	464.0
Gooch & Housego	1240.0	-5.0	1527.5	954.0
Hurricane Energy	14.6	-0.9	53.6	14.6
Impax Asset Mgmt	365.0	7.5	405.0	209.0
Iomart Group	359.5	-8.5	405.0	316.5
IQE	48.0	-3.0	98.0	41.8
James Halstead	530.0	1.0	570.0	440.0
Johnson Service Gp	195.4	-8.6	223.0	128.0
Keywords Studios	1571.0	-119.0	1838.0	1052.0
Learning Tech Gp	144.4	3.2	172.2	63.7
M&C Saatchi	80.6	7.2	394.0	73.4
M.P. Evans	698.0	12.0	750.0	612.0
Majestic Wine	212.0	-5.0	318.0	210.0
Midwich Group	558.0	-4.0	633.0	474.5
Mortgage Advice B	742.0	-58.0	800.0	546.0
Next Fifteen Comm	483.0	1.5	658.0	465.0
Nichols	1310.0	-90.0	1880.0	1310.0
Numis Corporation	263.0	-13.5	306.0	212.0
Polar Capital Hdgs	500.0	0.0	604.0	490.0
Purplebricks Gp	92.9	-7.3	132.0	92.9
Renew Holdings	512.0	-8.0	568.0	360.0
RWS Holdings	561.0	-1.0	670.0	473.5
Scapa Group	175.0	-11.0	403.0	157.0
Secure Income REIT	439.0	-10.0	473.0	394.0
Serica Energy	98.0	-8.0	143.4	98.0
Smart Metering Sys	488.2	-11.0	634.0	310.0
Telford Homes	349.5	0.0	358.0	267.0
Thorpe (F.W.)	311.0	-4.0	359.0	267.0
Watkin Jones	263.5	-8.5	286.0	199.6
Young's Brew NV	1225.0	-15.0	1310.0	1030.0
Young's Brew-A	1620.0	0.0	1885.0	1530.0

EU SHARES

	Price	Chg	High	Low
ADIDAS	257.90	-3.10	316.05	204.80
AIR LIQUIDE	127.80	-3.85	140.30	109.90
ALLIANZ AG	205.80	-8.25	232.20	195.88
AMADEUS IT GROUP	61.48	-2.62	78.60	42.30
ANHEUSER BUSCH INBEV	55.10	-6.79	92.71	61.89
ASML HOLDING NV	255.85	-11.75	292.95	158.30
AXA	21.86	-0.70	25.50	20.78
BANCO SANTANDER	3.42	-0.13	4.10	3.40
BASF	56.33	-0.67	74.49	56.20
BAYER AG	67.41	-2.05	78.06	52.53
BBVA	4.55	-0.19	5.69	4.21
BMW	59.95	-1.24	77.75	58.70
BNP PARIBAS	45.38	-2.83	54.18	39.32
CRH	31.56	-1.51	36.50	26.70
DAIMLER	39.05	-0.72	59.31	39.55
DANONE	65.40	-2.54	82.00	65.88
DEUTSCHE POST AG	28.75	-0.81	34.91	26.38
DEUTSCHE TELEKOM	15.41	-0.25	16.61	14.45
ENEL	7.92	-0.04	8.57	5.30
ENGIE	16.00	0.36	16.64	12.45
ENI	11.76	-0.31	15.94	11.98
ESSILORLUXOTTICA	128.75	0.00	128.75	128.75
FRESENIUS MEDICAL CARE	70.84	-0.60	77.66	57.92
IBERDROLA	10.77	-0.43	11.22	6.02
INDITEX	28.10	-1.15	32.37	2.55
ING GROEP NV	8.83	-0.34	12.05	8.34
INTESA SANPAOLO	2.29	-0.09	2.60	1.83
KERING	511.70	-18.30	610.20	425.05
KON KPN NV	2.30	-0.10	2.96	2.41
L'OREAL	246.60	-7.40	275.30	223.20
LVMH MOET HENNESSY	369.85	-15.40	439.05	305.80
MUENCHENER RUECKVE	247.30	-6.60	282.50	207.50
NOKIA	21.88	0.00	21.88	21.88
ORANGE	12.73	-0.18	15.01	12.61
ROYAL PHILIPS	39.31	-1.17	45.61	34.90
SAFRAN	129.65	-2.65	150.25	116.90
SANOFI	88.44	-2.46	94.00	72.24
SAP SE	115.80	-1.94	129.36	94.68
SCHNEIDER ELECTRIC	93.74	-3.36	102.90	67.60
SIEMENS AG	97.19	-0.81	119.90	85.00
SOCIETE GENERALE	26.72	-1.84	31.93	21.13
TELEFONICA SA	5.70	-0.14	9.18	5.82
TOTAL	39.68	-1.36	52.27	41.05
UNILEVER NV	49.87	-1.29	57.56	47.05
VINCI	95.54	-2.08	106.75	83.56
VIVENDI	24.13	-0.77	26.42	23.40
VOLKSWAGEN AG	149.26	-5.34	185.52	138.16

CRYPTO A.M. DAILY POWERED BY BEQUANT

CRYPTOCURRENCIES

Name	Price (USDT)	(24h)
Bitcoin (BTC)	$ 8,846.90	-2.51%
Ethereum (ETH)	$ 230.21	-0.73%
Ripple (XRP)	$ 0.24	1.14%
Bitcoin Cash (BCH)	$ 325.05	1.48%
Litecoin (LTC)	$ 62.32	-3.05%
EOS.IO (EOS)	$ 3.65	-4.17%
Bitcoin SV (BSV)	$ 227.97	-2.69%
TRON (TRON)	$ 0.02	0.77%
NEO (NEO)	$ 11.27	-0.36%
Cardano (ADA)	$ 0.05	1.72%
CryptoCompare Large Cap Index		2.00%
CryptoCompare Small Cap Index		6.00%

Market	$252,356,192,669
Bitcoin Volatility	-0.50%
Bitcoin Volume on BEQUANT Exchange (USDT)	452,813,015

Sources: Bequant.io, CryptoCompare.com
Prices and data are correct as of 15:00, 27.02.2020
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 started the day broadly lower after the sell off during the previous session saw Bitcoin (BTC) break below its 50-day moving average (DMA), as well as the key 200DMA level before settling down.

