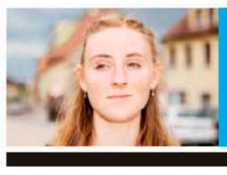
FINANCIAL TIMES

WEDNESDAY 29 MAY 2024

UK £3.50; Republic of Ireland €3.90



How the far-right enthrals Europe's young

BIG READ, PAGE 19

The policy puzzle in collapsing fertility rates

MARTIN WOLF, PAGE 21

Turning point
Georgia passes divisive bill

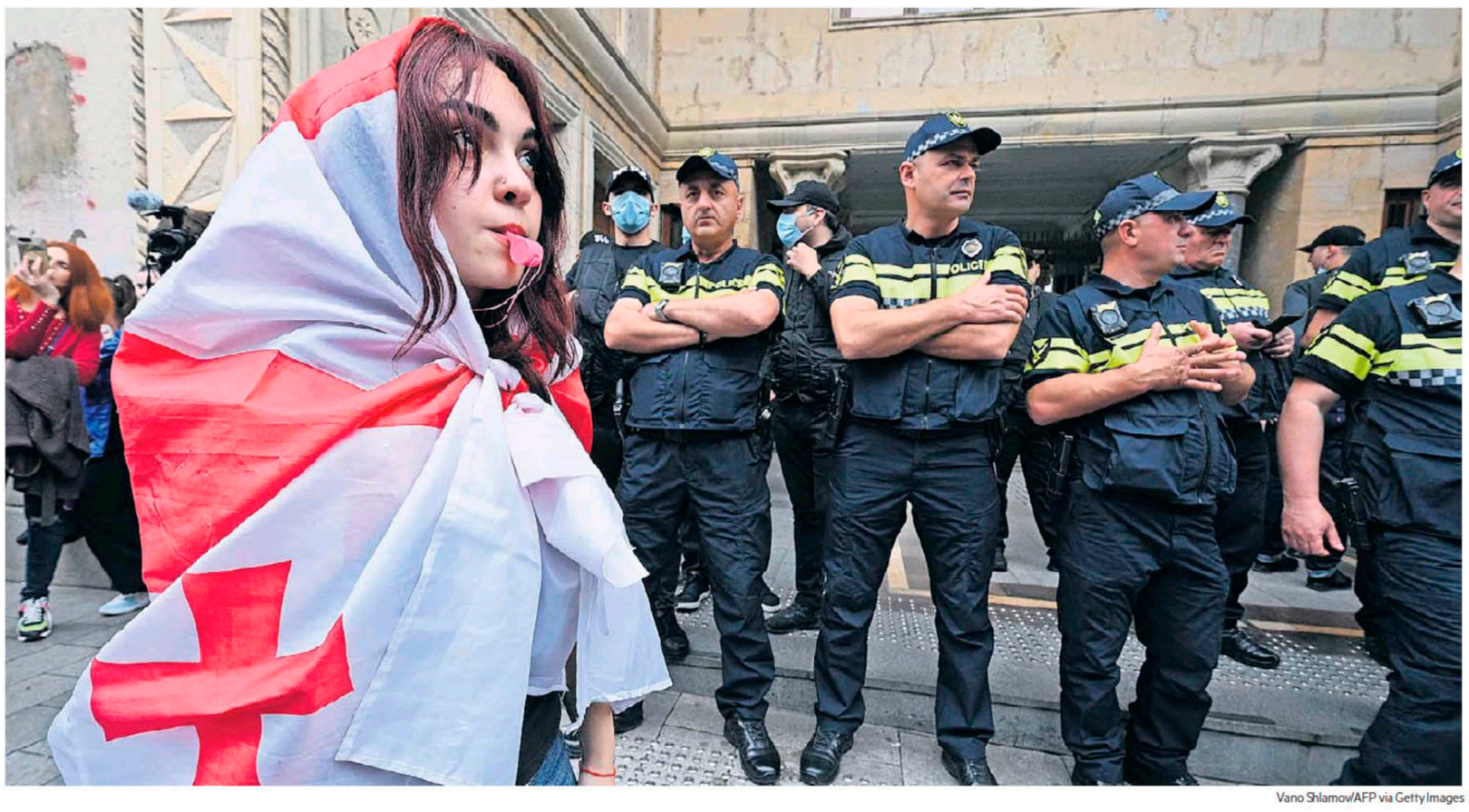
A demonstrator stands outside parliament in Tbilisi as Georgian lawmakers overturned a presidential veto to push through a "foreign influence" bill that has prompted months of protests and warnings from Brussels that it could endanger the nation's EU accession bid.

The law forces civil rights groups and media outlets receiving funds from abroad to register with the government as "foreign agents". Critics have said it is inspired by Vladimir Putin's Russia.

Opposition lawmakers left the vote to join demonstrators outside, who were waving EU flags and chanting "slaves" in reference to the ruling Georgian Dream party's alleged ties to Moscow.

Brussels had repeatedly warned Tbilisi that Georgia's EU bid, supported by more than 80 per cent of the population, would be frozen if the "foreign agents" law passed.

Crackdown page 5



Vano Shlamov/AFP via Getty Images

Ofwat sketches out 'recovery regime' to avoid nationalising water groups

● Stricken utilities led by Thames ● Push to get companies on track ● Softer targets, more oversight

GILL PLIMMER
INFRASTRUCTURE CORRESPONDENT

Water regulator Ofwat is drawing up plans for a special "recovery regime" for Thames Water and other financially stressed water companies in a bid to avoid nationalisation.

Companies with "recovery regime" status would receive fewer or no regulatory penalties to encourage them to invest in infrastructure improvements, people close to Ofwat and the water groups said.

The utilities would also be given more "realistic" targets for reducing sewage and water leaks, and outages, in exchange for more regulatory oversight for a period of up to five years, according to one person close to the discussions.

Although the regulator is aware of the "moral hazard involved in letting poor performers off the hook, it is also keen to put these companies on an upward trajectory", another of the people said.

Such moves would be seen as a big concession to shareholders in companies that have been widely criticised for making large dividend payouts and pleading for soft touch regulation even as sewage spills are widespread.

An announcement of the plans within weeks would avoid Thames Water being taken into the government's special administration regime — a form of nationalisation that can last for years.

> 'If the company is one giant cash drain as a result of the fines you never get anywhere'

Much of the public views the 1980s water privatisations as a failure but both the Conservative government and the Labour opposition, which is leading in the polls ahead of the July 4 election, are keen to avoid renationalisation, which might affect investor sentiment.

Thames Water has lobbied the government and the regulator to allow it to increase customer bills and dividends, while also being subject to lower fines.

"This is exactly what we were asking for but it's too late for this set of investors," a person close to Thames Water shareholders said of the proposals.

Other debt-laden water companies, including Southern Water, South East Water and Yorkshire Water, might also be eligible for the recovery regime.

One of the people close to the discussions said the aim was to help water companies "get back on their feet".

The person characterised the eligible utilities as "persistent poor performers, which need to invest more to improve but which keep being hit by penalties and are therefore getting less and less cash into the business".

In return for the changes, the water companies would have to provide quarterly, rather than yearly, updates on performance improvements, as well as agreeing to dividend restrictions.

Ofwat declined to comment.

"The right answer is to stick by the rules-based regime, put Thames Water into special administration and resolve the problem once and for all," said Dieter Helm, professor of economic policy at Oxford university.

Thames Water, which has 16mn customers and more than £18bn debt, says it has enough cash to survive until May next year. It has asked the regulator to allow it to increase bills by 59 per cent between 2025 and 2030. Ofwat is due to make a draft decision on billing rates on July 11, after which Thames Water will seek to raise equity from new and existing shareholders.

Ofwat has levied fines of £175mn on Thames Water over the past three years.

One of the people close to the discussions added: "You can beat up the companies all you like but if the company is one giant cash drain as a result of the fines you never get anywhere."

Briefing

▸ Israeli tanks enter Rafah despite condemnation
Israel has intensified its offensive, sending tanks into the heart of Gaza's southernmost city despite mounting international criticism of the operation and an air strike over the weekend that killed dozens of civilians.— PAGE 4

▸ ONS hit by staff exodus
A fifth of the statistics agency's workforce — 958 people — left in the year to March, a Freedom of Information request has revealed, diminishing the office's pool of technical expertise.— PAGE 2

▸ Exxon attacks Calpers
Darren Woods, the oil group's chief executive, has accused the largest US public pension fund of neglecting member interests by trying to organise a shareholder revolt.— PAGE 7; LEX, PAGE 22

▸ Boohoo cancels bonuses
The fast-fashion retailer has cancelled annual bonuses of £3mn and ditched a new pay scheme for senior executives after talks with shareholders over widening losses.— PAGE 10

▸ OpenAI begins new push
The start-up has announced that it has begun work on a system "to bring us to the next level", despite rowing back on claims it wanted to build software that was smarter than humans.— PAGE 10

▸ Von der Leyen challenge
Centre-left politicians have said they will not back Ursula von der Leyen's bid for a second term as European Commission president if it includes a pact with Italian premier Giorgia Meloni.— PAGE 4

▸ Xi U-turn on youth jobs
China's president has made "high-quality full employment" a priority, a reversal from a year ago when he told young people struggling to find work that they should endure hardship.— PAGE 6

▸ Ex-spy leads Netherlands
Former spy chief Dick Schoof has been chosen as premier, leading a populist coalition that includes the far right. "I especially want to be a prime minister for all Dutch people," he said.— PAGE 4



Companies drag heels over Russian departure

Scores of businesses pledged to scale back their presence in Russia after its 2022 invasion of Ukraine. But Moscow has steadily raised the costs of exiting, and 2,100 companies including Reckitt and Avon are sitting tight. As the moral imperative wanes, business logic stirs. Unilever explored a sale but, as board member Nelson Peltz says, 'if we pull out, they will take our brands', noting that rivals P&G and Colgate-Palmolive had not left. 'Why the hell should we?'

Businesses backpedal ▸ PAGE 9

Reeves rules out surprise tax rises in bid to bolster economic credentials

JIM PICKARD AND GEORGE PARKER

Rachel Reeves yesterday said a Labour government would not raise taxes beyond the handful of measures she had already set out, limiting the party's room for manoeuvre if it wins the election on July 4.

The shadow chancellor also ruled out the idea of a swift Budget, hinting that there would be no fiscal event until September at the earliest.

The opposition party, which has a poll lead over the Conservatives of about 20 points, is keen to project its economic credentials and win over business.

In questions at a Rolls-Royce factory in Derby after her first big speech of the campaign, Reeves said Labour would not need to put up any taxes to ease pressures on public services. "There are no additional tax rises needed beyond the ones that I've said," she added.

The comment marked a hardening of Labour's position as it grapples with questions over how it would address spending priorities.

On Sunday Reeves ruled out rises to income tax or national insurance, the two main taxes levied on people's earnings. Sir Keir Starmer, Labour leader, said on Monday that all his party's policies were fully costed. "We have gone through all of our plans and none of them require us to raise taxes," he said.

But Reeves has gone further with her promise of "no additional tax rises".

She said Labour's only increases in tax would be those already set out, including extending the windfall tax on energy companies, imposing VAT on private school fees and ensuring private equity bonuses were "taxed appropriately".

The Conservative government has pencilled in years of fiscal restraint, meaning real-terms cuts to non-protected departments including transport, local government and justice.

Reeves also signalled that Labour would not rush into a Budget as to do so would not allow the Office for Budget Responsibility, the fiscal watchdog, to prepare accompanying forecasts.

"The OBR requires 10 weeks' notice to provide an independent forecast ahead of a Budget and I've been really clear that I would not deliver a fiscal event without an OBR forecast," she said.

Labour was boosted yesterday when Manchester police said they would take no further action against deputy leader Angela Rayner over claims that she broke electoral law by failing to properly disclose her main residence.

Analysis & Rayner case dropped page 2
Election battlegrounds page 3



World Markets

STOCK MARKETS

	May 28	Prev	%chg
S&P 500	5309.64	5304.72	0.09
Nasdaq Composite	17010.38	16920.79	0.53
Dow Jones Ind	38921.61	39069.59	-0.38
FTSEurofirst 300	2054.69	2067.49	-0.62
Euro Stoxx 50	5029.69	5059.20	-0.58
FTSE 100	8254.18	8317.59	-0.76
FTSE All-Share	4506.79	4538.02	-0.69
CAC 40	8057.80	8132.49	-0.92
Xetra Dax	18677.87	18774.71	-0.52
Nikkei	38655.37	38900.02	-0.11
Hang Seng	18621.16	18827.35	-0.03
MSCI World $	3468.13	3462.13	0.17
MSCI EM $	1090.32	1082.98	0.68
MSCI ACWI $	793.35	791.57	0.22
FT Wilshire 2500	6834.43	6785.43	0.72
FT Wilshire 5000	53188.20	52806.30	0.72

CURRENCIES

Pair	May 28	Prev	Pair	May 28	Prev
$/€	1.088	1.086	€/$	0.920	0.921
$/£	1.278	1.278	£/$	0.783	0.783
£/€	0.851	0.850	€/£	1.175	1.177
¥/$	156.845	156.725	¥/€	170.562	170.179
¥/£	200.408	200.247	£ index	83.348	83.267
SFr/€	0.990	0.992	SFr/£	1.163	1.167

CRYPTO

	May 28	Prev	%chg
Bitcoin ($)	67930.70	68260.69	-0.47
Ethereum	3833.82	3841.41	-0.20

COMMODITIES

	May 28	Prev	%chg
Oil WTI $	79.77	78.72	1.33
Oil Brent $	84.11	83.10	1.22
Gold $	2342.70	2357.35	-0.62

GOVERNMENT BONDS

Yield (%)	May 28	Prev	Chg
US 2 yr	4.94	4.95	-0.01
US 10 yr	4.50	4.47	0.04
US 30 yr	4.62	4.57	0.05
UK 2 yr	4.52	4.48	0.03
UK 10 yr	4.38	4.36	0.02
UK 30 yr	4.73	4.70	0.03
JPN 2 yr	0.34	0.35	0.00
JPN 10 yr	1.04	1.02	0.01
JPN 30 yr	2.19	2.17	0.01
GER 2 yr	3.07	3.06	0.01
GER 10 yr	2.59	2.55	0.04
GER 30 yr	2.71	2.68	0.03

Prices are latest for edition
Data provided by Morningstar

Subscribe In print and online

www.ft.com/subscribenow Tel: 0800 028 1407
Mon-Fri: 7am - 6pm / Sat: 8am - 1pm

For the latest news go to www.ft.com

© THE FINANCIAL TIMES LTD 2024
No: 41,645★

Printed in London, Liverpool, Glasgow, Dublin, Frankfurt, Milan, Madrid, New York, Chicago, San Francisco, Tokyo, Hong Kong, Singapore, Seoul, Dubai

NATIONAL

Budget challenges

Staff exodus strains statistics agency

Loss of expertise from ONS feared after fifth of workforce leave in a year

AMY BORRETT

The Office for National Statistics risks losing vital technical expertise following an exodus of staff in recent years, analysis by the Financial Times shows.

In the year to March, about a fifth of the workforce — 958 — left the UK's official statistics agency, more than twice the number who joined, according to data obtained via a Freedom of Information request. The departures were up significantly on pre-pandemic levels; in 2018-19, some 694 people left.

Almost 40 per cent of departures were in mid-level roles, where staff often have important skills and expertise, up from 34 per cent in the previous year and 24 per cent five years ago.

The departures come as the agency is planning to overhaul the way it produces core economic and population data. In recent months it has come under fire from economists, business leaders and policymakers for its failure to produce reliable data.

Staffing pressures have been exacerbated by industrial action by more than 1,000 ONS employees over the decision to end the flexible working policy introduced during the pandemic.

ONS chief economist Grant Fitzner said the workforce turnover reflected a tight labour market, with "hot demand" for data skills and "pent-up" activity after a period where fewer people changed jobs during the pandemic.

He noted that the institution faced tough decisions over prioritisation as it overhauled its operations and grappled with a real-terms cut of more than 5 per cent to its 2024-25 budget.

"We have to prioritise and at times that does require some difficult choices, but I don't think that's any more true at the ONS than it is elsewhere in government," said Fitzner. He said the agency's budgetary challenges were the result of high inflation and pay pressures.

While the number of departures has stayed in line with recent years, the FOI data showed ONS recruitment fell sharply during the last financial year, with only 38 per cent as many new hires as the previous year and 49 per cent as many as five years ago.

The ONS was criticised earlier this year after it delayed publication of its new labour force survey until September — six months later than previously said.

When it finally resumed publication, the data set contained serious flaws due to low survey response rates.

Sarah Cumbers, chief executive of the Royal Statistical Society, said ONS analysts had been put in the "awkward position" of deciding which essential outputs to prioritise and that policymaking would "only suffer as a consequence".

The ONS said it had made progress on survey responses and was returning to a sustainable operating model after significant workforce expansion following the pandemic and 2021 census.

The agency added that its staff turnover rate was in line with pre-pandemic levels with 93 per cent of its current roles filled.

The Public and Commercial Services union said ONS exit surveys showed that one in five people leaving since November were influenced by the decision to end flexible working but noted that this could be an underestimate.

Interview. Mark McAllister

Energy bills unlikely to fall for rest of decade

Regulator Ofgem says prices will be determined by shift to a network fit for renewables

RACHEL MILLARD

Energy bills are not expected to fall substantially over the decade partly due to the costs of building out the electricity network to support the shift to renewables, the chair of the energy regulator has warned.

Mark McAllister said in an interview with the Financial Times that Ofgem expects bills to be "relatively flat in the medium term", adding that he backed more "targeted support" for households' struggling with their energy bills.

Speaking before the general election was called last week, McAllister, who took up his role at Ofgem in November, said: "As we build in more and more renewables, we're also building in the price, amortised over many years, of the networks as well.

"If we look at the forecasts for wholesale prices and then build on top of that the costs of the network going forward, I think we see something in our view that is relatively flat in the medium term."

The cost of energy is a key campaign issue ahead of the July 4 election, with both the Conservative and Labour parties promising to try to bring bills down.

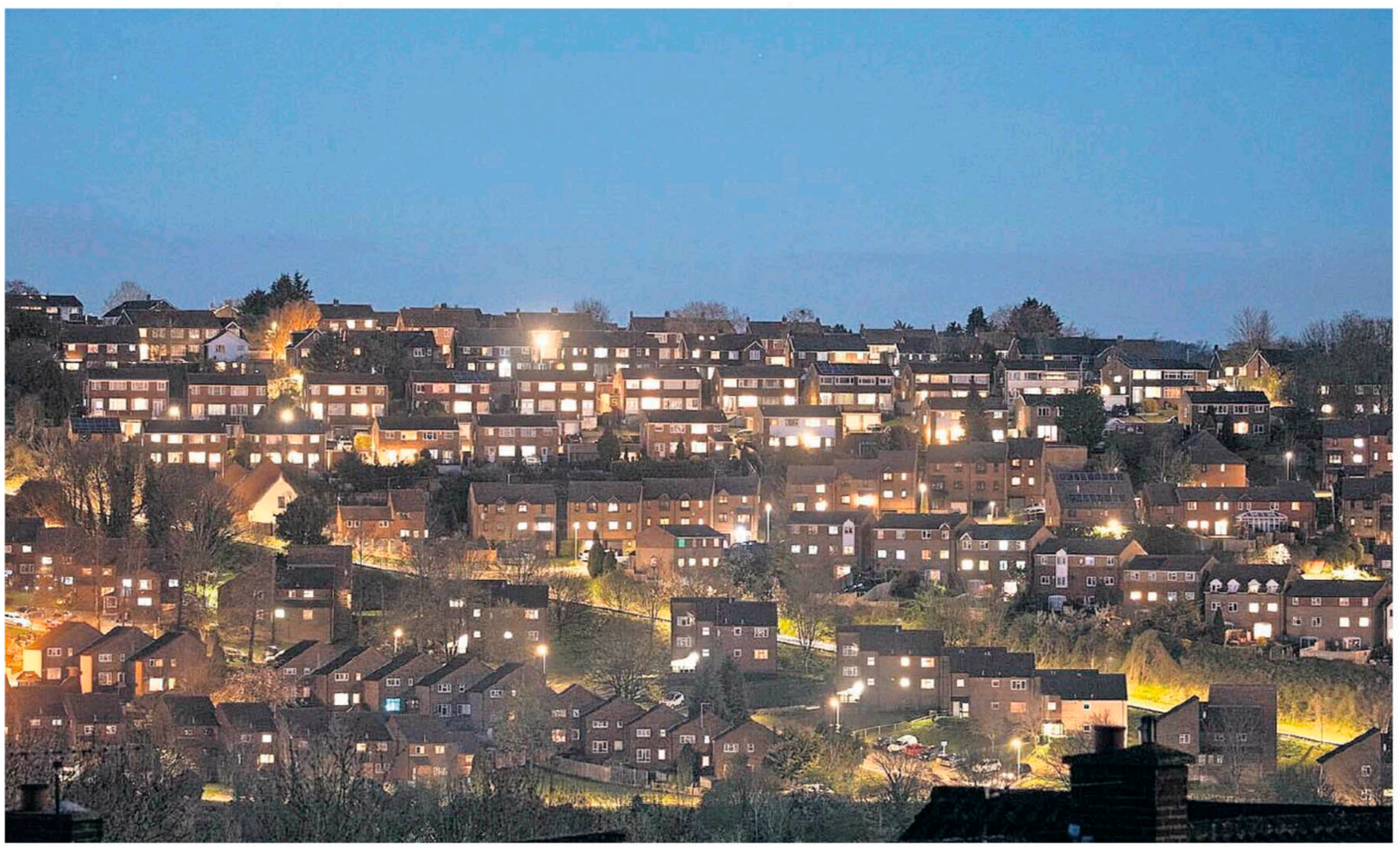
Last week Ofgem announced a 7 per cent fall from July in the price cap that governs most British household energy bills, because of falling wholesale costs, meaning typical households would pay £1,568 per year.

The cap will have fallen more than 60 per cent since peaking in January 2023 at the height of the energy crisis caused by surging wholesale energy costs, fuelling inflation and a cost of living crisis.

Nonetheless, it remains above pre-crisis levels typically below £1,100, partly due to the costs of running and developing electricity and gas cables and pipes, which will account for £363 or 25 per cent of the July 2024 cap, compared with £254 in the summer of 2021.

The costs are inflation-linked, but will also factor in the investment needed to develop cables and pylons to cope with the rise of wind and solar farms, heat pumps and electric cars under the shift away from fossil fuels.

National Grid recently said it would invest £31bn in electricity networks over the next five years. Chief executive John Pettigrew noted a "single-digit pound" impact on network costs on bills would be offset by the wholesale cost benefits of building renewables.





Keeping the lights on: the cost of energy is a key election issue. Below, Mark McAllister
Chris Ratcliffe/Bloomberg; Anna Gordon/FT

McAllister has joined Ofgem at a crucial time, as the UK works towards its legally binding goal of net zero carbon emissions by 2050. The regulator has a mandate to support the government in meeting this goal, on top of its core role of protecting consumers.

Ofgem needs to enable huge investment to overhaul the energy system, with McAllister stressing the benefits of developing "power that's generated locally and we've got full control over" in the form of renewables.

"Not getting to net zero is not in the interest of consumers," McAllister said. "The interests of consumers are not just prices. It's prices, energy security, net zero. All three of them are needed to protect the population of this country."

McAllister, who has worked in the oil and gas industry, has joined Ofgem as it tries to restore its reputation following criticism that it was too slow to act after 30 suppliers collapsed during the energy crisis.

He said Ofgem's measures to toughen oversight struck the right balance. But, he added, suppliers' customer service was "not as good as it really ought to be" and the regulator needed to "sharpen up our enforcement timetable". He said that the price cap introduced in 2019, which imposes a limit on the unit rate of energy in default tariffs, had "done some good things in the past" but might not be the best mechanism for the future energy system.

> 'The interests of consumers are not just prices. It's prices, energy security, net zero'

"Expanding targeted support for consumers has got to be part of the solution," he added.

McAllister, former head of the Office for Nuclear Regulation, also warned of "a challenge towards the end of the decade" over electricity supply, given the closure of ageing nuclear power stations and the delay to the Hinkley Point C plant being built in Somerset by the French state utility EDF.

"We've got to get new renewables built and get other sufficient capacity on to the system in terms of storage. So, yes, there is a challenge for us there."

But he added: "We kept the lights on through the energy crisis; we will keep the lights on through this."

Politics

Police drop investigation into Rayner housing claim

LUCY FISHER AND ROBERT WRIGHT

Angela Rayner will face no further action from Greater Manchester Police or Stockport council following claims that she broke electoral law by failing to properly disclose her main residence in official documents.

The police force said yesterday that it had concluded a "thorough, carefully considered and proportionate investigation" of Labour's deputy leader, after Conservative MP James Daly made a formal complaint.

He had raised concerns that Rayner could have committed an offence in the early 2010s by giving incorrect information about where she was living.

The police force, which began its investigation in April, said in a statement: "We have concluded that no further police action will be taken."

Defending its decision to open an inquiry, the force added that it had received complaints from members of the public and individuals featured in media reporting, which had "indicated a strong public interest in the need for allegations to be investigated".

Daly had alleged that Rayner might have made a false declaration about where she was living on the electoral register.

Questions have also been raised about whether Rayner should have paid capital gains tax on the sale of the house she registered as her main residence, if it was not where she was primarily living.

Some local people claimed she was living at the house of her then husband in Stockport during the period in question, and that her brother was living in the house she owned, about a mile away.

Questions about Rayner's past living arrangements first emerged in an unauthorised biography by Lord Michael Ashcroft, a former Tory deputy chair.

Greater Manchester Police clarified that matters involving council tax and personal tax did not fall within the jurisdiction of policing, but said it had shared information with Stockport Council and HM Revenue & Customs.

Stockport Council said it had "reviewed and responded to all correspondence relating to this matter", including from the police, and had also concluded that no further action would be taken.

In addition, a Labour insider said the UK's tax authority had investigated and dropped the matter. "HMRC looked into this matter at Angela's request and confirmed there is no capital gains tax liability, and no further action will be taken," the person said.

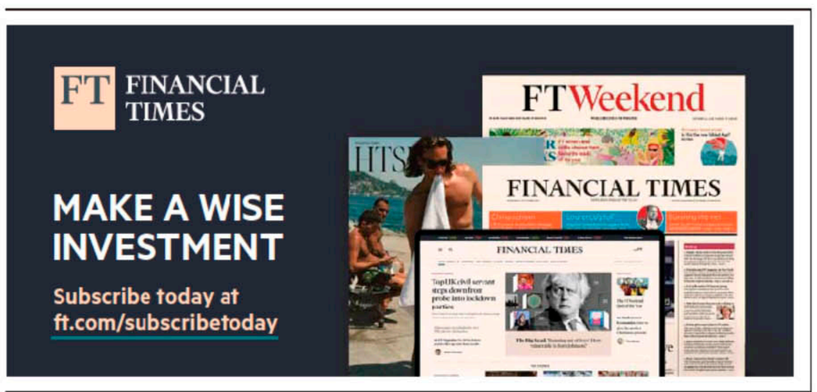
HMRC said: "We cannot comment on individuals due to taxpayer confidentiality law."

Rayner, who had promised to step down if she was found to have committed an offence, said she welcomed the conclusion of the investigation.

"We have seen the Conservative party use this playbook before — reporting political opponents to the police during election campaigns to distract from their dire record," she added.

"The public have had enough of these desperate tactics from a Tory government with nothing else to say after 14 years of failure."

Critics had accused the police of wasting time and resources by investigating alleged electoral offences years after the time limit to take action had passed.



FINANCIAL TIMES
Bracken House, 1 Friday Street, London EC4M 9BT.

Published by
The Financial Times Limited,
Bracken House, 1 Friday Street,
London EC4M 9BT.
Tel: 020 7873 3000

Editor
Roula Khalaf

Subscriptions and Customer Service
Tel 0800 028 1407; subscriptions@ft.com; www.ft.com/subscribenow

Advertising
Tel: 020 7873 4000; advertising@ft.com

Letters to the editor
letters.editor@ft.com

Executive appointments
Tel: 020 7873 4909; www.exec-appointments.com

Printed by
Newsprinters (Broxbourne) Limited, Hertfordshire, Newsprinters (Knowsley) Limited, Merseyside, Newsprinters (Eurocentral) Glasgow, and Irish Times, Dublin, Ireland

© Copyright The Financial Times Limited 2024. All rights reserved.

Reproduction of the contents of this newspaper in any manner is not permitted without the publisher's prior consent.

'Financial Times' and 'FT' are registered trade marks of The Financial Times Limited.

The Financial Times and its journalism are subject to a self-regulation regime under the FT Editorial Code of Practice: www.ft.com/editorialcode

Reprints
Are available of any FT article with your company logo or contact details inserted if required (minimum order 100 copies).

One-off copyright licences for reproduction of FT articles are also available.

For both services phone 020 7873 4816, or alternatively, email syndication@ft.com

Election promises

Reeves' taxes pledge still leaves Labour with revenue options

JIM PICKARD AND SAM FLEMING

Rachel Reeves' assertion yesterday that she saw no need for any "additional tax rises" might have sounded like a blanket pledge of zero UK tax increases under a Labour government.

Yet, as is often the case during a general election campaign, the shadow chancellor's words were not quite as concrete as they sounded.

Leading economists and think-tanks have said that whoever wins on July 4 will face a vicious spending squeeze and have to slash public spending, put up taxes or borrow more.

Labour's official line is that it has already ruled out increases to some of the biggest taxes: income tax, national insurance, capital gains tax, corporation tax and wealth taxes.

On whether other taxes may rise, the main opposition party has developed a more nuanced pledge road-tested by leader Sir Keir Starmer on Monday. "We have gone through all of our plans, and none of them require us to raise taxes," he said. By contrast, asked yesterday whether the next government would need to put up taxes to deal with Britain's creaking public services, Reeves said: "There are no additional tax rises needed beyond the ones that I've said."

She said Labour's only increases in tax would be the ones the party has already set out. These include extending the windfall tax on energy companies' profits until 2029, imposing VAT on private school fees and ensuring private equity bonuses are "taxed appropriately".

Reeves yesterday appeared to have gone further than Starmer and ruled out any tax rises whatsoever. But Labour officials later insisted her words were a reference to the party's manifesto — in line with Starmer — rather than what may lie beyond July 4. "We have no plans for additional taxes beyond those we have set out," said one. "There are no additional tax rises within the manifesto, we have no plans for any."

Such wording may still allow a Starmer administration to conclude that some taxes need to rise. But with many people struggling with the cost of living, that could prove unpopular.

Politicians on both sides of the Atlantic have long been haunted by then US presidential candidate George HW Bush's injunction to voters to "read my lips: no new taxes" in 1988. He broke the pledge a few years later.



While shadow chancellor Rachel Reeves yesterday appeared to rule out any tax increases under a Labour government, she would still have options such as property taxes or raising VAT
Stefan Rousseau/PA

Despite half a dozen of the biggest UK taxes being ringfenced from increases, an incoming chancellor would still have an array of options to boost the coffers. VAT, which raises 15 per cent of government income, is by far the largest tax Labour has not ruled out lifting.

A Labour government could alternatively raid various property taxes, such as stamp duty. Other options would be to increase the levies around pensions, although that could prompt a backlash from older voters.

Beyond lie an array of potential taxes ranging from betting and gaming duties to environmental levies, fuel duty and tobacco and alcohol duties.

For now it is understandable few politicians want to speak aloud about any idea of taxes rising: Britain's tax burden is on course to reach 37.1 per cent of GDP by 2028-29, some 4 percentage points higher than before the pandemic.

But Carl Emmerson, deputy director of the Institute for Fiscal Studies, said: "History suggests we should not be surprised if we hear about big tax rises the year after the election."

NATIONAL

Parties vie for victory in four key election battlegrounds

Starmer aims to rebuild Labour's 'Red Wall' and seize seats in Scotland and midlands

GEORGE PARKER AND JONATHAN VINCENT

For Sir Keir Starmer to win a Labour majority of one, he must gain about 125 seats at the July 4 general election. Given the party's record postwar defeat in 2019, that would be a big achievement.

Attention is focused on four key campaign battlegrounds.

In Scotland, Labour is locked in a pivotal election fight with the Scottish National party. Starmer is hoping to rebuild Labour's northern "Red Wall" — once a stronghold that was stormed by Boris Johnson in 2019 — and secure decisive gains in the traditional swing region of the West Midlands.

The fourth battleground is the South West, a wedge of seats running from London to the West Country, where the Tories face a different challenge from the centrist Liberal Democrats.

Scrap for Scotland

Scotland was once the bedrock of any Labour majority at Westminster. The Scottish trade unionist Keir Hardie, after whom Starmer was named, was a Labour founder and the party has deep roots north of the border.

But the SNP successfully changed all that in recent UK elections, using a call for independence to erode support for Labour, which was seen to have taken the country for granted for too long.

At the 1997 general election, Labour's Tony Blair won 56 Westminster seats in Scotland, while the SNP won six. At the 2019 election the tables had been turned completely: Labour won one seat, while the SNP took 48.

Starmer believes that recent scandals and crises at the top of the SNP, combined with fading prospects for an early independence vote, offer a chance to strike back: the party hopes to win at least 30 of a reduced total of 57 seats.

"There is no change without Scotland, there is no Labour without Scotland, Scotland is central to the mission of the next Labour government," Starmer has said.

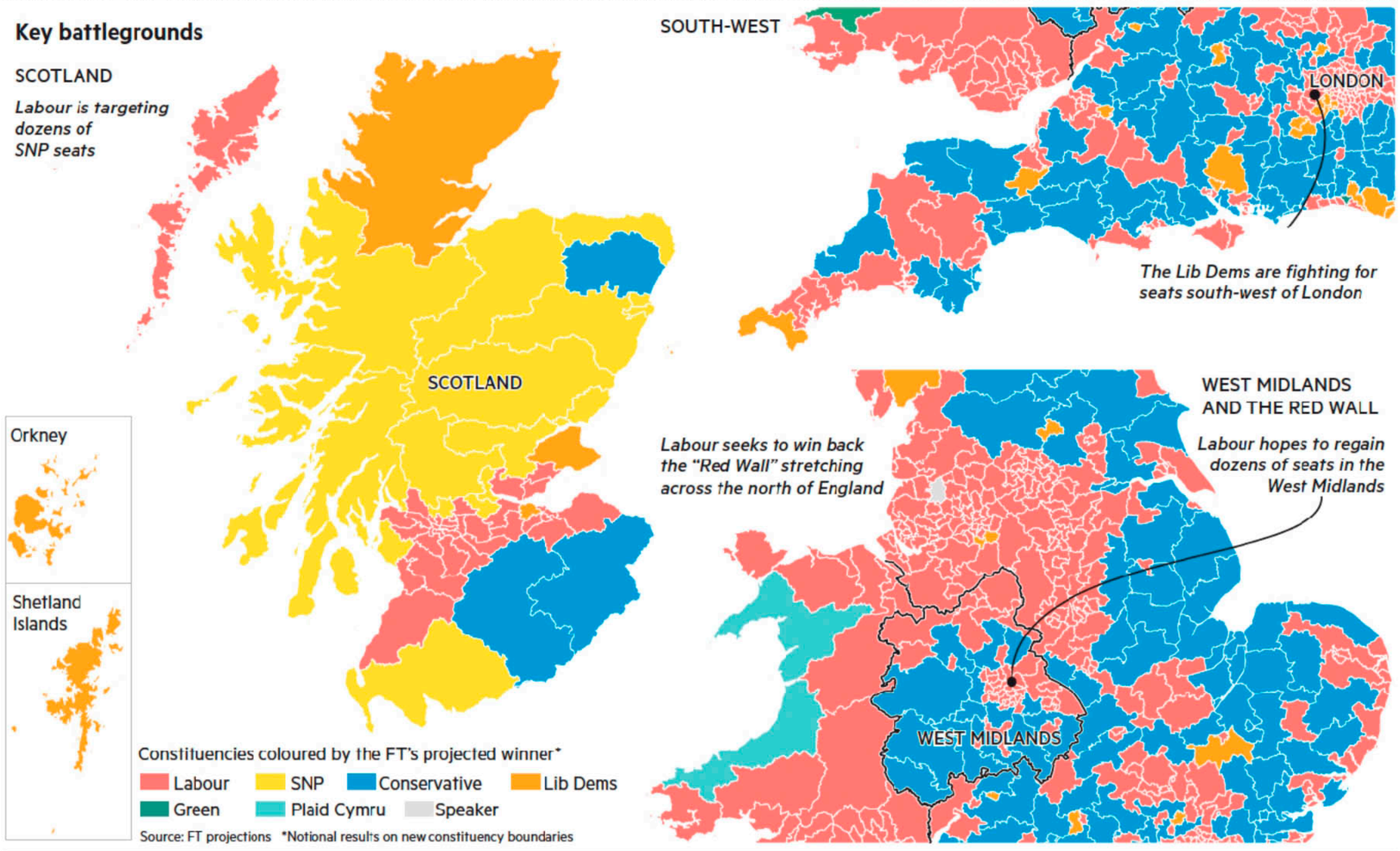
John Swinney, the SNP's new leader and Scotland's first minister, has claimed that Labour and Conservatives are two sides of the same coin: anti-independence and pro-austerity.

Rebuilding the 'Red Wall'

The Red Wall, a term coined by pollster James Kanagasooriam, is generally taken to mean a swath of working-class, traditionally Labour seats seized by the Conservatives at the 2019 election.

Johnson smashed the Red Wall, an area that voted strongly to leave the EU, with his promise to "Get Brexit Done". Voters in these areas also rejected the leftwing prospectus offered by then Labour leader Jeremy Corbyn.

Labour hopes to regain about 40 Red Wall seats, many of them close to the M62 motorway, the main east-west axis from Leeds to Liverpool. Towns such as Leigh, Warrington, Bury, Dewsbury and Burnley are high on Starmer's target list.



'There is no change without Scotland, there is no Labour without Scotland'

Keir Starmer

Johnson's stunning success in giving the Tories a "northern tilt" was also based on a promise to "level up" poorer seats, primarily in the north of England.

Many voters have become disenchanted with the Tories and some lament Johnson's ousting as prime minister. Prime Minister Rishi Sunak's first act during the election campaign was to switch £1.5bn of funds intended for deprived areas to pay for compulsory national service.

Redfield & Wilton Strategies have carried out polling in 40 Red Wall seats, and last month found that Labour was leading the Conservatives by 20 points.

Midland marginals

The West Midlands, centred on Birmingham, will be one of the most hotly contested regions. It is varied, including poor industrial towns, prosperous suburbs and commuter settlements built around motorway junctions.

When Nuneaton MP Marcus Jones held his marginal seat in 2015, it was the moment then Tory prime minister David Cameron knew he had won: like other midlands towns, it was seen as reflective of the national mood.

There are 57 seats up for grabs in the geographical region. The tough fight was presaged on May 3 when Andy Street, Tory mayor of the West Midlands, was narrowly defeated by Labour.

At the 2019 election, the Tories won 44 seats in the region, compared with Labour's 15. When Blair won in 1997, those figures were broadly reversed.

Starmer's route to power will have to run through the midlands marginals.

South West wedge

Southern England is the heartland of traditional Conservative support: a group of generally prosperous seats, mainly rural or suburban. The electoral map shows most of the south, outside London, as a sea of blue.

Although Labour hopes to win seats across the region, the Conservatives face a separate potent challenge from the Liberal Democrats, a party with its own strong traditions in the South West.

'Stunning victory shows the Lib Dems are firmly back in the West Country'

Ed Davey

The pro-EU Lib Dems won only 11 seats at the 2019 election, but this time Sir Ed Davey's party hopes to win at least 30 seats if the Conservative vote collapses. The West Country will be key.

Target seats for Davey stretch from London's south-west suburbs, places such as Esher and Wimbledon, down through commuter towns such as Wokingham and Godalming, the latter the seat of chancellor Jeremy Hunt.

Recent successes in local elections in Somerset and Dorset also show a Lib Dem resurgence further west, buoyed by the arrival of professionals from London, driven out of the capital by high prices or looking to work from home.

Last year, after the Lib Dems won the Somerton and Frome by-election, Davey declared: "This stunning victory shows the Liberal Democrats are firmly back in the West Country."

Winning seats further west in Brexit-voting Devon and Cornwall could prove harder.



INTERNATIONAL

Netherlands

Former spy chief chosen as next Dutch PM

Far-right Freedom party chief Wilders backs Schoof to lead four-way coalition

ANDY BOUNDS — DRUSSELS

Former spy chief Dick Schoof has been chosen as the next prime minister of the Netherlands, to lead a populist coalition government that includes the far right.

Schoof, 67, who led the Dutch intelligence service AIVD until 2020, was nominated by far-right Freedom party (PVV) leader Geert Wilders and approved by his coalition partners yesterday.

"I especially want to be a prime minister for all Dutch people," he told a press conference in The Hague. "I have always felt involved in the governance of our country and have always wanted to play my part in it."

Wilders described Schoof as "non-partisan", having integrity and being "very sympathetic".

A career civil servant who is currently serving as the top official within the Dutch ministry of justice, Schoof has had a long record in national security-related jobs and headed the immigration service from 1999 to 2003.

He was appointed national co-ordinator for counterterrorism in 2013, overseeing the response to the shooting down of Malaysia Airlines Flight 17 over Ukraine after it left Schiphol airport in Amsterdam. In 2022, a Dutch court convicted three men with links to the Russian military of murder in connection with the plane's downing, in which all passengers, including 196 Dutch nationals, died. Schoof was also responsible for internal security, tackling Islamist radicalisation and the recruitment of Isis fighters in the Netherlands.

> 'I have always felt involved in the governance of our country and have always wanted to play my part in it'

Firebrand Wilders has been convicted of stoking anti-Muslim sentiment and lives under armed guard after receiving death threats. In recent months, as he sought to secure a coalition deal with other parties, Wilders dropped his most incendiary policies such as banning the Koran and closing mosques and Islamic schools.

The three other parties — the conservative New Social Contract, the populist Farmer-Citizen Movement and the conservative liberal VVD party of outgoing Prime Minister Mark Rutte — agreed to form a coalition with the Freedom party only if Wilders gave up his claim to become prime minister.

Rutte, 57, who headed four coalitions at the helm of the VVD, is expected to become Nato secretary-general.

The coalition approved the outlines of a government programme earlier this month: it wants to cut immigration, including of well-paid executives, freeze government salaries and reduce development aid.

The programme would also roll back some environmental policies, saving livestock farms from closure, but there will have to be negotiations with Brussels to get approval.

The parties also oppose new joint borrowing by the EU for defence spending, and want to reduce future contributions to the EU budget. They are sceptical about more countries joining the bloc.

While they agreed on the programme, the four parties failed to endorse Wilders' original pick for premier, Ronald Plasterk, a former minister from the Dutch Labour party, who stepped down because he was being investigated for possible fraud concerning a patent for a new cancer therapy. Plasterk has denied any wrongdoing.

See FT Big Read

South Africa. Election

Businesses hope ANC can weather poll storm

Executives confident party will narrowly avoid a coalition with more radical groups

DAVID PILLING AND ROB ROSE
JOHANNESBURG

South African businesses, which a few months ago were preparing for the possible heavy defeat of the ruling African National Congress, now appear more confident of an election result in which the ANC drops below 50 per cent but avoids a coalition with more radical parties.

Opinion polls, though unreliable, suggest that support for the ANC may have crept up to about 45 per cent ahead of the general election today. The same polls put the nearest opposition party, the Democratic Alliance, in the low 20s.

That would allow the ANC, which has run South Africa since 1994, to cobble together a coalition without doing a deal with Julius Malema's Economic Freedom Fighters, which is pushing for widespread nationalisation, or the new leftist party headed by former president Jacob Zuma.

"The predominant view is that the ANC could get around 15 per cent, and would then strike a deal with a party other than the EFF, which means the status quo will largely remain," said Frans Cronje, a political analyst. "This avoids a destructive outcome."

The Johannesburg Stock Exchange has rallied on the prospects of a smooth election result, with the all-share index gaining 7.9 per cent in the past three months, better than the 4.4 per cent gain of the S&P 500.

Leila Fourie, JSE chief executive, told the Financial Times that an election outcome demonstrating a commitment to policy certainty and fiscal discipline would help markets.

"South African-listed companies are at a deep discount to other emerging markets [which creates] an opportunity for returns to investors," Fourie said.

Martin Kingston, chair of the steering committee of Business for South Africa, an alliance of executives working with the government, agreed that continuity would be best.

"The tide is beginning to turn," he said of efforts by the private sector to work with the government to address pressing problems, including electricity blackouts. "We've seen real progress and momentum is starting to be established," he added.



Close contest: election posters in the Soweto district of Johannesburg. The ANC is fighting to keep its long-held majority — Waldo Swiegers/Bloomberg

Eskom, the state electricity provider, has now been able to keep the power on for 50 days and the government has opened up both the power and transport sectors to private investment.

"If we maintain this approach, do I think there'll be an uptick? Yes I do," he said.

Kingston, who is chair of Rothschild in South Africa, acknowledged there was "some disappointment" that President Cyril Ramaphosa had not managed to achieve more during his time in office, but he also accepted there were few other viable options.

If the ANC formed a coalition with parties pushing a more pro-business agenda, that may be good in theory, Kingston said, "but there is a limited universe of parties that fall into that category".

Mmusi Maimane, a former DA leader who now heads his own party, Build One South Africa, told the FT that business had been too lenient with the ANC. "I think it's enamoured with the ANC because the ANC is in power," he said.

Maimane, who was sceptical that Eskom would keep the power on after the election, said that what he called a "better the devil you know" attitude was damaging. The ANC, he said, had the wrong policies to attract foreign investment and to spur a private sector-led recovery.

Neal Froneman, chief executive of platinum company Sibanye-Stillwater and a director of lobby group Business Leadership SA, agreed a change of direction was required.

"We need new policies to stimulate growth and investment, to address inequality," he said.

"The leaders we have now have shown they just can't do it, and are far too compromised."

Froneman said the business sector had failed to hold the Ramaphosa administration to account.

> 'We need new policies to stimulate growth and investment, to address inequality'

"Business could have achieved so much more by being more firm, making more demands, and using our leverage," he said.

"Instead, we've tried to be too politically correct, resulting in the perception that we're weak."

S&P Global Ratings said that South Africa's recent economic growth, which averaged less than 1 per cent a year during Ramaphosa's first term, had been "slower than expected". But the prospect of the ANC losing its absolute majority was not likely to precipitate a downgrade in the country's credit rating in itself, it said.

Zahabia Gupta, S&P's South Africa analyst, said that given its "base case" of the ANC winning 45 to 50 per cent or even creeping above 50 per cent she expected "policy continuity", with gross domestic product growth of 1.1 per cent this year, rising to an average of 1.3 per cent over the next three years.

The problem, Gupta said, was that this was not sufficient to reduce unemployment. At least one in three South Africans of working age is out of work.

Hamas war

Israeli tanks roll into heart of Rafah despite global criticism

NERI ZILBER — JERUSALEM
MAI KHALED — CAIRO

Israel stepped up its military offensive in Rafah yesterday, sending tanks into the heart of Gaza's southernmost city despite intensifying international criticism of the operation.

Amid condemnation of an air strike over the weekend that killed dozens of civilians, Israel pressed on, taking positions near the Awda roundabout in central Rafah, according to witnesses.

At least five Israeli combat brigades were operating in the city and the adjoining frontier with Egypt — the Philadelphi corridor — pushing westwards into more densely populated areas.

Israel considers Rafah Hamas's last stronghold in Gaza, and launched its assault on the city this month despite widespread international concern for the 1.4mn Palestinians who have sought refuge there.

According to the UN, about 1mn people have fled Rafah ahead of the advance, to what Israel describes as humanitarian "safe zones", but which aid groups have criticised as lacking basic infrastructure and supplies.

Officials in the Rafah governorate said late yesterday that 21 people had been killed and dozens injured by Israeli fire in an encampment for the displaced in the city's western outskirts. The Financial Times could not verify details relating to the incident.

Israel's military denied any such attack. "Contrary to the reports . . . the IDF did not strike in the humanitarian area in Al-Mawasi," it said.

It came just two days after an Israeli air strike killed at least 45 people in another camp for displaced people in the north-western Tal as-Sultan neighbourhood.

The scale of the military deployments in and around Rafah suggest Israel is mounting its most significant operation inside Gaza for several months. The Israel Defense Forces has seized at least 50 per cent of the 14km-long Philadelphi corridor, according to one official.

IDF infantry and combat engineers have been working to locate and destroy tunnels connecting Gaza to Egypt's Sinai Peninsula, which Hamas has allegedly used for years to smuggle weapons and commercial goods.

IDF spokesperson Daniel Hagari said the military was working "in a precise way, more accurate, more safe and sometimes slower" than other operations in the seven months of war.

Israeli leaders have made clear that nothing will stop the Rafah offensive, which is an attempt to dismantle the last four standing Hamas battalions in the territory as well as to rescue Israeli hostages that the IDF says are being held in the area.

Hagari added that a probe was continuing into the cause of fires that raged through shelters in Rafah at the weekend, in which more than 45 people died after an Israeli strike killed two Hamas operatives in a nearby compound. Israeli premier Benjamin Netanyahu on Monday spoke of a "tragic mistake".

UN aid chief Martin Griffiths said: "No place is safe in Gaza. Whether the attack [at the weekend] was a war crime or a 'tragic mistake', for the people of Gaza, there is no debate."

FT FINANCIAL TIMES



MAKE A WISE INVESTMENT

Choose the Financial Times subscription for you

- React to trusted global news everywhere you go, with ft.com and FT apps
- Get the iconic FT newspaper delivered to your home or office from Monday to Saturday
- Enjoy our award-winning lifestyle journalism with FTWeekend

Subscribe today at ft.com/subscribetoday

European presidency

Meloni links threaten von der Leyen's bid for a second term

ANDY BOUNDS AND HENRY FOY
BRUSSELS
AMY KAZMIN — ROME

Centre-left and liberal politicians have warned they will not back Ursula von der Leyen's bid for a second term as president of the European Commission if it includes a pact with Italy's right-wing Prime Minister Giorgia Meloni.

The Socialists and Democrats, the second-largest political group in the European parliament, and Renew, the liberal group led by the party of French President Emmanuel Macron, have threatened to block the German's nomination if she seeks a deal with Italy's premier.

Von der Leyen will need a straight majority in the 720-seat European parliament, after elections on June 6 to June 9. Back in 2019, the centre-left and the liberal groups joined her own centre-right European People's party, securing her first term by just nine votes.

But in recent days their warnings about von der Leyen's flirtation with Meloni's Brothers of Italy — which has its roots in the neo-fascist party founded by the surviving allies of Italian dictator Benito Mussolini — have grown harder.

German Chancellor Olaf Scholz said on Friday that the next commission "must not be based on a majority that also needs the support of the far right". He added: "The only way to establish a commission presidency will be to base it on the traditional parties."

Meloni's Brothers of Italy belongs to the European Conservatives and Reformists group, which wants to roll back Brussels' powers, crack down on irregular immigration and water down climate-related regulation.

Von der Leyen in a debate last week said that Meloni fulfilled the conditions she had set down for partners.

"She is clearly pro-European, against [Russian President Vladimir] Putin, she's been very clear on that one, and pro-rule of law," she said. "If this holds . . . then we offer to work together."

The EPP is forecast to win 183 seats, with about 85 for ECR. The far-right Identity and Democracy Group, dominated by France's Marine Le Pen, could secure about 70 seats.

Some EPP members say they will not vote for von der Leyen, while Poland's Law and Justice party, an ECR member, will not either. Nor will France's nativist Éric Zemmour, part of the ECR umbrella.

Von der Leyen will need the S&D's projected 140 MEPs and the 80-plus seats Renew is expected to win.

"She should be focused on the pro-European majority between the EPP, S&D and Renew and potentially try to include the Greens," said a senior S&D official. "That is the majority that advanced the EU project since its foundation. If she relies on the ECR she will lose the Socialists and Renew."

Sandro Gozi, lead candidate for Renew, said the group would outright reject any formal deal with the ECR. "We are against all alliances with the extreme right in the European parliament — that is ECR and ID," he said.



Critics warn Ursula von der Leyen against flirting with Italy's far right

Of von der Leyen, he added: "She has put herself in a very difficult position."

Meloni herself has expressed hope of building a rightwing "alternative majority" in the European parliament, which would exclude the left. She said she was seeking to replicate the ruling coalition in Italy, which includes the far-right League, at a European level.

But while Meloni talks of seeking to forge a majority on the right, she recently ruled out a wholesale merger of ECR and ID.

"There are some in Meloni's orbit who favour consolidation of the right but it's not the predominant direction of travel," said one EPP official.

"The Socialists are panicky. But we don't see tangible indicators to be worried about," the official added. "The next two weeks will be full of madness. But for us the key is that everyone calms down after the election."

Additional reporting by Sam Jones in Berlin and Ben Hall in London

Mexico's leader courts the poor to maintain his populist legacy

López Obrador hopes voters will back chosen successor in presidential poll

CHRISTINE MURRAY — TLAXCALA

Like many Mexicans, Eleazar Flores still works in his 70s. But the town butcher in Contla, Tlaxcala, said one thing had changed in recent years: a government pension that gave him a little more money to help out his family.

He thanks President Andrés Manuel López Obrador for that. "He's the best . . . he's helping those who have the least," Flores said in his shop in the textile-making town, the streets of which are lined with decorative tissue paper.

Flores is one of some 25mn in Mexico who now receive benefits from a social programme, according to state government figures. The cash transfers have been a centrepiece of the president's political project.

López Obrador, 70, began his life in politics as a protest leader in his home state of Tabasco before becoming mayor of Mexico City in 2000. He then spent a decade campaigning around the country, losing two presidential votes but building a base among the working class, which helped him to win a landslide victory in 2018.

> '[People] want a president who confronts the powerful and defends the poor. That's the narrative he presents'

As he prepares to hand over power following elections on Sunday, he remains broadly popular, with approval ratings in the mid-60s, despite stagnant growth, some of the region's worst excess mortality in the pandemic and record numbers of murders.

The president, known as "Amlo" for his initials, has retained fierce loyalty among poorer Mexicans who have long resented what they see as an out-of-touch political class tainted by corruption, but do not view him as part of it.

López Obrador refused the president's jet and mansion. Limited to a single, six-year term in office under Mexico's constitution, he barely travels abroad and is known for eating in modest snack bars and cafés.

Mexico's smallest state after the capital, Tlaxcala has large stretches of farmland and some factories, indigenous communities and high levels of poverty. The president won here in all three elections he contested.

The government social programmes targeting the elderly, some farmers and young people are crucial to his popularity. Social spending is up 30 per cent in real terms since he took office and is skewed to cash transfers, which are more than three times higher, according to the think-tank IMCO. Broader coverage under López Obrador compared with his predecessor means that more people benefit, but the poorest get relatively less than before. He also oversaw a more than doubling of the daily minimum wage to 250 pesos ($15), with little negative economic fallout. That helped to bring millions out of moderate poverty. But extreme poverty rose slightly.

The president's critics see a polarising figure seeking to restore a hegemonic party and undermine democracy. Urban centres such as Mexico City are divided, with some who thought he was a decent mayor arguing that he has since taken a more radical, intolerant turn.

Middle and upper-class voters are concerned that he is weakening democracy, with hundreds of thousands marching in defence of institutions such as the Supreme Court and electoral authority in recent months.

His base sees it differently. Central to his power is the *mañanera*, a news conference each weekday. Friendly journalists often pose fawning questions.

"You can't explain what's happening today in Mexico, nor [López Obrador's] popularity nor voting preferences, without the *mañanera*," said Roy Campos, president of pollster Mitofsky. "[People] want a president who confronts the powerful and defends the poor, and that's the narrative he presents."

As with other populist leaders, López Obrador likes to condemn the "conservative, bourgeois media", and when confronted with unflattering statistics says he has "different data". Critical commentators call him the "Teflon" president, who explains his failures in terms of obstacles placed in his way by "elites".

Polls show that security is the top concern for voters, with more homicides and missing people recorded in his term than any other president in Mexico's history. His supporters believe he wants to fix this but that the task is too difficult, or that others are responsible.

López Obrador's protégée Claudia Sheinbaum, frontrunner for the next presidency, has pledged policy continuity, and polls suggest she could win a similar share of votes. Two-thirds of those who receive his social programmes plan to vote for her, while almost half of those who do not will vote for opposition candidate Xóchitl Gálvez, an April poll by El Financiero paper found.

Although she has vowed to continue his project, Sheinbaum will have to contend with a large fiscal deficit, and the former academic lacks her mentor's natural communication style.

Many of López Obrador's supporters say they wish he could run again. Of Sheinbaum and other national leaders of the president's Morena party, Flores said: "They'll keep López Obrador's movement going for now, but in the future — who knows?"

See The FT View



'They'll keep López Obrador's movement going for now, but in the future — who knows?'

Andrés Manuel López Obrador, who is stepping down, remains popular with Mexican voters
Toya Sarno Jordan/Reuters

Crackdown

Georgia passes 'foreign agents' law despite months of protest

ANASTASIA STOGNEI — TBILISI

The Georgian parliament has adopted a controversial "foreign agents" law despite months of street protests and warnings from Brussels it could endanger the country's EU accession bid.

The bill, which is expected to come into force next month, mandates that civil rights groups and media outlets receiving funds from abroad must register with the government as "foreign agents" or face fines. Critics have said the law is inspired by Vladimir Putin's crackdown on non-governmental organisations and independent media.

A majority of 84 MPs in Georgia's 140-strong parliament voted in favour of the bill yesterday. Opposition lawmakers left the house to join demonstrators outside, who were waving EU flags and chanting "slaves" in reference to the ruling Georgian Dream party's alleged ties to Russia.

The decision marks a pivotal moment in the modern history of Georgia, which celebrated its 33rd anniversary of independence from the USSR this week. Despite being nominally committed to EU integration, the ruling Georgian Dream party has largely ignored the list of reforms it should be pursuing in order to start membership talks and instead has started moving the country back into Russia's orbit.

Yesterday's vote marked the final step in a process that lasted several months and was accompanied by violent clashes in parliament and on the streets. Georgian president and critic of the law Salome Zourabichvili vetoed the decision earlier this month, but Georgian Dream mustered the parliamentary majority to override it.

Controlled by pro-Russian oligarch Bidzina Ivanishvili, the ruling party introduced the draft law last year, only to withdraw it after mass protests. It reinstated the bill in April, ignoring warnings from western capitals and tens of thousands of protesters. Many protesters have ended up in hospital and dozens have been arrested.

The law also jeopardises all the foreign policy goals that the country has pursued over the past 20 years.

Weeks after Russia's full-scale invasion of Ukraine in 2022, Georgia applied for EU membership and was granted candidate status last year. Brussels has repeatedly warned that if the "foreign agents" law passes, Georgia's EU bid, supported by more than 80 per cent of the population, will be frozen.



East Asia

Taiwan parliament extends its powers

Protests erupt after legal changes by opposition-led body challenge president

KATHRIN HILLE — TAIPEI

Taiwan's opposition-dominated parliament has broadened its own powers, overriding objections from the ruling Democratic Progressive party and ignoring large protests in the capital Taipei and other cities.

The legal amendments passed after a voting marathon yesterday set the stage for continued partisan confrontation, undermining President Lai Ching-te's attempt to unify Taiwan against growing threats and pressure from China just a week after he took office.

The amendments to the law governing the legislature give it extensive authority to investigate government policies and projects, including powers to summon military officials and review classified documents.

They also allow lawmakers to find government officials guilty of contempt of parliament, a new criminal charge punishable with fines or prison, and to impose heavy fines on companies, civic groups or individuals who fail to satisfy demands for detailed testimony.

The opposition Kuomintang (KMT) and the smaller Taiwan People's party (TPP) say Taiwan's political system gives the president powers that are too far-reaching. But the ruling party, civic groups and academics said the changes undermined Taiwan's democracy because they infringed on civic rights and left the legislature without proper checks and balances.

"This is a parliamentary coup," said Wu Rwei-ren, a political scientist and historian at Academia Sinica, Taiwan's top research institution.

Addressing thousands of demonstrators outside the parliament building last night, Wu suggested Taiwan now faced a battle for its democracy.

"Today is not the end of the battle, it is the beginning of a much longer struggle each and every one of you has to prepare for," he shouted.

The protests are Taiwan's largest demonstrations since the 2014 Sunflower Movement, in which students derailed a services trade deal with China by occupying parliament.

KMT and TPP politicians have called the DPP outcry disingenuous because its lawmakers proposed similar changes when they were in the opposition. "The reason they are opposing this now is not because it is unreasonable, but because they want their own team to win," said KMT lawmaker Ko Chih-en.

DPP politicians and supporters accused the opposition of colluding with China's ruling Communist party by pushing through the legislative amendments. The DPP regularly levels such claims against the KMT in an effort to exploit the opposition party's embrace of a Chinese identity.

> 'Today is not the end of the battle, it is the beginning of a much longer struggle'

Alexander Huang, head of the KMT's international department, called the accusations "totally groundless" and said they underestimated the wisdom of Taiwan's people and its international friends. "This is an internal reform of the chamber and has nothing to do with anyone outside Taiwan," he said.

Some DPP members said they felt uneasy about their party's battle rhetoric. "In fact, the powers in our constitution are unbalanced, and we should be having a debate about improving that balance," said one DPP politician who declined to be named.

Lai has not commented on the substance of the changes, but backed his party's call for protests, saying the opposition should "respect procedural justice".

South-east Asia. Economic security

Philippines seeks more western investment

Manila asks US and allies for greater trade and funding to avoid dependence on China

A. ANANTHA LAKSHMI — MANILA

The Philippines is pressing the US and its allies to boost trade and investment in the country as escalating tensions between Manila and Beijing spark fears of a wider economic fallout.

Economic security should become central to the strategic relationships that the Philippines is building with its allies, said Alfredo Pascual, trade and industry secretary, in an interview with the Financial Times.

"It is significant because if we are economically secure, we could also afford to strengthen our defence capabilities. If you are not economically secure, you cannot divert or utilise resources for defence," he said. "We need to have credibility in our defence posture."

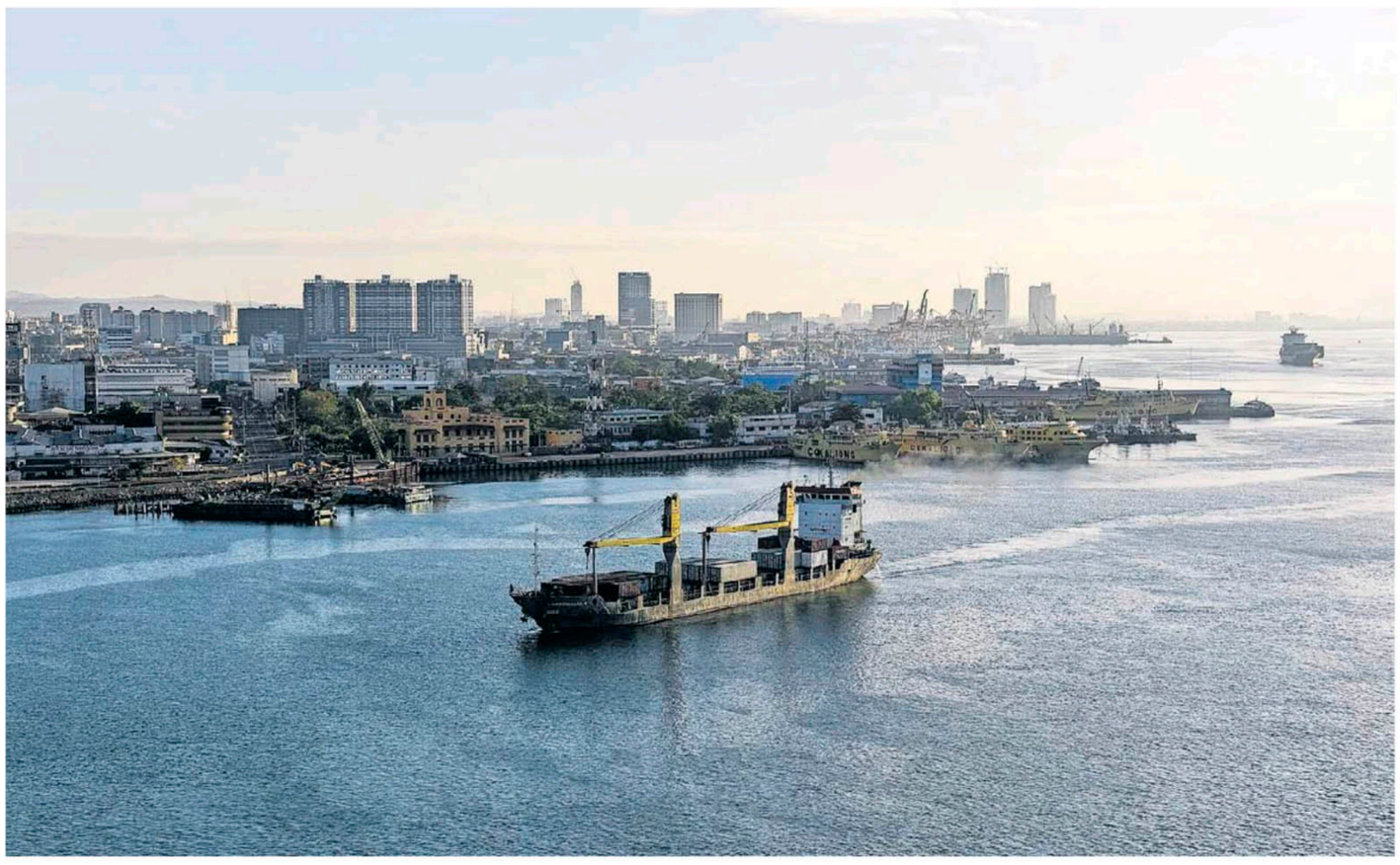
The disputed South China Sea has become a major flashpoint between the Philippines and China, its biggest trading partner. Chinese coastguard vessels have in recent months fired water cannon at Philippine boats and injured Filipinos, ratcheting up tensions.

The Philippines, which has for more than a decade lagged behind its south-east Asian counterparts in attracting foreign investment, is seeking funds to bolster its infrastructure and manufacturing capabilities, and develop critical minerals and clean energy industries.

While China has not been a major source of foreign direct investment, its financial firepower is considerable and, as President Ferdinand Marcos Jr looks to attract more foreign funds, his government is calling on allies to step in.

A diplomat with a Philippine ally said building economic resilience would ensure the country did not grow dependent on China. "If the economy is weak, you may have to compromise. Security and economy are intertwined."

Under Marcos, the Philippines has taken an assertive stance in the South China Sea to counter a coercive Beijing. It has vowed to develop military outposts in contested waters and strengthened defence partnerships with allies. Manila has also taken to publicising Chinese intrusion into waters it claims as its own, in a turnaround from the administration of Rodrigo Duterte, which played down Beijing's activity.



Trade links: the Port of Cebu in the Philippines. Manila is seeking a free trade agreement with the US
Lisa Marie David/Bloomberg

While the US has stepped up military engagement with the Philippines, its oldest ally in Asia, Manila wants more on the economic front amid the rising tensions. "We are looking at it also in the context of our vulnerability to economic coercion by China," said a senior Philippine government official.

"You are saying we are right in the battleground and we are at the frontline, so you need to walk the talk in terms of economics," he said, referring to the US.

Even though the US is the biggest source of FDI in the region, with net investment of $36.9bn among members of the Association of Southeast Asian Nations in 2022, its absence in multilateral trade deals and what analysts say is a disproportionate focus on security have undermined its credibility as an economic partner — not just in the Philippines but also in south-east Asia. The Philippines has stepped up calls for a free trade agreement with the US.

"The US is an important security partner for many countries in the region, but this focus on security can make its bilateral relationships look unbalanced and aggressive," said Kevin Chen, an associate research fellow at the S. Rajaratnam School of International Studies in Singapore.

"Meeting the specific economic development needs of its partners would also show the value that Washington places on its relationships, rather than just catering to its own strategic needs."

An April survey by the Iseas-Yusof Ishak Institute showed that China had edged out the US to become the preferred alignment of choice in south-east Asia among the two superpowers, compared with last year. Washington is pursuing the Indo-Pacific Economic Framework for Prosperity, a Biden initiative for economic engagement with the region. Through the G7, the US is also offering the Partnership for Global Infrastructure and Investment to developing nations as an alternative to China's Belt and Road Initiative.

The US, along with Japan, is backing the development of the Luzon economic corridor in the Philippines as the first major infrastructure project.

"We hope that this becomes a model that we can utilise in the region," Helaina Matza, acting special coordinator for the PGII, told the FT.

Chen of the RSIS said the Luzon corridor was not enough to address questions over the US's commitment to the region. "Convincing south-east Asian countries that Uncle Sam is still a reliable economic partner will be an uphill task."

Katherine Tai see Opinion

GLOBAL INSIGHT
EUROPE



Delphine Strauss

Efforts to cajole longer hours from European workers are misplaced

Europeans are spending less time at work, and governments would like them to get back to the grindstone. That is the thrust of measures German, Dutch and British ministers have been examining to persuade part-timers to take on more hours, and full-timers to embrace overtime.

But the evidence suggests it will be an uphill battle — and that authorities worrying about a shrinking workforce would do better to help people who might otherwise not want a job at all to work a little.

Rising prosperity is the main reason the working week has shortened over time, as higher productivity and wages have allowed people to afford more leisure. In Germany, for example, it has roughly halved between 1870 and 2000. Across the OECD, people are working about 50 fewer hours each year on average than in 2010, at 1,752.

Average hours have fallen more in recent years because the mix of people in employment has changed, with more young people studying, more mothers working, older people working longer and flexible service sector jobs replacing long-hours manufacturing roles.

The latest post-pandemic drop in European working hours is more of a puzzle. The European Central Bank estimated that at the end of last year, Eurozone employees were on average working five hours less per quarter than before 2020 — equivalent to the loss of 2mn full-time workers. There has been a similar shift in the UK.

The trend appears to be a European one — there has been no such recent change seen in the US, where people were simply laid off during the pandemic rather than placed on furlough.

One explanation is that employers have been "hoarding" labour — keeping staff on in slack periods while cutting hours, because they are worried they will not be able to hire easily when demand picks up.

> Some economists say lockdowns made people more willing to trade pay for less pressure

But Megan Greene, a Bank of England policymaker, said this month that while there was some evidence of labour hoarding, it was also "plausible that . . . workers may just want a better work-life balance".

IMF researchers reached a similar conclusion. They said the post-Covid drop in working hours was an extension of the long-term trend seen over the past 20 years, which reflected workers' preferences. But some economists believe the experience of lockdowns has made people more willing to trade pay for a less pressured lifestyle.

The shift in habits is a challenge for European policymakers. Since productivity growth has been weak, they fear that shorter hours will exacerbate labour shortages, fuel inflationary pressures, hold back growth and make it harder to fund welfare systems.

Some policymakers think shorter hours and greater wellbeing should be the goal. Yolanda Díaz, Spain's minister of labour, caused uproar this year by suggesting restaurants should no longer stay open into the small hours.

The IMF's researchers made a more pragmatic argument. Governments can and should do more to help people who want longer hours, they said, including supporting retraining, job-hunting and childcare, and promoting flexible work. But this would have only a small effect, it estimated. Some policies will simply "reshuffle hours" between mothers and fathers. In general, most people will want to work slightly less provided their living standards advance. There is a limit to what policymakers can do.

A more realistic goal, the IMF reckons, is to raise the number of hours worked across the economy, not least through better parental leave policies that could bring more people into work. Recent trends in the EU are promising: participation in the workforce has risen since 2020.

This feels like the better approach. If employers offer better part-time and flexible roles, people who might otherwise stay outside the labour force entirely might at least work a little — and be happier for it. That would be more productive for governments than pushing against the tide.

delphine.strauss@ft.com

Climate change

Yellen warns against reliance on carbon credits

AIME WILLIAMS — WASHINGTON

Companies should prioritise slashing their carbon emissions and not rely on buying carbon credits to save the climate, according to US Treasury secretary Janet Yellen.

The remarks came as she unveiled new guidelines for voluntary carbon credits, which are popular among companies looking to offset their emissions but have attracted criticism for failing to deliver the carbon removal they promise.

Yellen was to say yesterday that President Joe Biden's administration wanted carbon credit markets "to succeed" but would call for a "commitment to integrity" from developers selling the credits and from corporations buying them to offset their emissions.

"Corporate buyers should prioritise reducing their own emissions, particularly through transition planning, adopting net zero targets and transparently reporting on progress," Yellen was to say. "Participation in [voluntary carbon markets] should complement these efforts."

Credits purchased should represent real emissions reductions or carbon removals. "To date, we've seen too many examples where credits failed to meet these criteria."

Several projects have come under fire for inaccuracies in their carbon counting methods. This month, a new study found that a type of carbon credit used by companies including Eon, Shell, easyJet and British Airways to justify continuing to pollute through their own operations was largely worthless.



Janet Yellen: 'Harnessing power of markets and private capital is critical'

Despite these failures, US officials are hoping to encourage "high-integrity" markets. "We need to use all the tools at our disposal — creatively, thoughtfully, and at scale," Yellen was to say. "I believe that harnessing the power of markets and private capital is critical."

Former US climate envoy John Kerry has thrown his weight behind voluntary carbon credit markets, launching a state department-led initiative in 2022 aimed at decarbonising regional power sectors.

It is meant to improve on existing voluntary models by using high-level national data and measuring emission reductions in relation to the past, rather than hypothetical future emission savings.

Companies including Bank of America, Morgan Stanley and Standard Chartered have backed the initiative, alongside Amazon, Boston Consulting Group, Mastercard, McDonald's, Morgan Stanley, PepsiCo, Salesforce and Schneider Electric.

Speaking at the COP28 climate summit in December, Kerry acknowledged that "fly-by-night operations" touting cheap carbon credits in recent years have "done an injustice to everybody".

China

Xi changes his tune on quality jobs for youth

JOE LEAHY — BEIJING

A year after telling young people in China struggling to get a job that they should "eat bitterness", Xi Jinping has changed his tune as the world's second-largest economy struggles to return to full health.

With youth unemployment still running at nearly three times the overall rate, China's president sounded a more sympathetic note yesterday, ordering the Communist party's politburo to make the provision of "high-quality full employment" an economic priority.

This was in contrast to his comments last May that young people should embrace difficulties as he did in the 1960s when, as a teenager during Mao Zedong's Cultural Revolution, he was sent to the countryside to do manual labour, including shovelling manure.

Xi told the politburo yesterday to "give top priority to the employment of college graduates and other youth groups. [We should] develop more jobs that are conducive to giving full play to their knowledge and strengths", state news agency Xinhua quoted him as saying.

China's economy grew more than 5 per cent in the first quarter compared with a year earlier. But economists say the recovery is patchy — supported by manufacturing, exports and government investment, but with household consumption and investor sentiment still affected by a property sector slump.

China's unemployment rate for those aged 16-24 was running at more than 21 per cent in June last year, when the National Bureau of Statistics suddenly stopped reporting the figures, citing the need to improve the methodology.

> '[Politburo needs to] give priority to employment of college graduates and other youth groups'

The government started releasing figures for youth unemployment again in December, but this time excluded students. The figure came in at 14.7 per cent in April, down from 15.3 per cent a month earlier, but still higher than the urban unemployment rate of 5 per cent.

Xi told the politburo that leaders needed to "encourage young people to engage in employment and entrepreneurship in key areas, key industries, [and] urban and rural grassroots and small and medium-sized enterprises".

About 12mn graduates are set to enter China's workforce this year, but many complain that they cannot find work commensurate with their qualifications or with salaries high enough to justify the expense of going to university.

Leaders needed to analyse "the reasons for the labour gap in some industries, and solve the problem of 'there are jobs but no one to do them'", Xi said.

A year ago, Chinese official media released articles emphasising how Xi's experiences in the countryside in 1969 were an example for today's youth.

"To collect manure you had to take off your shoes, roll up your trouser legs, [and] jump in barefoot," said one article, which mentioned eating bitterness nearly 30 times. "He [Xi] was covered in sweat and manure and urine, mixed together, wet and smelly," it added.

The article said that "only by passing the labour test and establishing the idea of 'seeking hardship for oneself' can you . . . make your thoughts closer to the people".

Valley tango Argentina's president Milei set for rendezvous with US tech bosses Cook, Altman, Pichai and Zuckerberg PAGE 8

Companies & Markets

Exxon chief fires broadside at Calpers in climate battle

- US fund accused of playing politics
- Move to stage investor revolt alleged

JAMIE SMYTH — NEW YORK

ExxonMobil's chief executive has accused Calpers, the largest public pension fund in the US, of neglecting its members' interests by attempting to organise a shareholder revolt that could "stifle and punish" the oil supermajor.

The California fund was playing politics by attacking Exxon for suing two climate-focused investors, Darren Woods wrote in a Financial Times newsletter.

The investors had submitted shareholder proposals calling on Exxon to do more to cut greenhouse gas emissions.

Woods alleged that the investors — US investment adviser Arjuna Capital and

Woods claims Arjuna and Follow This intended to 'financially hurt' the group with their resolutions

Dutch shareholder group Follow This — intended to "financially hurt" Exxon with their resolutions on climate action.

Exxon's lawsuit was not "a challenge to shareholder rights" but an attempt to clarify rules around shareholder proposals, wrote Woods, ahead of a critical shareholder vote at the oil major's annual meeting today.