The magnitude of the sell off has been such that heading into the closing stage of February, Bitcoin is down around 6% month-to-date. Still, in spite of the broad-based selling this month, Ethereum (ETH), which has also been under pressure amid the latest development in the DeFi market, together with the core dev team announcing plans relating to ProgPOW, the second largest crypto asset is up 20% this month alone.

With the month of February coming to an end, the market is about to enter a very critical juncture, with Bitcoin Cash (BCH) undergoing scheduled block reward halving in early April, followed by Bitcoin SV (BSV) and then Bitcoin (BTC) in mid-May.

Given the unsynchronised nature of block reward halving by the aforementioned assets creates an arbitrage opportunity of a lifetime for the mining community. Dubbed "hashrate flippening", is a temporary phenomenon whereby miners switch from an asset that is yielding lower rewards to a more competitive chain.

COMMODITIES

Gold	1652.85	+17.37
Silver (Pence)	1807.50	-25.50
Silver (Cents)	1397.00	-43.00
Krugerrand	1669.67	+12.20
Brent Crude	53.43	-1.52
Platinum	919.00	-41.00
British Sovereign	389.28	+4.39
Lead Cash Official	1869.75	-51.75
Copper Cash Official	5613.75	-49.50
Aluminium Cash Official	1676.25	-7.75
Nickel Cash Official	12285.00	-252.50
Aluminium Alloy Cash Official	1355.00	+5.00
Natural Gas	23.06	+0.52
Tin Cash Official	16565.00	-72.50
Zinc Cash Official	2013.50	-24.00
White Sugar	405.80	-6.90

TOURIST RATES

Canada	1.641
Croatia	8.9753
Czech Republic	27.58
Denmark	8.41
Hong Kong	9.5564
Iceland	145.89
India	81.52
Israel	3.9952
New Zealand	1.9083
Norway	11.57
Poland	4.4927
Singapore	1.6814
Sweden	11.96
Switzerland	1.1982
Turkey	7.7579
United States	1.2333

WORLD INDICIES

	Price	Chg	%Chg
FTSE 100	6796.40	-246.07	-3.49
FTSE 250	19783.45	-839.50	-4.07
FTSE All-Share	3787.97	-140.03	-3.56
FTSE AIM All-Share	886.96	-24.20	-2.66
S&P 500	2978.76	-137.63	-4.78
Dow Jones I.A.	25766.64	-1190.95	-4.42
Nasdaq Composite	8566.48	-414.30	-4.61
Xetra DAX	12367.46	-407.42	-3.19
CAC 40	5495.60	-188.95	-3.32
Swiss Market Index	10205.46	-306.69	-2.92
ISEQ Overall Index	6569.60	-262.51	-3.84
FTSEurofirst 300	1519.76	-57.27	-3.63
Hang Seng	26778.62	+82.13	+0.31
Nikkei	21948.23	-477.96	-2.13
STI Index	3111.70	-5.82	-0.19
ASX All Ordinaries	6737.40	-53.30	-0.78

US SHARES

	Price	Chg	High	Low
3M	150.16	1.20	219.50	146.85
ABBOTT LABORATORIES	79.19	-2.17	91.86	72.88
ADOBE INC	337.52	-13.82	383.28	254.74
ALPHABET INC VTG-C	1318.09	-75.09	1526.69	1036.23
ALPHABET-A	1314.95	-75.52	1524.87	1116.79
AMAZON.COM	1884.30	-95.29	2170.22	1620.80
AMERICAN EXPRESS	112.81	-5.69	136.93	106.94
APPLE INC	273.52	-19.13	327.20	172.50
AT&T	35.73	-1.37	39.63	29.81
BANK OF AMERICA	29.13	-1.50	35.64	26.25
BERKSHIRE HATHAWAY	207.67	-8.39	230.20	195.81
BOEING CO	287.76	-17.83	432.69	304.14
CATERPILLAR INC	123.27	-4.98	150.53	113.38
CHEVRON	94.13	-3.91	126.54	98.04
CISCO SYSTEMS	40.04	-2.12	58.05	42.16
CITIGROUP	64.45	-3.73	81.91	60.33
COCA-COLA CO	54.93	-2.67	60.13	44.69
COMCAST	41.05	-1.17	47.50	38.19
DOW	39.55	-3.50	66.65	40.71
EBAY INC	35.04	-1.65	41.57	33.56
EXXON MOBIL	49.82	-3.19	83.38	53.01
FACEBOOK	189.75	-7.45	223.23	174.60
GOLDMAN SACHS GROUP	205.69	-10.09	249.72	182.49
HOME DEPOT INC	224.73	-10.55	247.02	181.14
HONEYWELL INTERNATIONAL	159.55	-7.63	183.23	151.59
IBM	133.11	-6.64	156.76	126.99
INTEL	55.83	-3.82	68.47	43.46
JOHNSON & JOHNSON	139.12	-4.56	153.99	126.95
JPMORGAN CHASE & CO	121.37	-5.27	141.09	98.93
MASTERCARD INC	285.82	-12.22	344.56	221.87
MCDONALD'S	201.00	-9.10	221.15	179.50
MEDTRONIC	100.98	-5.17	121.30	84.15
MERCK & CO	78.08	-1.86	92.04	73.19
MICROSOFT	158.18	-11.99	188.70	110.39
NETFLIX	371.71	-7.53	387.78	254.59
NIKE INC	88.55	-3.45	104.58	77.14
ORACLE	50.78	-1.27	60.15	50.24
PAYPAL HOLDINGS	107.84	-1.27	123.91	96.64
PEPSICO	136.37	-5.61	146.99	118.61
PFIZER INC	34.10	-0.62	44.40	33.93
PROCTER & GAMBLE	113.50	-6.66	127.14	98.41
TRAVELERS COMPANIES	124.08	-4.48	154.83	128.56
TWITTER	33.01	-1.62	45.42	28.89
UNITED HEALTH GROUP	253.92	-9.08	305.31	215.26
UNITED TECHNOLOGIES	132.18	-6.20	156.83	122.94
VERIZON COMMUNICATIONS	55.06	-2.08	62.07	54.35
VISA	180.01	-7.20	213.31	168.86
WALGREENS BOOTS ALLIANCE	46.24	-1.43	76.05	47.51
WALMART	110.40	-3.38	121.28	96.94
WALT DISNEY CO	118.04	-5.32	151.64	107.79
WELLS FARGO & CO	42.47	-1.67	54.46	43.38

OFFICE POLITICS

Going public is now a political minefield

How did a recent float in Qatar become a target in a much wider regional dispute?