"Calpers' fiduciary duty is not furthered by their attack on our company (or any company). They should leave politics to the politicians," he wrote in the FT Energy Source newsletter.

The dispute over shareholder rights follows Exxon's decision to persist with its lawsuit in federal court even after Follow This and Arjuna withdrew their proposals. This has prompted some investors to accuse the group of trying to silence shareholders.

In a separate article in Energy Source, Marcie Frost, Calpers' chief executive, alleged that Exxon was pursuing an "anti-speech effort" by bypassing Securities and Exchange Commission procedures to deal with investor proposals.

"Rather than petition the SEC for relief from votes on those measures, ExxonMobil has asked a US district judge to rewrite the rules," she wrote.

"The company has sought to further mask its anti-speech effort by insisting it merely seeks court-ordered 'clarity' about the SEC's rules for shareholder proposals. We believe the real intent is to tilt the balance of power towards corporate C-suites and boardrooms."

Calpers — which owns about 0.2 per cent, or $1bn, of the shares — said last week that it would vote against the re-election of Woods and the rest of the Exxon board in protest at their "reckless" legal action to "silence" shareholder voices. It urged other shareholders to follow its position "to send a message that our voices will not be silenced".

Norway's oil fund subsequently said it would vote against independent director Jay Hooley, who leads Exxon's governance strategy. The $260bn New York State Common Retirement Fund also plans to vote against the re-election of all but two of the company's directors.

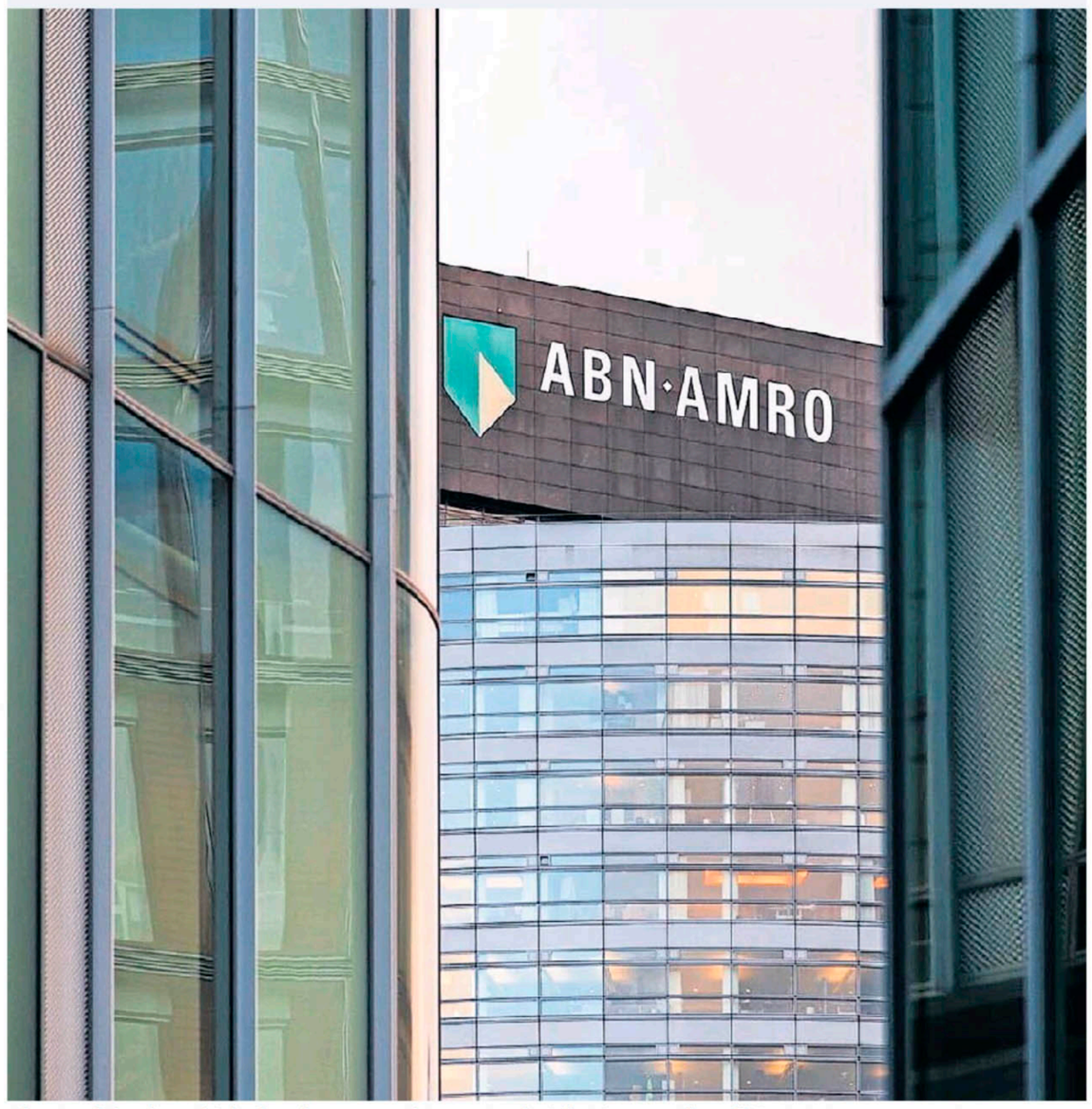
Frost said Calpers had a fiduciary duty to do all it could to improve the long-term success of its investments for members. This included holding corporate leaders accountable and engaging in "shareholder democracy" — a way to speak truth to power, she said.

"Calpers plays by the rules of shareholder democracy, no matter who's in charge in Washington, DC. Why can't ExxonMobil?" Frost said.

Arjuna Capital has, meanwhile, sent a letter to Exxon promising not to file similar proposals in the future. The letter said Arjuna expected "that Exxon will now, albeit belatedly, do what justice and a respect for the rights of shareholders require and withdraw its lawsuit".

Lex page 22

Wealth builder ABN Amro bolsters assets in private banking with €672mn German deal



The Dutch lender, which already owns Bethmann Bank, is buying Hauck Aufhäuser Lampe — Geert Vanden Wijngaert/Bloomberg

OLAF STORBECK — FRANKFURT

ABN Amro has agreed to purchase German private lender Hauck Aufhäuser Lampe for €672mn from China conglomerate Fosun, as the Dutch bank bets on rising demand for financial advice from wealthy families in Europe's largest economy.

The acquisition would turn ABN Amro, which already owns German private lender Bethmann Bank, into the country's third-largest wealth manager, the Dutch bank said yesterday.

ABN Amro is paying cash for Hauck Aufhäuser Lampe, which was founded in the late 18th century but since 2016 has been owned by Fosun. It manages €26bn in assets for wealthy clients and also offers corporate banking services to family-owned businesses.

Robert Swaak, chief executive of ABN Amro, said the deal was a "rare opportunity" to enlarge its German presence, describing the target as a "very strong fit . . . both culturally and geographically".

Hauck Aufhäuser posted net profit of €83mn in 2023.

With the windfall from higher interest rates fading, ABN Amro has been seeking to diversify revenue and has targeted wealth management. Shares in the company are up 8 per cent over the past year, while Fosun shares, listed in Hong Kong, have fallen 10 per cent over the same period.

Fosun was among the wave of Chinese businesses that expanded aggressively overseas before the pandemic, snapping up assets including French resort group Club Med and English Premier League football club Wolverhampton Wanderers.

It has since been disposing of assets as higher interest rates take their toll on the highly leveraged group. Fosun said yesterday that the sale of Hauck Aufhäuser was part of its "effort of streamlining its portfolio and enhancing asset-light operation strategy".

Earlier this year, Fosun sold a 9 per cent stake in Belgian insurer Ageas to BNP Paribas for €730mn.

ABN Amro, which expects the transaction to close in the first quarter of next year, plans to make €60mn in annual cost synergies over three years. The China conglomerate will keep Hauck Aufhäuser's asset servicing operations, based in Luxembourg and Ireland.

The Dutch bank has owned Bethmann Bank, which was founded in 1712 and counted Maria Theresa and Alexander I among its clients, since 2004. Last year it acquired the 9,000 German wealth management clients of Credit Suisse.

Ramaswamy calls for shift in culture at BuzzFeed

ALEX ROGERS — WASHINGTON

Former US Republican presidential candidate Vivek Ramaswamy has called for BuzzFeed to axe staff, focus on video and hire new voices such as former Fox News host Tucker Carlson after raising his stake in the media company to 8.3 per cent.

In a letter to its board of directors yesterday, Ramaswamy criticised BuzzFeed for decisions that he claimed had contributed to the public's "distrust of the media", including publishing in 2017 a dossier by the former British spy Christopher Steele.

The website delved into Donald Trump's Russian ties without first verifying the information, some of which was disproved. Special counsel Robert Mueller later opened an investigation into the former president's conduct and found no evidence that his campaign had conspired with Moscow to influence the 2016 election.

"Distinguish yourself from competitors by openly admitting your past journalistic failures and redefine BuzzFeed's brand around the pursuit of truth," wrote Ramaswamy, urging the company to hire editorial talent "across the political and cultural spectrum".

The biotech entrepreneur and anti-ESG campaigner said he saw a worsening threat to the traffic that search engines and social media sites have driven to BuzzFeed as consumers turn to artificial intelligence tools, such as Google's AI-generated answers to search queries.

He pushed for BuzzFeed to respond by hiring controversial, high-profile figures in audio and video, such as Carlson and talk show host Bill Maher, and to add three unidentified directors to join the board by July 15.

"No talent should be off-limits to platform, hire or acqui-hire," wrote Ramaswamy. "While your competitors focus on racial and gender diversity in the boardroom, you can become the first media company to expressly select for a diversity of viewpoints in your ranks."

BuzzFeed CEO Jonah Peretti wrote in response that Ramaswamy had "some fundamental misunderstandings about the drivers of our business, the values of our audience, and the mission of the company" but would schedule a time to meet. "I'm very sceptical it makes business sense to turn BuzzFeed into a creator platform for inflammatory political pundits," he wrote.

Chinese EV makers can find a way to steer around steep US tariffs

INSIDE BUSINESS
ASIA



June Yoon

Chinese electric cars were once largely synonymous with small, inexpensive vehicles. But in the past year, local EV makers have started repositioning themselves for the premium market.

The timing of a new 100 per cent duty by the US on imported Chinese EVs is thus unfortunate for those companies, hitting them just as they started going global with their high-end cars.

Not all companies will be affected equally by the tariffs. In the low end, the BYD Seagull electric hatchback, for example, with a price tag of around $9,600 in China, would still be considered price-competitive in most overseas markets even after a 100 per cent tariff.

Less so for models such as the Zeekr 009, the electric multipurpose vehicle starting at $69,700. Some manufacturers may decide US expansion is not worth the added costs. Others may find workarounds by setting up production facilities in such countries as Mexico.

But one thing is for certain: winning over Europe has just become that much more important for the future of Chinese EV groups.

For these manufacturers, going the high-end route is now less a matter of choice than necessity to avoid getting caught up in a price war with BYD, China's largest EV maker that is leading global growth in the lower price segment. That strategy, which means contending with the brand power of European luxury-car makers, would have seemed a stretch not so long ago. But an unexpected change in consumer trends has driven stronger than expected sales of Chinese-made premium EVs in the past year.

In China, the definition of a luxury feature in an EV has been evolving rapidly. Branding, fancy car interiors and faster acceleration are some of the traditional attractions for consumers. Now other features are becoming more sought after, such as proprietary software and advanced battery and intelligent-vehicle technologies.

Take Zeekr, the high-end electric-car brand of Chinese carmaker Geely, which also owns a portfolio of global brands including Volvo Cars and Lotus. Its popular Zeekr 001 electric sedan offers traditional high-end features, such as accelerating from zero to 100 kilometres per hour in 3.8 seconds and car seats with back-massage functions.

> One thing is for certain: winning over Europe has just become that much more important for the future of China EV groups

But the bigger draw for many buyers has been the latest technology used in its intelligent cockpit, advanced radars, driving assistance system as well as a battery that charges in half an hour.

A close relationship with China's largest battery maker CATL, from which it received early funding, gives it a significant edge over rivals. Early access to the latest battery technology is key to staying ahead as EV makers search ceaselessly for longer range, lighter and cheaper batteries.

Demand for its high performance electric sports cars has been strong, with total sales doubling in the first quarter. But the problem is that while Zeekr sales surged two-thirds last year, most have been in its home market.

Despite China being the biggest car market in the world, there is a limit as to how fast premium EV makers can grow at home. The nationwide per capita disposable income was Rmb39,218 ($5,415) last year, government data, shows, with GDP per capita at $12,720.

Tesla, which has been cutting prices in the country, is popular among locals.

For new growth — and to recoup steep development costs — EV makers must expand overseas. But the US, the largest market after China, looks challenging.

Government targets and mandates in the next largest market, Europe, offers some hope. In Germany the government aims to have at least 15mn EVs, including plug-in hybrids, on the road by 2030. The EU's decision to ban new combustion engine cars sales from 2035 should also mean higher EV demand.

In Germany, EV sales fell 16 per cent last year, according to data from the country's automobile industry. That is partly to do with rising prices.

While battery EV prices have more than halved in China over the eight years to 2023, average European prices have increased €18,000. Meeting government targets on schedule will require a much wider range of affordable options, leaving a gap for Chinese EV makers to fill.

But even then it will not be easy. An ongoing investigation by the European Commission into subsidies given to EV makers in China could result in steep tariffs on Chinese imports in the near future. That leaves the EV makers a very small window to come up with a clear strategy for expansion in Europe.

june.yoon@ft.com



Financials

N26 highlights toll of regulatory action

Founder talks of costs in the billions of euros as growth cap is lifted

OLAF STORBECK — FRANKFURT

Years of regulatory action against German fintech N26 for its poor anti-money-laundering controls may have cost the business billions of euros, co-founder Valentin Stalf has said, as authorities finally remove a cap on its growth.

Financial regulator BaFin in 2021 ordered online-only bank N26 to limit its new client sign-ups to 50,000 a month. That compared with an average 170,000 a month it was taking on at the time.

The cap was increased to 60,000 last year and it will be removed from June, according to N26. BaFin declined to comment.

The regulator disclosed last week that it had fined the bank €9.2mn for the persistent late filing of suspicious activity reports in 2022.

This followed an earlier fine of €4.25mn in 2021 for similar problems in previous years. An independent monitor that oversees N26's anti-money laundering controls on behalf of BaFin will remain in place, according to people familiar with the situation.

N26 said yesterday that the direct costs of the saga amounted to €100mn, including spending on its control functions and monitoring systems, as well as the fines. However, Stalf told the FT that the indirect costs had been much higher.

"The impact on N26 surely amounts to billions of euros because it lowered the company's valuation as we were unable to grow," he said. In its most recent funding round in 2021 — before BaFin announced it was taking action — N26 was valued at €7.7bn.

> The fintech's wish was to create 'a sustainable portfolio of clients which is profitable in the long run'

Stalf said he was "pleased about the trust of our regulators" and stressed that the bank's priorities had changed since 2021, meaning it would not return to its earlier expansion spree.

"Our key priority won't be growth but profitability of clients and attractiveness of market," he told the FT, adding that N26 wanted to create "a sustainable portfolio of clients which is profitable in the long run".

He stressed the business would "of course" grow from June, but declined to give a specific expansion target.

Business dynamics were also in its favour he claimed, saying N26 had "very strong demand" for its digital banking services and that "the market has not been carved-up by our competitors over the past two and a half years".

N26 was on track to become profitable in the second half of this year, he said. Last year, it halved its losses to €100mn and reported a 27 per cent advance in revenue to more than €300mn. This year, it was hoping to increase revenue by as much as 35 per cent, according to Stalf.

The business was founded in 2013 and has 8mn customers in 24 European countries, but in the past few years it has pulled back from some of its international expansion plans, exiting the UK, the US and Brazil.

It started out offering current accounts, but has recently moved into brokerage services and savings accounts.

Stalf said N26 "did learn a lot over the past two-and-a-half years from the close co-operation with the regulator" and that this experience would be "helpful for our next steps towards an IPO".

Retail. Fast fashion

Uniqlo tested as Chinese tighten their belts

Plans for store openings curbed amid slowdown in second-largest economy

DAVID KEOHANE AND LEO LEWIS — TOKYO
THOMAS HALE — SHANGHAI

After more than three decades of making money through Japan's housing market crash and deflation, Uniqlo hopes it has what it takes to repeat the trick in China, as the second-largest economy slows down.

The company, which is fighting to eclipse Zara owner Inditex and H&M as the biggest mass-market clothing retailer, has come to rely on China as one of the biggest drivers of its business. In the last fiscal year to the end of August 2023, Uniqlo made ¥620.2bn ($4bn) in revenues in greater China and ¥2.3tn worldwide.

But Uniqlo's parent Fast Retailing said last month that it was slowing expansion in China from a planned 80 stores this fiscal year to 55, helping send shares down sharply as investors reassessed the retailer's prospects in the country.

At stake is whether the company's cheap staples can win over a middle class that is more thrifty, serving as a bellwether for other consumer-facing foreign companies.

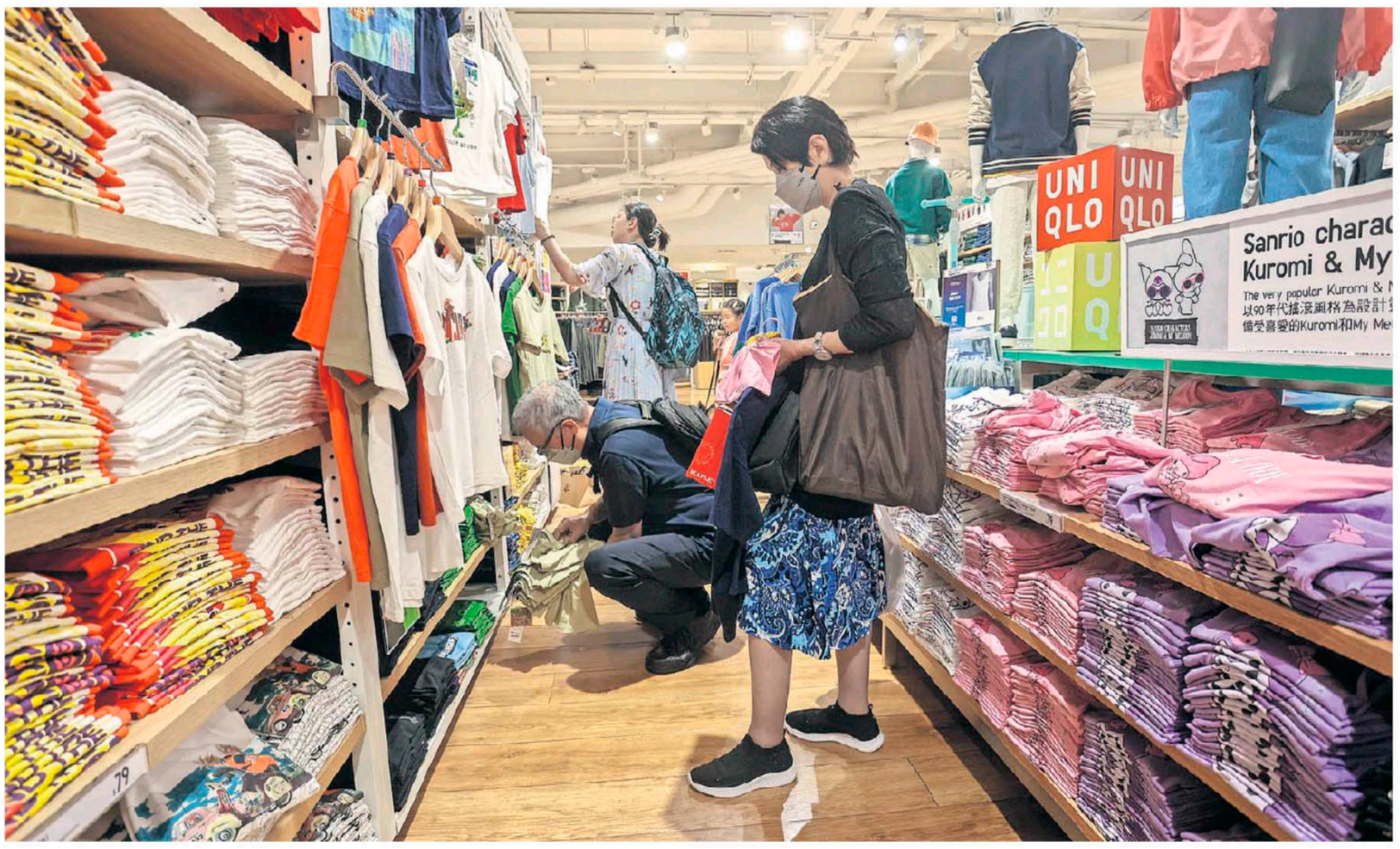
"If Uniqlo does emerge as a winner of downtrading, are they suddenly going to speed up the store expansion target in China? I doubt it," said Oliver Matthew, an analyst at CLSA.

Uniqlo was born during the heart of the Japanese asset bubble, opening its first store in 1984, a few years before the economy spiralled into protracted deflation. Analysts have observed parallels with China and its property crisis, which has triggered waves of developer defaults and chilled the economy.

When Uniqlo entered China in 2002, it was not clear that it could prevail. Some investors and analysts expected the brand to struggle in an increasingly nationalistic environment.

However, not only was the retailer able to navigate the geopolitical tensions that ensnared rivals, but its functional pieces were snapped up by consumers, even during boycotts of Japanese goods, including protests against Japan's decision to release radioactive water from its Fukushima nuclear plant.

Uniqlo has targeted Chinese customers with a strategy that attempts to combine reliable basics such as fleeces, office wear and comfortable underwear with hit products. During the pandemic, Uniqlo's washable face masks were popular, and more recently, Gen Z customers have embraced its banana bags.

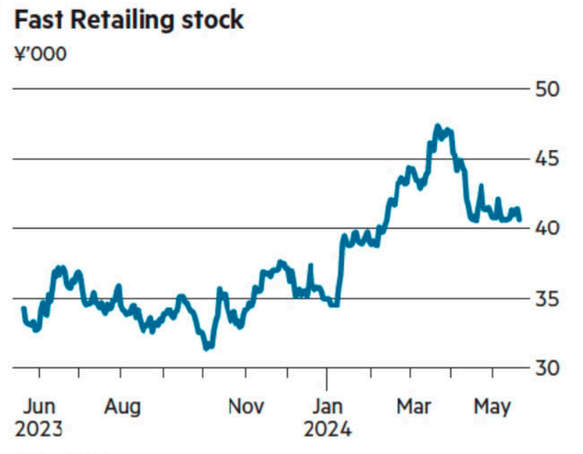


Uniqlo has come to rely on Greater China as one of the drivers of its business
Jonathan Wong/South China Morning Post/Reuters

One Uniqlo shopper in Shanghai, where the chain has 95 stores, said he typically bought products during sales, when the price of a Rmb99 ($14) T-shirt might gradually decrease to as low as Rmb39 over a period of several weeks.

But he said that the products "were cheap even without a sale" and estimated that a Rmb99 T-shirt on Alibaba's flagship shopping site Taobao would cost Rmb200 for an item of similar quality.

Fast Retailing stock



Source: LSEG

As economic growth slows in China, there is uncertainty over how quickly Uniqlo can continue to expand.

"Fast Retailing enjoyed an earnings expansion in China under an inflationary economy, and they were able to charge more for a pair of jeans than in Japan," said Takahiro Kazahaya, an analyst at UBS Securities Japan. "But if you get into a deflationary economy and competition causes one company to sell the jeans for cheaper, and at the same time people change their definition of value for money, that could make Uniqlo less competitive."

Fast Retailing's chief financial officer Takeshi Okazaki said during results in April that the company's situation in the country was "half internal and half external", suggesting that the macro environment was part of the issue but also that some stores were underperforming.

He said part of the solution would be to shut some locations and do more with

> 'There's still the EU and the US. They are both doing fine at the moment'

ecommerce and livestream commerce, a popular form of shopping on Chinese social media apps.

The company said its "priority is to conscientiously open high-quality stores in excellent locations that can achieve more sales per store, rather than simply pursuing a higher number of stores".

Since mainland China was a "huge market with distinct regions with varying climates . . . one consideration is whether we have been able to build a product mix that really suits the specific needs and characteristics of each region".

While Uniqlo fine-tunes its strategy in China, its ambitions in the US and Europe might be more important to its success and share price.

"China has dropped off a bit, and that was the catalyst for the stock for years," said a Tokyo-based investor in the group.

"But even if that keeps being the case, there's still the EU and the US. They are both doing fine at the moment . . . The next question is if they can keep doing so."

Additional reporting by Wang Xueqiao

Asset management

St James's Place expected to be demoted from the FTSE 100

EMMA DUNKLEY, SALLY HICKEY AND GEORGE STEER

St James's Place is expected to drop out of the FTSE 100 after shares in the UK's largest wealth manager fell more than 55 per cent over the past year.

The London Stock Exchange said in its indicative quarterly review yesterday that SJP was poised to be demoted from the blue-chip index on June 5, with grocer Ocado, whose shares have fallen about 45 per cent so far this year, also dropping out and into the FTSE 250.

Cyber security group Darktrace and housebuilder Vistry Group will be promoted to the FTSE 100.

The demotion comes after a bruising 12 months for the Gloucestershire-based wealth manager, which employs one in eight of the UK's 38,000 financial advisers.

Shares in SJP fell as much as 16 per cent in a day last July when it cut its fees ahead of the new Consumer Duty coming into effect — rules aimed at ensuring that financial services customers get a good deal.

They also fell by a fifth when the Financial Times revealed in October that SJP was pushed by the Financial Conduct Authority to go further on overhauling its charges, which have come under criticism for being complicated and opaque.

This prompted the company to announce the removal of its punitive early withdrawal charge on certain products for new customers from the middle of next year.

The wealth manager also felt the heat earlier this year when it was forced to set aside £426mn for potential client refunds to those customers who felt they had not received a sufficient level of service.

SJP announced on the same day as its £426mn bill that it was reducing its dividend, pointing to an expected decrease in its profit growth, sending its shares tumbling.

The group also suffered a drop in net inflows over the first quarter, with these falling to £700mn — lower than forecast and down from £2bn a year earlier.

Chief executive Mark FitzPatrick said outflows were at an "elevated level".

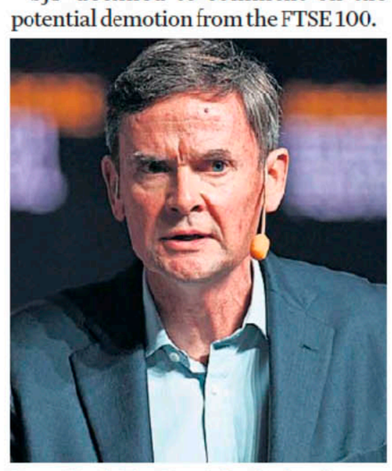
Some analysts believe its reducing market value could make it a takeover target.

"The discounted valuation, but attractive long-term prospects, means we see elevated near-term risk of the group emerging as an M&A target," said analysts at RBC.

However, FitzPatrick is keen to break from the past and believes SJP is well-placed to capitalise on growth opportunities stemming from the need for financial advice.

"About 8 per cent of the UK population receives advice, so it's a huge opportunity," FitzPatrick told the Financial Times in a recent interview.

SJP declined to comment on the potential demotion from the FTSE 100.



Boss Mark FitzPatrick: the business is well placed to seize opportunities

Technology

Argentine leader to meet Silicon Valley chiefs including Cook, Altman, Pichai and Zuckerberg

CIARA NUGENT — BUENOS AIRES

Javier Milei will meet technology executives including Tim Cook and Sam Altman in California this week, marking the Argentine president's fourth trip to the US in five months as he seeks to build hype for his economic reforms.

The president's office said that Milei would spend until Friday in San Francisco, meeting business leaders including the Apple and OpenAI chief executives, Google chief executive Sundar Pichai, and Meta chief executive Mark Zuckerberg.

His spokesperson said the trip was designed "to position Argentina in the world once again". The country's tech sector is one of the region's largest.

Milei has travelled much since taking office, courting the spotlight via friendships with figures such as Tesla chief executive Elon Musk, whom he met at the carmaker's Austin factory in April, and giving conference speeches defending his "anarcho-capitalist" beliefs. By the end of June he will have completed eight foreign tours, a record for Argentine presidents in their first six months in office, per newspaper La Nación. None have been in South America.

Milei's latest trip abroad comes at a moment of turbulence at home. On Monday, the president's office announced the resignation of cabinet chief Nicolás Posse, one of his closest advisers, after delays to the government's legislative agenda in congress.

Posse will be replaced by interior minister Guillermo Francos, a veteran politician and one of Milei's main negotiators in congress.

Opposition politicians have criticised Milei's travel, and three lawmakers have asked police to investigate his officials for using public funds on a trip to a political conference in Spain, which they argue was made in a personal capacity.

For many Argentines, roughly half of whom approve of Milei's government, his global profile had been a "novelty", said Cristian Buttié, director of pollster CB Consultora. "We are not used to Argentine presidents being famous internationally; for young voters, the photos with Elon Musk have a certain allure. But the question is: will that fame benefit Argentina, or will it just benefit Milei?"

Analysts said that international businesses were likely to hold off on investing in Argentina, which is suffering its worst economic crisis in two decades. Annual inflation was running at 289 per cent in April and economic activity was down 8.4 per cent in March compared with a year earlier.



Javier Milei met Tesla boss Elon Musk in Austin, Texas in April
Presidencia de la Nación Argentina/Getty Images

Milei has slashed spending to halt money-printing and bring down inflation. But he has yet to secure longer term reform in congress, where he controls fewer than 15 per cent of seats.

Many years of a volatile investment climate had badly damaged Argentina's reputation, Kezia McKeague, managing director of McLarty Associates, which advises multinationals operating in the country, pointed out. "You don't change that in six months. There is a great deal of excitement in some sectors, but companies aren't ready to pull the trigger yet."

Negotiations are dragging on in the Senate over Milei's first two bills, which include measures to cut the deficit and an incentive scheme for investments in mining and other sectors.

Musk and Milei discussed lithium, the EV battery metal of which Argentina has some of the largest reserves, when they met in April, according to the president's team. But Musk did not announce any new investment.

The government has yet to lay out its plan for removing Argentina's strict currency controls, which limit companies' ability to take profits out of the country, and whether it will pursue Milei's campaign pledge to replace the peso with the dollar.

Fabio Rodriguez, director at consultancy M&R Asociados, said: "There is a lot of inconsistency . . . which makes it impossible to plan investments. That's what I'd want to hear about if I were an investor meeting with Milei, rather than socialism and capitalism and freedom."

Air Liquide, Reckitt and Avon among businesses backpedalling over Russia

Pledges to depart remain unfulfilled amid heavy exit tax and difficulty of finding suitable buyers

COURTNEY WEAVER — BERLIN
MADELEINE SPEED — LONDON

Western companies including Avon Products, Air Liquide and Reckitt have remained in Russia despite saying they planned to leave after the invasion of Ukraine, as bureaucratic obstacles increase and consumer activity rebounds.

The Natura-owned cosmetics brand, the French industrial gas producer and the UK consumer group that produces everything from painkillers to condoms are among hundreds of western groups that have stayed in the country since the full-scale invasion in 2022.

"Many European companies have found themselves really between a rock and a hard place," said one executive working with western companies in the country. "They said they'd leave. They were presented with a choice of buyers that were unacceptable to them."

Overall, more than 2,100 multinational groups have stayed in Russia since 2022, the Kyiv School of Economics has found, compared with about 1,600 international companies that have either quit the market or scaled back operations.

Shortly after the 2022 invasion of Ukraine, scores of such groups pledged to scale back their presence in Russia as the west sought to starve the country's economy and the Kremlin's war coffers of foreign cash.

But Moscow has gradually raised the cost of corporate departure, imposing a mandatory 50 per cent discount on assets from "unfriendly" countries sold to Russian buyers and a minimum 15 per cent "exit tax". It has also been increasingly hard to find local buyers acceptable both to the seller and to Moscow and whose involvement does not fall foul of western sanctions.

Air Liquide announced in September 2022 it had signed a memorandum of understanding to sell its Russia business to the team of local managers who had been running it. However, the deal never received Russian government approval, leaving the company in limbo.

Some companies no longer feel they are compelled to quit the country. Avon began a sale process for its Russian business and received offers, but decided not to accept them.

"For over 135 years, Avon has stood for women wherever they are in the world, regardless of ethnicity, nationality, age or religion," the company said.

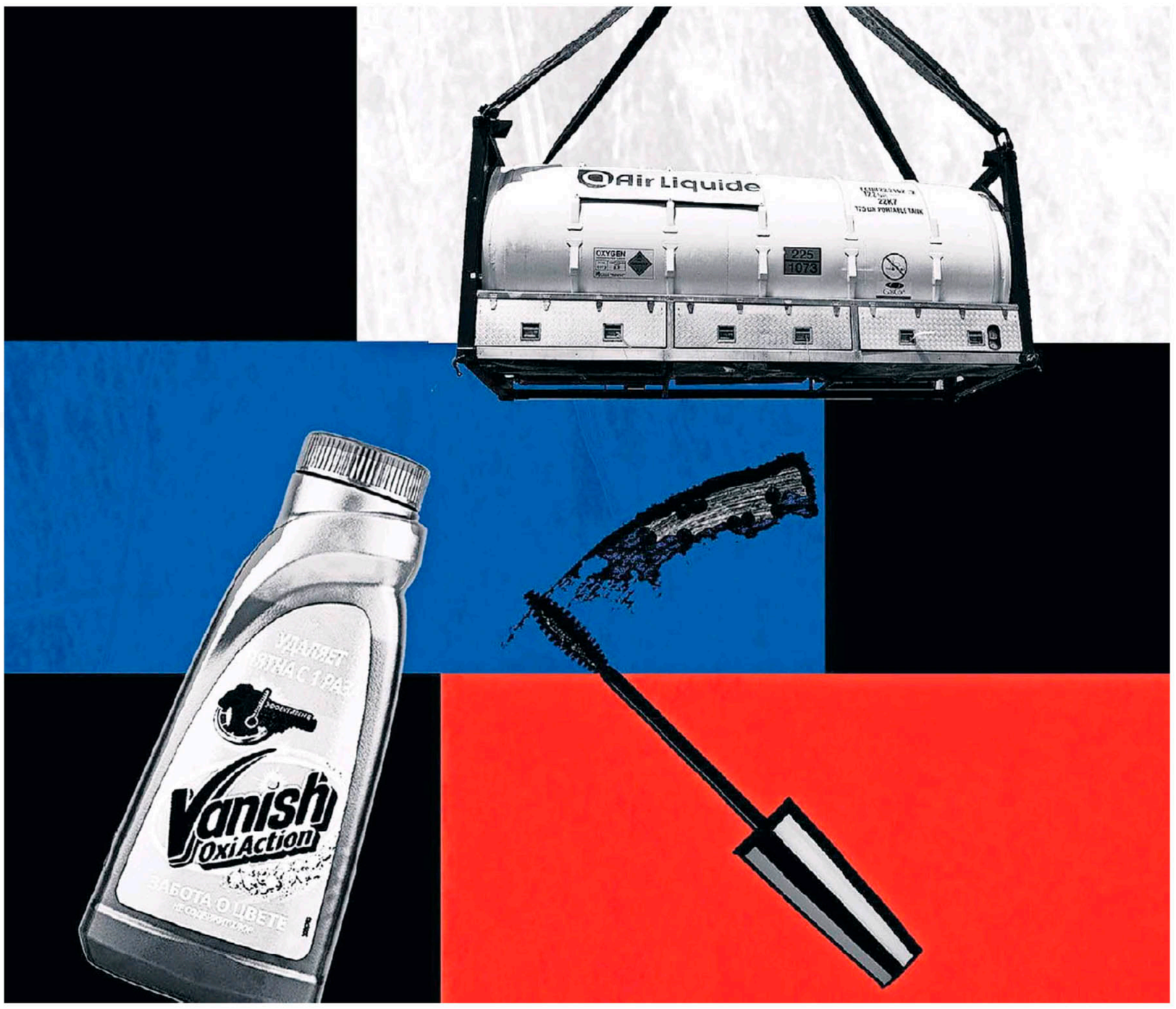
While Reckitt announced in April 2022 that it had "begun a process aimed at transferring ownership of its Russian business", its new chief executive Kris Licht has taken a more measured approach.

"We continue to look at options, but it has become more complex, not less complex," he said last month. "The initial conversation was, do you stay or go, and businesses paying taxes . . . I think we're having a bit more of a nuanced conversation."

Multinationals have been mindful of the travails of western companies such as Carlsberg and Danone, which had their assets seized after announcing plans to leave.

While Danone was eventually able to work out a deal to sell the assets at a steep discount, Carlsberg remains locked in a protracted legal battle with Moscow, and one of the brewer's former top executives is in a Russian prison.

Alexandra Prokopenko, a non-resident fellow at Carnegie Russia Eurasia, said that rising wages and a rosier-than-expected economic situation had fuelled a spending boom, making Russia much more appealing for multinationals, particularly in the consumer sector.



The trio, along with more than 2,100 other multinationals, have stayed in the country. Below, an outlet of Austrian bank Raiffeisen, whose job ads appeared to indicate ambitious Russian growth plans — FT montage/Alamy/Dreamstime/AFP/Getty; Maxim Shipenkov/epa-EFE



Prokopenko said that a recent wave of nationalisations that had targeted both foreign groups and local participants remained "the major risk to foreign nationals in Russia. So if they see this risk as manageable, why don't they stay?"

PepsiCo announced in March 2022 that it had suspended the sale and production of its flagship beverage in Russia, but it continues to operate a dairy business in the country that employs 20,000 people directly and 40,000 agricultural workers indirectly.

"As a food and beverage company, now more than ever we must stay true to the humanitarian aspect of our business. That means we have a responsibility to continue to offer our other products in Russia," chief executive Ramon Laguarta wrote in an email to employees in September 2022.

Coca-Cola has stopped sending its soft drinks syrups to Russia, but the role has been filled by the group's bottler in the region, Coca-Cola Hellenic, in which it holds a 21 per cent stake. In August 2022 the bottler created a standalone Russian company, Multon Partners, whose Russian versions of Coca-Cola brands include Dobry Cola, which has knocked the original Coke off the top spot as the country's best-seller.

"Dobry Cola is an extension of an existing brand in the market, produced and distributed by Multon Partners. It has no connection to The Coca-Cola Company or its brands," said the bottler.

Among the more than 2,000 companies that have said they will stay in Russia — which include consumer groups Mondelez, Unilever, Nestlé and Philip Morris — some have become more open about their plans.

Mondelez's chief executive recently said that investors did not "morally care" whether groups left the country.