Patrick Forbes

BUSINESS is becoming more politicised. Rising nationalism, activism, and international conflicts — most notably between the US and China — have all contributed. This is making standard business transactions far more complex.

Take the case of an initial public offering (IPO). It used to be that going public was relatively simple. Now business leaders must deal with wider geopolitical disputes as well as the more traditional backroom politics. Enemy fire can come from all angles.

And when attacks are launched, they are far more sophisticated than ever before: think Twitter bots, social media campaigns, and underhand tactics carried out by proxies.

This was certainly the case with Baladna, a dairy and beverage producer in the Gulf, which has just completed a successful IPO.

Baladna announced its intention to float on the Qatar Stock Exchange against the backdrop of a blockade of Qatar by four of its neighbours: Saudi Arabia, United Arab Emirates, Egypt and Bahrain.

The blockade, initiated in 2017, is designed to squeeze Qatar into making unwanted foreign-policy concessions. Before then, Qatar had been importing roughly 90 per cent of its dairy products. The sudden block forced an immediate shortage — compelling the government to fly in food from Turkey, Iran and Europe.

With government support, the owners of Baladna recognised an opportunity to make Qatar self-sufficient in dairy. In just 18 months, the business transformed from a small goat farm to a major, modern, industrial producer. Dramatic photos appeared of thousands of cows being flown in by Qatar Airways to beat the illegal blockade.

But the flying cows, alongside Baladna's growth towards IPO, were seen elsewhere as symbolic of Qatar's ongoing refusal to submit to coercion. Baladna became a political target. The nascent offering was ruthlessly attacked through the media.

As capital markets become increasingly complex, will we see further politicised IPOs?

What were these attacks? Twitter bots undermined the equity story with fake news. A vexatious court claim in the UK was timed to coincide with the subscription period opening. Malicious changes were made to the company Wikipedia page.

In addition, there were anti-Qatar attacks by Emirati- and Saudi-owned media. Taken together, the attacks pointed to a heavily funded effort to stop the IPO in its tracks.

To counter them, Portland ran an integrated marketing campaign, aimed primarily at Qatari retail and institutional investors, with a secondary audience of international investors.

Locally, we built support by invoking patriotic emotions and utilising Qatar's extraordinarily high mobile phone penetration. Internationally, we established visibility and credibility — in part by giving global news organisations the unmissable images of flying cows.

Everything we did was grounded in a plan to help the comms strategy remain rock-solid throughout. Our guiding principles were to ignore the noise coming from detractors, work with credible international media, and to play by the rules.

At the end of the allotted period, the Baladna IPO was over-subscribed — 20 per cent of the entire Qatari population acquired 52 per cent of the company. Strategic investors protecting Qatar's national food security acquired 23 per cent of the shares, while the company founders retained their original 25 per cent.

Now with a herd numbering just under 20,000 and serviced by state-of-the-art technology, Baladna can produce 95 per cent of Qatar's dairy needs and is a national success story.

The detractors were headed off. I fear, however, that we will see further highly politicised IPOs as capital markets become increasingly complex.

Patrick Forbes is a partner at Portland Communications.

INVEST MORE EASILY

Robinhood
Free

It has already shaken up the US market — now it's coming for the UK. Robinhood, the carefully targeted, millennial-friendly investment app, allows users to back stocks with just a few taps on a screen. With zero commission on trades, it joins rivals such as Freetrade in the UK market.

COFFEE BREAK

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SUDOKU

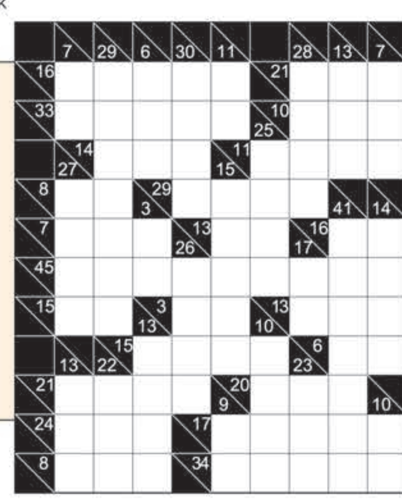
Place the numbers from 1 to 9 in each empty cell so that each row, each column and each 3x3 block contains all the numbers from 1 to 9 to solve this tricky Sudoku puzzle.

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

KAKURO

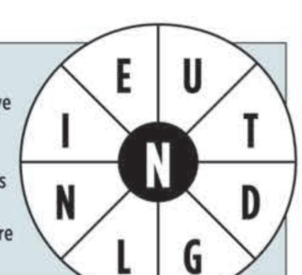
Fill the grid so that each block adds up to the total in the box above or to the left of it.

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

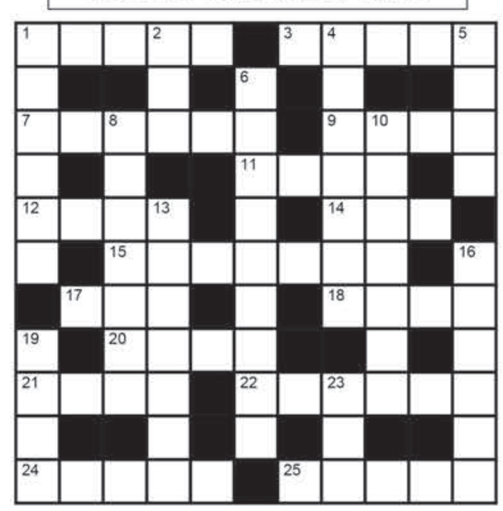


WORDWHEEL

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



QUICK CROSSWORD



ACROSS

1 Car wheel immobilising device (5)
3 Fastener with a threaded shank (5)
7 Clatter (6)
9 Fork prong (4)
11 Waterproof coats of rubberised fabric (abbr) (4)
12 Period preceding Easter (4)
14 Area for pans on a cooker (3)
15 Wither, especially due to loss of moisture (7)
17 Cone-bearing tree (3)
18 Uncommon (4)
20 Consignment (4)
21 Blatant (4)
22 Word famously uttered by Archimedes (6)
24 Clamorous (5)
25 Home of a beaver (5)

DOWN

1 In an abrupt manner (6)
2 Got together (3)
4 Baseball fielder positioned behind the batter (7)
5 Unwanted plant (4)
6 What is left (9)
8 Able to be stretched or drawn out (7)
10 Set apart from others (7)
13 Multitudes (7)
16 Act well or properly (6)
19 King of England (1199–1216) (4)
23 17th letter of the Greek alphabet (3)

LAST ISSUE'S SOLUTIONS

QUICK CROSSWORD

H	O	R	S	E		A	S	H	E	S
A			E			C		U		T
I	R	A	Q	I		T	I	B	I	A
T			U		Q		N			L
I	R	R	E	P	A	R	A	B	L	E
	O		S		T		N		I	
N	E	U	T	R	A	L	I	S	E	D
E			E		R		M			A
A	W	A	R	E		H	A	N	O	I
R		G		Y			T			R
S	C	O	R	E		B	E	T	T	Y

KAKURO

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

SUDOKU

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

WORDWHEEL

The nine-letter word was DIVERSIFY

HOTPROPERTY

ALL YOU NEED TO KNOW ABOUT THE LONDON PROPERTY MARKET

Edited by **Helen Crane**

FOCUS ON
ISLE OF DOGS

There are two questions that residents of the Isle of Dogs are often asked. First, why is it called the Isle of Dogs? The boring explanation is that it's a corruption of a more sensible water-related name like the Isle of Ducks. The grim one is that it was so called because of the sheer volume of dead dogs that once washed up there. Probably the most plausible is that Edward III, who hunted in Greenwich Park across the river, kept his greyhounds there.

The second question: is it actually an island? No – it's a peninsula, bounded on three sides by the deepest bend in the Thames, but attached to Canary Wharf and Poplar to the North.

The former heart of London's Docklands was historically a bit isolated – before the arrival of the Jubilee Line in 1999 it was only accessible by DLR, and pre-1987 only by bus – but that's slowly starting to change as more housing and amenities spring up.

"The Isle of Dogs is having a renaissance," says James Hyman, head of residential at Cluttons. "People are waking up to it representing value for money in a housing market which is mainly being driven by affordability."

It now finds itself slap bang in the middle of three regeneration hotspots: London City Island to the East, Wood Wharf to the North and Greenwich Peninsula to the South. Ambassadors for 'The Island' (as it's known by locals) are set to grow in number too, thanks to a slew of big new developments which will bring thousands of new residents there.

The controversial £1bn Westferry Printworks, a former printing press owned by newspaper tycoon Richard Desmond, is about to be turned into 1,524 flats, having been given the green light in January after years of planning back-and-forth. And another scheme, Landmark Pinnacle, will be Europe's tallest residential tower at a whopping 230 metres when it completes later this year. Apartments are still available there, with studios starting at £597,000.

CONDENSE YOUR COMMUTE

The average house price on the Isle of Dogs falls somewhere in between these shiny new-builds and the late 20th century housing stock that dominates the rest of the island, most of which was built after the docks were closed down in the early 1980s.

It currently sits at £481,830 according to Hamptons International: a 5.6 per cent drop year on year, and a modest 10 per cent increase in the last five. Prices are just above the London average, but could prove good value for City commuters.

"The Isle of Dogs is 33 per cent cheaper than Canary Wharf itself, but it's within walking distance," Hyman adds. It is also less than 20 minutes into Bank on the DLR, and Canary Wharf tube will also get you to Bond Street in 17 minutes.

Although its social scene leaves a little to be desired, the Isle of Dogs could be a savvy first step on the ladder for a young City professional, and according to Hamptons International one third of buyers in 2019 were first-timers. But it also suits City couples looking for their first family home. The average house will set you back £673,000 according to Hamptons International.

"Demand has shifted towards houses recently," says Lee O'Neill, partner and head of Knight Frank's Canary Wharf office. "While these buyers still need to live close to work, they are thinking longer-term and prioritising things like outdoor space."

Period properties were mostly knocked down as part of the dock clearance, but the great thing about living on a peninsula is there is no shortage of river frontage.

"The river-fronted townhouses of Mariners Mews and Quadrant Walk achieve top prices, with buyers prepared to pay a premium for the waterside position," says Frances Clacy, research analyst at Savills.

Its name and location might still bemuse the average Londoner – but the end of the The Island's dog days seems to be in sight.

AREA GUIDE

HOUSE PRICES *Source: Zoopla*

DETACHED	SEMI	TERRACED	FLATS
£753,500	£713,688	£677,352	£489,964

TRANSPORT *Source: TfL*

Time to Canary Wharf	**4 mins**
Time to Liverpool Street	**22 mins**
Nearest tube station	**Crossharbour DLR**

BEST ROADS *Source: Banda Property*

Most Expensive	**Mariners Mews**	**£1m**
Highest Turnover	**Crossharbour Plaza**	

AVERAGE RENT

£2,831pcm for a two bed flat

Area highlights

The Isle of Dogs acts as the back garden to the temple of steel and glass that is Canary Wharf, and has plenty to offer outdoorsy types. Walk along the river for views of maritime Greenwich, or pop under it and out the other side using the **Greenwich Foot Tunnel**. If you want to actually get *in* the water, **Docklands Sailing and Watersports Centre** has got you covered with courses in sailing, powerboating, canoeing and windsurfing. Sheep, llamas and turkeys are among the residents at **Mudchute Park and Farm,** which is one of the largest city farms in Europe and free to enter. Once you've had your fill of fresh air, catch some fringe theatre at converted church **The Space** – you might even run into Sir Ian McKellen, who is the venue's principal patron. Above the theatre is **Hubbub**, the cafe-bar where you'll find the best brunch on the island proper. For drinks, try **The Ship** which does a cracking stonebaked pizza, or **Mthr**, the newly-opened 20th floor restaurant and cocktail lounge with views across London.