But there is a lack of clarity about some companies' claimed divestments. US short seller Hindenburg Research revealed in March that Polish fashion retailer LPP's goods were still being sold in Russia despite it announcing that it had left the market in June 2022 after selling its business to an unidentified Chinese consortium.

> 'If we pull out, they will take our brands for themselves. I don't think that's a good trade'
> Nelson Peltz

While LPP denied wrongdoing, it acknowledged that it had been benefiting from sales to "transfer agents" to help fund the cost of the transition, a practice that would not be phased out until 2025.

Austria's Raiffeisen Bank International has also come under fire after the FT reported that dozens of Russia-based job advertisements it had posted indicated ambitious growth plans in the country, despite its pledge to quit the market.

A second executive working with western companies in Russia said that there had been a noticeable change in sentiment.

While companies that left in the initial weeks after the invasion saw a moral imperative to do so, he said, "the current wave is more about, do you really have to leave? Do you want to leave? Some of these companies have built four, five factories over 30 years. They're not going to sell that for a 90 per cent discount."

Activist investor and Unilever board member Nelson Peltz said this year that he had pressed the consumer goods group, which has explored options for a sale, not to leave.

"If we pull out of Russia, they will take our brands for themselves. I don't think that's a good trade," Peltz said, emphasising that rivals such as P&G and Colgate-Palmolive had not left the country. "Why the hell should we?"

Additional reporting by Sarah White in Paris and Max Seddon in Riga

Banks

BNP Paribas and Crédit Agricole shun oil and gas bond deals

KENZA BRYAN — LONDON

Two of Europe's leading banks have retreated from oil and gas bond deals, cschcwing a typc of financing on which big fossil fuel companies have become increasingly reliant.

BNP Paribas and Crédit Agricole, the second and third largest banks in Europe by assets, have told shareholders that they will no longer underwrite bond issues for the sector unless they include green restrictions, clarifying their existing policies.

HSBC, the biggest European bank, agreed earlier this year to start disclosing its carbon footprint linked to such issuance but has not yet applied this type of climate restriction to general-purpose debt deals.

Pressure on banks to make their lending and underwriting portfolios more climate-sensitive is high in France.

Bosses, including the chief executives of BNP and Crédit Agricole, have been appearing at hearings held by the Paris Senate into the activities of oil and gas group TotalEnergies, including its climate impact.

Global banks have generally reduced financing for oil, gas and coal projects since pledging at the UN COP26 climate summit in Glasgow in 2021 to limit lending for fossil fuel expansion.

> The pair will no longer underwrite issues for the sector unless they include green restrictions

But they have been slow to extend their policies to other core activities such as general-purpose loans to oil and gas companies, or the underwriting and facilitation of bond deals.

In January, Crédit Agricole took part in a €1bn bond deal for Italian oil and gas company Eni.

"This kind of bond deal cannot happen in the future as a consequence of our strategy," the bank said.

The two French banks are among the lenders that underwrote more than $270bn in corporate bonds for fossil fuel companies last year, nearly $30bn more than the previous year, according to analysis by campaign groups co-ordinated by the Rainforest Action Network. Lending to those companies fell overall in the same period.

The decisions on the bond deals held the promise of a "sign of a real change", said Lucie Pinson, director of French campaign group Reclaim Finance.

Crédit Agricole said it no longer took part in "untargeted bond issuances" where these did not respect its framework for issuances earmarked for green projects.

Last week BNP Paribas said in a statement prepared ahead of its annual meeting that it would not take part in "conventional" bond deals for the oil and gas sector. It "reserves" the ability "to act in the service of financing the energy transition".

Both banks' policies leave the door open to bonds that raise money for green projects, as well as deals with issuers that are part of the fossil fuel supply chain without producing oil and gas themselves.

The moves come as banks have for the first time started to disclose information on the carbon footprint of their capital market deals. This was an area that investors had previously seen as a climate blind spot.

Financials

Banco Sabadell courts vital retail shareholders after rival BBVA's hostile bid

BARNEY JOPSON — MADRID

The chair of Banco Sabadell has told the retail shareholders that own nearly half the Spanish bank that it has a "bright" independent future as it attempts to fend off a hostile bid from rival BBVA.

BBVA's bid for its smaller competitor, which initially valued Sabadell at €12bn, is the biggest takeover battle in European banking for years.

Tension between the banks has been building since BBVA made an all-share bid last month that Sabadell's board rejected, prompting the larger bank to go hostile and offer the same terms directly to Sabadell shareholders. Spain's government has said it opposes the deal.

In a letter seen by the Financial Times, Josep Oliu, Sabadell's long-standing chair, told retail investors — who own 45 per cent of its shares and include many employees — that BBVA's rejected offer "significantly undervalued" Sabadell's "growth prospects as an independent institution".

As both banks vie to win round shareholders, a person close to Sabadell said there was "significant execution risk" in the transaction given that Spain's economy ministry, which must approve any merger, was opposed.

If BBVA's offer was accepted by at least 50.1 per cent of Sabadell shareholders but the government blocked a merger, BBVA would end up as the majority owner of two banks it was unable to integrate, with limited scope for cost savings, said the person close to Sabadell. "In this scenario, there would be significant adverse affects for shareholders."

Carlos Cuerpo, Spain's economy minister, has said the government is against the deal because it would have a negative impact on competition, financial inclusion, and regional financial systems in Catalonia and Valencia, Sabadell's heartlands.



BBVA's move for its smaller competitor, which initially valued Sabadell at €12bn, is the biggest takeover battle in Europe's banking sector for years Ángel García/Bloomberg

Oliu said in his letter that Sabadell had "bright prospects for the future" and had been the best performer in Spain's Ibex 35 stock index between the end of 2020 and May 24 this year, although that period includes the boost to its shares from news of BBVA's bid.

He said investors did not have to make any decision about BBVA's offer at this stage; the bid process was "long" and could stretch into 2025.

Sabadell's board will publish detailed recommendations on the offer at a later date.

BBVA will have to win the approval of a number of regulators, including the European Central Bank, before it can launch its tender offer to shareholders.

That is likely to happen towards the end of this year. If a majority of Sabadell investors opt to sell their shares, the deal can go ahead, but the economy ministry must then rule on the proposed merger. BBVA has said that this may not happen until 2026.

BBVA said: "If the bid is successful, it means that it has been approved by multiple supervisors and has been widely accepted and supported by hundreds of thousands of investors, mostly Spanish citizens.

"After that process is when the economy ministry will have a say about the merger, and we are fully confident that it will appreciate the benefits of the transaction as it will generate a better company for all stakeholders."

Hostile takeovers are rare in Spain, and the lengthy approval process leaves the transaction exposed to the volatility of Spanish politics and any future change in government.

CODEL Digital Certainty
www.codelmark.com

27 May 2024
FF524E1DFED9233C4A0344846D70A798
7FD56910B34531904877FDDE3DEAC216

26 May 2024
D41EE95CF8114857CEE2D633B1FE7D90
2389A5BD77972B4250D5F9A91B98160F

Legal Notices

NOTICE UNDER SECTION 131A OF THE LABUAN COMPANIES (AMENDMENT) ACT 2022

Notice is hereby given that:-

MAXA GLOBAL LIMITED (Company No. LL07910) intends to apply to the Labuan Financial Services Authority (Labuan FSA) for a declaration of dissolution of the Company and that the Labuan FSA may dissolve the Labuan Company unless written objection is made to the Labuan FSA as below within 30 days from the date of this Notice:-

Labuan Financial Services Authority
Level 17, Main Office Tower,
Financial Park Labuan,
Jalan Merdeka,
87000 Labuan F.T., Malaysia.

Date: 29 May 2024

Retail

Boohoo cancels £3mn of bonuses

Reversal follows pressure from investors as fashion group's losses widen

LAURA ONITA — LONDON

UK fast-fashion retailer Boohoo has cancelled annual bonuses worth £3mn and ditched a new pay scheme for its top bosses after talks with shareholders amid widening losses.

The decision comes days after the company, which owns brands including Debenhams, Karen Millen and PrettyLittleThing, outlined plans in its annual report to "simplify" its remuneration policy ahead of its annual meeting with investors on June 20.

Boohoo said in a statement yesterday that it "has engaged with certain shareholders . . . and has decided not to implement the incentive plan at this time", adding it will "consider further engagement with shareholders".

Executive directors including Boohoo co-founders Mahmud Kamani and Carol Kane, as well as chief executive John Lyttle, would also waive bonuses worth £3mn for the year to February 29, 2024, the company added, after pre-tax losses swelled to almost £160mn during the year from £90.7mn the year before.

Kamani, Kane and Lyttle were in line for bonuses of £1mn each in cash and shares, according to its latest annual report, having earned £1.6mn in bonuses the previous year.

The online retailer, which benefited from the boom in online shopping during the pandemic, has had to contend with a fall in sales amid the cost of living squeeze and shoppers returning to stores in greater numbers than anticipated.

> The about-turn is the latest in a series of spats with shareholders over executive pay awards

The stock has lost almost 85 per cent of its value over the past five years, giving the company a market capitalisation of £435mn. Boohoo had net debt of £95mn in its most recent financial year, from almost £6mn of net cash the previous year.

The about turn is the latest in a series of confrontations with shareholders in recent years over executive pay.

The proposed new incentive plan could have led to a maximum award of up to 500 per cent of the executives' salaries this financial year dependent on performance targets.

Kamani, Kane and Lyttle were not eligible for a bonus in the year to February 29, 2024, according to Boohoo's remuneration policy, owing to the poor financial performance of the group but the remuneration committee had agreed a payout anyway.

They said in the company's annual report it "feels that the formulaic outcome is not an accurate reflection of the excellent work carried out during the year to set the business up for future success, nor will it ensure that the management team is motivated and retained throughout the next financial year which will be pivotal for the group's long-term success".

Technology

Backtrack on superintelligent systems as OpenAI looks to new models

CRISTINA CRIDDLE

OpenAI said it had begun training its next-generation artificial intelligence software, even as the start-up backtracked on earlier claims that it wanted to build "superintelligent" systems that were smarter than humans.

The San Francisco-based company said yesterday that it had started producing a new AI system "to bring us to the next level of capabilities" and that its development would be overseen by a new safety and security committee.

But while OpenAI is racing ahead with AI development, an OpenAI executive seemed to backtrack on previous comments by its chief executive Sam Altman that it was ultimately aiming to build a "superintelligence" far more advanced than humans.

Anna Makanju, OpenAI's vice-president of global affairs, said its "mission" was to build artificial general intelligence capable of "cognitive tasks that are what a human could do today".

Makanju said: "Our mission is to build AGI; I would not say our mission is to build superintelligence. Superintelligence is a technology that is going to be orders of magnitude more intelligent than human beings on Earth."

Altman said in November that he spent half of his time researching "how to build superintelligence".

> 'Our mission is to build AGI; I would not say our mission is to build superintelligence'

Liz Bourgeois, an OpenAI spokesperson, said superintelligence was not the company's mission.

"Our mission is AGI that is beneficial for humanity," she said, following this story's initial publication. "To achieve it, we also study superintelligence, which we generally consider to be systems even more intelligent than AGI."

She disputed any suggestion that the two were in conflict.

At the same time as fending off competition from Google's Gemini and Elon Musk's start-up xAI, OpenAI is attempting to reassure policymakers that it is prioritising responsible AI development after several senior safety researchers quit this month.

Its new committee will be led by Altman and board directors Bret Taylor, Adam D'Angelo and Nicole Seligman, and will report back to the remaining three members of the board.

The company did not say what the follow-up to GPT-4, which powers its ChatGPT app and received a major upgrade two weeks ago, could do or when it would launch.

This month, OpenAI disbanded its superalignment team — tasked with focusing on the safety of potentially superintelligent systems — after Ilya Sutskever, the team's leader and a co-founder of the company, quit.

Sutskever's departure came months after he led a shock coup against Altman in November that proved unsuccessful.

Closing down the superalignment team has resulted in several employees leaving. Makanju emphasised that work on the "long-term possibilities" of AI was still being done "even if they are theoretical".

Additional reporting by Madhumita Murgia in London

Asset management

Could do better, admits Train over performance

EMMA DUNKLEY

Fund manager Nick Train has apologised for his investment performance over the past few years, blaming lack of exposure to tech and fossil fuel stocks and pointing to the "malaise" of the domestic equity market.

Train, who manages the Finsbury Growth and Income trust, said as it released half-year results yesterday that this "was yet another six-month period" underperforming its benchmark.

He said: "We really should be able to do better than this, and if we can't, then I absolutely share shareholders' growing impatience. We do acknowledge and apologise for it."

Train said he was also "frustrated" by the "malaise gripping the UK equity market".

The manager, who also runs an open-ended UK fund at Lindsell Train, the company he co-founded which has assets under management of £15.2bn, said he had found it "difficult" to be optimistic to shareholders, as he had been bullish "about its prospects throughout the three years and more of underperformance".

Shares in the Finsbury Growth and Income trust returned 2.7 per cent over the six months to the end of March, compared with the FTSE All-Share index's 6.9 per cent in this period.

Over the past three years, the trust's share price has dropped 2.8 per cent, while its benchmark index has risen 23.9 per cent.

Train said that "not owning UK-listed oil and mining company shares has been a persistent drag on our performance since the world economy emerged from Covid-19 lockdowns".

But the "overarching reason" for the poor performance was that the strategy did "not have enough exposure to technology or companies well-positioned to exploit technology".

To address this, he had bought three new stocks since 2020, including credit score group Experian and more recently property website Rightmove.

He said there was also a valuation gap between that of tech-advantaged UK companies and rivals listed overseas, pointing to Rightmove's competitor CoStar in the US.

Performance was also hit by particular stocks, he said, citing Schroders, Burberry and Rémy Cointreau.



Think tank

Toyota in fuel tech vow as EV shift slows

Toyota has unveiled plans for a new generation of internal combustion engines, betting on a continued need for older technologies even as car buyers shift towards Tesla and other electric-vehicle makers.

In a rare joint appearance, the heads of Toyota, Mazda and Subaru pledged to continue investing in fuel-based technology, a move that would also benefit hundreds of suppliers struggling with the shift to electric vehicles.

"In an era when the development of battery electric vehicle technology is accelerating, there is a new role we can pursue for the internal combustion engine as well," Toyota's chief executive Koji Sato said, noting that the engines were designed to be used alongside batteries in hybrid vehicles.

Toyota's commitment to internal combustion engine technology — which has traditionally relied on petrol or diesel as fuel — comes as sales of fully electric cars have slowed due to concerns about costs and insufficient charging networks.

That has led to a boom in demand for hybrids, prompting global rivals to increase investment in the models, which combine batteries and fuel engines.

Toyota said yesterday that its new engines should go into production around the time that updated EU emission regulations are due to be phased in from the end of 2026.

Although Toyota would not comment on its level of investment in the new engines, the group's chief technology officer, Hiroki Nakajima, said it was a "magnitude smaller" than the funding being poured into electric vehicles and battery development.

Japan's biggest carmaker has long been a proponent of hybrid vehicles and slower to adopt electric vehicles, a stance that has been validated in recent months by soaring sales.

"Both the batteries for electric vehicles and international combustion engines are important," Nakajima said, adding that Toyota would continue to invest in both technologies and prioritise whichever would help it hit emission targets.

Toyota chair Akio Toyoda has predicted that demand for battery electric vehicles will hit a ceiling at 30 per cent of the global market, opening the way for more hybrid sales.

Toyota's new engines will be 10-20 per cent smaller and will allow for greater output when paired with batteries. They are expected to be used first in hybrid cars and then plug-in hybrids, according to one person familiar with the matter.

"This is in line with Toyota's strategy of spreading their bets across different technologies," said James Hong, auto analyst at Macquarie. Hong said Toyota was "developing small-sized engines for hybrids . . . that can be mounted without modifying the design of their next-generation vehicles".

Variants of the engines will be capable of running on diesel and petrol, as well as on lower-emission or carbon-neutral fuels such as hydrogen or so-called e-fuel. This is part of a wider bet that alternative fuels made using electricity from renewable hydrogen and other gases will allow carmakers to keep selling combustion-engine vehicles that meet environmental regulations.

Mazda and Subaru, both part-owned by Toyota, also unveiled prototype engines yesterday. *David Keohane and Kana Inagaki in Tokyo*

Toyota's new Prius hybrid: the group is testing engine variants
Tomohiro Ohsumi/GEtty Images

Technology

Adani Group in ecommerce and payments push as founder seeks to move on from scandals

BENJAMIN PARKIN — NEW DELHI

Adani Group is in talks to expand into ecommerce and payments, according to people familiar with the matter, as its builds a digital business to compete with the likes of Google and Mukesh Ambani's Reliance Industries in the most populous country.

The plans come as its politically well-connected founder Gautam Adani seeks to move on from damaging scandals and diversify his empire into fast-growing consumer-facing markets.

Adani has become Asia's second-richest man by amassing an infrastructure and logistics network of ports, airports and power.

The company was weighing applying for a licence to operate on India's ubiquitous public digital payments network, the Unified Payments Interface, and was in talks with banks to finalise previously announced plans for a co-branded Adani credit card, the people said.

Separately, it was in negotiations to offer online shopping through India's fast-growing, government-backed public ecommerce platform, the Open Network for Digital Commerce, they said.

ONDC and UPI make up part of India's digital public infrastructure "stack", which attracts hundreds of millions of users a month and has become popular with groups competing to build consumer technology businesses.

"There are just three business conglomerates running this country: the Tatas, the Ambanis and the Adanis," said Jayanth Kolla, a Bengaluru-based tech analyst. "Adani is the one of the three groups which does not have significant consumer-facing businesses."

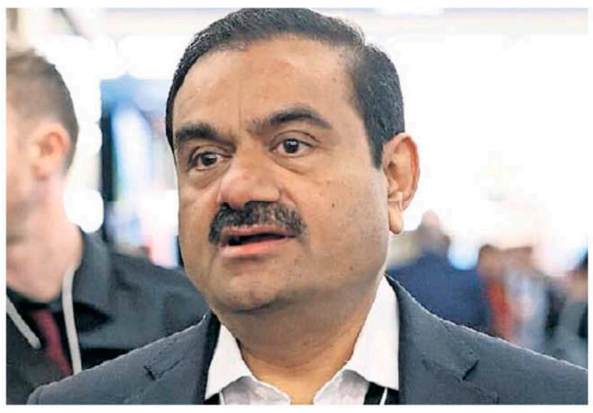
If finalised, the services will be available through Adani's consumer application Adani One, launched in late 2022 and offering travel services such as flight and hotel bookings.

Google and Walmart-backed PhonePe operate widely used UPI-based payments apps, while domestic businesses such as Paytm and Tata offer grocery and fashion shopping through ONDC.

The "interoperable" networks mean that companies do not need to invest in their own proprietary payments or ecommerce platforms, as they can transact through other providers.

Adani's consumer push comes after a scandal last year in which US short seller Hindenburg Research accused it of market manipulation and fraud. The allegations prompted a $150bn rout in Adani's listed stocks and attacks from opposition leaders over the founder's long-standing ties with Narendra Modi.

The company has remained in the spotlight during India's elections. The opposition has vowed to investigate Adani if elected over a Financial Times report last week that it had passed off low-quality coal as more expensive, cleaner, fuel in sales to a state utility. Modi, too, has accused his rivals of taking "black money" from Adani.



Gautam Adani is seeking to diversify his empire into fast-growing consumer markets
Hollie Adams/Bloomberg

The group denies wrongdoing, and India's securities regulator has not yet released the outcome of a probe into the Hindenburg allegations.

Meanwhile, Adani businesses have rebounded, with shares of its flagship Adani Enterprises recovering almost all of last year's losses.

Adani's consumer push is happening as it seeks to expand and integrate disparate parts of its empire such as NDTV, a broadcaster acquired in 2022, and its Adani Wilmar joint venture selling staples such as rice and wheat.

It also plans to set up a think-tank focused on climate change, energy and politics.

People familiar with the matter said the company's ecommerce and payments offerings would initially target existing users of its businesses, which they argued amounted to hundreds of millions of people when gas and electricity customers and travellers at its airports were included. They could, for example, acquire loyalty points through bill payments or duty-free purchases and use them for online shopping.

Targeting existing users in this way would give Adani "a platform to move into much larger areas", one of the people said. Another said Adani was planning to add NDTV content to its app this year.

However, some analysts are sceptical about Adani's prospects. Tata's so-called superapp Tata Neu, launched in 2022, has gained limited traction, while Reliance has a multiyear head start in consumer businesses such as telecoms, retail and entertainment.

"You pay your bills once, you travel once or twice, that's all," said Satish Meena, an independent analyst. "These points are not a motivation for a customer to move to online shopping with Adani."

Adani declined to comment.

Equities. Modernisation

Impact of quicker US trading cycles will ripple around globe



Move to T+1 cuts settlement risk but will cause difficulties for overseas fund managers

JENNIFER HUGHES AND HARRIET CLARFELT — NEW YORK

The US is going live this week with a sweeping project to modernise its markets — a move that will have repercussions for banks and asset managers around the globe trading in the world's biggest capital market.

The country yesterday shortened the time it takes to finalise the millions of securities trades across its markets every day. It was joined by Canada, Argentina and Mexico.

The move covered stocks, corporate bonds, exchange traded funds, mutual funds and options. It will also force fund managers around the world trading in North American securities to be more efficient at settling trades.

Previously, buyers and sellers of securities were allowed two days after a deal was executed to finalise it, giving the participants time to deliver the money or the goods. That timeframe was known in the industry as T+2. But this week, the window was shortened to a single day, or T+1.

In the US, the catalyst for change was several bouts of wild market swings, most notably in 2020 during the early days of the pandemic and in the meme stock mania of early 2021.

Then, retail broker Robinhood blocked its customers from buying several popular stocks through its app, causing their prices to crash because it could not meet volatility related capital calls from its clearing house. Speeding up settlement reduces the funds that brokers need to put up in collateral and the 2021 debacle created common cause between regulators and industry participants. Last year, the Securities and Exchange Commission set the May 2024 deadline.

"Time is money and time is risk," said SEC chair Gary Gensler last week, pointing to the meme stock drama as a spur for the move. "[T+1] will make our market plumbing more resilient, timely and orderly."

The move by the US has helped force the issue around the world. India has already moved to T+1 and the UK, EU and Switzerland are exploring following suit.

Canada, Argentina and Mexico started a day earlier than the US because the latter was closed on Monday for a public holiday.

Establishing standard timetables for agreeing trades and exchanging funds helps minimise the number of failed deals — those where for various reasons details do not match or the cash does not arrive.

These are expensive and often difficult to resolve. They also risk creating uncertainties around who owns what — which can have wider ramifications for market mood and activity.

The bulk of the work has been undertaken deep in the plumbing of the financial system as banks, brokers and asset managers have pursued automation to speed up processes — many of which will now take place in the US night following a trade.

Non-US fund managers are expected to have the greatest difficulty with the accelerated process because they have less time to find the asset or because they have to source US dollars to pay for American stocks.

For example, last week an investor in Hong Kong, 12 hours ahead of New York, could have instructed their US broker to buy Apple shares on a Monday.

The investor would have had Tuesday in the Asian city to buy the US dollars to settle the deal. Under T+1, a deal struck on Monday will already be in the late stages of settlement when Hong Kong's currency traders reach their desks on Tuesday morning.

"When global markets don't transition on a similar date, it does create a lot of operational complications," said RJ Rondini, director of securities operations at the Investment Company Institute. "That was the case between 2014 and 2017. It's going to be the case here. Our members are hoping that the UK, EU, Switzerland and other developed markets come to T+1 relatively soon."

Managers of US-tracking exchange traded funds overseas have also warned of potential difficulties.

For those still on T+2, an ETF provider after receiving an order will have had to trade and settle the related US securities before they receive payment from their customers.

The good news is that this is not markets' first go — in 2014, Europe shifted to T+2 from T+3 and the US followed suit three years later. Old hands this year have talked of dusting off their 2017 playbooks for this effort.

Even so, that still left market participants with at least one spare working day to iron out issues. That option is not open this time.

Today will be the biggest day in the US because there will be a double settlement day, sweeping up deals that were done on Friday in addition to those from yesterday.

Street life: the New York Stock Exchange is one of the US trading venues dealing with the deadline for faster settlement
Angela Weiss/AFP/Getty Images

'We hope that the UK, EU, Switzerland and other developed markets come to T+1 relatively soon'

Adam Watson, head of commercial products in BNY Mellon's custody business, said the move to T+1 was the "right thing to do" as it reduced the risk that counterparty to a trade would fail while deals had not settled.

But he warned that "you will see short-term fails and increased funding costs" to cover the potential failure to settle the deal.

In the US, the Depository Trust and Clearing Corporation stocks clearing house has some discretion on extending deadlines. In the EU and the UK, however, penalties are applied daily until trades are settled.

The new system will face an early test. While a US holiday — Memorial Day — was deliberately chosen to provide an extra day's space to handle the switch, the changeover is landing in a week that also includes changes from two big index providers, which can increase volatility and trading as fund managers adjust their holdings to match the new weightings.

Funds that follow FTSE Russell's US indices can start adjusting their holdings this week as part of its annual shift, while this Friday also marks a semi-annual deadline for funds tracking MSCI indices to tweak their portfolios.

The DTCC, however, said it handled index rebalances and double settlement days several times a year.

"We are confident in our ability to handle additional volumes in a T+1 environment," said Brian Steele, president of DTCC clearing and securities services.

FT

Our global team gives you market-moving news and views, 24 hours a day
ft.com/markets

Fixed income

Zambia to exit sovereign default as debt holders back restructuring

JOSEPH COTTERILL — LONDON

Zambia is closer to ending almost four years in default on its sovereign debt after nearly all holders of the southern African nation's US dollar bonds voted to approve a long-delayed restructuring plan.

Holders of more than 90 per cent of the nearly $4bn in bonds had already backed the plan by last week ahead of a May 30 deadline, Zambia's finance ministry said yesterday.

The support means Africa's second-biggest copper producer is on track to implement a restructuring of the debt next month after its 2020 bond default highlighted growing problems with the international architecture for resolving debt crises in poor countries.

President Hakainde Hichilema's government finalised a deal on the bonds only in March after overcoming objections by China, its largest creditor, that an initial agreement appeared to favour bondholders over other lenders.

"After nearly four years since we initially defaulted on our eurobonds, the close of the restructuring chapter is in sight," Situmbeko Musokotwane, finance minister, said.

But while Zambia has also secured relief on more than $6bn in debts owed to official lenders dominated by China, the country still has to negotiate terms with more than $3bn of other private debts. These are mostly owed to Chinese commercial lenders.

'After nearly four years since we defaulted on our eurobonds, the close of the chapter is in sight'

Zambia has been under pressure to finalise a restructuring in order to continue a $1.3bn IMF bailout, a need that has become more even urgent as a severe drought this year has hit the country's public finances further.

"Finalising this agreement with bondholders will create the fiscal breathing space necessary for Zambia to remain on a trajectory of sustainable economic growth," Musokotwane added.

Kristalina Georgieva, managing director of the IMF, issued a call in May for Zambia's bondholders to support "rapid completion of the debt operation with high participation".

The bond restructuring will involve cutting the face value of the old bonds by more than a fifth while pushing out maturity dates and payment relief.

Investors are betting that other lengthy sovereign defaults carried over from recent years are closer to being resolved this year, including Ghana and Sri Lanka.

But the delays have meant that many have grown sceptical of a G20-backed process to overhaul debt workouts — the Common Framework was meant to improve co-operation between Chinese creditors and western official lenders but so far has struggled to do so.

"The issue with the Common Framework was that getting everybody into the room meant getting China into the room," which backfired when China did not participate as planned, one emerging market debt investor said.

Ex-Danone boss grapples with contentious sustainability standards

MORAL MONEY

Simon Mundy



It would have been understandable if Emmanuel Faber had wanted a quiet life after stepping down from the top job at French food giant Danone in 2021 following a bruising battle with activist shareholders.

Instead, later that year he took the helm of the International Sustainability Standards Board — plunging into a complex, crucial and often deeply contentious field.

For years, efforts to make business and finance greener have been dogged by a shortage of reliable data. What information there was came through a welter of different sustainability disclosure standards, each with its own acronym, that could look like an impenetrable mess to capital market participants.

The central goal of the ISSB, Faber told me in an interview, has been "to end that alphabet soup" by providing a single global benchmark (albeit with a new acronym of its own).

Faber and his team, operating under the IFRS Foundation — the key standard setter for the global accounting sector — set out to "develop a comparable common global language that is reliable, assurable and therefore decision-useful for investors, and cost-effective for preparers".

The hope, in short, is that this initiative will enable companies all over the world to provide information on their environmental and social profiles — making it easier for financiers to assess risks in these fields, and lowering the cost of capital for companies that are dealing with those risks properly.

Last June, the ISSB published its first two standards: one set that applies to sustainability-related risks and opportunities in general, and a second set that applies specifically to climate-related issues.

Since then, Faber has been travelling the world trying to persuade national authorities to use these new frameworks.

Faber told me that "the momentum [around adoption] is incredible" with about two dozen countries having started the "journey" towards incorporating the ISSB standards into their national rules.

Some are adopting them outright. Turkey has said that listed companies must start reporting using ISSB standards this year; Brazil will make the same requirement from 2026. Countries from Costa Rica to Nigeria have adopted a similar stance.

Other nations have taken a more nuanced approach. National sustainability boards in Canada and Japan have both issued standards closely based on the ISSB's but customised for their own purposes.

The UK government looks set to take a similar tack — having said last week that it would aim to adopt its own ISSB-based standards by the first quarter of next year.

This week, China became the latest country to join the ISSB party as its finance ministry issued a draft of sustainability disclosure standards based on the ISSB's work.

Customising ISSB standards to suit local needs is not a problem, Faber said, as long as the information reported in various jurisdictions is clearly comparable. But the "vast majority" of the countries working on incorporating ISSB standards are moving towards full alignment, he added.

It's entirely designed for decision-making by investors and bankers, capital market allocation'

Notably, for all the concern about the challenges of disclosing "scope 3" emissions — from companies' supply chains, and the use of their products — no country was looking to exclude this element of the ISSB standards, Faber added.

Still, he conceded, the risk of "fragmentation" with multinational companies having to deal with an arduous array of different disclosure standards in different countries remains very real.

Notably, the outlook remains highly uncertain in the US. In March, the Securities and Exchange Commission announced a climate-related disclosure rule — broadly similar in scope to the ISSB standards but with key differences including the absence of "scope 3" reporting requirements.

It was immediately hit by lawsuits that forced it to suspend the implementation of the new rule.

The EU has also introduced standards of its own, although Faber stressed collaboration between the ISSB and EU officials to make these standards "interoperable", reducing the burden on companies and helping financiers to make sense of the disclosures in various jurisdictions.

Crucially, the EU reporting rules will apply to large foreign companies doing significant business in the bloc — meaning that many US-based multinationals will have to file these disclosures, regardless of what happens under the SEC. Sceptics of the sustainability-reporting wave worry that there is excessive expectation of the change that will follow from disclosure alone, without more radical government policy such as far-reaching carbon tax regimes.

Meanwhile, the ISSB's work has attracted controversy for its focus on risks that are financially material to investors — rather than the "double materiality" approach used by EU standard-setters, which has more coverage of corporate impacts on the wider world.

But Faber was unapologetic about this approach, arguing that such standards are crucial to deploying the full weight of the capital markets against global sustainability challenges.

"It's entirely designed for decision-making by investors and bankers, capital market allocation," he said. "That's our obsession. That's our mission."

A version of this article first appeared in the Moral Money newsletter. Sign up at ft.com/newsletters

Lower volatility is not giving true picture of risks



Gerard Lyons

Markets Insight

Are financial markets pricing sufficiently for future risks? Measures of financial market volatility suggest not.

There are different measures of market volatility. Occasionally, they move the same way. This is often countercyclical when the economic environment is stable and the political and policy outlook is predictable.

Shocks, likewise, can have a similar effect, usually triggering rising volatility. Then the policy response may lead asset classes to behave differently, both in direction and volatility.

What about now? Volatility across equity and currency markets is low. The most widely followed gauge of equity market volatility expectations is the Vix. Its value of 12.16 compares with an average over five years of 21.5 and over the longer-term of 19.9.

Increased issuance of yield-enhancing structured investment products and their greater use by option dealers has reinforced the low value of the Vix.

Notwithstanding this, other measures such as standard deviations in market moves confirm low volatility. The fall in inflation since 2022 has been the main driver. Equity markets, it seems, are discounting good news and a disinflationary environment.

More remarkable, perhaps, is low volatility across currency markets. The DB index of foreign exchange volatility is at 6.3 versus an average of 7.6 over five years and 9.3 over the longer-term.

This is despite bouts of volatility associated with a competitive weakening of the yen, renminbi and won.

However, low currency volatility may discourage hedging and undermine market resilience. Low volatility and tight spreads in credit interest rates over benchmarks have also been evident in corporate bond markets, despite higher refinancing costs and defaults.

In contrast, volatility in bond markets has risen this year. The ICE BofA Move index of volatility in US Treasuries is at 83.6, just below both its five-year and longer-term averages. This is explained by the market's shift away from expectations of a large number of US rate cuts.

As policy rates fall, bond market volatility should ease, perhaps temporarily. But the challenge is that many of the assumptions underpinning low volatility across markets may be subject to challenge. Not least is how the juncture of political, geopolitical, policy and economic risks are likely to align.

> Many of the assumptions underpinning low volatility across markets may be subject to challenge

Take inflation. Inappropriate monetary policy and supply-side shocks led it to persist. A key driver of low global inflation over the last quarter of a century was the combination of globalisation, technology, financialisation and a squeeze on how much of the national incomes goes to labour or wage shares.

Now globalisation is being replaced by fragmentation and, in turn, wage shares have risen. The result is monetary policy will have to work harder to hit inflation targets. While policy rates can fall, they will settle at higher levels than pre-pandemic. Plus there is uncertainty about where neutral rates, where monetary policy is not too tight or too easy, lie.

Fragmentation still has some way to go. One area to watch is digital currencies. If the imminent low-scale rollout of mBridge, a project involving China, Hong Kong, Thailand and the UAE, with more likely to join, is successful, then it will not only reduce the costs of cross-border flows but reinforce a shift in currency holdings.

Passive dollar diversification will be a norm, as more central banks put less of their future reserves into the west. This will be disruptive.

Markets are evolving from a focus on inflation to growth. A focus on debt will follow. While higher nominal GDP growth provides some temporary respite, debt levels, globally, are close to all-time highs. It is not only the level but the future relationship between growth and rates that poses problems.

The plethora of elections this year has not destabilised markets as some feared. That's largely because across emerging economies, incumbents have been re-elected or are likely to be.

In Europe, the UK and US incumbents will suffer, as they did during the inflationary 1970s. That will trigger policy uncertainty and market volatility.

Moreover, the geopolitical landscape is shifting to a less predictable G3 world, comprising the US, China plus the third group of middle ground powers, such as India, Nigeria and Brazil.

It is hard to quantify fully political and geopolitical risks but it suggests greater risk premia in many areas. It's not just tail risks but policy mistakes and economic vulnerability to possible shocks that could disrupt markets. It suggests the present calm may be replaced by increasing financial market volatility.

Gerard Lyons is chief economic strategist at Netwealth



The day in the markets

What you need to know

- **Wall Street tech groups rise as traders look to inflation data this week**
- **Chipmaker Nvidia the best-performing S&P 500 company on Musk AI news**
- **Brent crude oil rises amid intensifying geopolitical risks**

European stocks slipped and US tech companies rose in otherwise subdued trading yesterday as investors looked ahead to inflation data due out later this week.

The region-wide Stoxx Europe 600 fell 0.6 per cent with every sector, bar real estate, in negative territory.

Paris's Cac 40 slipped 0.9 per cent, Frankfurt's Xetra Dax lost 0.5 per cent and London's FTSE 100 fell 0.7 per cent, dragged lower by declines for gambling groups Flutter and Entain. All four major indices remain close to all-time highs.

In the US, Wall Street's S&P 500 was flat and the tech-dominated Nasdaq Composite added 0.5 per cent by midday trading in New York.

Chipmaker Nvidia was the best-performing S&P 500 company, up 5.7 per cent, after Elon Musk said his artificial intelligence start-up, xAI, had raised $6bn to fund more research and development.

Eurozone and US inflation data, due out tomorrow and Friday, respectively, are set to be the week's major events for markets.

The US Federal Reserve's preferred measure of inflation is expected to show that prices in April rose at 2.7 per cent year on year, the same pace as in March.

Consumer prices in the single currency bloc are expected to be 2.5 per cent higher in May than they were a year ago, a slight acceleration from 2.4 per cent a month earlier.

Both the Fed and the European Central Bank meet in early June. The latter is widely expected to lower its benchmark deposit rate by a quarter percentage point from its record high of 4 per cent.

Sturdy economic growth and the strength of the labour market mean that the Fed is not expected to begin cutting until later this year.

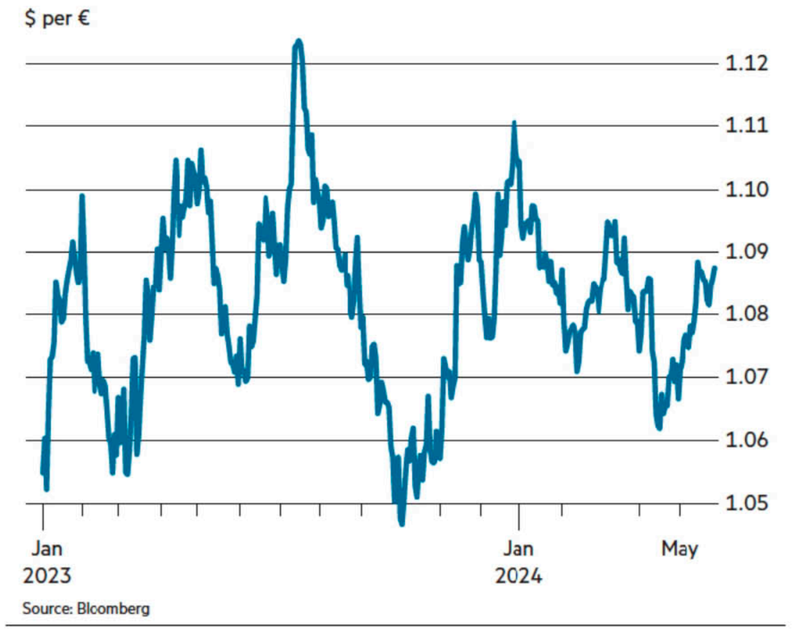
The US Dollar index, a measure of the currency's strength against a basket of six rivals, retreated 0.1 per cent but analysts expect the world's de facto reserve currency to strengthen against the euro as the Fed and the ECB diverge on policy.

The latest CFTC Commitment of Traders report showed dollar net long positions held by speculators increased for the second week in a row.

In commodity markets, prices for Brent crude, the international oil benchmark, rose 1.2 per cent to $84.07 a barrel.