GOING OUT

EDITED BY STEVE DINNEEN *@steve_dinneen*

FILM OF THE WEEK: A SLICK SPIN ON A CLASSIC YARN

RECOMMENDED

THE INVISIBLE MAN (15)

DIR. LEIGH WHANNELL

BY STEVE DINNEEN

It is absurd to think The Invisible Man was conceived as a foundational part of a 'Classic Monsters' shared universe, the beginning of a franchise that might sit alongside Marvel's Cinematic Universe. The project was unveiled with a now-infamous, heavily photoshopped picture of celebrities including Johnny Depp, Russell Crowe and Tom Cruise, who were to somehow knit together characters as disparate as The Mummy, Dr Jekyll and The Bride of Frankenstein (the actor who was to play The Invisible Man was absent from the picture, but that should hardly come as a surprise).

The idea – a bad idea, to be clear – was dropped. And thank goodness, because The Invisible Man we ended up with is an excellent self-contained movie. It's a lesson in restraint, in the power of slow-burn horror. And make no mistake, The Invisible Man is straight-up *horror*, a 21st century ghost story directed by Saw and Insidious writer Leigh Whannell.

From the opening credits, you can sense this might be something special, with waves crashing over jagged rocks to reveal the film's 'invisible' title cards. The camera tracks up to show not a dusty Victorian mansion, but a gleaming modernist apartment hewn from concrete and glass. The titular antagonist is a new breed of mad scientist, a tech mogul who made his billions in Silicon Valley developing cutting-edge optical equipment, including an invisibility suit.

Whannell is a master at imbuing everyday scenes with heavy dread. Doors drift open by themselves. Floorboards creek ominously. It plays on the same subversion of domestic safety that makes films like Paranormal Activity so frightening. In one scene the camera lingers over a leather chair upon which you can see the faintest impression of a pair of bum cheeks. Is the invisible man sitting there? Or is he in the corner? Or behind you?

This isn't just a modern twist on the haunted house movie, though – it's also a raw psychodrama about a powerful man's mental and physical hold over a vulnerable woman.

The tense opening scene sees Cecilia (Elizabeth Moss) enacting a long-planned escape from the cliff-top house that has essentially become a stylish prison. She's still in the throes of PTSD when she's informed her abuser has killed himself, leaving her – and us – to wonder if the creepy things she subsequently experiences are all in her mind, or if her ex has found a new way to torment her. The man may be invisible, but you can see his gaslight a mile off.

At the centre of it all is an exceptional performance from Moss, who really sells the maddening impotence of her situation. Whannell keeps her in frame for virtually the entire film, filling the screen with close-ups of her increasingly mottled face, forcing us to reckon with her pain.

Studios take note: *this* is how you adapt a classic horror story for a modern audience: no need to messy the place up with an entire toy box worth of ghosts and ghouls.

COLOUR OUT OF SPACE (15)

DIR. RICHARD STANLEY

BY JAMES LUXFORD

In these uncertain times, it's comforting to know some things can still be relied upon – in this case Nicolas Cage's ability to one-up his own bonkers persona.

Based on the HP Lovecraft novel of the same name and directed by Richard Stanley, the man who got fired from 90s car-crash The Island of Dr Moreau, Cage is utterly off the leash as the father of a family who become possessed by a mysterious pink mist emitting from a meteor that's crashed in their garden.

There are too many ridiculous moments to list in this montage of madness, but it's safe to say that by the time Cage demonstrates how to properly milk an alpaca, you know you're not in Kansas anymore.

Stanley creates some wonderful visuals, capturing the fantastical elements of the plot in a way that never feels cheap. It's thoroughly entertaining, provided you arrive with the right mindset, although a series of bizarre twists do somewhat overshadow the artistry. It's a baffling genre flick, one for those in need of their annual dose of Cage Rage.

RECOMMENDED

DARK WATERS (12A)

DIR. TODD HAYNES

BY STEVE HOGARTY

Dark Waters is a frustrating watch. Todd Haynes' gripping thriller tells the true story of a Virginia lawyer taking on the makers of Teflon, who over several decades dumped vast quantities of a dangerous chemical into rivers and landfill, poisoning an entire town with the toxic byproduct of producing non-stick frying pans.

Mark Ruffalo plays the underdog in this unhurried David versus Goliath procedural, in which a powerful institution deploys legal contortionism to avoid responsibility in the face of mounting evidence. Birth defects are covered up, cigarettes are laced with chemicals to test their effects on unwitting factory workers. It is utterly monstrous, and all the more horrific for somehow only occupying the periphery of public consciousness today.

Dark Waters is a portrait of the system defending itself, of a corporate monolith operating outside of the law. At the end, a note that the chemical can be detected in 99 per cent of humans is a cruel twist of the knife. A high price to pay for decent fried eggs.

DOWNHILL (15)

DIR. NAT FAXON AND JIM RASH

BY JAMES LUXFORD

This remake of European drama Force Majeure stars Will Ferrell as a man whose relationship with his wife (Julia Louis-Dreyfus) disintegrates after he ditches her and their kids to escape an oncoming avalanche.

The original film was a profound look at the questions we'd rather not ask ourselves. The American version retains none of these probing sensibilities, instead languishing in stiff exchanges that collectively amount to an incredibly tedious film.

Too often the film hovers in place, focusing on mundane subjects that are relatable but not particularly interesting. Ferrell and Dreyfus try to navigate the many narrative holes, one of the biggest being that Ferrell's character is overly sympathetic, and by reflection paints Dreyfus as cold. Prior to the 'incident' she resents her husband, and post-avalanche she seems almost vindictive.

Instead of awkwardly funny, Downhill is just awkward, a remake that gets lost in translation, one to add to the large pile of Hollywood's failed attempts to improve on foreign masterpieces.

ART

DAVID HOCKNEY: DRAWING FROM LIFE
NATIONAL PORTRAIT GALLERY
BY POPPY WOOD

David Hockney's latest exhibition, Drawing from Life at the National Portrait Gallery, claims to be a major retrospective of the veteran artist's work. Let's just say at the outset: there's nothing major about this exhibition.