Geopolitical risks intensified as an Israeli air strike over the weekend killed at least 45 people in a refugee camp in Rafah and Israeli tanks entered the city yesterday. **George Steer**

Analysts expect the dollar to strengthen against the euro



Source: Bloomberg

Markets update

	US	Eurozone	Japan	UK	China	Brazil
Stocks	**S&P 500**	**Eurofirst 300**	**Nikkei 225**	**FTSE100**	**Shanghai Comp**	**Bovespa**
Level	5309.64	2054.69	38855.37	8254.18	3109.57	124565.56
% change on day	0.09	-0.62	-0.11	-0.76	-0.46	0.06
Currency	**$ index (DXY)**	**$ per €**	**Yen per $**	**$ per £**	**Rmb per $**	**Real per $**
Level	104.412	1.088	156.845	1.278	7.247	5.159
% change on day	-0.175	0.184	0.077	0.000	0.033	-0.368
Govt. bonds	**10-year Treasury**	**10-year Bund**	**10-year JGB**	**10-year Gilt**	**10-year bond**	**10-year bond**
Yield	4.503	2.591	1.035	4.381	2.321	11.304
Basis point change on day	3.700	4.000	1.480	1.900	-1.000	0.100

World index, Commods	FTSE All-World	Oil - Brent	Oil - WTI	Gold	Silver	Metals (LMEX)
Level	522.08	84.11	79.77	2342.70	30.59	4462.60
% change on day	-0.05	1.22	1.33	-0.62	0.16	-10.50

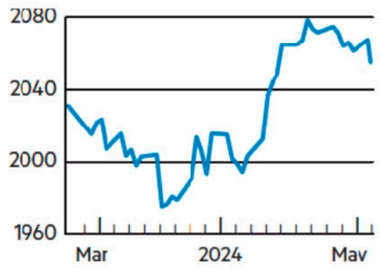
Yesterday's close apart from: Currencies = 16:00 GMT; S&P, Bovespa, All World, Oil = 17:00 GMT; Gold, Silver = London pm fix. Bond data supplied by Tullett Prebon.

Main equity markets

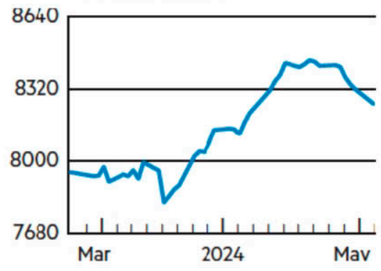
S&P 500 index



Eurofirst 300 index



FTSE 100 index



Biggest movers

%	US		Eurozone		UK	
Ups	Nvidia	5.70	Renault	2.42	Ocado	9.79
	Norwegian Cruise Line Holdings Ltd	4.44	Swatch	1.62	Jd Sports Fashion	5.43
	Freeport-mcmoran	4.24	A.p. Moller - Maersk B	1.52	Intermediate Capital	3.19
	Ralph Lauren	4.05	Caixabank	1.41	Fresnillo	3.02
	Davita	3.78	Fresen.med.care	1.39	Antofagasta	2.89
Downs	Moderna	-9.11	Carrefour	-6.77	Flutter Entertainment	-7.35
	Marketaxess Holdings	-3.97	Casino Guichard	-4.28	National Grid	-5.43
	Pentair	-3.64	Hugo Boss	-2.52	Entain	-4.69
	Cooper Companies (the)	-3.58	Schneider Electric	-2.42	Persimmon	-3.00
	Pepsico	-3.29	Bayer	-2.35	Associated British Foods	-2.98

Prices taken at 17:00 GMT

Based on the constituents of the FTSE Eurofirst 300 Eurozone

All data provided by Morningstar unless otherwise noted.

Fixed income

Central banks must assess bond-buying hazards, says ECB policymaker Schnabel

MARTIN ARNOLD — LONDON

Central banks need to reconsider whether bond purchases are the best way to stimulate growth when interest rates are low, especially after recent asset purchases left them nursing heavy losses, a senior European monetary policymaker has said.

Isabel Schnabel, who oversees bond-buying at the European Central Bank, said yesterday that central banks "need to carefully assess whether the benefits of asset purchases outweigh the costs".

Schnabel said central banks' asset purchases — also known as quantitative easing — had "played an important role in stabilising markets at times of stress".

But she added their effectiveness in stimulating demand depends on the economic conditions at the time of the purchases and "can come with costs that might be higher than those of other policy instruments".

Her comments underline how central bankers are becoming more sceptical about the benefits of buying vast amounts of bonds and are less likely to use them in future, especially as a tool to boost demand and lift inflation.

The ECB purchased a portfolio of mostly government bonds that was worth more than €5tn — about 35 per cent of Eurozone gross domestic product — over the past decade and it has recently started to shrink it. But the policy has been controversial.

> 'Asset purchases can come with costs that might be higher than those of other policy instruments'

Some critics blamed it for inflating asset price bubbles and its effectiveness as a tool for boosting inflation has been questioned. Others claimed it was a way to prop up the finances of profligate southern European governments.

Since the ECB started to raise interest rates to tackle surging inflation almost two years ago, Eurozone central banks have been left nursing multibillion-euro losses on their big bond portfolios.

In March, the ECB announced losses of €1.3bn for 2023, its first for almost two decades and warned it expected more in the coming years. Germany's Bundesbank last year burnt through its entire €19.2bn of provisions and €3.1bn of reserves to absorb its huge losses.

The German economist said there were alternatives to bond-buying, such as central banks lending large amounts to commercial lenders at ultra-low rates, or officials adopting "a more patient approach" when inflation is below target and rates are already close to their lowest possible levels.

Even if they are used in future, Schnabel said central banks could reduce the costs of asset purchases "by using them in a more targeted and parsimonious manner, intervening forcefully when needed but stopping them faster".

She said the Bank of England had provided an example of how a more targeted approach "with a clear exit strategy" could work.

MARKET DATA

WORLD MARKETS AT A GLANCE

FT.COM/MARKETSDATA

Change during previous day's trading (%)

S&P 500	Nasdaq Composite	Dow Jones Ind	FTSE 100	FTSE Eurofirst 300	Nikkei	Hang Seng	FTSE All World $	$ per €	$ per £	¥ per $	£ per €	Oil Brent $ Sep	Gold $
0.09%	0.53%	-0.38%	-0.76%	-0.62%	-0.11%	-0.03%	-0.05%	0.184%	No change	0.077%	0.118%	1.72%	-0.62%

Stock Market movements over last 30 days, with the FTSE All-World in the same currency as a comparison

AMERICAS

Apr 29 - - (Index / All World)

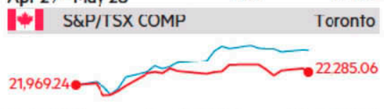
S&P 500 — New York



Day 0.09% Month 4.11% Year 26.25%

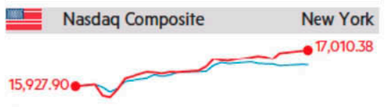
Apr 29 - May 28 (Index / All World)

S&P/TSX COMP — Toronto



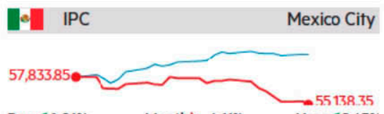
Day -0.35% Month 1.48% Year 11.92%

Nasdaq Composite — New York



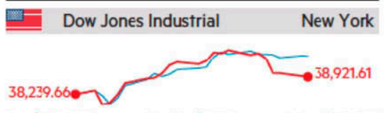
Day 0.53% Month 6.80% Year 31.10%

IPC — Mexico City



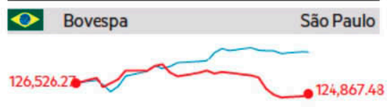
Day 0.01% Month -4.11% Year 2.65%

Dow Jones Industrial — New York



Day -0.38% Month 1.77% Year 17.59%

Bovespa — São Paulo



Day 0.06% Month -1.53% Year 12.34%

Country	Index	Latest	Previous
Argentina			
Australia	All Ordinaries	8034.90	8058.60
	S&P/ASX 200	7766.70	7788.30
	S&P/ASX 200 Res	6002.50	6008.40
Austria	ATX	3710.04	3715.27
Belgium	BEL 20	3948.08	3984.87
	BEL Mid	11187.75	11220.95
Brazil	IBovespa	124565.56	124495.68
Canada	S&P/TSX 60	1331.42	1337.00
	S&P/TSX Comp	22294.33	22373.38
	S&P/TSX Div Met & Min	2189.61	2178.74
Chile	S&P/CLX IGPA Gen	34530.38	34485.84
China	FTSE A200	9627.21	9688.25
	FTSE B35	9000.71	8988.96
	Shanghai A	3259.74	3274.81
	Shanghai B	252.31	253.74
	Shanghai Comp	3109.57	3124.04
	Shenzhen A	1808.31	1828.11
	Shenzhen B	1130.93	1131.51
Colombia	COLCAP	1261.61	1260.21
Croatia	CROBEX	2013.05	2011.29
Cyprus	CSE M&P Gen	68.46	68.68
Czech Republic	PX	1543.04	1547.87
Denmark	OMXC Copenahgen 20	2751.97	2760.95
Egypt	EGX 30	27287.31	27539.21
Estonia	OMX Tallinn	1766.25	1766.69
Finland	OMX Helsinki Generl	10338.69	10363.41
France	CAC 40	8057.80	8132.49
	SBF 120	6112.62	6167.09
Germany	M-DAX	27134.66	27281.48
	TecDAX	3410.83	3439.83
	XETRA Dax	18677.87	18774.71
Greece	Athens Gen	1471.63	1481.23
	FTSE/ASE 20	3571.86	3600.40
Hong Kong	Hang Seng	18821.16	18827.35
	HS China Enterprise	6686.13	6688.13
	HSCC Red Chip	3999.44	4012.84
Hungary	Bux	68546.85	69803.67
India	BSE Sensex	75170.45	75390.50
	Nifty 500	21387.35	21493.00
Indonesia	Jakarta Comp	7253.63	7176.42
Ireland	ISEQ Overall	9994.01	10024.75
Israel	Tel Aviv 125	1965.55	1967.51

EUROPE

Apr 29 - May 28 (Index / All World)

FTSE 100 — London



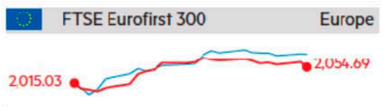
Day -0.76% Month 1.47% Year 8.29%

Xetra Dax — Frankfurt



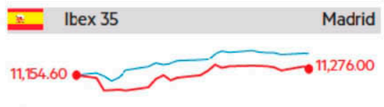
Day -0.52% Month -0.49% Year NaN%

FTSE Eurofirst 300 — Europe



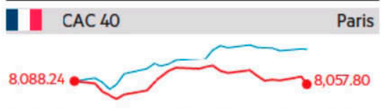
Day -0.62% Month 1.94% Year 12.32%

Ibex 35 — Madrid



Day -0.44% Month 1.09% Year 22.68%

CAC 40 — Paris



Day -0.92% Month -0.38% Year 10.09%

FTSE MIB — Milan



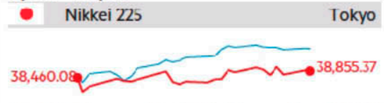
Day 0.46% Month 7.09% Year 32.76%

Country	Index	Latest	Previous
Europe			
Italy	FTSE Italia All-Share	36888.03	36993.81
	FTSE Italia Mid Cap	48153.01	48305.93
	FTSE MIB	33940.03	33786.18
Japan	2nd Section	7228.27	7239.06
	Nikkei 225	38655.37	38900.02
	S&P Topix 150	2463.85	2462.01
	Topix	2768.50	2766.36
Jordan	Amman SE	2408.69	2397.75
Kenya	NSE 20	1717.43	1716.87
Kuwait	KSX Market Index	6633.44	6603.51
Latvia	OMX Riga	1190.64	1207.97
Lithuania	OMX Vilnius	966.84	967.06
Luxembourg	LuxX	1456.78	1445.60
Malaysia	FTSE Bursa KLCI	1615.82	1618.27
Mexico	IPC	55456.34	55452.88
Morocco	MASI	13326.60	13370.70
Netherlands	AEX	912.23	916.04
	AEX All Share	1236.16	1239.96
New Zealand	NZX 50	11682.51	11756.00
Nigeria	SE All Share	97343.42	98255.72
Norway	Oslo All Share	1660.70	1663.54
Pakistan	KSE 100	76517.49	76983.04
Philippines	Manila Comp	6501.34	6571.60
Poland	Wig	87015.82	87554.95
Portugal	PSI 20	6910.19	6938.14
	PSI General	4739.73	4768.47
Romania	BET Index	17933.12	17780.92
Russia	Micex Index	2436.57	2445.30
	RTX	1245.71	1212.57
Saudi-Arabia	TADAWUL All Share Index	11831.22	11850.64
Singapore	FTSE Straits Times	3330.09	3318.45
Slovakia	SAX	307.74	308.98
Slovenia	SBI TOP	-	-
South Africa	FTSE/JSE All Share	78576.14	78920.88
	FTSE/JSE Res 20	62230.68	62968.46
	FTSE/JSE Top 40	72189.63	72559.40
South Korea	Kospi	2722.85	2722.99
	Kospi 200	371.33	371.16
Spain	IBEX 35	11276.00	11325.50
Sri Lanka	CSE All Share	12228.12	12311.32
Sweden	OMX Stockholm 30	2616.29	2630.30
	OMX Stockholm AS	995.46	999.88
Switzerland	SMI Index	11854.50	11960.57

ASIA

Apr 29 - May 28 (Index / All World)

Nikkei 225 — Tokyo



Day -0.11% Month 2.48% Year 25.75%

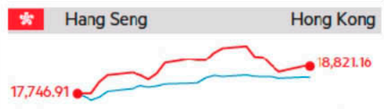
Apr 29 - May 28 (Index / All World)

Kospi — Seoul



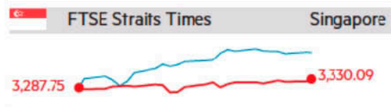
Day -0.01% Month 2.50% Year 6.41%

Hang Seng — Hong Kong



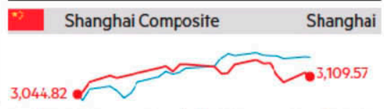
Day -0.03% Month 6.65% Year 0.41%

FTSE Straits Times — Singapore



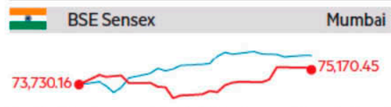
Day 0.35% Month 1.51% Year 3.81%

Shanghai Composite — Shanghai



Day -0.46% Month 0.68% Year -3.20%

BSE Sensex — Mumbai



Day -0.29% Month 1.90% Year 20.20%

Country	Index	Latest	Previous
Asia			
Taiwan	Weighted Pr	16915.54	16942.30
Thailand	Bangkok SET	1362.70	1366.37
Turkey	BIST 100	10701.25	10666.96
UAE	Abu Dhabi General Index	9222.93	9251.11
UK	FT 30	2861.90	2839.40
	FTSE 100	8254.18	8317.59
	FTSE 4Good UK	7433.17	7502.26
	FTSE All Share	4505.79	4538.02
	FTSE techMARK 100	6989.59	7046.02
USA	DJ Composite	12365.20	12426.33
	DJ Industrial	38921.61	39069.59
	DJ Transport	15027.21	15082.94
	DJ Utilities	926.17	926.11
	Nasdaq 100	18854.71	18808.35
	Nasdaq Cmp	17010.38	16920.79
	NYSE Comp	18062.56	18110.60
	S&P 500	5309.64	5304.72
	Wilshire 5000	42053.18	41446.59
Venezuela	IBC	67087.71	65757.09
Vietnam	VNI	1281.73	1267.68

Country	Index	Latest	Previous
Cross-Border			
	DJ Global Titans ($)	639.33	637.70
	Euro Stoxx 50 (Eur)	5020.30	5050.20
	Euronext 100 ID	1545.50	1553.88
	FTSE 4Good Global ($)	13757.30	13705.70
	FTSE All World ($)	522.38	522.34
	FTSE E300	2054.39	2067.49
	FTSE Eurotop 100	4077.37	4107.29
	FTSE Global 100 ($)	3701.14	3689.58
	FTSE Gold Min ($)	2093.33	2065.13
	FTSE Latibex Top (Eur)	4440.30	4432.20
	FTSE Mutinationals ($)	3709.25	3703.18
	FTSE World ($)	958.28	958.53
	FTSEurofirst 100 (Eur)	5581.20	5618.93
	FTSEurofirst 80 (Eur)	6758.16	6792.63
	MSCI ACWI Fr ($)	793.35	791.57
	MSCI All World ($)	3468.13	3462.13
	MSCI Europe (Eur)	2102.70	2097.63
	MSCI Pacific ($)	3066.15	3034.51
	S&P Euro (Eur)	2195.75	2208.17
	S&P Europe 350 (Eur)	2107.48	2120.21
	S&P Global 1200 ($)	3821.30	3821.86
	Stoxx 50 (Eur)	4476.96	4508.24

(c) Closed. (u) Unavailable † Correction. ♥ Subject to official recalculation. For more index coverage please see www.ft.com/worldindices. A fuller version of this table is available on the ft.com research data archive.

STOCK MARKET: BIGGEST MOVERS

AMERICA

ACTIVE STOCKS	stock traded m's	close price	Day's change
Nvidia	322.3	1125.36	60.67
Tesla	61.4	176.82	-2.42
Advanced Micro Devices	60.4	172.26	5.90
Apple	43.3	191.48	1.50
Super Micro Computer	29.3	893.12	9.24
Microsoft	26.6	428.43	-1.74
Amazon.com	24.2	181.14	0.39
Meta Platforms	20.0	477.32	-3.90
Alphabet	17.1	176.55	1.56
Alphabet	12.4	178.08	1.75
BIGGEST MOVERS	**Close price**	**Day's change**	**Day's chng%**
Ups			
Nvidia	1125.36	60.67	5.70
Norwegian Cruise Line Holdings Ltd	16.71	0.71	4.44
Freeport-Mcmoran	53.72	2.19	4.24
Ralph Lauren	180.47	7.02	4.05
Davita	143.78	5.24	3.78
Downs			
Moderna	151.43	-15.19	-9.11
Marketaxess Holdings	208.28	-8.61	-3.97
Pentair	79.74	-3.01	-3.64
Cooper Companies (the)	91.49	-3.40	-3.58
Pepsico	172.14	-5.85	-3.29

Based on the constituents of the S&P500

LONDON

ACTIVE STOCKS	stock traded m's	close price	Day's change
National Grid	258.0	876.60	-12.80
Shell	209.2	2780.50	8.50
Astrazeneca	159.0	12028.00	-268.00
Anglo American	149.6	2558.00	-57.00
Bp	145.0	487.00	4.00
Hsbc Holdings	140.1	688.00	-5.40
Glencore	127.4	489.00	5.05
Relx	122.7	3426.00	-94.00
Unilever	113.7	4256.00	-40.00
Rio Tinto	113.4	5589.00	-66.00
BIGGEST MOVERS	**Close price**	**Day's change**	**Day's chng%**
Ups			
Ocado	410.40	36.60	9.79
Octopus Renewable Infrastructure Trst	70.30	4.30	6.52
Pz Cussons	117.20	6.20	5.59
Jd Sports Fashion	128.05	6.60	5.43
Indivior	1428.00	71.00	5.23
Downs			
Great Portland Estates	361.00	-59.00	-14.05
Flutter Entertainment	14815.00	-1175.00	-7.35
National Grid	189.15	-10.85	-5.43
Ssp	169.40	-9.00	-5.04
Ferrexpo	45.15	-2.35	-4.95

Based on the constituents of the FTSE 350 index

EURO MARKETS

ACTIVE STOCKS	stock traded m's	close price	Day's change
Nestle N	300.0	92.59	-0.73
Intesa Sanpaolo	282.2	3.61	0.04
Roche Gs	242.0	231.17	-1.11
Unicredit	219.9	36.48	0.04
Novartis N	213.8	92.05	-0.93
Asml Holding	179.7	894.80	12.20
Stellantis	162.2	20.70	-0.16
Volkswagen Ag Vzo O.n.	152.1	122.70	2.30
Ubs N	146.0	26.03	-0.11
Lonza N	131.2	500.33	-17.78
BIGGEST MOVERS	**Close price**	**Day's change**	**Day's chng%**
Ups			
Stmicroelectronics	38.32	0.77	2.05
Volkswagen Ag Vzo O.n.	122.70	2.30	1.91
Asml Holding	894.80	12.20	1.38
Intesa Sanpaolo	3.61	0.04	1.19
Siemens Health.ag Na O.n.	54.22	0.58	1.08
Downs			
Lonza N	500.33	-17.78	-3.43
Sika N	278.96	-8.79	-3.05
Umg	28.23	-0.73	-2.52
Schneider Electric	231.90	-5.75	-2.42
Bayer Ag Na O.n.	27.60	-0.67	-2.35

Based on the constituents of the FTSEurofirst 300 Eurozone index

TOKYO

ACTIVE STOCKS	stock traded m's	close price	Day's change
Lasertec	2531.3	42220.00	-1390.00
Disco	2157.6	62340.00	450.00
Socionext	1339.5	4645.00	92.00
Mitsubishi Ufj Fin	1119.6	1628.00	37.50
Tokyo Electron	837.6	35500.00	-130.00
Sumitomo Mitsui Fin	834.3	10105.00	181.00
Tokyo Electric Power	723.4	1010.50	39.50
Softbank .	534.0	8722.00	113.00
Toyota Motor	496.3	3448.00	-2.00
Renesas Electronics	486.5	2970.00	-37.00
BIGGEST MOVERS	**Close price**	**Day's change**	**Day's chng%**
Ups			
Furukawa Electric Co.,	4360.00	363.00	9.08
Sumitomo Electric Industries,	2615.00	145.50	5.89
Kansai Electric Power Co	2877.50	150.00	5.50
Tokyo Electric Power	1013.50	39.50	4.07
Resona Holdings,	1037.00	33.50	3.34
Downs			
Lasertec	42220.00	-1390.00	-3.19
Sharp	924.70	-27.20	-2.86
Bandai Namco Holdings	2915.50	-84.50	-2.82
Kikkoman	1811.50	-45.00	-2.42
Screen Holdings Co Ltd	15075.00	-370.00	-2.40

Based on the constituents of the Nikkei 225 index

UK MARKET WINNERS AND LOSERS

FTSE 100	May 28 price(p)	%Chg week	%Chg ytd
Winners			
Ocado	410.40	15.6	-44.5
Marks And Spencer	302.00	10.3	9.4
Jd Sports Fashion	128.05	6.2	-98.6
Intermediate Capital	2394.00	4.2	45.0
Rolls-royce Holdings	451.00	4.2	51.3
St. James's Place	494.80	3.5	-24.9
Experian	3724.00	2.3	19.3
Pershing Square Holdings Ltd	4120.00	2.3	15.5
Schroders	393.40	2.2	-8.1
Smith (ds)	374.40	2.0	22.2
Smurfit Kappa	3838.00	1.4	14383.0
Scottish Mortgage Investment Trust	882.60	1.4	12.0
Losers			
National Grid	189.15	-	-
National Grid	876.60	-22.3	-17.1
United Utilities	981.80	-9.6	-7.3
Flutter Entertainment	14815.00	-9.5	7.6
Entain	674.00	-9.0	-31.6
Severn Trent	2385.00	-8.7	-6.4
Rs	753.50	-6.6	-7.8
Whitbread	2909.00	-5.9	-20.4
Centrica	140.65	-5.0	73.6
Anglo American	2558.00	-4.8	30.0
Diageo	2629.00	-4.5	-6.8
Antofagasta	2311.00	-4.1	39.9

FTSE 250	May 28 price(p)	%Chg week	%Chg ytd
Winners			
Hargreaves Lansdown	1071.50	14.9	50.3
Qinetiq	423.40	13.8	36.5
Wizz Air Holdings	2200.00	12.8	-3.7
Mitchells & Butlers	297.50	11.8	17.1
Integrafin Holdings	345.50	10.7	287.3
Ibstock	172.80	9.8	15.2
Indivior	1428.00	7.5	13.2
Aj Bell	391.50	7.3	31.2
British Land	422.60	7.0	5.4
Baltic Classifieds	254.00	6.5	5.0
Future	1059.00	6.4	3489.8
Bakkavor	138.00	6.2	64.7
Losers			
Great Portland Estates	361.00	-14.4	-14.4
Pennon	593.00	-12.7	-21.1
Ssp	169.40	-10.8	-29.0
Drax	517.50	-9.2	5.4
Mobico	59.30	-8.6	-29.4
Essentra	169.20	-7.7	-1.3
Kainos	1182.00	-6.9	328233.
Wh Smith	1115.00	-6.5	-14.9
Bank Of Georgia	3925.00	-6.2	4161.7
Nextenergy Solar Fund	72.50	-6.2	-21.5
Pets At Home	283.40	-5.7	-9.4
Investec	525.50	-5.5	-1.6

FTSE SmallCap	May 28 price(p)	%Chg week	%Chg ytd
Winners			
Xaar	147.00	20.5	28.4
Capital & Regional	60.20	17.1	3.8
Funding Circle Holdings	88.00	10.6	125.6
Ceres Power Holdings	215.20	10.2	17.9
Metro Bank Holdings	39.40	7.9	-62.1
Porvair	670.00	6.3	8.1
Atrato Onsite Energy	70.40	5.4	-2.5
Aptitude Software	356.00	5.3	23.6
Norcros	231.00	5.0	26.9
Zotefoams	546.00	5.0	56.4
Mcbride	120.50	4.8	43.1
Videndum	303.50	4.7	688.3
Losers			
Rank	84.40	-12.1	11.6
Varquis Banking	57.70	-8.8	-54.3
Bloomsbury Publishing	558.00	-8.2	19.1
Helical	225.00	-7.0	3.2
Xp Power	1602.00	-6.9	25.5
Record	64.00	-6.4	-11.1
Biotech Growth Trust (the)	923.00	-6.4	2.8
Int Biotechnology Trust	604.00	-5.9	54.9
Digital 9 Infrastructure	22.40	-5.7	-29.4
Life Science Reit	34.50	-5.5	-46.1
Pantheon Infrastructure	79.40	-5.5	862.4
Regional Reit	23.55	-5.4	-32.6

Industry Sectors	May 28 price(p)	%Chg week	%Chg ytd
Winners			
Aerospace & Defense	11313.24	1.5	31.7
Construction & Materials	10732.30	0.9	15.5
General Industrials	7215.81	0.1	6.2
Support Services	11409.75	0.0	8.1
Automobiles & Parts	1105.15	-0.2	-30.1
Industrial Transportation	4254.87	-0.2	6.8
Real Estate Investment Trusts	2358.76	-0.3	-1.6
Food Producers	8308.81	-0.3	13.8
Software & Computer Services	2454.05	-0.4	1.5
Equity Investment Instruments	12014.28	-0.4	4.3
Mobile Telecommunications	2042.18	-0.5	7.2
Food & Drug Retailers	4095.74	-0.6	2.1
Losers			
Gas Water & Multiutilities Indsx	5563.29	-13.4	-9.2
Travel & Leisure	7364.47	-4.4	-1.8
Beverages	21339.66	-3.9	-5.0
Electricity	10492.14	-3.5	-4.8
Industrial Metals	7205.08	-3.1	6.0
Tobacco	27373.12	-3.0	4.6
Personal Goods	15372.50	-2.4	-23.9
Life Insurance	6015.77	-2.2	-3.5
General Retailers	3822.54	-2.2	1.6
Pharmaceuticals & Biotech.	23063.37	-2.1	13.7
Mining	10818.75	-2.1	9.0
Chemicals	9177.42	-2.1	-4.0

Based on last week's performance. †Price at suspension.

CURRENCIES

May 28	Currency	DOLLAR Closing Mid	DOLLAR Day's Change	EURO Closing Mid	EURO Day's Change	POUND Closing Mid	POUND Day's Change
Argentina	Argentine Peso	893.2563	0.4979	971.3742	1.9751	1141.3520	0.6803
Australia	Australian Dollar	1.5007	-0.0009	1.6320	0.0014	1.9175	-0.0011
Bahrain	Bahrainin Dinar	0.3770	-	0.4100	0.0006	0.4817	0.0003
Bolivia	Bolivian Boliviano	6.9100	-	7.5143	0.0111	8.8292	0.0003
Brazil	Brazilian Real	5.1592	-0.0190	5.6103	-0.0124	6.5921	-0.0241
Canada	Canadian Dollar	1.3636	0.0001	1.4828	0.0023	1.7423	0.0002
Chile	Chilean Peso	897.5000	-2.7500	975.9891	-1.5447	1146.7744	-3.4697
China	Chinese Yuan	7.2469	0.0024	7.8807	0.0142	9.2597	0.0034
Colombia	Colombian Peso	3851.6750	-13.3250	4188.5168	-8.2829	4021.4512	-16.8375
Costa Rica	Costa Rican Colon	519.0750	1.5450	564.4697	2.5112	663.2445	1.9995
Czech Republic	Czech Koruna	22.6948	-0.0519	24.6795	-0.0199	28.9981	-0.0652
Denmark	Danish Krone	6.8607	-0.0112	7.4606	-0.0012	8.7661	-0.0140
Egypt	Egyptian Pound	47.6008	0.4616	51.7636	0.5777	60.8216	0.5921
Hong Kong	Hong Kong Dollar	7.8105	0.0027	8.4936	0.0155	9.9798	0.0039
Hungary	Hungarian Forint	353.2576	-1.0271	384.1510	-0.5480	451.3724	-1.2953
India	Indian Rupee	83.1763	0.0400	90.4503	0.1770	106.2779	0.0552

May 28	Currency	DOLLAR Closing Mid	DOLLAR Day's Change	EURO Closing Mid	EURO Day's Change	POUND Closing Mid	POUND Day's Change
Indonesia	Indonesian Rupiah	16090.0000	25.0000	17497.1392	52.9867	20558.9147	32.7469
Israel	Israeli Shekel	3.6780	0.0042	3.9996	0.0105	4.6995	0.0055
Japan	Japanese Yen	156.8450	0.1200	170.5616	0.3822	200.4076	0.1610
	..One Month	156.8443	0.1186	170.5610	0.3811	200.4068	0.1593
	..Three Month	156.8428	0.1157	170.5599	0.3789	200.4049	0.1557
	..One Year	156.8370	0.1040	170.5558	0.3706	200.4068	0.1504
Kenya	Kenyan Shilling	132.5000	-0.5000	144.0875	-0.3301	169.3009	-0.6324
Kuwait	Kuwaiti Dinar	0.3067	-0.0002	0.3335	0.0003	0.3919	-0.0002
Malaysia	Malaysian Ringgit	4.6938	-0.0032	5.1042	0.0040	5.9974	-0.0029
Mexico	Mexican Peso	16.7290	0.0820	18.1920	0.1159	21.3754	0.1056
New Zealand	New Zealand Dollar	1.6247	-0.0012	1.7668	0.0013	2.0759	-0.0014
Nigeria	Nigerian Naira	1435.0000	-50.0000	1560.4953	-51.9877	1833.5614	-63.8145
Norway	Norwegian Krone	10.4902	-0.0035	11.4075	0.0130	13.4037	-0.0040
Pakistan	Pakistani Rupee	278.3000	-	302.6382	0.4469	355.5959	0.0136
Peru	Peruvian Nuevo Sol	3.7459	0.0041	4.0735	0.0104	4.7863	0.0054
Philippines	Philippine Peso	57.9650	-0.1550	63.0342	-0.0752	74.0644	-0.1952

May 28	Currency	DOLLAR Closing Mid	DOLLAR Day's Change	EURO Closing Mid	EURO Day's Change	POUND Closing Mid	POUND Day's Change
Poland	Polish Zloty	3.9165	-0.0077	4.2590	-0.0020	5.0043	-0.0096
Romania	Romanian Leu	4.5754	-0.0072	4.9755	-0.0005	5.8462	-0.0090
Russia	Russian Ruble	88.4750	-0.2750	96.2124	-0.1565	113.0483	-0.3470
Saudi Arabia	Saudi Riyal	3.7505	-	4.0785	0.0060	4.7922	0.0002
Singapore	Singapore Dollar	1.3479	-0.0006	1.4658	0.0015	1.7223	-0.0007
South Africa	South African Rand	18.2900	-0.0512	19.8895	-0.0263	23.3699	-0.0646
South Korea	South Korean Won	1358.6500	-5.2000	1477.4680	-3.4645	1736.0056	-6.5775
Sweden	Swedish Krona	10.5463	-0.0639	11.4686	-0.0524	13.4754	-0.0811
Switzerland	Swiss Franc	0.9102	-0.0036	0.9897	-0.0024	1.1629	-0.0046
Taiwan	New Taiwan Dollar	32.1615	-0.0135	34.9741	0.0370	41.0941	-0.0157
Thailand	Thai Baht	36.6350	0.0100	39.8388	0.0697	46.8101	0.0146
Tunisia	Tunisian Dinar	3.1071	-0.0004	3.3788	0.0045	3.9701	-0.0004
Turkey	Turkish Lira	32.1925	0.0163	35.0078	0.0693	41.1337	0.0223
United Arab Emirates	UAE Dirham	3.6731	-	3.9943	0.0059	4.6932	0.0002
United Kingdom	Pound Sterling	0.7826	0.0000	0.8511	0.0012	-	-
	..One Month	0.7826	0.0000	0.8510	0.0012	-	-

May 28	Currency	DOLLAR Closing Mid	DOLLAR Day's Change	EURO Closing Mid	EURO Day's Change	POUND Closing Mid	POUND Day's Change
..Three Month		0.7827	0.0000	0.8508	0.0012	-	-
..One Year		0.7829	0.0000	0.8497	0.0012	-	-
United States	United States Dollar	-	-	1.0875	0.0016	1.2777	0.0000
..One Month		-	-	1.0873	-0.1902	1.2778	0.0000
..Three Month		-	-	1.0870	-0.1902	1.2778	0.0000
..One Year		-	-	1.0855	-0.1902	1.2780	0.0000
Vietnam	Vietnamese Dong	25453.0000	0.5000	27678.9792	41.3854	32522.4405	1.9038
European Union	Euro	0.9196	-0.0014	-	-	1.1750	-0.0017
..One Month		0.9194	-0.0014	-	-	1.1749	-0.0017
..Three Month		0.9191	-0.0014	-	-	1.1747	-0.0017
..One Year		0.9176	-0.0014	-	-	1.1736	-0.0017

Rates are derived from WM Reuters Spot Rates and MorningStar (latest rates at time of production). Some values are rounded. Currency redenominated by 1000. The exchange rates printed in this table are also available at www.FT.com/marketsdata

FTSE ACTUARIES SHARE INDICES

UK SERIES www.ft.com/equities

Produced in conjunction with the Institute and Faculty of Actuaries

	£ Strlg May 28	Day's chge%	Esro Index	£ Strlg May 24	£ Strlg May 23	Year ago	Div yield%	Cover	P/E ratio	X/D adj	Total Return
FTSE 100 (102)	8317.59	-0.26	7612.60	8339.23	8370.33	7627.10	3.59	1.99	14.02	144.41	9054.05
FTSE 250 (250)	20770.93	0.68	19010.42	20631.30	20710.07	18931.16	3.29	1.38	22.02	268.88	18143.95
FTSE 250 ex Inv Co (167)	21832.21	0.89	19981.76	21638.82	21692.27	19525.91	3.39	1.28	23.11	287.23	19488.78
FTSE 350 (352)	4583.52	-0.13	4195.03	4589.50	4606.67