Drawing from Life's teaser is the lure of previously unseen works, notably a large double portrait (triple if you include Hockney's reflection in the mirror) of his parents. My Parents and Myself feels itchingly familiar; in fact, it's a stuffed-away sketch of the more famous – and dare I say, much better – My Parents, which hangs in the Tate. It's almost there, but something about the painting's looseness leaves you wanting.

This feeling sets a precedent for the rest of the exhibition, featuring over 150 drawings made throughout Hockney's life, from his youth in Bradford right up to the present day in LA and Normandy, between which the 82-year-old splits his time. This is a survey of the man's life, his shifting styles, and his lifelong friendships. But it is not his best work.

Hockney is best known for his depictions of glamour and the vibrancy of LA life. Other than glimpses of muse Celia Birtwell's 70s chiffon here and there, this is nowhere to be seen.

The best bits are where Hockney pays homage to his artistic heroes. Indeed, this exhibition is as much about Picasso and Rembrandt as it is Hockney. He borrows Rembrandt's walnut brown ink to paint some rather tender portraits of his mother, and his two etches The Student and Artist and Model, that fall just short of deifying Picasso, are Hockney in his element.

There are moments of brilliance in this exhibition, but as a retrospective of Hockney's prolific career, it feels slightly cobbled together. Drawing from Life might be testament to Hockney's capability as a draughtsman, but overall it is in need of a slightly bigger splash.

KIMONO: KYOTO TO CATWALK
V&A

Continuing in the vein of its blockbuster David Bowie and Alexander McQueen exhibitions, the V&A explores the allure Japanese traditional dress has long held over the western fashion world. We see flowing, patterned kimonos worn by everyone from Freddie Mercury to Obi-Wan Kenobi, David Bowie to Edo-era aristocrats, variously representing otherness, gender fluidity, and class. It's another hit, guaranteed to sell out for months to come.

THEATRE

RECOMMENDED

A NUMBER
BRIDGE THEATRE
BY STEVE DINNEEN

A second Caryl Churchill play opens in as many weeks, with the Donmar's production of political dystopia Far Away followed by this sci-fi drama, which somehow condenses more than 2,000 years of ontological philosophy into a razor-sharp 60 minutes.

The two-man production opens with a father and son (Roger Allam and Colin Morgan, respectively) embroiled in a heated debate. The father, Salter, is furious that a medical institution appears to have surreptitiously cloned his son, and that "a number" of others are now wandering the country, each believing himself to be "the one".

There's an absurd humour to Salter's attempts to put a monetary value on the situation, settling on £500,000 per clone as suitable compensation. "They've weakened your identity... The value of you!" As their conversation continues, however, holes start to appear in Salter's story, especially regarding his motivation for cloning his son in the first place.

Churchill's play is remarkable in the way it so gracefully touches upon the great philosophical questions without ever feeling didactic. A Number is no cold thought experiment, but a quiet rumination on human nature – our desire to be unique, for our lives to have meaning, for our imperfect minds and bodies to somehow achieve perfect ends. It's warm and often funny – helped by Allam's talent for awkward humour – but leaves you uncomfortable as you exit the theatre.

It's also well adapted, with director Polly Findlay embellishing little, allowing Churchill's precise prose to do the heavy lifting. It all takes place in an aggressively ordinary living room, which we see from various angles as the action unfolds. It's the kind of room you forget even as you're looking at it, which makes it the ideal backdrop for a play that asks whether we're really as unique as we think.

Between scenes we see Salter pacing around this sad little house, can of coke in hand, staring into the middle-distance. These melancholy interludes say as much as an hour's worth of dialogue, a lesson to young playwrights that brevity is a virtue.

THE PUNTER

RACING TRADER

Theatre and Ball the acts to back on Newbury stage

Bill Esdaile previews tomorrow's Greatwood Charity Raceday at Newbury

WITH less than two weeks until the start of the Cheltenham Festival, there are not many more chances to boost the betting coffers.

Newbury's Greatwood Charity Raceday is always very popular as it raises money for one of racing's most important charities.

And some of the horses running in the Greatwood Veterans' Handicap Chase (2.05pm) may well be taking advantage of the charity's services over the next few years.

It has been a long time between drinks for Colin Tizzard's 13-year-old **THEATRE GUIDE**, but I'm hoping he can get his head in front tomorrow for the first time since December 2016.

Theatre Guide (left) couldn't hold on after a mistake in the 2019 Greatwood Gold Cup

He has hit the crossbar a few times since then, none more so than when 10 lengths clear coming to the last in this race 12 months ago before making a juddering error and losing all momentum.

Heartbreakingly reeled in late on by Carole's Destrier, his backers – and this very correspondent who tipped him at 12/1 – were left with heads in hands.

He surely would have won without that mistake and after a decent effort at Sandown last time, and just a 1lb higher mark than last year, I'm going in again at 10/1.

Paul Nicholls has farmed the Greatwood Gold Cup (3.15pm), winning it an amazing nine times, but I'm opposing his three runners with Philip Hobbs' **GALA BALL** at 12/1 with Ladbrokes.

The 10-year-old has only finished outside the first two once in seven starts at Newbury, loves soft ground and has the services of returning champion jockey Richard Johnson.

POINTERS		TOMORROW
Theatre Guide e/w	2.05pm	Newbury
Gala Ball e/w	3.15pm	Newbury

David Pipe looks ahead to his runners at Newbury and Doncaster

David Pipe

WE'RE very close to Cheltenham now and it's a stressful time for us trainers.

If the phone goes when I'm at the races and it's the head lad, my heart sinks.

It's also the time of year you take a deep breath every time you walk into the yard.

Touch wood everything is on track and we'll go to the Festival with six or seven live chances.

Looking at more immediate matters, **BRINKLEY** has his first start for us today in the novices' hurdle (3.50pm) at Newbury.

It's a hot race, with Nicky's [Henderson] runner, It Sure Is, looking the one to beat.

He's come to us from Ireland where he was third in a good race at Punchestown.

That form looks pretty solid and he'll appreciate both the soft ground and 2m4f trip.

Onto tomorrow's action, we plan to send **KEPAGGE** to Doncaster for the novices' hurdle (4.10pm).

He won a Chepstow bumper and then still got the job done at Leicester despite trying his best to get rid of Tom [Scudamore].

He's had a break since and this looks a good opportunity.

We may also have **REMASTERED** in the handicap hurdle (1.50pm), though I'm yet to have made up my mind.

He was disappointing when pulled up last time at Sandown and we know he's better than that.

We're likely to leave the hood off this time and hopefully he can shape a bit better.

Over at Newbury, the plan is to run **DELL' ARCA** in the seniors' handicap hurdle (1.30pm).

He's in the veterans' chase (2.05pm) too but we're likely to go down the hurdle route.

He goes well at Newbury, the soft ground will suit and Fergus Gillard, who finished third on him last time, takes off a valuable 7lbs.

in association with Ladbrokes

Ireland could learn from French method

RUGBY COMMENT

Ollie Phillips

WATCHING last weekend's Six Nations games I was struck by a huge contrast between two of the teams on display.

Once again France provided the highlight of the weekend, beating Wales 27-23 in a thrilling contest in Cardiff which kept the youthful visitors' Grand Slam hopes alive. On Sunday it was a different story, as a sloppy Ireland were beaten 24-12 by England.

France have been a delight to watch in their three games and their renaissance can only be seen as a positive thing for the Six Nations. Their new defence coach Shaun Edwards has rightly received plaudits for the way he's improved the side, but it is their attacking which has stood out.

Credit must go to head coach Fabien Galthie, who has been brave enough to wipe the slate clean and refresh the side through the addition of exciting young players. Their No9-No10 axis has been exceptional, with Antoine Dupont and Romain Ntamack at the heart of all of their inventive attacking play. Both are exceptional talents and I'm sure they have bright futures.

Ntamack, 20, has been sensational for France

It is true that, having underperformed for so long and not won the Six Nations for 10 years, Galthie's side have not been weighed down by the burden of expectation, and also that they have been blessed by good fortune in games, but the turnaround is still impressive. Their achievements are enhanced when you look at Ireland, who have chosen to stick instead of twist under Andy Farrell.

Farrell took over from Joe Schmidt after the World Cup and, having come from inside the set-up, he has gone with continuity. That approach was undone in brutal fashion in the first half at Twickenham, where Farrell's faith in the old guard appeared flawed. I am a huge fan of both Conor Murray and Johnny Sexton, who have for so long been mainstays of Ireland, but they were far off the intensity required in international rugby.

The decision to keep them at the fulcrum of the side, at scrum-half and fly-half, is all the more baffling when Farrell has young, talented alternatives in John Cooney and Billy Burns.

I'm not saying it is as easy as 'out with the old and in with the new' and one defeat should not spark massive upheaval, but it seems Farrell is fearful of making changes.

The same cannot be said of Eddie Jones, who continues to make some strange selection decisions which I simply don't understand. His insistence on fielding players out of position is confusing, with Tom Curry starting at No8 against Ireland and only reverting to flanker when another non-specialist, Charlie Ewels, came off the bench to fill in.

With Billy Vunipola injured there is an obvious alternative to Jones's approach. Alex Dombrandt has been in great form for Harlequins but is apparently being ignored.

Ollie Phillips is a former England Sevens captain and now founder of Optimist Performance, experts in leadership development and behavioural change.

CONTINUED FROM BACK PAGE

in their last 11 league games.

They defended deep and prevented Arsenal from playing between the lines with any ease. On the odd occasion the Gunners had the opportunity to counter-attack, they were able to deal with it, even if it was made easy for them.

They came with a game plan to defend and try and nick a goal against the run of play and it worked.

Cisse's thunderous header was completely preventable from Arsenal's perspective as their defensive frailties were exposed again, allowing the defender to run onto the ball in the six-yard box unmarked.

It kept them in it until the very death and in a tie that could have gone either way, a late snatch and grab ensured Olympiacos progressed.

IMPROVING PEPE

If any of the players could leave the Emirates unashamed it was Nicolas Pepe. While Alexandre Lacazette's struggles upfront continued, and Aubameyang was unusually off the boil, the 24-year-old was Arsenal's main attacking outlet.

His pace was a threat on the counter-attack and Ousseynou Ba lucky not to be sent off for a foul on him. In the second half he created chances and drew fouls, and in the closing stages he twisted defenders inside out several times but could only win a corner, before a minute later he forced a great save out of Jose Sa.

But for all his pace and skill, he was guilty of a lack of end-product, as Arsenal stumbled to a shock defeat and early exit from the Europa League.

SPORT

OLLIE PHILLIPS Andy Farrell should take a leaf out of Fabien Galthie's French playbook PAGE 27

Arsenal dumped out of Europe

Last-gasp strike hands Arteta night to forget, writes **Michael Searles** at the Emirates

THERE is little doubt that this was the worst performance of Mikel Arteta's reign. Arsenal squandered a 1-0 advantage coming into the home leg of their Europa League round of 32 tie as Olympiacos won 2-1 on the night following a last-minute winner in extra-time from Youssef El-Arabi to go through on away goals.

It was a performance devoid of all the qualities Arteta had seeked to instill in his players.

The Gunners retained possession of the ball for large periods but were severely lacking creativity, despite fielding their strongest XI. Flat in the first half and lacking any attacking precision in the second, they were forced to play an additional 30 minutes.

EUROPA LEAGUE

ARSENAL	OLYMPIACOS
1	2
Aubameyang 113	Cisse 53 El-Arabi 119

Olympiacos win on away goals

And despite a sensational overhead kick from Pierre-Emerick Aubameyang in the 113th minute to give Arsenal the advantage, Olympiacos responded six minutes later as El-Arabi latched onto a cross at the far post to tuck the ball past Bernd Leno to make Arsenal pay for their complacency.

NO PRODUCT

Arsenal have made a habit of playing well in patches under Arteta, but last night they were unable to string together passages of play.

The first half was characterised by slow tempo and sideways passes, which in some cases went straight out of play. Both Granit Xhaka and Shkodran Mustafi hit cross-field balls to advertising boards and those further forward fared little better as the familiar feeling of frustration stretched around the Emirates Stadium.