MARKET DATA

FT500: THE WORLD'S LARGEST COMPANIES

Stock	Price	Day Chg	52 Week High	52 Week Low	Yld	P/E	MCap m
Australia (A$)							
ANZ Bank	28.57	0.14	29.90	22.58	6.07	12.78	57255.97
BHP Group	45.08	-0.07	50.84	41.66	5.76	20.57	152344.27
CmwBkAu	120.31	0.21	122.55	95.32	3.84	20.36	134190.32
CSL	281.96	1.32	312.99	228.65	1.27	36.83	90795.65
NatAusBk	34.28	0.05	35.12	25.10	4.58	14.55	70875.42
Telstra	3.51	-0.02	4.46	3.39	4.97	19.43	27024.53
Wesfarmers	64.33	-0.28	71.11	46.64	3.05	28.35	48618.07
Westpac Bank	26.64	-0.11	28.05	20.03	5.10	13.46	61587.34
Woolworths	31.54	0.08	40.35	30.12	3.38	25672.04	25673.75
Belgium (€)							
AnBshInBv	58.66	-1.22	62.16	49.17	1.31	24.48	114643.2
KBC Grp	66.86	-1.02	71.70	48.78	6.09	8.16	30341.1
Brazil (R$)							
Ambev	11.58	-0.23	15.78	11.57	6.71	11.88	35369.01
Bradesco	11.65	-	15.77	11.59	8.49	9.23	12036.47
Cielo	5.58	0.02	5.60	3.24	7.10	6.81	2938.43
ItauUnHldPn	27.49	0.07	31.02	22.34	4.93	7.81	26419.75
Petrobras	39.54	0.84	44.77	28.94	25.23	3.55	57039.34
Vale	64.28	-1.02	78.55	59.36	8.88	6.81	56553.4
Canada (C$)							
Bausch Hlth	8.55	0.04	15.43	8.45	-	-3.86	2299.96
BCE	45.71	-0.31	62.05	43.96	8.78	19.34	30582.15
BkMontrl	131.33	0.51	133.95	102.67	4.58	17.64	70237.84
BkNvaS	65.13	-0.46	70.40	55.20	6.62	10.41	58730.43
Brookfield	58.88	11.29	63.88	41.28	0.63	73.41	69948.82
CanadPcR	107.57	-1.96	123.37	94.45	0.73	24.65	73585.8
CanImp	66.06	-0.36	69.42	47.44	5.41	9.86	45439.24
CanNaRs	105.58	0.79	112.99	69.83	3.63	13.64	83015.87
CanNaRy	171.31	-2.95	181.34	143.13	1.91	19.38	79989.71
Enbridge	49.31	-0.26	52.34	42.75	7.46	16.75	76880.8
GtWesLif	42.23	-0.46	45.14	37.06	5.11	13.91	28891.18
ImpOil	95.98	1.60	101.63	61.04	2.09	10.91	37717.44
Manulife	35.87	-0.65	36.61	23.69	4.22	13.26	47238.71
Nutrien	81.32	0.17	97.48	64.89	3.56	23.52	29497.41
RylBkC	143.62	-0.53	145.75	107.92	3.85	13.02	149014.19
SHOP	78.84	0.68	123.20	63.16	-	576.89	69926.91
Suncor En	55.30	0.02	56.69	37.09	3.95	8.43	52148.31
ThmReut	236.35	-0.72	242.92	163.01	1.15	30.39	78101.23
TntoDom	75.79	-1.18	87.10	73.98	5.27	11.69	97802.68
TrnCan	52.31	-0.25	55.91	43.70	7.37	18.35	39001.25
China (HK$)							
AgricBkCh	3.81	0.01	3.85	2.50	6.31	4.91	14994.4
Bk China	3.86	-0.01	3.99	2.60	6.60	4.84	41326.97
BkofComm	6.13	-	6.33	4.23	6.73	4.83	27478.71
BOE Tech	0.54	-0.01	0.87	0.40	5.56	6.81	13.76
Ch Coms Cons	4.78	0.02	4.95	3.16	5.36	3.81	2704.11
Ch Evrbrght	2.58	-0.01	2.64	2.13	8.15	3.87	4188.04
Ch Rail Cons	5.55	-0.04	6.37	4.06	5.49	2.92	1475.37
Ch Rail Gp	4.43	-0.02	5.47	3.06	4.90	3.18	2386.39
ChConstBk	5.84	0.01	5.95	4.01	7.31	4.08	179762.43
China Vanke	5.88	-0.23	11.46	3.63	12.53	6.15	1661.13
ChinaOtic	4.99	-	5.09	3.39	7.37	3.97	9507.92
ChinaLife	11.76	-	14.18	8.19	4.59	16.06	11203.95
ChinaMBank	36.70	-0.35	39.60	24.20	5.26	5.91	21571.73
ChinaMob	74.50	-0.35	75.00	60.90	6.24	10.96	195647.8
ChinaPsIns	21.65	0.35	23.30	12.72	5.18	6.97	7692.88
ChMinsheng	3.04	-0.04	3.23	2.43	7.85	3.97	3238.43
ChMrchSecs	14.25	-0.12	15.91	12.62	1.32	15.11	14594.33
China Utd Coms	4.64	-0.06	5.61	3.90	2.67	17.07	19826.38
ChShenEgy	37.65	0.80	37.90	21.45	7.89	11.35	16280.92
ChShpbldng	4.94	-0.07	5.31	3.81	-	-101.23	15053.87
ChStCnEng	5.68	-0.07	6.25	4.54	4.51	4.28	32386.1
ChUnicHK	6.33	0.03	6.41	4.45	5.61	9.40	24798.25
CNNC Intl	9.80	0.25	9.91	6.66	1.80	17.74	25535.87
CSR	4.88	0.08	5.12	3.10	4.55	10.38	2731.04
Daqin	7.10	-0.02	7.82	6.91	7.02	10.85	17210.15
GuosenSec	8.77	-0.02	10.90	7.42	3.12	18.02	11059.55
HaitongSecs	3.96	-0.03	5.70	3.44	5.89	-90.59	1728.69
Hngzh HikVDT	32.59	0.01	37.75	29.82	2.18	20.57	40961.53
Hunng Pwr	5.31	-0.03	5.45	3.22	-	9.72	3195.56
IM Baotou Stl	1.55	-0.01	1.97	1.36	-	229.30	6736.6
In&Cm3kCh	4.64	-0.02	4.80	3.35	7.18	4.38	51561.74
IndstrlBk	18.32	0.09	18.45	13.95	6.58	5.63	52517.01
Kweichow	1664.64	5.48	1935	1555.55	1.58	26.43	208553.38
Midea	0.35	0.05	0.41	0.26	-	-1.41	13.30
New Ch Life Ins	16.94	-0.12	23.45	12.46	7.03	7.21	2242.85
PetroChina	8.11	0.17	8.21	4.73	5.96	8.35	21908.04
PingAnIns	42.20	-	57.45	29.55	6.52	8.32	40239.11
PngAnBnk	11.40	-0.11	12.53	8.96	2.56	4.95	30526.67
Pwr Cons Corp	5.38	0.03	6.89	4.45	2.32	7.91	9704.17
SaicMtr	14.09	-0.29	15.77	12.92	2.43	11.39	22505.62
ShenwanHong	0.08	0.00	0.15	0.05	-	5.55	91.79
ShgPdgBk	8.54	-	8.64	6.36	3.89	7.76	34589.49
Sinopec Corp	5.15	-	5.28	3.64	7.73	9.91	16073.65
Sinopec Oil	1.83	-0.02	2.27	1.60	-	56.47	3426.54
Denmark (kr)							
DanskeBk	202.80	2.00	211.50	141.45	3.52	8.05	25486.07
MollerMrsk	12395	185.00	14430	8412	16.24	7.64	13482.66
NovoB	915.70	-4.00	542.60	504.40	0.79	48.26	452484.86

Stock	Price	Day Chg	52 Week High	52 Week Low	Yld	P/E	MCap m
Finland (€)							
Nokia	3.57	0.00	3.98	2.70	3.38	23.69	21792.77
SampoA	40.53	-0.27	41.80	34.55	4.52	18.78	22107.61
France (€)							
Airbus Gipe	158.46	-1.00	172.78	123.28	1.16	32.42	136524.53
AirLiquide	181.54	-2.14	197.42	151.36	1.65	30.37	103479.03
AXA	33.37	-0.32	35.19	25.21	5.14	11.49	82381.32
BNP Paribs	67.79	0.73	73.08	52.82	5.86	10.88	83361.6
ChristianDior	708.00	-8.00	839.50	613.50	1.80	19.91	138975.75
Cred Agr	15.92	0.07	15.93	10.22	6.72	7.73	52385.18
Danone	58.78	-0.50	63.80	50.59	3.46	42.45	43418.68
EDF	12.00	-	12.05	7.27	2.41	-2.31	53889.44
Engie SA	15.48	-0.01	16.64	13.82	9.21	17.47	40981.73
EssilorLuxotica♦	206.60	-3.40	212.40	159.68	1.59	39.94	101964.85
Hermes Intl	2180	-20.00	2436	1641	0.61	52.07	250267.86
LOreal	445.65	-3.70	460.60	372.00	1.37	37.99	259140.49
LVMH	745.40	-10.80	892.70	644.00	1.71	24.14	405408.58
Orange	10.62	-0.09	11.45	9.98	6.62	-	30705.86
PernodRic	139.30	-2.00	211.50	133.70	3.44	17.03	38723.66
Renault	51.70	1.32	52.08	31.19	0.49	6.36	16625.9
Safran♦	214.80	-3.90	218.90	133.36	0.64	26.14	99801.61
Sanofi	88.58	-1.28	104.32	80.60	4.09	20.23	121984.37
Sant Gbn	61.66	-0.28	82.76	43.87	2.49	15.34	44973.74
Schneider♦	237.70	-4.95	239.00	134.38	1.38	37.33	144956.3
SocGen♦	27.25	0.26	27.95	23.23	6.35	12.33	23794.73
Total	66.14	-0.26	70.11	53.55	4.51	8.03	171671.88
UnibailR	49.68	0.06	73.09	39.68	-	-4.32	7615.7
Vinci	114.50	-0.95	120.62	93.49	3.60	13.75	73410.24
Vivendi	10.10	-0.05	10.49	7.99	2.52	23.62	11311.87
Germany (€)							
Allianz	265.90	-0.30	280.00	193.60	4.37	12.33	113267.01
BASF	48.22	-0.55	54.93	40.25	7.18	189.42	46796.31
Bayer	27.80	-0.47	54.95	24.96	8.79	-9.13	29699.85
BMW	93.80	0.10	115.35	86.80	9.23	5.21	61405.37
Continental	61.96	-0.16	78.40	53.20	2.46	10.53	13476.12
Deut Bank	15.67	-0.04	17.01	9.90	1.95	5.55	33981.82
Deut Tlkm	21.72	-0.04	23.33	13.50	3.28	26.02	117777.55
DeutsPost	44.73	0.54	45.03	23.68	4.18	14.57	60466.66
E.ON	12.40	-0.05	13.48	10.43	4.19	67.66	35616.65
Fresenius Med	39.32	0.55	49.62	30.16	2.90	22.72	12545.96
Fresenius SE	29.23	0.03	31.22	23.93	3.20	45.57	17752.69
HenkelKgaA	73.10	-1.15	75.50	53.36	2.55	22.94	20651.9
Linde	395.00	-4.40	437.60	313.00	1.19	34.04	206471.57
Mercedes-Benz	66.38	0.09	77.45	55.08	7.98	4.84	77226.36
MuenchRkv	459.20	-3.30	465.80	321.20	2.57	13.31	68146.52
SAP	177.22	-3.20	184.48	113.52	1.18	56.51	236755.38
Siemens	177.26	-1.66	180.88	113.48	2.44	15.81	154209.53
Volkswgn	143.00	1.90	162.65	105.95	6.11	4.74	45888.17
Hong Kong (HK$)							
AIA	61.65	-0.10	83.05	45.25	2.52	23.86	88680.85
BOC Hold	25.40	-	26.10	17.86	5.67	8.19	34383
Ch OSLnd&Inv	15.48	-0.38	19.24	10.10	5.12	7.83	21692.21
ChngKng♦	32.30	-1.80	45.60	30.70	7.08	6.63	14518.89
Citic Ltd	8.38	-	10.26	8.53	7.78	3.70	31211.23
Citic Secs	12.56	-0.14	18.07	10.86	4.30	9.12	4213.32
CK Hutchison♦	40.00	-1.45	49.60	35.35	7.12	6.50	19614.85
CNOOC	20.60	0.15	21.00	10.90	6.59	6.83	117570.32
HangSeng	112.80	-0.20	120.20	79.05	4.71	12.54	27602.22
HK Exc&Clr	276.40	-2.60	335.00	212.20	2.97	29.45	44866.54
MTR♦	26.60	-0.45	37.65	23.05	4.94	21.23	21173.72
SandsCh	19.40	0.10	31.45	17.82	-	29.07	20105.54
SHK Props	76.80	-0.10	104.10	63.60	6.46	9.00	28493.64
Tencent♦	380.20	2.80	401.00	260.20	0.63	28.98	458556.04
India (Rs)							
Bhartiart	1371.05	-13.30	1407	812.80	0.29	94.32	99988.4
HDFC Bk	1530.5	2.80	1757.5	1363.55	1.24	15.96	139902.92
Hind Unilevr	2395.95	11.45	2769.65	2172.05	1.67	54.46	67681.62
HsngDevFin	2724.3	-23.05	2927.4	2160	1.16	18.17	61324.4
ICICI Bk	1126.95	-2.85	1169.55	899.00	0.71	18.91	95247.95
Infosys	1467.05	-4.30	1733	1262.25	2.43	24.78	73223.97
ITC	429.00	-2.50	499.70	393.35	2.98	26.06	64392.7
I&T	3658.2	6.20	3860	2200	0.66	40.09	60463.43
OilNatGas	274.30	-3.35	292.95	153.05	3.74	8.21	41487.5
Reliance In	2512.4	-20.10	3024.9	2220.3	0.31	28.06	236914
SBI NowA	831.15	-2.55	841.25	543.20	1.36	11.61	89180.43
SunPhrminds	1464.9	-1.15	1639.85	945.40	0.79	39.41	42257.11
Tata Cons	3839.9	-7.15	4254.75	3156	1.30	31.24	167031.98
Israel (ILS)							
TevaPha	60.86	-0.16	62.97	23.37	-	-33.06	18570.56
Italy (€)							
Enel	6.66	0.00	6.87	5.47	6.12	11.88	73631.57
ENI	14.56	-0.02	15.83	12.45	6.42	13.54	51997.23
Generali	23.54	0.01	24.98	17.62	5.02	-	40168.15
IntSPaolo	3.61	0.04	3.77	2.13	6.61	8.42	71703.31
Unicred	36.49	0.05	36.74	17.89	2.75	7.10	66728.04
Japan (¥)							
AstellasPh	1562.5	-7.00	2340	1426	4.64	528.58	18027.97
Bridgestne	6959	24.00	7058	5474	3.20	13.08	31665.82
Canon	4514	27.00	4603	3422	3.17	15.43	38385.73
CntJpRwy	3543	-15.00	4027	3235	0.88	8.74	23266.86

Stock	Price	Day Chg	52 Week High	52 Week Low	Yld	P/E	MCap m
Denso	2531.5	-7.00	2993.5	2075.5	2.12	21.02	50870.17
EastJpRwy	2868.5	-9.50	3108.33	2520	1.36	13.72	20746.99
Fanuc	4565	-40.00	5334	3603	2.31	28.00	29194.64
FastRetail	40690	60.00	48040	31140	0.88	35.03	82961.24
Fuji Hvy Ind	3434	65.00	3610	2375.5	2.47	6.78	16506.09
Hitachi	15545	55.00	15950	7999	1.08	16.73	94256.7
HondaMtr	1749	4.00	1959.5	1316	3.12	8.23	58878.02
JapanTob	4428	-24.00	4505	2997	4.89	14.62	56463.38
KDDI	4231	-15.00	5080	4059	3.60	12.02	60524
Keyence	70080	-1200.00	75040	52080	0.48	42.36	109132.94
MitsbCp	3387	7.00	3775	1862	2.28	14.03	90244.1
MitsubEst	1113.92	2.05	1191.47	972.54	-	-	-
MitsubishiElo	2627	10.50	2942.5	1651.5	1.81	20.47	38701.5
MitsuiFud	765.10	-1.45	1147.48	753.30	-	-	-
MitUFJFin	1628	37.50	1645.5	916.50	2.50	8.55	128061.37
Mizuho Fin	3168	4.00	3236	2026	3.26	11.00	51288.48
Murata Mfg	2980.5	-6.00	3141	2461	1.87	23.43	38527.17
Nippon TT	153.80	-2.00	192.90	151.40	3.55	9.83	88792.73
Nissan Mt	563.00	3.80	712.50	516.20	2.97	4.56	14033.17
Nomura	936.30	-4.40	1006	485.60	2.38	22.70	18885.17
Nppn Stl	3392	-8.00	3847	2705.5	5.42	5.11	20576.72
Panasonic	1357	11.00	1808	1295	2.67	5.66	21233.9
Seven & I	2027.5	-8.00	2244.5	1720.67	1.94	21.96	34039.11
SmtEtsuCh	5579	30.00	6926	4190	6.06	20.10	76305.37
Softbank	8722	113.00	9386	5201	0.56	-20.44	81745.02
Sony	12580	25.00	14915	11535	0.71	16.32	100147.49
SumitomoF	10105	181.00	10180	5583	2.87	14.48	84875.49
Takeda Ph	4151	20.00	4873	3900	4.94	33.10	41879.69
TokioMarine	5364	15.00	5397	2960.5	2.30	15.70	67646.35
Toyota	3448	-7.00	3891	1892.5	2.10	9.30	347228.95
Mexico (Mex$)							
AmerMvl	16.40	0.11	20.25	15.66	-	12.64	41116.45
FEMSA UBD	197.91	4.91	245.00	168.00	1.64	31.49	25567.49
WalMrtMex	64.61	-0.41	73.50	59.28	1.76	20.78	67380.49
Netherlands (€)							
ASML Hld	896.00	13.40	958.40	534.40	0.68	49.39	389338.37
Heineken	93.38	-1.18	100.20	81.54	2.09	22.42	58490.97
ING	16.36	0.12	16.66	11.43	4.60	7.88	58762.41
Unilever	49.99	-0.53	51.18	42.97	2.96	22.53	159916.37
Norway (Kr)							
DNB	206.70	-0.10	224.40	183.75	5.91	8.51	30395.96
Equinor	301.65	-2.00	382.85	256.70	3.86	7.30	86355.92
Telenor	123.50	-0.70	131.80	102.05	7.88	-33.79	16475.75
Qatar (QR)							
QatarNtBk	13.00	-0.20	17.15	12.98	5.06	6.54	32978.21
Saudi Arabia (SR)							
AlRajhiBnk	77.80	-0.20	91.60	63.10	3.09	19.65	82975.6
NatnlCombnk	33.70	0.65	44.35	30.90	4.31	10.41	53912.82
SaudiBasic	76.30	0.10	91.00	75.30	4.99	177.01	61031.85
SaudiTelec	36.70	0.15	45.95	35.00	4.37	13.76	48926.8
Singapore (S$)							
DBS	35.78	-0.07	36.80	27.55	5.15	9.03	68627.32
JardnMt US$	38.24	0.17	52.57	34.92	5.77	16.10	11115.92
OCBC	14.50	0.06	14.55	12.00	5.57	8.81	48359.13
SngTel	2.46	0.03	2.68	2.25	4.16	12.36	30118.98
UOB	30.54	0.04	31.35	26.82	5.37	8.95	37893.22
South Africa (R)							
Firstrand	67.90	0.16	74.77	58.60	5.67	10.00	20824.72
MTN Grp	85.00	0.42	145.91	77.53	3.89	38.02	8756.86
Naspers N	3871.73	-40.50	17830.20	2673.3	-	9.22	37740.16
South Korea (KRW)							
HyundMobis	219000	-2000.00	270000	198300	0.48	5.50	15096.21
KoreaElePwr	19800	-	25450	16030	-	-0.87	9355.53
SK Hynix	202500	1000.00	209000	106000	0.60	-29.58	108505.12
SmsungEl	77600	400.00	86000	65800	1.97	34.44	340967.23
Spain (€)							
BBVA	9.94	-0.04	11.28	6.06	4.82	7.56	63078.54
BcoSantdr	4.76	0.00	4.93	3.01	3.00	7.18	81943.42
CaixaBnk	5.18	0.07	5.23	3.42	4.53	8.38	42275.86
Iberdrola	12.15	-0.05	12.43	9.88	2.65	16.64	84868.16
Inditex	43.80	-0.95	47.02	31.04	1.82	25.32	148447.51
Repsol	15.15	0.10	16.22	12.48	4.70	6.05	21044.99
Telefonica	4.21	0.02	4.31	3.49	7.25	-20.68	26332.84
Sweden (SKr)							
AtlasCpcoB	173.30	-2.55	178.40	119.10	1.32	29.54	25648.91
Ericsson	63.46	0.12	65.33	48.53	4.24	-8.34	18547.7
H & M	187.95	0.50	189.90	135.24	3.56	31.52	25578.96
Investor	283.85	-2.10	288.00	197.88	1.55	5.41	49037.03
Nordea Bk	130.50	0.55	134.30	106.60	8.12	7.87	43378.38
SEB	148.85	0.05	157.45	111.90	5.70	8.20	29862.88
SvnskaHn	98.96	0.76	125.95	85.64	5.83	6.70	18248.68
Swedbank	217.20	1.90	233.80	165.60	6.96	7.02	23313.66
Telia Co	26.65	-0.12	27.72	20.98	5.90	169.32	9936.28
Volvo	284.50	-1.80	321.10	198.90	2.63	11.38	42851.15
Switzerland (SFr)							
ABB	49.60	-0.22	49.99	29.13	1.69	26.92	102562.57
CredSuisse	0.82	0.01	5.86	0.66	11.88	-0.31	3611.19
Nestle	91.64	-0.72	111.82	89.52	3.49	19.99	263799.15
Novartis	91.11	-0.92	94.52	79.21	3.51	24.36	219221.63

Stock	Price	Day Chg	52 Week High	52 Week Low	Yld	P/E	MCap m
Richemont	143.80	-	154.00	102.95	1.67	20.69	84335.78
Roche	228.80	-1.10	293.55	212.90	4.50	14.75	176515.22
Swiss Re	111.80	-0.70	117.20	83.10	5.22	11.68	39000.38
Swisscom	491.80	0.60	579.80	488.60	4.85	13.74	27991.21
UBS	28.31	-0.12	28.62	17.17	1.97	3.24	98011.7
Zurich Fin	468.70	-3.70	492.90	401.70	5.20	17.28	75368.83
Taiwan (NT$)							
Chunghwa Telecom	126.00	1.00	128.00	114.00	3.79	26.21	30391.58
Formosa PetChem	69.20	1.40	89.30	67.50	1.67	28.67	20496.44
HonHaiPrc	185.50	0.50	186.00	94.00	3.00	17.54	70958.54
MediaTek	1310	25.00	1320	652.00	8.07	25.80	65144.37
TaiwanSem	865.00	-4.00	878.00	516.00	1.44	25.35	697535.89
Thailand (THB)							
PTT	33.00	-0.50	36.50	29.75	4.89	7.83	25728.98
United Arab Emirates (Dhs)							
Emrtestele	24.30	0.70	38.98	11.60	2.92	23.18	57535.64
United Kingdom (p)							
Anglo American	2558	-57.00	2813	1630	3.96	141.78	43718.29
AscBrFd	2641	-81.00	2765	1804.5	1.67	19.68	25336
AstraZen	12028	-268.00	12488	9461	1.88	40.24	238250.86
Aviva	481.60	-6.50	501.40	366.00	6.60	12.95	16602.12
Barclays	219.10	2.95	220.20	128.12	3.51	8.14	41794.33
BP	487.00	4.00	562.30	441.05	4.49	7.23	104048.9
BrAmTob	2381	-9.00	2742	2233	9.70	-3.68	67528.76
BT	128.60	1.50	150.68	101.70	5.99	6.80	16353.09
Compass	2179	-42.00	2332	1940.5	1.70	28.94	47396.06
Diageo	2629	-64.00	3518.5	27.11	2.97	17.93	74582.21
GlaxoSmh	1740	-34.50	1823.5	1302.6	3.20	14.51	92152.98
Glencore	489.00	5.05	506.72	365.31	7.15	18.33	76232
HSBC	688.00	-5.40	725.20	572.90	5.98	7.69	164383.16
Imperial Brands	1919	-17.00	2006	1553.5	7.39	7.65	21399.75
Jardine Mathes.	62.50	-	51.00	36.49	3.57	26.31	18168.02
LlydsBkg	55.58	0.78	57.39	39.42	4.53	7.41	44696.46
LSE Group	9168	-156.00	9696	7784	1.21	66.38	62235.41
Natl Grid	876.60	-12.80	1052.85	874.40	5.89	11.88	41581.74
Natwest Group	309.40	1.90	329.80	3.58	5.01	6.33	34477.19
Prudential	765.00	-0.80	1161.51	684.73	2.00	15.75	26884.69
ReckittB	4379	-33.00	6424	4102.64	4.19	14.15	39351.98
RELX♦	3426	-94.00	3542	2430.74	1.63	36.41	81718.38
RioTinto	5589	-66.00	5910	4509.5	5.68	11.56	89450.18
RollsRoyce	451.00	6.20	460.20	142.46	-	15.71	48502.23
Shell PLC	2780.5	8.50	2961	2214	3.50	12.44	226113.52
StandCh	774.20	-3.60	796.00	571.00	2.03	9.29	25456.19
Tesco♦	311.10	-3.90	316.10	217.53	3.50	15.84	27345.04
Unilever	4256	-40.00	4357	3680.5	3.53	19.19	136148.04
Vodafone	74.08	0.58	83.59	62.71	10.54	2.25	25544.56
WPP	830.60	7.20	901.60	7.24	4.74	82.24	11446.62
United States of America ($)							
21stC Fox A	33.64	0.03	35.41	28.26	1.52	19.62	7774.73
3M	98.93	-0.75	106.04	71.35	6.08	-7.81	54741.26
AbbottLb	102.14	-1.81	121.64	89.67	2.00	31.26	177586.19
Abbvie	155.29	-1.77	182.09	130.96	3.82	56.96	274221.61
Accenture	297.19	-3.80	387.51	285.18	1.64	26.67	199242.64
Activision Bli.	94.42	-0.05	94.57	70.94	-	36.23	74289.5
Adobe	472.77	-2.66	634.59	374.09	-	44.70	211300.96
Advanced Micro	172.26	5.90	227.30	93.12	-	324.27	278426.23
AEP	88.87	-0.10	93.44	69.36	3.80	20.91	46845.31
Aflac	87

FINANCIAL TIMES SHARE SERVICE

Main Market

	Price	+/-Chg	52 Week High	52 Week Low	Yld	P/E	Vol 000s
Aerospace & Defence							
Avon Protection	1326	-30.00	1408	582.00	2.76	-29.59	68.3
BAE Sys♦	1371.5	-14.50	1406.5	883.40	2.05	22.71	4156.0
Chemring	385.50	-10.50	412.14	253.95	1.58	29.43	719.5
Automobiles & Parts							
FordMtr $♦	11.89	-0.27	15.42	9.63	5.06	10.99	22475.1
Banks							
ANZ A$♦	28.57	0.14	29.90	22.58	5.07	12.79	3399.0
BcoSant	402.50	-0.50	423.00	257.00	3.02	7.14	144.7
BnkGeorgia	3925	-90.00	5510	2646.26	3.94	3.51	104.6
BankIre Grp €♦	10.36	-0.14	10.80	7.74	2.06	7.25	12.0
BkNvaS C$♦	65.13	-0.46	70.40	55.20	3.62	10.41	1257.7
Barclays♦	219.10	2.95	220.20	128.12	3.51	8.14	45639.5
CanImp C$♦	66.06	-0.36	69.42	47.44	5.41	9.85	384.0
HSBC♦	688.00	-5.40	725.20	572.90	5.98	7.69	20359.8
LlydsBkg♦	55.58	0.78	57.39	39.42	4.53	7.41	198572.4
NWG♦	309.40	1.90	329.80	3.56	5.01	6.33	25915.9
PermTSB €	2.35	-0.04	2.81	1.18	-	53.03	65.9
RylBkC C$♦	143.62	-0.53	145.75	107.92	3.85	13.02	463.8
StandCh♦	774.20	-3.60	796.00	571.00	2.03	9.29	4775.4
..7.375%Pf	108.75	-	108.43	94.50	6.78	-	650.0
..8.25%Pf	119.00	0.50	119.20	101.36	6.93	-	25.0
TntoDom C$♦	75.79	-1.18	87.10	73.98	5.27	11.69	1165.5
Westpc A$♦	26.64	-0.11	28.05	20.03	5.10	13.45	4329.1
Chemicals							
Elementis♦	148.00	1.40	155.00	96.60	-	40.11	448.0
Johnsn Mtthey	1794	10.00	1917.07	1428.5	4.29	18.53	507.0
Victrex	1290	-6.00	1632	1152	4.62	18.30	75.6
Construction & Materials							
Boot(H)♦	206.00	-4.00	249.00	170.00	3.36	10.67	35.7
GalfrdT	265.00	-8.00	279.00	174.20	3.96	19.20	156.4
MorgSdl	2480	-50.00	2539.75	1640.14	4.19	9.00	171.1
Tyman♦	367.00	-7.00	400.00	231.50	3.73	18.82	1109.9
Electronic & Electrical Equip							
Dialight	177.00	-	240.00	135.00	-	-15.21	4.1
Discoverie PLC	746.00	-11.00	958.00	586.00	1.53	33.13	113.4
Halma	2258	-57.00	2500	1802	0.89	35.94	704.0
Morgan Ac	321.50	2.50	338.00	215.50	3.73	19.72	503.7
Oxfordin	2490	65.00	2870	1634	0.78	24.17	58.8
Renishaw	4040	-25.00	4500	2823.42	1.89	30.22	36.9
Spectris♦	3256	-42.00	3861	2917	2.35	23.35	316.3
TT Elect	161.50	-	189.80	133.60	3.99	41.41	294.2
XP Power	1602	4.00	2489.2	682.41	3.37	-35.23	185.9
Financial General							
3i	2922	-28.00	2995	1837.5	1.81	6.23	1463.3
abrdn	154.85	-3.70	238.00	134.60	9.43	1548.50	4570.3
Bridgepoint Grp Plc	228.60	-7.40	300.60	164.80	3.67	25.40	361.1
CtyLonInv	362.00	-2.00	449.00	300.00	8.69	12.53	42.9
ClosaBrs	467.60	4.40	998.50	273.00	14.44	4.94	999.3
CoinShares Int Ltd Skr	68.30	-3.20	72.90	30.05	-	0.68	128.8
Hargr Lans	1071.5	-18.50	1151	675.40	3.59	19.10	1364.9
Indvardn SKr	366.00	-1.20	377.20	273.70	1.98	5.02	407.9
ICG	2124	12.00	2176	1224	3.89	27.46	1022.3
Investec	525.50	-14.00	567.00	401.00	5.90	7.16	1357.3
Jupiter	85.50	-1.00	128.30	71.10	4.68	-34.20	1243.8
Liontrust	816.00	-20.00	847.00	513.00	5.76	10.20	485.9
LSE Grp♦	9168	-156.00	9696	7784	1.21	66.38	1156.8
RathbnGrp	1824	42.00	2050	1436	6.52	35.91	81.7
Record	64.00	-4.00	98.90	55.20	7.03	12.57	137.4
S & U	1995	-15.00	2570	1750	6.67	7.39	0.5
Schroder	393.40	-1.60	470.00	345.20	5.47	16.26	2284.4
Shires Income	243.00	-3.00	270.00	200.00	5.84	8.66	67.7
StJmsPl	494.80	4.00	1185.5	393.60	10.72	-274.89	2546.4
TP ICAP	207.50	-3.50	230.50	140.60	6.12	22.31	1006.9
Vanqus♦	57.70	-1.50	231.50	43.15	26.52	-24.04	1051.7
Food & Beverages							
AngloEst	688.00	4.00	872.00	650.50	2.84	7.39	5.8
AscBrFd♦	2641	-81.00	2765	1804.5	1.67	19.68	1195.9
BarrAG)♦	623.00	26.00	627.00	445.00	2.10	20.71	174.2
Britvic	980.00	-25.00	1025	770.00	3.00	20.46	346.1
CarrsGroup♦	136.25	1.25	152.02	92.00	5.91	-123.86	26.8
Coca-Cola HBC	2756	-26.00	2830	2065	2.45	18.38	463.6
Cranswk	4380	-80.00	4570	3143.58	1.81	18.63	64.4
Diageo♦	2629	-64.00	3518.5	27.11	2.97	17.93	3345.0
Grncore	166.80	-0.80	170.60	69.35	-	23.17	2538.0
HiltonFd	905.00	-33.00	957.00	614.00	3.49	22.51	123.7
Kerry €	76.80	-2.55	96.40	71.05	1.43	18.41	10.5
PremFds	170.80	-3.00	180.20	111.50	0.84	15.39	900.6
Tate&Lyl	699.00	-17.00	817.00	587.00	4.41	14.97	954.3
Unilever♦	4256	-40.00	4357	3680.5	3.53	19.19	2670.5
..NV	-	-	-	-	-	-	-
Health Care Equip & Services							
GNStre kr	221.80	-0.50	223.40	113.10	-	132.72	412.7
Smith & Nephew	980.00	1.20	1269	887.00	2.98	41.50	2282.7
House, Leisure & Pers Goods							
BarrttDev	507.20	-2.60	582.60	384.15	6.64	22.54	3634.4
Bellway♦	2700	-36.00	2898	1903	5.19	14.98	141.3
Berkeley	5215	-45.00	5360	3634	2.47	12.38	164.3
Burberry Gp	1034	-1.50	2289	1029	5.90	8.65	1280.0
Cairn Homes	144.40	-4.00	151.20	88.60	3.72	13.23	177.0
GamesWk	9610	-100.00	11850	8860	4.63	27.70	26.9
Gleeson	573.00	3.00	581.00	344.50	2.44	19.68	27.1
Headlam♦	162.00	-1.00	275.00	150.50	9.38	16.88	12.2
McBride	120.50	-0.50	124.50	24.10	-	11.93	111.4
Philips €	25.23	0.25	29.10	16.48	-	-51.77	1714.5
PZCusns	117.20	6.20	197.90	81.50	5.46	-14.58	955.5
Redrow	716.00	-11.50	750.00	423.62	4.19	11.15	533.2
Superdry Plc	4.00	-1.40	21.87	1.21	-	-0.02	4357.6
Vistry Group	1254	-56.00	1383	12.65	2.55	19.69	891.9
Industrial Engineering							
Bodycote♦	731.00	-7.00	774.00	545.00	2.95	16.32	360.1
Goodwin	5800	-200.00	7300	4200	1.92	27.81	6.3
Hill&Sm	2090	-10.00	2140	1384	1.77	24.59	74.6
IMI	1875	1.00	1911	1429	1.41	20.56	346.4
Melroselnd	620.40	-3.60	681.20	445.40	0.97	6204.00	10904.2
Renold	53.00	-0.60	60.00	26.50	-	8.53	588.8
RHIM♦	3560	5.00	3827.49	2034	4.02	12.01	13.6
Rotork	340.40	-3.40	348.00	277.20	2.01	25.79	1075.8
Severfd	73.40	0.40	76.23	48.10	4.63	10.78	99.9
Weir♦	2154	-	2210.25	1652.5	1.72	24.42	260.7
Industrial General							
Coats Group♦	87.30	-0.70	89.60	63.50	2.28	21.69	4578.7
Macfrlne♦	123.00	-2.00	147.50	98.38	2.81	13.17	283.4
Smith DS	374.40	4.80	415.00	260.50	4.81	11.18	5930.3
Smiths	1715	-27.00	1776.5	1517.5	2.43	25.79	497.1
SmurfKap	3838	-44.00	3900	2528	3.19	15.21	215.1
Industrial Transportation							
Braemar	296.00	-5.50	317.64	215.00	3.72	-32.89	16.3
Fisher J	293.00	-6.00	427.50	238.73	-	71.19	22.4
intl'ldistser	321.20	1.40	335.00	191.20	-	-3.04	2665.4
OceanWI♦	1300	20.00	1500	816.00	4.21	8.74	21.1
Insurance							
Admiral♦■	2692	-33.00	2870	2010	2.80	24.30	289.1
Aviva♦	481.60	-6.50	501.40	366.00	6.60	12.95	103883.3
Chesnar	251.00	2.00	289.50	242.70	9.37	20.42	250.7
Direct Line	206.40	-4.00	240.10	132.11	-	13.15	2311.9
Eccles plf	131.50	-	138.00	115.00	6.56	-	35.0
Hansard	50.35	1.35	55.00	37.20	8.84	10.49	56.7
Hiscox♦	1140	-26.00	1277.85	926.04	2.55	7.21	888.9
Lancashire♦	601.00	-20.00	690.00	525.00	1.95	5.80	306.8
Leg&Gen♦	252.80	4.90	257.90	203.10	7.77	34.73	10952.5
Old Mut	47.80	-0.20	58.30	41.55	7.53	7.23	186.1
PhoenixGrp	493.60	-3.40	573.20	436.40	10.41	-36.20	1722.0
Prudntl♦	765.00	-0.80	1161.51	684.73	2.00	15.75	5503.5
LEISURE							
PhotoMe International Plc	107.00	5.00	109.00	55.70	5.58	8.04	655.5
Media							
4imprint♦	6220	40.00	6780	4115.9	2.39	27.82	63.2
Auto Trader Group PLC	732.20	-15.60	768.40	580.20	1.15	28.93	1359.2
DlyMailA	270.00	-2.50	1178	264.50	8.95	10.31	111.0
Informa	834.40	-10.20	865.20	684.00	-	-36.92	4014.6
ITV	78.05	0.85	82.55	55.49	6.41	15.01	7109.4
Pearson	938.20	-8.20	1046.5	793.20	2.33	17.80	1712.1
MEDIA							
Reach PLC♦	78.80	-0.50	87.25	58.47	9.31	11.59	392.6
Media							
RELX PLC♦■	3426	-94.00	3542	2430.74	1.63	36.41	3580.3
Rightmove PLC	540.40	-4.60	603.00	5.31	1.63	22.15	4714.8
STV Grp♦	272.00	2.00	275.00	175.00	4.15	28.94	28.2
WPP♦	830.60	7.20	901.60	7.24	4.74	82.24	1847.1
Mining							
AngloAmer♦	2558	-57.00	2813	1630	3.95	141.78	5848.7
ArGoldA R	454.24	-2.79	497.05	287.40	1.91	247.10	735.5
Antofagasta	2311	65.00	2425	15.82	2.13	34.78	878.6
BHP Group	2335	6.00	2707.5	2157	5.83	20.43	1940.4
Ecora Resources	83.70	0.90	125.40	69.40	8.02	323.17	228.3
Ferrexpo	45.15	-2.35	102.40	42.85	31.75	0.35	1881.9
Fresnillo♦	614.00	18.00	697.60	435.20	2.14	26.19	1097.8
Glencore♦	489.00	5.05	506.72	365.31	7.15	18.33	26060.5
Harmony R	172.66	-1.80	187.42	65.00	0.44	12.02	1248.7
PolymtlntI#	215.00	50.00	362.02	125.00	-	2.47	12.0
Rio Tinto♦	5589	-66.00	5910	4509.5	5.69	11.56	2029.8
Troy Res A$	0.04	0.00	0.20	0.03	-	-0.24	3131.9
Oil & Gas							
BP♦	487.00	4.00	562.30	441.05	4.49	7.23	29775.1
Canrcorn Energy	191.38	2.18	381.88	139.14	-	-1.76	169.4
ExxonMb $♦	114.70	1.28	123.75	95.77	3.22	12.87	5046.3
Gazprom PJSC ADR $♦	0.58	-	10.97	0.02	-	0.61	3213.3
GeoPark $	10.25	0.30	10.95	8.05	5.15	5.27	170.2
HELLENIQ ENERGY €	8.52	0.02	8.81	6.55	8.97	5.36	213.0
ImpOil C$♦	95.98	1.60	101.63	61.04	2.09	10.91	159.3
TrnCan C$♦	52.31	-0.25	55.91	43.70	7.37	18.35	320.7
Wood Group (John) PLC	190.30	1.00	211.80	117.67	-	-12.50	1594.0
Pharmaceuticals & Biotech							
AstraZeneca♦	12028	-268.00	12488	9461	1.88	40.24	1404.9
GlaxoSmh♦	1740	-34.50	1823.5	1302.6	3.20	14.51	4684.2
HikmaPhm	1905	-53.00	2222	1711	2.55	28.57	253.0
Oxfd Bio	315.00	-12.00	474.50	164.29	-	-4.94	107.3
RichterG $	26.60	-0.20	27.60	23.40	4.28	10.68	0.0
Real Estate							
REITs							
Assura	40.16	-0.34	50.75	37.54	7.97	-7.17	8920.6
BritLand	422.60	13.20	422.60	287.30	5.36	-3.67	4311.2
Cap&Rsg♦	60.20	0.40	63.37	48.88	8.62	-11.49	674.1
Civitas SH	79.80	-	86.18	51.67	6.81	13.62	115.0
DrwntLdn♦	2356	70.00	2452	1766	3.35	-5.55	225.2
Great Portland	361.00	-6.00	510.50	337.50	3.49	-2.76	4144.4
LandSecs	646.00	-3.50	729.40	551.20	6.04	-7.85	2331.8
LondonMtrc	203.20	1.80	210.80	152.30	4.72	-10.75	4221.2
Palace Cap	744.00	-7.00	765.00	700.00	6.15	-4.59	40.5
PrimyHth	92.10	-0.20	109.00	84.20	7.27	46.05	2454.9
SEGRO	899.80	2.60	944.80	675.00	2.99	-43.47	1918.8
Shaftesbury Cap♦	145.50	3.60	146.78	101.50	2.20	3.21	2008.7
TritaxBBOX	158.30	2.90	173.00	121.80	4.56	42.55	11450.0
Wkspace	542.00	-4.00	617.00	449.20	4.76	-4.67	267.0
Real Estate Inv & Services							
Grainger	246.50	1.00	278.80	215.40	2.50	70.43	1720.1
Harworth Grp	135.00	-1.50	142.50	95.40	1.02	11.74	39.6
Helical	225.00	5.00	284.50	181.00	5.22	-1.58	575.3
Lon&Assc	12.00	1.00	18.00	7.00	-	-3.41	42.0
Mntview	9850	75.00	11700	9200	5.08	14.42	0.3
Savills	1146	-8.00	1208	745.00	1.77	39.79	248.2
SiriusRE	96.95	0.25	99.65	77.55	5.04	32.11	979.5
Smart(J)♦	125.00	-	172.00	108.00	2.58	416.67	8.6
U+I	148.50	-0.50	151.50	58.51	-	-2.12	98.8
Retailers							
Caffyns	500.00	-	628.00	400.00	4.50	10.62	1.2
Dunelm	1090	-1.00	1335.53	959.00	3.85	14.77	377.6
Halfords	151.80	-2.20	244.80	136.04	6.59	10.26	816.2
Inchcape♦	826.00	3.50	892.50	597.50	3.74	12.75	629.1
JDSportsF	128.05	6.60	177.75	103.00	0.62	33.43	13244.0
Kingfisher♦	265.40	3.30	274.00	198.30	4.67	14.74	5817.8
Marks&Sp	302.00	2.80	304.90	177.40	-	232.31	9369.5
Ocado	410.40	36.60	1017	332.70	-	-10.68	6643.6
Saga	134.80	3.80	154.80	100.20	-	-1.67	259.2
Sainsbury (J)	279.40	2.20	311.16	243.80	3.79	23.48	4673.7
Tesco♦♦	311.10	-3.90	316.10	217.53	3.50	15.84	19263.1
Support Services							
Ashtd6p	5770	56.00	6180	4437	1.38	19.94	944.2
Bunzl♦	2984	-38.00	3306	2660	2.13	19.13	750.6
Capita	14.38	-0.58	35.93	12.48	-	-1.36	9517.5
DCC	5675	-35.00	6075	4145	2.82	18.76	163.7
DeLaRue	98.80	-1.70	107.00	29.10	-	-4.45	45.0
Diploma	4114	-62.00	4340	2772.88	1.34	45.51	261.9
Essenta PLC♦	168.20	1.80	191.80	130.20	1.31	84.10	1552.1
Experian	3724	13.00	3796	2366	1.19	40.51	1602.9
Ferguson	16205	-180.00	17810	11375	1.45	24.00	56.7
Hays	105.30	-0.80	113.20	87.00	2.85	20.21	1782.8
Intertek	4904	-121.00	5145	3746	2.23	26.74	389.0
Mitie	119.20	-2.00	124.20	81.80	2.43	17.26	1629.6
Rentokil	406.80	-1.30	663.80	387.80	1.94	26.99	3237.8
Ricardo	483.00	-6.00	619.60	394.01	2.48	-483.00	25.8
RbrtWlts♦	411.00	4.00	490.00	344.00	5.72	21.63	56.9
RS Grp	753.50	13.00	1134.91	7.66	2.77	15.10	1097.6
SIG	28.60	-0.25	42.25	25.35	-	-7.53	530.2
Yp	670.00	25.00	700.00	460.00	5.60	11.16	6.7
Tech - Hardware							
SpirentCM	183.60	0.90	203.80	79.75	3.34	54.94	10906.0
Tech - Software & Services							
Computcnt	2792	-50.00	2982	1994.3	2.45	16.12	139.6
NCC Grp	144.00	-1.80	147.60	81.20	3.23	-32.00	402.8
Sage	1065	5.50	1285	842.60	1.75	52.13	3188.5
TriadGp	277.00	-	300.00	105.00	2.17	-72.51	1.1
Telecommunications							
Airtel Africa	121.20	0.20	135.80	90.20	3.68	17.82	3769.2
BT♦	128.60	1.50	150.68	101.70	5.99	6.80	22038.9
TelePlus	1838	22.00	1847.24	1356	3.10	47.13	125.4
Vodafone Gp♦	74.08	0.58	83.59	62.71	10.54	2.25	71207.7
Tobacco							
BrAmTob♦	2381	-9.00	2742	2233	9.70	-3.68	3859.6
Imperial Br♦	1919	-17.00	2006	1553.5	7.39	7.65	1111.1
Travel & Leisure							
Carnival	1102	36.00	1388	740.32	-	43.56	418.7
Dalata Hotel	371.00	-	436.00	324.00	0.93	10.73	9.2
easyJet	463.90	6.40	591.07	350.00	-	10.88	3727.3
FirstGrp	169.50	0.10	189.00	109.90	2.24	-113.00	1494.4
Rutter Entertainment	14815	-1175.00	17980	12020	-	-25.26	765.1
Fuller A	710.00	2.00	720.00	520.00	2.07	40.57	20.9
IntCon Htels Gp	7834	-102.00	8790	5104	1.44	22.64	458.4
Intl Cons Air	173.70	0.95	187.65	2.14	-	3.96	9862.9
TUI	563.00	14.00	687.00	375.00	-	4.64	1847.9
Whithrd	2909	-16.00	3714	2900.88	-	-23.61	684.7
Utilities							
Drax	517.50	18.30	637.60	395.20	4.21	3.71	873.3
Natl Grid♦	876.60	-12.80	1052.85	874.40	5.89	11.88	29434.2
Pennon	593.00	-15.00	802.00	532.83	7.21	-91.77	1384.8
Severn Trent	2395	-64.00	2812	2243	4.48	57.33	1407.2
SSE	1748	7.50	1932.5	1485	5.53	32.86	2945.7
UtdUtils	981.80	-25.70	1139.5	896.76	4.64	-208.86	3677.2