The ball reached the final third with more regularity during the second half, and particularly toward the end of the 90 minutes and extra-time as Arsenal chased a winner following Papa Abou Cisse's headed goal from a poorly defended corner in the 53rd minute. Arteta's side looked to have been gifted a get out of jail free card by Aubameyang late on, but it wasn't enough. After Olympiacos regained the initiative, the Arsenal captain had a much easier chance in stoppage-time of extra-time but missed from five yards out, epitomising the Gunners' dreadful display.

ORGANISED OLYMPIACOS

The Greek outfit deserve credit for their defensive resilience and showed why they have kept nine clean sheets

CONTINUES ON P27

SPORT DIGEST

MAN UTD EASE INTO LAST 16 WITH FIVE-GOAL WIN

Fred scored twice as Manchester United thrashed 10-man Club Brugge 5-0 last night to ease into the last 16 of the Europa League. Bruno Fernandes scored from the penalty spot after Simon Deli's handball saw him sent off and Odion Ighalo made it 2-0 minutes later. Scott McTominay fired in a third before Fred added the gloss with two late strikes to make it 6-1 on aggregate. Elsewhere, Wolves qualified for the next round, despite a 3-2 defeat away to Espanyol. Jonathan Calleri netted a hat-trick in Spain, but goals from Adama Traore and Matt Doherty added to Wolves' 4-0 first-leg win.

CORONAVIRUS WON'T STOP EURO 2020 OPENER

Uefa says Euro 2020 will still kick off as planned in Rome, despite the growing number of coronavirus cases in Italy. The competition is set to start on 12 June when Italy face Turkey and a Uefa spokesperson said, "for the moment, there is no need to change anything". Italian Rugby chiefs have not received any indication from the government that England's final Six Nations fixture in Rome should be called off. Ireland's game against Italy next weekend has been postponed due to coronavirus, but England's game on 14 March is so far unaffected.

EX-FA CHIEF WATMORE TO SUCCEED GRAVES AT ECB

Former Football Association chief executive Ian Watmore will succeed Colin Graves as the chairman of the England and Wales Cricket Board. Watmore, 61, will start his role on 1 December when Graves stands down in November. "When I took the post back in 2015, I could not have dreamed that the game would be in the shape it is today," said Graves, who has extended his five-year stay to oversee The Hundred.

BECKHAM DREAM REALISED

Ex-England captain's team Inter Miami to make their MLS debut on Sunday, writes **Felix Keith**

IT HAS taken a long time, but this weekend Club Internacional de Futbol Miami will finally play their first competitive match. When they take to the pitch against Los Angeles FC on Sunday, Inter Miami's players will be fulfilling the ambitions of one of their owners.

David Beckham has been attempting to establish a team in Major League Soccer ever since he retired from playing football in 2013, but the idea itself can be traced back to January 2007 when he left Real Madrid to join LA Galaxy.

Beckham's contract with the MLS club stated he would later be able to buy the rights to an expansion team for $25m, a huge discount on the usual $150m fee. Once he hung up his boots, that is exactly what he did.

Being one of the most famous faces in the world might have opened the door, but it hasn't prevented the establishment of Inter Miami from being a long slog of a process. Beckham told the BBC this week that he has needed all his "perseverance, stubbornness and just bloody-mindedness" to bring the idea to fruition.

While Beckham is the face of the franchise, he is not the sole owner. The ex-England captain has clubbed together with building magnates Jorge and Jose Mas, Bolivian billionaire Marcelo Claure and Korean-Japanese entrepreneur Masayoshi Son to make the dream come true.

MLS is no stranger to introducing new teams. Sunday's opponent's Los Angeles FC, Orlando City, Atlanta United, New York City FC, Minnesota United and FC Cincinnati have all joined the league since 2014, but the proliferation of new clubs does not mean it is easy.

BECKHAM BACK IN BUSINESS IN MLS

TOUGH PROCESS

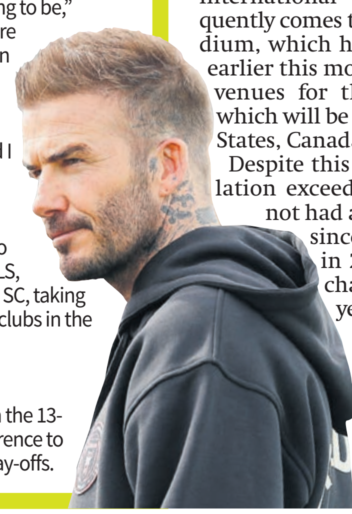
"I didn't realise how big a challenge it was going to be," Beckham said. "There were moments when I thought this might not happen, but there wasn't a moment when I said I would walk away."

MLS EXPANSION

Miami are one of two new franchises in MLS, alongside Nashiville SC, taking the total number of clubs in the league to 26.

EASTERN FOCUS

Inter will compete in the 13-team Eastern Conference to try and reach the play-offs.



The reasoning behind the location was sound. Miami has strong links to sport. The city in southern Florida is home to the Dolphins (NFL), Heat (NBA) and Marlins (MLB) and has hosted a record 11 Super Bowls. The International Champions Cup frequently comes to town. Hard Rock Stadium, which hosted the Super Bowl earlier this month, is also one of the venues for the 2026 World Cup, which will be held across the United States, Canada and Mexico.

Despite this pedigree and a population exceeding 6m, the city has not had a top-flight soccer side since Miami Fusion folded in 2001. That is about to change – albeit not quite yet.

Inter Miami will play at Lockhart Stadium in nearby Fort Lauderdale for their first two seasons, while the proposed 25,000-seat Miami Freedom Park is built – the piece of the jigsaw which has proved the most troublesome to place.

Other hurdles still remain. Inter Milan have launched a trademark dispute against their name, although co-owner Jorge Mas described the situation this week as "a non-issue".

Despite Beckham's involvement, the team which takes the pitch this weekend contains no star names. Miami's two designated players – those who don't count towards the salary cap – are not David Silva, Luka Modric or Edinson Cavani, but young Argentinian midfielder Matias Pellegrini and Mexico international Rodolfo Pizarro.

Win or lose on the pitch, with Beckham on board and a market ripe for growth there is likely to be significant investment in Inter Milan.

Jorge Mas refused to comment on reports that Qatar Airways have signed a £180m deal to become the club's shirt and stadium sponsor, but has set his ambitions high. "Miami is the future – a hyperglobal, yet local community," the team's website proclaims. "We are here to change the game."