AIM

	Price	+/-Chg	52 Week High	52 Week Low	Yld	P/E	Vol 000s
Aerospace & Defence							
Cohort	856.00	26.00	858.00	430.00	1.57	26.27	43.2
Velocity Composites PLC	39.50	-	57.00	28.00	-	-4.94	2.3
Banks							
Caribbean Inv	26.50	-	45.40	24.03	-	3.05	138.6
Basic Resource (Ex Mining)							
CropperJ	335.00	-	900.00	212.00	1.79	9.85	5.6
Chemicals							
Directa Plus PLC	19.50	-	74.00	16.00	-	-3.25	10.6
Versarien PLC	0.09	0.00	7.00	0.08	-	-0.02	17605.7
Construction & Materials							
AccsysTch	57.00	-1.40	108.00	49.90	-	-2.51	28.6
Electronic & Electrical Equip							
Checkit	26.00	-	31.00	18.10	-	-2.77	31.8
IPA	65.00	-	104.00	55.60	-	-240.74	0.1
ThorpeFW	377.50	9.50	460.00	320.00	1.71	20.02	34.7
Zytronic	57.50	-	105.00	53.00	3.83	-3.73	19.5
Financial General							
Arbuthnot♦	947.50	7.50	1150	840.00	4.64	4.25	0.5
BP Marsh	461.00	-2.00	518.00	321.65	0.53	12.70	47.7
Burford Capital Ltd♦	1110	1.00	1388	900.00	0.89	5.16	243.2
Gresham House Plc	1100	-20.00	1120	652.00	1.45	30.51	177.7
MatrioliWds	788.00	-	800.00	481.00	3.40	41.04	353.3
Premier Miton Group	80.00	-	92.00	48.10	11.63	34.04	683.5
STM Group	57.50	-	62.60	24.25	1.04	59.28	47.5
Food & Beverages							
Camellia	4450	30.00	6300	4018.6	3.28	42.38	0.4
Fevertree Drinks♦	1128	-52.00	1489	947.00	1.45	110.56	494.4
Nichols	990.00	-40.00	1520	882.00	2.82	19.67	23.3
Health Care Equip & Services							
AVO#	1.93	-	25.75	1.75	-	-0.23	2000
Tristel	427.50	5.00	503.50	315.00	2.46	34.17	45.8
House, Leisure & Pers Goods							
Churchill♦	1100	-	1508	947.00	2.86	14.73	15.3
Frontier Developments PLC	267.00	-1.00	649.00	95.00	-	-1.71	105.3
Portmerm♦	235.00	-	440.00	200.17	5.53	-3.82	22.8
Sanderson Design Grp	106.00	0.50	132.50	95.31	3.30	8.15	36.5
Industrial Engineering							
600 Grp#	2.65	-	13.50	2.00	-	15.50	40.4
MS Intl	970.00	-10.00	1030	442.00	1.55	23.26	7.8
IT							
Keywords Studios♦	2250	36.00	2498	1101	0.11	104.11	264.4
Learning Technologies Group	86.20	-1.80	105.50	58.62	1.86	21.63	1879.3
Media							
Mission Group	23.70	-	52.00	10.00	7.05	-1.88	35.5
Mining							
AMC#	0.09	-	1.99	0.07	-	-0.55	5981.6
CentAsiaM	222.50	1.50	235.00	150.20	8.30	14.44	221.8
Gemfields	13.25	0.75	17.00	11.00	17.07	-21.10	19.5
Oil & Gas							
BorSthnPet	2.49	-0.01	3.34	1.70	-	-16.71	860.2
Phoenix Global	6.50	0.25	7.95	3.07	-	-1.63	53.0
UrJackOil	21.00	-0.25	34.00	14.00	1.43	11.11	164.5
Pharmaceuticals & Biotech							
Renewron#	3.38	-0.08	11.50	3.28	-	-0.38	177.6
Sareum	40.00	5.00	142.00	10.00	-	-6.45	1110.2
Real Estate							
Lok'nStor	1110	-	1180	621.50	1.71	88.52	45.3
Retailers							
Boohoo Group PLC	34.30	-0.22	44.98	27.77	-	-5.05	2807.9
CVS Group PLC	1066	-10.00	2226	902.41	0.70	21.54	500.1
Support Services							
Begbies	109.00	1.50	136.50	102.50	3.49	363.33	660.5
Christie	105.00	-	167.00	66.00	3.57	70.95	1.0
Impellam	675.00	35.00	950.00	580.00	-	25.00	4.6
JhnsnSrv	163.80	-2.80	172.00	99.00	1.53	25.59	542.6
LonSec	3050	-	3300	2765	2.75	17.18	0.1
NWF	201.50	-	280.00	170.50	3.87	7.66	14.6
Petards	7.75	-	8.48	2.13	-	36.90	0.1
Renew	1060	-12.00	1086	672.00	1.63	17.85	142.8
Tech - Software & Services							
EdBlue Prion Group PLC	1274	-	1392	747.50	-	-23.65	1869.0
Eckoh	37.00	-	46.70	32.05	2.00	30.06	558.9
Oxford Metrics	110.00	0.50	121.64	78.00	2.27	25.46	104.3
Travel & Leisure							
gamingrealms	39.70	0.70	43.00	27.74	-	25.13	536.2
Jet2	1341	-9.00	1568	960.00	0.02	7.32	296.6
MinoanGp	0.83	0

MANAGED FUNDS SERVICE

SUMMARY

FT.COM/FUNDS

Winners - US Fund Foreign Large Blend

Fund Name	1yr Return GBP	3yr Return GBP	5yr Return GBP	3yr Sharpe Ratio	3yr Std Dev
State Street Hedged International Developed Equity Index Fund	17.37	9.00	9.32	0.65	12.34
PIMCO StocksPLUS® International Fund (U.S. Dollar-Hedged)	18.15	7.93	9.09	0.53	12.93
Artisan International Value Fund	16.24	5.98	9.55	0.31	15.82
FMI International Fund	13.74	5.06	6.36	0.25	14.13
JOHCM International Opportunities Fund	15.55	4.64	6.99	0.22	16.65

Losers - US Fund Foreign Large Blend

Fund Name	1yr Return GBP	3yr Return GBP	5yr Return GBP	3yr Sharpe Ratio	3yr Std Dev
Mercator International Opportunity Fund	4.77	-11.97	3.95	-0.66	27.79
Nationwide Janus Henderson Overseas Fund	12.31	-6.50	5.84	-0.56	21.48
Selected International Fund	16.95	-4.63	1.95	-0.42	24.23
Davis International Fund	17.62	-4.23	2.53	-0.41	24.09
Boston Common ESG Impact International Fund	6.04	-2.65	3.84	-0.30	19.05

Morningstar Star Ratings

Fund Name	Base Currency	Morningstar Rating 3 Yr	Morningstar Rating 5 Yr	Morningstar Rating 10 Yr
Global Dividend Fund W-ACC-GBP	Pound Sterling	★★★★	★★★★	★★★★★
Janus Henderson European Selected Opportunities Fund A Acc	Pound Sterling	★★★★	★★★★	★★★
MFM UK Primary Opportunities A Inc	Pound Sterling	★★★	★★★	★★★
Janus Henderson Asia Pacific Capital Growth Fund A Acc	Pound Sterling	★★	★★	★★
Janus Henderson Sterling Bond Unit Trust Inc	Pound Sterling	★★	★★	★★

Global Broad Category Group - Convertibles

Morningstar Category	Base Currency	Total Ret 1Yr GBP	Total Ret 3Yr GBP	Total Ret 5Yr GBP
World Convertible Bond	Yen	14.73	3.71	7.19
Japan Convertible Bond	Yen	1.30	3.37	6.08
Convertible Bond - Asia/Japan	US Dollar	11.43	2.95	3.55
Euro Convertible Bond	Euro	13.13	0.89	3.12
Convertible Bond - Global, USD Hedged	US Dollar	7.68	-2.28	3.24

Advertising Feature

edentree investment management

Please remember that past performance is not necessarily a guide to future performance

Firm Name
EdenTree Investment Management Limited

Fund Name
EdenTree UK Equity Opps Cls A Inc

Morningstar Category
UK Flex-Cap Equity

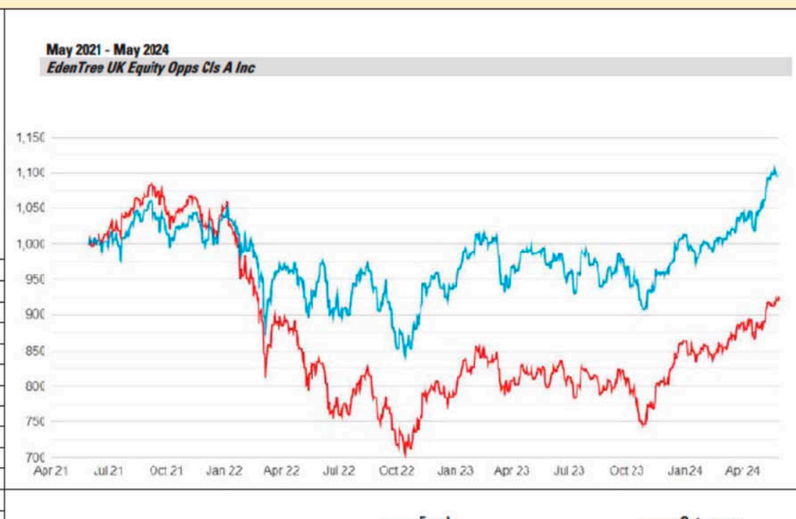
Max Annual Charge
-

3Yr Rating
★★

Morningstar Sustainability Rating

Bid Price	-	**KID Ongoing Charge**	1.40
Offer Price	-	**Day-End One Year Return**	8.72
+/-	2.10	**Total Ret 3Yr**	-3.12

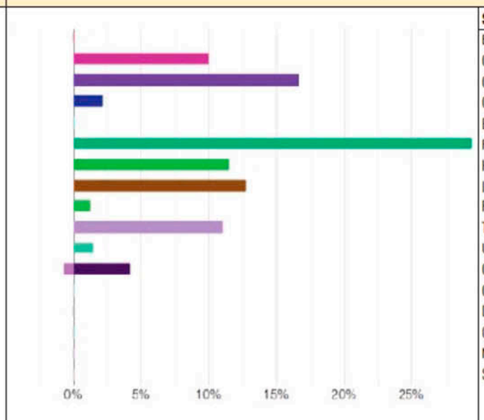
Performance



Fund — Category

Day 0.69% | Month 5.06% | Year 16.19%

Weightings - As of 31/03/2024



Sector	Weighting	Cat Avg.
Basic Materials	-	5.86%
Communication Services	10.02%	5.59%
Consumer Cyclical	16.62%	13.31%
Consumer Defensive	2.20%	8.67%
Energy	-	7.56%
Financial Services	29.49%	16.17%
Healthcare	11.50%	8.10%
Industrials	12.83%	16.44%
Real Estate	1.33%	2.04%
Technology	11.06%	5.81%
Utilities	1.49%	2.38%
Cash & Equivalents	3.46%	7.29%
Corporate	-	0.50%
Derivative	-	0.03%
Government	-	0.22%
Municipal	-	0.00%
Securitized	-	0.04%

Risk Measures - As of 30/04/2024

	1Yr	1Yr Cat Ave	3Yr	3Yr Cat Ave	5Yr	5Yr Cat Ave
Alpha	1.88	-0.87	-10.35	-3.35	-3.52	-1.00
Beta	0.92	0.97	1.05	1.06	1.13	1.09
Information Ratio	0.21	-0.12	-1.25	-0.47	-0.43	-0.16
R Squared	63.27%	74.01%	63.78%	74.78%	78.70%	78.59%
Sharpe Ratio	0.32	0.31	-0.33	0.25	0.07	0.25
Std Dev	12.81	13.81	14.34	15.02	18.38	17.14

Top 10 Holdings - As of 31/03/2024

Holding	Sector	Weighting
4imprint Group PLC	Communication Services	5.40%
Wise PLC Class A	Technology	5.15%
Sage Group (The) PLC	Technology	4.40%
Tatton Asset Management PLC	Financial Services	4.08%
RELX PLC	Industrials	4.00%
AstraZeneca PLC	Healthcare	3.99%
Next PLC	Consumer Cyclical	3.87%
Mettioli Woods PLC	Financial Services	3.69%
GlobalData PLC	Industrials	3.64%
ConvaTec Group PLC	Healthcare	3.35%

Information reproduced courtesy of Morningstar. While the Financial Times takes every care to ensure that the information is faithfully reproduced, the information is not verified by the Financial Times and therefore it accepts no liability for any loss which may arise relating to the Morningstar information.
© 2024 Morningstar. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

Fund | Bid | Offer | +/- | Yield | 1Yr | 3Yr

Algebris Investments (IRL)
Regulated

Algebris Core Italy I EUR	€ 158.91	-	-0.34	0.00	8.23	2.63
Algebris Core Italy F EUR	€ 149.20	-	-0.32	0.00	7.42	2.04
Algebris Financial Credit I EUR	€ 201.07	-	0.00	0.00	16.67	1.53
Algebris Financial Credit R EUR	€ 171.55	-	0.01	0.00	16.08	1.03
Algebris Financial Credit Rd EUR	€ 95.73	-	0.01	6.13	16.24	1.03
Algebris Financial Equity B EUR	€ 232.57	-	1.17	-	41.57	18.01
Algebris Financial Equity R EUR	€ 192.75	-	0.97	-	40.17	16.77
Algebris Financial Income I EUR	€ 225.07	-	0.43	0.00	26.03	8.04
Algebris Financial Income R EUR	€ 202.11	-	0.38	0.00	24.90	7.07
Algebris Financial Income Rd EUR	€ 114.95	-	0.22	4.78	24.91	7.07
Algebris Global Credit Opportunities I EUR	€ 143.89	-	-0.17	0.00	13.42	3.04
Algebris Global Credit Opportunities R EUR	€ 139.66	-	-0.17	0.00	13.00	2.53
Algebris Global Credit Opportunities Rd EUR	€ 115.12	-	-0.15	4.64	13.26	2.64
Algebris IG Financial Credit I EUR	€ 108.48	-	0.06	0.00	11.64	-0.43
Algebris IG Financial Credit R EUR	€ 106.02	-	0.05	0.00	11.07	-0.99
Algebris Sust. World B	€ 131.53	-	0.89	0.00	26.51	-
Algebris Sust. World R	€ 128.83	-	0.86	0.00	24.86	-

Atlantas Sicav (LUX)
Regulated

American Dynamic	$ 7973.86	-	-73.79	0.00	19.80	2.55
American One	$ 8652.63	-	-106.88	0.00	20.95	6.79
Bond Global	€ 1514.31	-	-3.57	0.00	3.22	2.00
Eurocroissance	€ 1487.00	-	1.29	-	4.95	2.65
Far East	$ 1026.83	-	-17.64	0.00	0.41	-8.47

Blue Whale Investment Funds ICAV (IRE)
www.bluewhale.co.uk, info@bluewhale.co.uk
FCA Recognised - Ireland UCITS

Blue Whale Growth USD T	$ 13.53	-	-0.02	-	39.36	4.95

The Antares European Fund Limited
Other International

AEF Ltd Usd	$ 544.16	-	-10.67	0.00	-1.65	-1.17
AEF Ltd Eur	€ 498.20	-	0.00	0.00	-1.61	-1.85

Artemis Fund Managers Ltd (1200)F (UK)
57 St. James's Street, London SW1A 1LD 0800 092 2051
Authorised Inv Funds

Artemis Corporate Bond I Acc	279.12	-	17.74	3.29	18.64	10.32
Artemis European Select I Acc	106.64	-	0.15	5.06	11.33	-1.84
Artemis Global Income I Inc	588.15	-	4.08	2.65	32.49	12.85
Artemis Global Select I Acc	159.05	-	0.51	0.09	23.00	7.27
Artemis High Income I Q Inc	205.79	-	0.45	-	23.85	7.45
Artemis Income I Inc	459.64	-	3.63	2.49	23.10	7.73
Artemis Monthly Dist I Inc	133.44	-	0.98	3.20	33.24	11.01
Artemis Positive Future Fund	193.41	-	0.17	0.84	17.81	6.42
Artemis Short-Dn Strat Bond	116.71	-	0.11	4.45	9.87	2.45
Artemis SmartGARP Eur Eq I Acc	71.84	-	0.13	5.82	12.16	1.82
Artemis SmartGARP GloEmr Eq I Acc	278.97	-	1.06	3.65	17.77	8.14
Artemis SmartGARP Glo Eq I Acc	76.69	-	0.30	4.54	19.44	5.63
Artemis SmartGARP UK Eq I Acc	66.02	-	0.54	0.00	-0.63	-11.74
Artemis Strategic Assets I Acc	102.36	-	0.25	1.60	1.82	3.65
Artemis Strategic Bond I Q Acc	109.64	-	0.20	4.55	9.42	-0.53
Artemis UK Select Fund Class I Acc	998.97	-	8.50	2.25	24.37	8.13
Artemis UK Smaller Cos I Acc	2397.32	-	27.12	2.35	20.84	3.75
Artemis UK Special Sits I Acc	937.38	-	6.74	2.14	20.18	4.83
Artemis US Extended Alpha I Acc	432.25	-	1.46	0.00	28.26	13.02
Artemis US Select I Acc	398.21	-	2.42	0.00	33.60	10.81
Artemis US Smlr Cos I Acc	372.42	-	3.37	0.00	30.13	2.27

Brooks Macdonald International Fund Managers Limited (JER)
Third Floor, No 1 Grenville Street, St Helier, Jersey, JE2 4UF
+44 (0) 1534 700 104 (Int.) +44 (0) 800 735 8030 (UK)

Brooks Macdonald International Investment Funds Limited

Euro High Income	€ 1.2333	-	0.0017	2.50	5.52	-3.99
High Income	£ 0.6593	-	0.0006	3.77	10.15	-3.49
Sterling Bond	£ 1.2818	-	0.0013	2.06	9.74	-3.42

Brooks Macdonald International Multi Strategy Fund Limited

Cautious Balanced Strategy	£ 1.3198	-	-0.0011	0.00	7.18	-0.63
Cautious Balanced Strategy A	£ 0.9459	-	-0.0008	1.69	7.74	-
Balanced Strategy	£ 1.0049	-	-0.0013	-	9.96	-
Balanced Strategy A	£ 1.0083	-	-0.0013	-	10.53	-
Growth Strategy	£ 2.1762	-	-0.0064	0.00	12.08	2.40
Growth Strategy A	£ 1.0426	-	-0.0029	1.03	12.67	-
High Growth Strategy	£ 3.0797	-	-0.0097	0.00	12.96	2.67
High Growth Strategy A	£ 1.0527	-	-0.0033	0.67	13.54	-
US$ Growth Strategy	$ 2.0227	-	0.0017	0.00	18.04	-0.54

Dealing Daily. Initial Charge Nil for A classes and up to 2% for other classes

Brown Advisory Funds plc (IRL)
http://www.brownadvisory.com Tel: 020 3301 8130
FCA Recognised

Global Leaders Fund USD C	$ 27.04	-	0.04	-	26.06	6.30
Global Leaders Sustainable Fund USD C	$ 16.14	-	0.02	-	24.54	5.62
Global Sustainable Total Return Bond GBP B	£ 9.28	-	0.00	2.71	1.12	-
Global Sustainable Total Return Bond USD B	$ 9.85	-	0.00	0.00	1.55	-
US Equity Growth Fund USD B	$ 62.17	-	-0.13	-	29.39	2.14
US Flexible Equity Fund USD B	$ 32.55	-	0.10	-	34.67	8.60
US Mid-Cap Growth Fund USD C	$ 20.66	-	0.14	-	23.49	-0.97
US Small Cap Blend Fund USD B	$ 24.63	-	0.20	-	18.19	1.04
US Smaller Companies Fund USD B	$ 38.33	-	0.27	-	10.94	-1.92
US Sustainable Growth Fund USD C	$ 32.94	-	-0.04	-	36.12	9.44
US Sustainable Value Fund USD C Acc	$ 13.28	-	0.11	-	-	-

CG Asset Management Limited (IRL)
25 Moorgate, London, EC2R 6AY
Dealing: Tel. +353 1434 5098 Fax. +353 1542 2859
FCA Recognised

CG Portfolio Fund Plc

Absolute Return Cls M Inc	£ 134.81	135.42	0.01	2.14	3.05	1.89
Capital Gearing Portfolio GBP P	£ 36542.90	37146.60	-1.90	1.75	2.36	1.34
Capital Gearing Portfolio GBP V	£ 179.65	180.64	-0.01	1.76	2.36	1.34
Dollar Fund Cls D Inc	£ 157.20	157.67	-0.10	1.88	-2.91	0.80
Dollar Hedged GBP Inc	£ 91.73	92.01	0.13	1.83	-0.66	-3.40
Real Return Cls A Inc	£ 186.05	186.60	-0.11	2.39	-3.53	-0.14
UK Index-Linked Bond G Inc	£ 103.37	103.51	-0.00	-	-	-

Candriam Investors Group (LUX)
FCA Recognised

Candriam Abs Ret Eqt Mkt Neutral-C-Cap	€ 218.87	-	-0.30	0.00	9.26	2.86
Candriam Eds Euro High Yield Cap	€ 1314.92	-	-0.09	0.00	10.20	1.30
Candriam Bonds Glb Hi Yield -C-Cap	€ 263.70	-	0.00	0.00	9.31	2.65
Candriam Bonds Glbl Infl Sh Dtion-I-Cap	€ 155.26	-	-0.01	0.00	1.90	0.40
Candriam Bonds Total Return - C - Cap	€ 136.90	-	0.04	0.00	3.94	0.12
Candriam Diversified Futures-I-Cap *	€ 1501.10	-	10.78	0.00	5.81	7.58
Candriam Eqts L Australia CapA$	2097.17	-	-4.10	0.00	9.99	6.56
Candriam Eqts L Emerging Mkts Cap	€ 955.64	-	-4.19	0.00	14.31	-6.24
Candriam Equities L Biotech-C-Cap	$ 829.07	-	0.53	0.00	6.88	2.62
Candriam Equities L Europe Innov-R-Cap	€ 278.62	-	1.06	0.00	2.37	-0.41
Candriam Index Arbitrage-C - Cap	€ 1484.27	-	0.44	0.00	5.02	1.70
Candriam Long Short Credit-I1 - Cap	€ 112.42	-	0.04	0.00	5.77	2.12
Candriam Risk Arbitrage - C - Cap	€ 2573.44	-	0.94	0.00	6.44	0.26
Candriam Sust Bond Emerg Mkts-I-DIST	$ 782.84	-	-0.24	8.66	6.47	-4.00
Candriam Sust Bond Euro Corp-R-Cap	€ 103.31	-	0.15	0.00	7.45	-1.92
Candriam Sust Bond GlobalHighYield-I-Cap	€ 1160.67	-	-0.38	0.00	7.17	0.53
Candriam Sust Eq Clrl Econ-R-Cap	$ 147.30	-	0.84	0.00	12.43	-0.81
Candriam Sust Eq Clmt Action- I - Cap	$ 1705.40	-	15.66	0.00	9.16	-0.99
Candriam Sust Eq Emerging Mkts C Cap	€ 122.01	-	0.48	0.00	8.53	8.65
Candriam Sust Eq EMU-C-Cap	€ 191.46	-	0.54	0.00	11.50	6.02
Candriam Sust Eq Eurp S&M Caps-I-Cap	€ 2463.74	-	6.77	0.00	2.34	-2.42
Candriam Sust Eq World -C-Cap	€ 35.87	-	0.11	0.00	19.57	8.62
NYLIM GF US HighYieldCorp Bond-R-Cap	$ 151.74	-	0.01	0.00	9.21	2.20

Candriam Investors Group
Other International Funds

Candriam Bds Euro Sh Term Cap	€ 2061.19	-	0.35	0.00	3.33	-0.22
Candriam Bonds Credit Opportunities	€ 207.76	-	-0.01	0.00	4.70	0.78
Candriam Bonds Emerg Mkt -C-Cap	$ 2648.62	-	1.41	0.00	19.66	-1.04
Candriam Equities L Eurp Opt Qlit-I-Cap	€ 216.96	-	0.19	0.00	-2.02	-0.05
Candriam Equities L Global Demg-R-Cap	€ 309.28	-	0.86	0.00	21.70	9.30
Candriam Equities L Onco impt-I-Cap	$ 2843.48	-	-7.71	0.00	6.60	0.88
Candriam Equities L Robt& InvTech I Cap	$ 4687.19	-	40.34	0.00	36.88	8.16

Chartered Asset Management Pte Ltd
Other International Funds

CAM-GTF VCC	$ 318579.78	318579.78	-7065.16	-	-6.36	3.78
CAM GTi VCC	$ 780.49	-	-32.39	-	12.31	4.69
RAIC VCC	$ 1.64	1.64	0.03	2.06	5.74	-1.66

Dragon Capital
www.dragoncapital.com
Fund information:info@dragoncapital.com
Other International Funds

Vietnam Equity (UCITS) Fund A USD	$ 31.87	-	0.40	0.00	24.10	-2.07

EdenTree Investment Management Ltd (UK)
Sunderland, SR43 4AU, 0800 358 3010
Authorised Inv Funds

EdenTree European Equity Cls A Inc	374.60	-	2.10	2.33	18.94	8.37
EdenTree European Equity Cls B Inc	378.90	-	2.10	2.83	19.61	8.97
EdenTree Global Equity Cls A Inc	377.00	-	1.40	-	13.40	3.53
EdenTree Global Equity Cls B Inc	380.70	-	1.30	1.45	14.01	4.08
Edentree Global Impact Bond B	86.94	-	0.11	3.01	5.99	-
Edentree Green Future B Net Inc	113.60	-	0.60	1.06	15.89	-
EdenTree Green Infrastructure Cls B Inc	£ 0.82	-	0.00	6.65	-10.16	-
EdenTree Managed Income Cls A Inc	124.90	-	0.30	4.58	8.29	2.15
EdenTree Managed Income Cls B Inc	134.10	-	0.40	4.70	8.84	2.66
EdenTree Multi-Asset Balanced Cls B Acc	£ 0.99	-	0.00	2.00	9.12	-
EdenTree Multi-Asset Cautious Cls B Acc	£ 0.98	-	-0.01	2.13	7.70	-
EdenTree Multi-Asset Growth Cls B Acc	£ 1.02	-	-0.01	1.99	11.64	-
EdenTree Responsible and Sust S Dtd Bd B	95.07	-	0.06	2.97	6.41	0.03
EdenTree Sterling Bond Cls A Inc	86.46	-	0.10	-	9.75	-2.64
EdenTree Sterling Bond Cls B Inc	98.45	-	0.12	4.44	10.43	-2.06
EdenTree UK Equity Cls A Inc	224.70	-	1.30	1.55	4.51	-3.74
EdenTree UK Equity Cls B Inc	224.30	-	1.20	2.10	5.09	-3.22
EdenTree UK Equity Opps Cls A Inc	307.10	-	2.10	1.54	16.19	-2.50
EdenTree UK Equity Opps Cls B Inc	314.00	-	2.20	2.06	16.89	-1.94

Euronova Asset Management UK LLP (CYM)
Regulated

Smaller Cos Cls One Shares	€ 57.00	-	0.60	0.00	3.00	-0.43
Smaller Cos Cls Two Shares	€ 36.12	-	0.38	0.00	2.47	-1.20
Smaller Cos Cls Three Shares	€ 18.02	-	0.18	0.00	2.44	-1.52
Smaller Cos Cls Four Shares	€ 23.76	-	0.25	0.00	2.46	-0.73

FIL Investment Services (UK) Limited (1200)F (UK)
Beech Gate, Millfield Lane, Lower Kingswood, Tadworth, KT20 6RP
Callfree: Private Clients 0800 414161
Broker Dealings: 0800 414 181
OEIC Funds

Allocator World Fund W-ACC-GBP	£ 3.12	-	-0.03	1.15	17.35	7.87
American Fund W-ACC-GBP	£ 68.28	-	-0.74	0.00	21.62	7.83
American Special Sits W-ACC-GBP	£ 25.32	-	-0.28	0.56	17.77	10.14
Asia Fund W-ACC-GBP	£ 16.08	-	-0.19	0.95	7.85	-4.77
Asia Pacific Ops W-Acc	£ 2.86	-	-0.04	1.17	2.25	-1.78
Asian Dividend Fund W-ACC-GBP	£ 2.41	-	-0.03	-	6.39	3.83
Cash Fund W-ACC-GBP	£ 1.10	-	0.00	4.64	5.26	2.66
China Fund W-Accumulation (UK)	£ 2.27	-	-0.03	0.71	-7.79	-16.59
Emerging Mkts NAV	£ 7.21	-	-0.16	2.02	16.24	-5.87
Enhanced Income Fund W-INC-GBP	£ 0.86	-	0.00	6.86	7.40	7.98
European Fund W-ACC-GBP	£ 28.59	-	-0.15	1.28	12.96	9.95
Extra Income Fund W-ACC-GBP	£ 1.39	-	0.00	-	11.11	-1.33
Sustainable Emerg Mkts Equity Fund A-ACC Shares	£ 1.52	-	0.01	-	-13.81	-0.91
Sustainable European Equity Fund W-ACC-GBP	£ 6.27	-	-0.03	1.05	9.42	4.59
Sustainable Global Equity Fund W-ACC-GBP	£ 37.91	-	-0.41	0.39	13.13	2.07
Japan Fund W-ACC-GBP	£ 6.70	-	-0.03	1.13	12.35	8.23
Japan Smaller Companies Fund W-ACC-GBP	£ 3.61	-	-0.03	0.40	-0.39	-3.23
Select 50 Balanced Fund PI-ACC-GBP	£ 1.23	-	-0.01	1.54	8.44	0.99
Special Situations Fund W-ACC-GBP	£ 50.56	-	-0.13	3.14	16.93	7.72
Short Dated Corporate Bond Fund W-ACC-GBP	£ 11.36	-	-0.01	4.44	7.61	0.60
Sustainable Water & Waste W-ACC-GBP	£ 1.32	-	-0.01	0.68	15.03	3.38
Sustainable Water & Waste W-INC-GBP	£ 1.29	-	-0.01	-	15.06	3.36
UK Select Fund W-ACC-GBP	£ 4.25	-	-0.03	2.30	15.42	6.47
Global Dividend Fund W-ACC-GBP	£ 3.46	-	-0.03	2.62	13.84	8.13
Global Enhanced Income W-ACC-GBP	£ 2.70	-	-0.02	4.38	13.54	8.29
Global Property Fund W-ACC-GBP	£ 1.90	-	-0.03	2.05	5.96	-1.63
Global Special Sits W-ACC-GBP	£ 64.67	-	-0.59	0.57	17.07	6.58
Index Emerging Markets P-ACC-GBP	£ 1.82	-	-0.02	2.30	11.28	-0.80
Index Europe ex UK P-ACC-GBP	£ 2.29	-	-0.01	2.35	14.28	7.71
Index Japan P-ACC-GBP	£ 2.24	-	-0.02	1.80	12.66	5.97
Index Pacific ex Japan P-Acc-GBP	£ 1.96	-	-0.02	3.97	5.05	2.06
Index UK P-ACC-GBP	£ 1.82	-	-0.01	3.43	13.04	7.96
Index US P-ACC-GBP	£ 4.39	-	-0.05	1.11	25.21	13.50
Index World P-ACC-GBP	£ 3.33	-	-0.04	1.45	21.38	10.96
MoneyBuilder Balanced Fund W-ACC-GBP	£ 0.64	-	0.00	3.39	7.05	2.40
MoneyBuilder Dividend Fund W-INC-GBP	£ 1.34	-	-0.01	4.30	9.22	8.47
Sustainable MoneyBuilder Income Fund W-ACC-GBP	£ 12.97	-	-0.03	-	8.26	-3.85
Multi Asset Allocator Adventurous Fund W-ACC-GBP	£ 2.43	-	-0.02	1.16	14.33	5.60
Multi Asset Allocator Defensive Fund W-ACC-GBP	£ 1.38	-	-0.01	1.60	5.67	-1.04
Multi Asset Allocator Growth Fund W-ACC-GBP	£ 2.05	-	-0.01	1.23	11.26	3.30
Multi Asset Balanced Income Fund W-INC-GBP	£ 0.96	-	0.00	4.74	7.02	-1.23
Multi Asset Income & Growth Fund W-INC-GBP	£ 1.05	-	-0.01	4.47	9.38	0.68
Multi Asset Income Fund W-INC-GBP	£ 0.86	-	0.00	5.84	6.19	-2.66
Multi Asset Allocator Strategic Fund W-ACC-GBP	£ 1.71	-	-0.01	1.26	8.30	1.03
Multi Asset Open Advent W-ACC-GBP	£ 1.93	-	-0.01	1.74	9.70	4.41
Multi Asset Open Defen W-ACC-GBP	£ 1.40	-	0.00	2.37	4.49	-0.17
Multi Asset Open Growth Fund W-ACC-GBP	£ 1.82	-	-0.01	1.97	8.86	3.83
Multi Asset Open Strategic Fund W-ACC-GBP	£ 1.61	-	-0.01	2.22	6.42	1.65
Open World Fund W-ACC-GBP	£ 2.62	-	-0.02	0.95	13.32	7.18
Strategic Bond Fund W-ACC-GBP	£ 1.25	-	-0.01	3.29	6.37	-3.15
UK Opportunities Fund W-ACC-GBP	265.50	-	-1.50	1.26	8.54	-3.84
UK Smaller Companies W-ACC-GBP	£ 4.24	-	-0.01	2.15	15.58	5.94
Index Sterling Corporate Bond Fund P-ACC-GBP	£ 0.88	-	0.00	4.15	8.75	-4.17
Index UK Gilt Fund P-ACC-GBP	£ 0.74	-	0.00	3.50	3.58	-7.99
Sustainable Asia Equity Fund W-ACC-GBP	£ 1.05	-	-0.02	1.00	1.43	-4.13
Sustainable Multi Asset Balanced Fund W-ACC-GBP	£ 1.03	-	-0.01	1.76	10.70	-
Sustainable Multi Asset Conservative Fund W-ACC-GBP	£ 0.96	-	0.00	2.18	7.56	-
Sustainable Multi Asset Growth Fund W-ACC-GBP	£ 1.07	-	-0.01	1.74	12.63	-

Findlay Park Funds Plc (IRL)
30 Herbert Street, Dublin 2, Ireland Tel: 020 7968 4900
FCA Recognised

American EUR Unhedged Class	€ 197.31	-	0.11	0.06	28.14	10.98
American Fund USD Class	$ 214.05	-	0.50	0.07	29.14	6.67
American Fund GBP Hedged	£ 103.86	-	0.24	0.06	28.26	5.40
American Fund GBP Unhedged	£ 168.01	-	0.03	0.07	25.35	10.49

Foord Asset Management
Website: www.foord.com - Email: info@foord.com
FCA Recognised - Luxembourg UCITS

Foord International Fund | R	$ 49.29	-	0.12	0.00	0.91	-1.49
Foord Global Equity Fund (Lux) | R	$ 18.58	-	0.07	-	13.50	-2.16

Regulated

Foord Global Equity Fund (Sing) | B	$ 22.23	-	0.08	-	13.61	-2.09
Foord International Trust (Gsy)	$ 47.94	-	-0.12	0.00	-0.33	-1.46

Fundsmith LLP (1200)F (UK)
PO Box 10846, Chelmsford, Essex, CM99 2BW 0330 123 1815
www.fundsmith.co.uk, enquiries@fundsmith.co.uk
Authorised Inv Funds

Fundsmith Equity T Acc	705.94	-	-2.62	0.26	14.19	6.59
Fundsmith Equity T Inc	641.56	-	-2.38	-	14.19	6.59

GAM
funds@gam.com, www.funds.gam.com
Regulated

LAPIS GBL TOP 50 DIV YLD-Na-D	£ 120.99	-	-0.34	2.85	4.98	6.90
LAPIS GBL FOWD 50 DIV YLD-Na-D	£ 108.93	-	0.02	1.22	5.84	0.71
LAPIS GBL MED DEV 25 YLD-Na-D	£ 93.86	-	-0.12	0.53	0.30	-

Guinness Global Investors
Guinness Global Equity Income Y GBP Dist £ 21.28 - -0.05 1.88 14.87 11.27
Guinness Global Innovators Y GBP Acc £ 37.23 - 0.01 0.00 37.49 12.56
Guinness Sustainable Global Equity Y GBP Acc £ 12.65 - 0.07 - 15.86 6.05

HPB Assurance Ltd
Anglo Intl House, Bank Hill, Douglas, Isle of Man, IM1 4LN 01638 563490
International Insurances

Holiday Property Bond Ser 1	£ 3.50	-	0.00	0.00	1.61	1.50
Holiday Property Bond Ser 2	£ 3.64	-	0.00	0.00	-	1.18

Hermes Property Unit Trust (UK)
Property & Other UK Unit Trusts

Property	£ 5.97	6.37	-0.05	3.83	-6.32	-2.10

Janus Henderson Investors (UK)
PO Box 9023, Chelmsford, CM99 2WB Enquiries: 0800 832 832
www.jan

MANAGED FUNDS SERVICE

M & G Securities (1200)F (UK)
PO Box 9038, Chelmsford, CM99 2XF
www.mandg.co.uk/charities Enq/Dealing: 0800 917 4472
Authorised Inv Funds

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Charifund Inc	1531.17	-	3.60	5.63	13.30	5.77
Charifund Acc	3848.49	-	77.23	5.03	13.27	5.76
M&G Charibond Charities Fixed Interest Fund (Charibond) Inc	£ 1.09	-	0.01	-	7.03	-1.34
M&G Charibond Charities Fixed Interest Fund (Charibond) Acc	£ 40.95	-	0.05	3.28	7.03	-1.34
M&G Charity Multi Asset Fund Inc	£ 0.93	-	0.01	4.25	10.70	5.76
M&G Charity Multi Asset Fund Acc	£117.95	-	0.21	3.84	10.70	5.77

MMIP Investment Management Limited (GSY)
Regulated
Multi-Manager Investment Programmes PCC Limited

UK Equity Fd Cl A Series 01	£3080.40	3080.41	-231.75	-	-2.98	13.94
Diversified Absolute Rtn Fd USD Cl AF2	$1688.02	-	45.93	-	-1.51	1.32
Diversified Absolute Return Stlg Cell AF2	£1579.00	-	-1.96	-	0.70	2.45
Global Equity Fund A Lead Series	£1747.16	1747.16	-5.31	-	-1.04	5.13

Marwyn Asset Management Limited (CYM)
Regulated

Marwyn Value Investors	£329.72	-	-6.14	0.00	-	-7.17

McInroy & Wood Portfolios Limited (UK)
Easter Alderston, Haddington, EH41 3SF 01620 825867
Authorised Inv Funds

Balanced Fund Personal Class Units	6233.20	-	-5.40	1.40	5.14	4.43
Income Fund Personal Class Units	2965.30	-	-0.10	2.40	6.63	5.00
Emerging Markets Fund Personal Class Units	2105.50	-	-5.00	1.48	-3.19	-1.65
Smaller Companies Fund Personal Class Units	6383.30	-	38.10	1.30	6.52	-3.63

Milltrust International Managed Investments ICAV (IRL)
mimi@milltrust.com, +44(0)20 8123 8316 www.milltrust.com
Regulated

Milltrust Global Emerging Markets Fund - Class A	$ 92.25	-	-0.59	0.00	1.43	-9.92

Milltrust International Managed Investments SPC
em@milltrust.com, +44(0)20 8123 8316, www.milltrust.com
Regulated

Milltrust Alaska Brazil Fund SP A	$ 90.97	-	-1.38	0.00	2.51	3.97
Milltrust Laurium Africa Fund SP A	$102.22	-	0.17	0.00	11.94	-3.18
Milltrust Marcellus India Fund SP	$144.73	-	-0.22	0.00	15.79	2.71
Milltrust Singular ASEAN Fund SP founders	$147.39	-	-0.89	0.00	16.77	-3.19
Milltrust SPARX Korea Equity Fund SP A	$139.74	-	2.88	0.00	20.16	-6.48
Milltrust Xingtai China Fund SP A	$ 89.72	-	1.19	0.00	-2.41	-19.38
The Climate Impact Asia Fund SP A	$ 72.39	-	0.17	0.00	-7.35	-9.35

Ministry of Justice Common Investment Funds (UK)
Property & Other UK Unit Trusts

The Equity Idx Tracker Fd Inc Distribution Units	2115.00	-	-2.00	2.37	14.57	5.99

Mirabaud Asset Management (LUX)
www.mirabaud.com, marketing@mirabaud-am.com
Please find more details on our website: www.mirabaud-am.com
Regulated

Mir. - Glb Strat. Bd I USD	$125.06	-	0.08	0.00	8.14	0.50
Mir. - DiscEur D Cap GBP	£195.59	-	0.25	0.00	19.40	-1.66

Oasis Crescent Global Investment Funds (UK) ICVC (UK)
Regulated

Oasis Crescent Global Equity Fund USD A (Dist)	$ 38.03	-	0.05	0.82	11.84	-0.43
Oasis Crescent Global Income Fund USD A (Dist)	$ 10.11	-	0.00	3.78	5.19	-0.01
Oasis Crescent Global Low Equity Fund USD D (Dist)	$ 12.93	-	0.03	1.48	8.97	-0.34
Oasis Crescent Global Medium Equity Fund USD A (Dist)	$ 14.53	-	0.02	1.06	9.28	-0.36
Oasis Crescent Global Property Equity Fund USD A (Dist)	$ 8.67	-	0.05	1.77	18.00	-0.91
Oasis Crescent Glbl Short Term Income Fund USD A (Dist)	$ 0.94	-	0.00	3.36	4.58	0.71
Oasis Crescent Variable Fund GBP A (Dist)	£ 10.35	-	0.01	0.73	7.97	0.59

Omnia Fund Ltd
Other International Funds

Estimated NAV	$1107.45	-	-11.89	0.00	17.64	20.07

Platinum Capital Management Ltd
Other International Funds

Platinum All Star Fund - A	$163.41	-	-	-	10.63	2.20
Platinum Global Growth UCITS Fund	$ 10.18	-	-0.01	-	24.88	-8.68
Platinum Essential Resources UCITS Fund SICAV USD Class E	$ 9.42	-	-0.70	0.00	-19.83	13.34
Platinum Global Dividend UCITS Fund	$ 49.48	-	0.20	0.00	8.82	-4.60

Private Fund Mgrs (Guernsey) Ltd (GSY)
Regulated

Monument Growth 21/05/2024	£575.11	580.73	1.57	0.88	5.23	3.31

Prusik Investment Management LLP (IRL)
Enquiries - 0207 493 1331
Regulated

Prusik Asian Equity Income B Dist	$173.71	-	0.51	6.01	2.70	0.66

Purisima Investment Fds (UK) (1200)F (UK)
2nd floor, 23-22 Bedford Row, London, WC1R 4EB
Order Desk and Enquiries: 0345 922 0044
Authorised Inv Funds
Authorised Corporate Director - Waystone Management (UK) Limited

Global Total Fd PCG A	520.48	-	1.03	0.26	29.75	12.40
Global Total Fd PCG B	513.25	-	1.01	0.07	29.43	12.12
Global Total Fd PCG INT	502.32	-	0.97	0.00	29.10	11.84

Purisima Investment Fds (CI) Ltd (JER)
Regulated

PCG B ✠	406.15	-	-2.38	0.00	34.09	7.92
PCG C ✠	393.87	-	-2.33	0.00	33.80	7.68

Ram Active Investments SA
www.ram-ai.com
Other International Funds

RAM Systematic Emerg Markets Eq	$255.48	255.48	1.44	-	17.35	1.01
RAM Systematic European Eq	€618.34	618.34	1.76	-	16.53	3.58
RAM Systematic Funds Global Sustainable Income Eq	$176.04	176.04	0.54	0.00	19.88	4.13
RAM Systematic Long/Short European Eq	€166.20	166.20	-0.35	-	14.10	4.36

Royal London (UK)
80 Fenchurch Street, London EC3M 4BY
Authorised Inv Funds

Royal London Sustainable Diversified A Inc	£ 2.61	-	0.00	1.33	13.60	2.74
Royal London Sustainable World A Inc	408.00	-	0.20	-	17.22	5.59
Royal London Corporate Bond Mth Income	76.73	-	0.08	-	10.33	-2.22
Royal London European Growth Trust	235.70	-	0.70	1.61	13.37	7.26
Royal London Sustainable Leaders A Inc	870.70	-	0.30	1.44	11.13	5.91
Royal London UK Growth Trust	690.50	-	1.60	2.13	13.44	4.86
Royal London UK Income Wtd Growth Trust	217.90	-	0.70	4.68	13.72	5.54
Royal London US Growth Trust	491.30	-	0.10	0.00	27.73	15.02

Additional Funds Available
Please see www.royallondon.com for details

Ruffer LLP (1000)F (UK)
2nd floor, 23-22 Bedford Row, London, WC1R 4EB
Order Desk and Enquiries: 0345 601 9610
Authorised Inv Funds
Authorised Corporate Director - Waystone Management (UK) Limited

WS Ruffer Diversified Rtrn C Acc	101.02	-	0.09	1.15	0.80	-
WS Ruffer Diversified Rtrn C Inc	98.01	-	0.08	1.16	0.79	-
WS Ruffer Equity & General C Acc	626.25	-	0.05	1.23	9.13	3.35
WS Ruffer Equity & General C Inc	558.18	-	0.04	1.25	9.13	3.36
WS Ruffer Gold C Acc	321.77	-	9.96	0.32	23.33	2.27
WS Ruffer Gold C Inc	193.92	-	0.00	0.34	23.33	2.27
WS Ruffer Total Return C Acc	545.04	-	0.25	1.96	-0.93	-0.46
WS Ruffer Total Return C Inc	328.70	-	0.15	1.99	-0.93	-0.45

Rubrics Global UCITS Funds Plc (IRL)
www.rubricsam.com
Regulated

Rubrics Emerging Markets Fixed Income UCITS Fund	$141.61	-	0.00	0.00	2.14	-0.11
Rubrics Global Credit UCITS Fund	$ 17.56	-	0.01	0.00	4.13	-0.72
Rubrics Global Fixed Income UCITS Fund	$172.71	-	0.09	0.00	1.15	-1.43

Scottish Friendly Asset Managers Ltd (UK)
Scottish Friendly Hse, 16 Blythswood Sq, Glasgow G2 4HJ 0141 275 5000
Authorised Inv Funds

Managed Growth ♦	400.50	-	0.70	-	16.42	6.89
UK Growth ♦	455.20	-	2.00	-	12.70	4.01

Stonehage Fleming Investment Management Ltd (IRL)
www.stonehagefleming.com/gbi
enquiries@stonehagefleming.com
Regulated

SF Global Best Ideas Eq B USD ACC	$276.43	-	0.30	0.00	13.01	1.79
SF Global Best Ideas Eq D GBP INC	£328.24	-	-0.63	0.00	9.08	5.41

Superfund Asset Management GmbH
www.superfund.com, +43 (1) 247 00
Other International Funds
Other International Funds

Superfund Green Gold	$1102.82	-	8.45	0.00	8.37	-11.85
Superfund Green Silver	$1018.88	-	7.81	0.00	17.33	-15.32
Regulated						
Superfund Green US$	$726.03	-	5.56	0.00	-3.76	-14.53
Superfund Black Blockchain EUR	€ 19.54	-	0.33	-	84.51	-
Superfund Gold Silver & Mining EUR	€ 11.43	-	0.08	-	-	-

Thesis Unit Trust Management Limited (UK)
Exchange Building, St Johns Street, Chichester, West Sussex, PO19 1UP
Authorised Funds

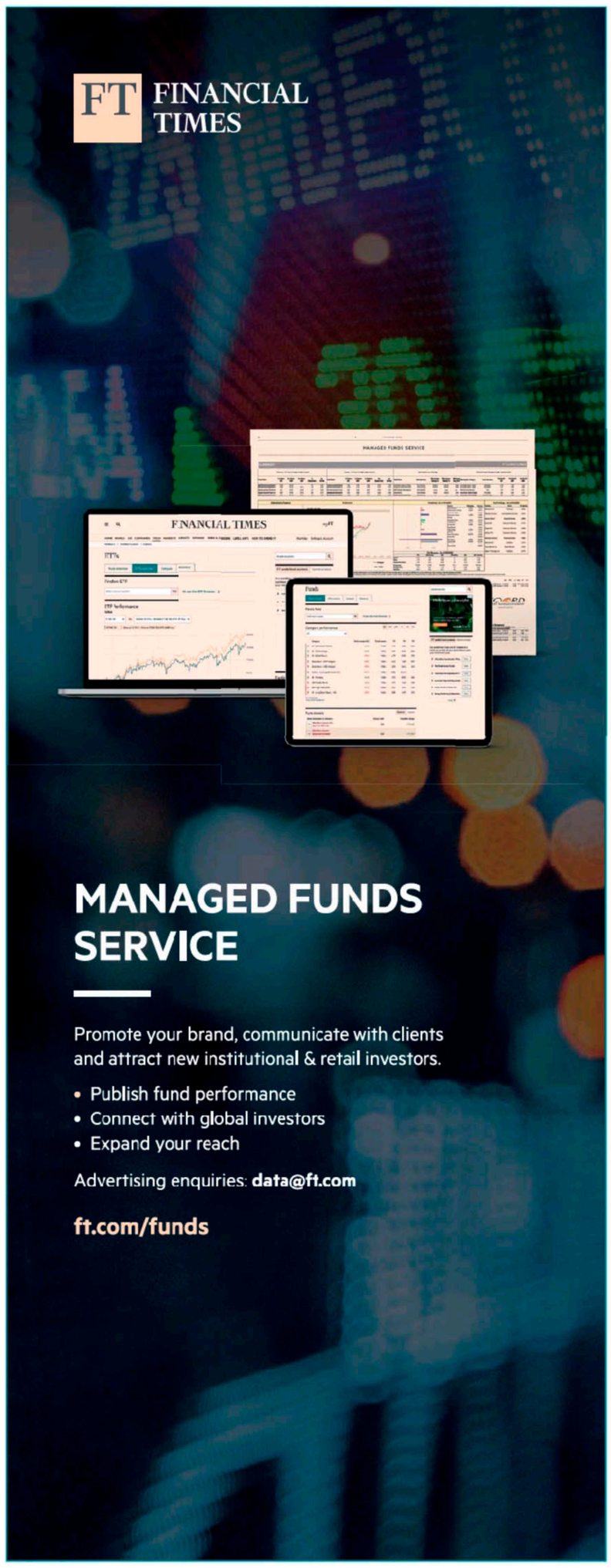
TM New Court Fund A 2011 Inc	£ 20.63	-	0.00	0.24	10.83	1.72
TM New Court Fund - A 2014 Acc	£ 20.86	-	0.00	0.26	10.84	1.72
TM New Court Equity Growth fund - Inc	£ 22.92	-	-0.01	0.06	12.81	1.88

Toscafund Asset Management LLP
www.toscafund.com

Tosca Mid Cap GBP	£117.80	-	-0.64	0.00	-29.93	-21.59
Tosca Opportunity B USD	$252.01	-	-15.03	0.00	-29.95	-19.96
Pegasus Fund Ltd A-1 GBP	£ 27.03	-	-0.23	0.00	-32.66	-22.42

Troy Asset Mgt (1200) (UK)
2nd floor, 20-22 Bedford Row, London, WC1R 4EB
Order Desk and Enquiries: 0345 608 0950
Authorised Inv Funds
Authorised Corporate Director - Waystone Management (UK) Limited
Trojan Investment Funds

Trojan Ethical Global Inc O Acc	107.78	-	-0.41	2.54	6.01	-
Trojan Ethical Global Inc O Inc	101.05	-	-0.38	2.59	6.02	-
Trojan Ethical O Acc	135.77	-	-0.17	1.24	6.58	3.53
Trojan Ethical O Inc	133.68	-	-0.16	1.45	6.80	3.60
Trojan Ethical Income O Acc	119.43	-	-0.12	2.72	7.28	2.15
Trojan Ethical Income O Inc	119.94	-	-0.09	2.79	7.28	2.15
Trojan Fund O Acc	402.63	-	-0.56	1.02	4.37	3.12
Trojan Fund O Inc	321.66	-	-0.45	1.03	4.37	3.12
Trojan Global Equity O Acc	589.45	-	-1.87	0.22	18.07	8.26
Trojan Global Equity O Inc	485.25	-	-1.54	0.22	18.07	8.25
Trojan Global Income O Acc	158.43	-	-0.70	3.08	3.72	4.63
Trojan Global Income O Inc	126.27	-	-0.55	3.14	3.73	4.63
Trojan Income O Acc	362.83	-	-0.70	2.91	5.61	1.73
Trojan Income O Inc	171.09	-	-0.33	2.99	5.61	1.73

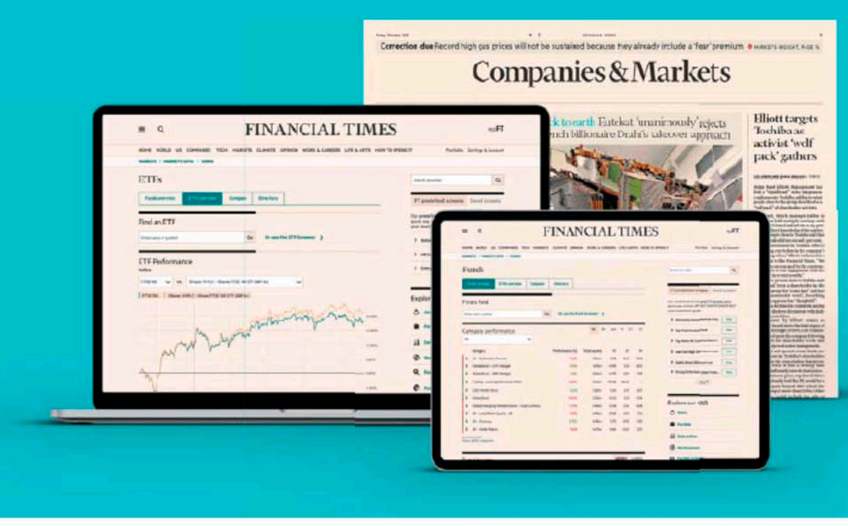


Guide to Data

The fund prices quoted on these pages are supplied by the operator of the relevant fund. Details of funds published on these pages, including prices, are for the purpose of information only and should only be used as a guide. The Financial Times Limited makes no representation as to their accuracy or completeness and they should not be relied upon when making an investment decision.
The sale of interests in the funds listed on these pages may, in certain jurisdictions, be restricted by law and the funds will not necessarily be available to persons in all jurisdictions in which the publication circulates. Persons in any doubt should take appropriate professional advice. Data collated by **Morningstar**. For other queries contact **reader.enquiries@ft.com +44 (0)207 873 4211**.
The fund prices published in this edition along with additional information are also available on the Financial Times website, **www.ft.com/funds**. The funds published on these pages are grouped together by fund management company.
Prices are in pence unless otherwise indicated. The change, if shown, is the change on the previously quoted figure (not all funds update prices daily). Those designated $ with no prefix refer to US dollars. Yield percentage figures (in Tuesday to Saturday papers) allow for buying expenses. Prices of certain older insurance linked plans might be subject to capital gains tax on sales.
Guide to pricing of Authorised Investment Funds: (compiled with the assistance of the IMA. The Investment Association, Camomile Court 23 Camomile Street, London EC3A 7LL. Tel: +44 (0)20 7831 0898.)
OEIC: Open-Ended Investment Company. Similar to a unit trust but using a company rather than a trust structure.
Different share classes are issued to reflect a different currency, charging structure or type of holder.
Selling price: Also called bid price. The price at which units in a unit trust are sold by investors.
Buying price: Also called offer price. The price at which units in a unit trust are bought by investors. Includes manager's initial charge.
Single price: Based on a mid-market valuation of the underlying investments. The buying and selling price for shares of an OEIC and units of a single priced unit trust are the same.
Treatment of manager's periodic capital charge: The letter C denotes that the trust deducts all or part of the manager's/operator's periodic charge from capital, contact the manager/operator for full details of the effect of this course of action.
Exit Charges: The letter E denotes that an exit charge may be made when you sell units, contact the manager/operator for full details.

Time: Some funds give information about the timing of price quotes. The time shown alongside the fund manager's/operator's name is the valuation point for their unit trusts/OEICs, unless another time is indicated by the symbol alongside the individual unit trust/OEIC name.
The symbols are as follows: ✠ 0001 to 1100 hours; ♦ 1101 to 1400 hours; ▲ 1401 to 1700 hours; # 1701 to midnight. Daily dealing prices are set on the basis of the valuation point, a short period of time may elapse before prices become available. Historic pricing: The letter H denotes that the managers/operators will normally deal on the price set at the most recent valuation. The prices shown are the latest available before publication and may not be the current dealing levels because of an intervening portfolio revaluation or a switch to a forward pricing basis. The managers/operators must deal at a forward price on request, and may move to forward pricing at any time. Forward pricing: The letter F denotes that that managers/operators deal at the price to be set at the next valuation.
Investors can be given no definite price in advance of the purchase or sale being carried out. The prices appearing in the newspaper are the most recent provided by the managers/operators. Scheme particulars, prospectus, key features and reports: The most recent particulars and documents may be obtained free of charge from fund managers/operators. * Indicates funds which do not price on Fridays.
Charges for this advertising service are based on the number of lines published and the classification of the fund. Please contact **data@ft.com or call +44 (0)20 7873 3132** for further information.

Data Provided by
MORNINGSTAR®
www.morningstar.co.uk
Data as shown is for information purposes only. No offer is made by Morningstar or this publication.



FT FINANCIAL TIMES

MANAGED FUNDS SERVICE

Promote your brand, communicate with clients and attract new institutional & retail investors

Advertising enquiries: data@ft.com

ft.com/funds

ARTS

Nostalgic trip to the Pet Shop

POP

Pet Shop Boys
Koko, London
★★★★★

Ludovic Hunter-Tilney



Lead singer Neil Tennant performing at Koko, London with keyboardist Chris Lowe and band — Adam Hampton-Matthews / Avalon

The Pet Shop Boys were back at an old haunt. Koko is a late-Victorian theatre that used to be called Camden Palace. In the early 1980s, for two giddy years of preening and posing, it hosted a club night at which everyone who was anyone in London's New Romantic scene went to see and be seen. Among them were two provincial emigrants to the capital — a music journalist from Newcastle, Neil Tennant, and a trainee architect from Blackpool, Chris Lowe.

Forty years later, Tennant stood on Koko's stage ("Camden Palace, as we call it"), microphone in hand, a smile playing around his face. He wore a compere's black suit and tie, accessorised at various points by elaborately showy high-fashion overgarments. Lowe was behind him at a synthesiser stand in trademark baseball cap and sunglasses, as inscrutable as the doormen who once controlled access to the Camden Palace pleasure zone. His non-smile didn't waver, not even when Tennant mischievously recalled his bandmate getting "his bottom pinched" by the club's promoter, New Romantic main man Steve Strange.

Nostalgia, of course, is a hell of a drug. But here it was enlivened by another kind of intoxication — that of seeing one of the most successful duos in British pop history up close and in irresistibly good form.

The gig kicked off this year's leg of their Dreamworld tour, which began in 2022. Ahead lie festival and arena dates, culminating in a Royal Opera House residency in July, a fitting terminus for a group drawn to themes of glitz, social mobility and the ambiguous enchantment of money. Joining them were three regular touring musicians, arranged in a line either side of Lowe. There were two percussionists, Afrika Green and Simon Tellier, who also played guitar, and Clare Uchima on keyboards.

"Suburbia" and "Opportunities (Let's Make Lots of Money)" were at the top of the set, both relics from their first run of chart success in 1985. Tennant, initially sporting a mackintosh of considerable impracticality — the venue was packed and warm — did a sort of shrug while singing them, arms out, palms raised. It had the look of a humblebrag, an amused sorry-not-sorry for having a back catalogue so well stocked with classics that two era-defining hits could be offered up as entrées.

The singer will turn 70 in July. A distinctive but not technically notable vocalist, he sounded untouched by age. Exclamatory flourishes ("I've got the brains, you've got the looks: let's make lots of money!") defied his stereotype for deadpan delivery.

The dual percussionists added a supple extra resonance to the music, such as a wonderfully acrobatic dash through "Always on My Mind". Meanwhile, Lowe gave their vintage synth-pop a sinewy, modern feel.

Three songs from their new album *Nonetheless* were played: the best was the lithe but emotive disco anthem "Loneliness". Surrounding these newcomers were an imposing array of back-catalogue favourites, well arranged in a series of peaks and augmented by impeccable sound quality. The set built tempo towards a house-music-inspired section, capped by an epic version of the dance-floor mantra "Vocal".

> Tennant looked sorry-not-sorry for having a back catalogue so well stocked with classics

Then came a final series of classics, including "It's a Sin" and "West End Girls". Another shrugging gesture from Tennant, and a smile. Whatever the odds were of the Pet Shop Boys making it this far, they've been smashed.

Tour continues to July 27, petshopboys.co.uk

Shostakovich's sonic sex at full blast

OPERA

Lady Macbeth of Mtsensk
Oper Leipzig
★★★☆☆

Shirley Apthorp

When it comes to bad sex, Shostakovich is hard to top: raw, explicit thrusting; chaotic climaxes; post-tumescent downwards slides in the lower brass as sagging postludes. That would only have been one of the reasons why Stalin and his censors took against *Lady Macbeth of Mtsensk*, but you can almost understand them. It is enthusiastically obscene.

For his new Oper Leipzig staging of Shostakovich's original score (not the subsequent defanged edition for the censors), Francisco Negrin deliberately subverts Shostakovich's coital acts. When the music suggests that employee Aksinya is being gang-raped by her colleagues, Negrin has her merely teased and bullied; for the titular Katerina's first romp with her new lover Sergei, Negrin puts him on his knees in front of her, nose buried in her skirts, head thrusting violently. This is not how female pleasure works.

Since the music leaves no room for doubt as to what is actually happening, the decision to work against the music in a form of counterpoint could make sense if the production had a strong statement to make. Shostakovich's original story begins in a flour warehouse, with Katerina trapped in her oppressive and fruitless marriage. After her arrest for the murder of her sadistic father-in-law and ineffectual husband, she and her lover play out the final act in the steppes of Siberia, marching across the tundra. But Negrin keeps the action inside the flour mill, which is in a gradual process of decay; society is in a continual state of deterioration, and everyone dies at the end.

Negrin's caricatures may be intended as humour, but to overlay bombast with coarseness (pig masks for the corrupt police and crutches for the drunken priest) seems like overkill.

On the podium, Fabrizio Ventura follows suit, conducting with force and vigour but little sense of the juxtaposed tenderness that can also be found in the score.

Still, the Gewandhausorchester plays with astonishing virtuosity, dashing sure-footed through the rapid passages, lending depth and nuance to longer phrases. Many of the instrumental solos are breathtakingly good.

The singing, too, is solid, from the robust chorus to Ingela Brimberg in the title role, at once world-weary and furious, passionate and vulnerable. Brenden Gunnell has the right mix of vocal heroism and brutish presence for the unlikeable lover Sergei; Randall Jakobsh seems to relish the role of creepy father-in-law; and the smaller roles are all well-sung.

At the heart of Rifail Ajdarpasic's versatile one-room set is a giant Fabergé egg — Katerina takes a hoe to it and symbolically smashes it to express her frustration. An egg, symbol of fertility, can never be unbroken; Negrin and his team offer little hope for these ill-fated characters.

Gewandhauskapellmeister Andris Nelsons will step in later in the run. Though the sex is unlikely to improve, it could well be that the entire production has gained necessary depth by then.

To June 8, oper-leipzig.de



'Enthusiastically obscene': 'Lady Macbeth of Mtsensk' — Kirsten Nijhof



From invigorating visit to tender goodbye

DANCE

Giselle
Paris Opera
★★★★★

Laura Cappelle

Forty-two years old is barely middle age, yet at the Paris Opera Ballet that's when the bell of mandatory retirement tolls. For principal dancers, or *étoiles*, it comes with the grandest of goodbye parties — a farewell performance in a work of their choice, capped by flowers, confetti and lengthy ovations.

This month, it was the turn of Myriam Ould-Braham, a ballerina of quiet, vulnerable delicacy. She has had an up-and-down career since joining the company in 1999, not helped by frequent management changes. Still, the devotion she has inspired in audiences — and in her colleagues — was evident throughout her final *Giselle*: her Albrecht, Paul Marque, held her with such care that the ballet took on an intensely tender quality.

And on the stage of the Palais Garnier, Ould-Braham finally looked free. Over the years, she brought dainty elegance to a range of roles, yet she was also a naturally reticent presence whose focus might flicker if a step went astray. Not so in *Giselle*: unostentatious as a peasant girl before the interval, she then channelled her mastery of the romantic style into a weightless second act that played like a long, ghostly meditation in ballet form.

Not all 42-year-old dancers are ready to exit the stage, however. At the same age, another ballerina made her Paris Opera debut during this *Giselle* run: the superlative Marianela Núñez, a longtime principal with London's Royal Ballet.

With 154 dancers in house, the Paris Opera only occasionally brings guests to star in its productions, and anticipation was high. Incredibly for a dancer new to this stage, Núñez's entrance was greeted with deafening applause, as was every single variation; by the end, she had the entire orchestra section on their feet.

And the level of dramatic detail Núñez brings to her Giselle fully justifies the hype. Every change of direction, glance to Albrecht and gesture to side characters is imbued with meaning. The effect on the Paris Opera's production was invigorating, and Núñez has a way of generously bringing everyone on stage along for the ride. At one point, from the side of the stage, she looked at the soloists performing the peasant pas de deux — a divertissement in Act One — with sheer pride and adoration.

Her second act is a matter of taste: by bringing the same storytelling energy to it, she occasionally starts looking more human than ghost. Regardless, it was a *Giselle* for the ages, with Hugo Marchand's Albrecht more alive and sensual than ever by her side. Let's hope the Paris Opera's age cut-off doesn't apply to returning guests.

To June 1 with cast changes, operadeparis.fr



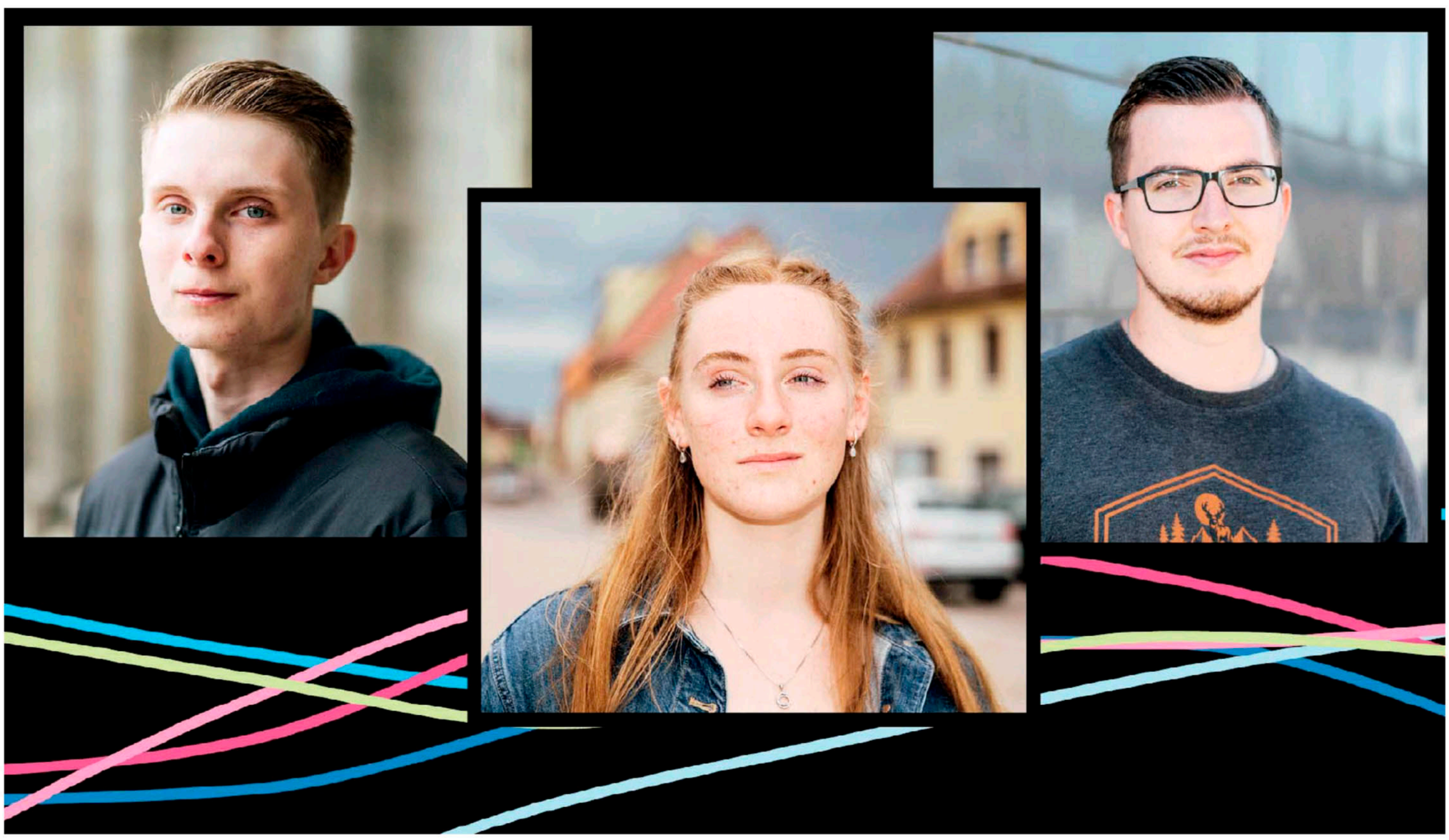
Marianela Núñez as Giselle
Julien Benhamou

FT BIG READ. EU POLITICS

Rightwing populist parties are making inroads into a demographic shaken by the Covid-19 pandemic, fed up with economic insecurity and sceptical about immigration.

By Guy Chazan

The far right's appeal to Europe's young



AfD supporters Eric Liebegut and Sophie Wolfram, both 18, and Florian Russ, a leader of the party's youth wing in Saxony-Anhalt. A recent survey found 22 per cent of Germans aged 14-29 backed the AfD

Moritz Richter/FT

Eric Liebegut, an 18-year-old printer's apprentice, already knows who he'll vote for in next week's European election — the far-right Alternative for Germany (AfD), a party he says offers a clean break with a gloomy present and a bright vision of the future.

"All the others have been calling the shots for long enough," he says. "Now it's our turn."

Liebegut, who sports a hoodie with the words in German "Homeland is Future", is typical of a new cohort of young Europeans succumbing to the siren song of rightwing populist parties, with their seductive mix of ethnonationalism, anti-wokery and conservative values.

His choice might once have seemed bizarre. The AfD was set up in 2013 by a bunch of stuffy middle-class economists outraged by the Eurozone bailouts. But in recent years it has acquired a subversive counterculture vibe that has earned it a legion of new fans, particularly in east Germany.

Experts note that most Gen-Zers and young millennials still back progressive parties, like the Greens. But polls show that across Europe, the far right, once beyond the pale for young people, is making inroads.

In France, an eye-popping 36 per cent of 18- to 24-year-olds back Marine Le Pen's National Rally (RN), while 31 per cent support Geert Wilders' Freedom party (PVV) in the Netherlands, which won last year's elections and has just formed a government promising the "toughest asylum law of all time".

Meanwhile, a recent survey found 22 per cent of Germans aged 14-29 backed the AfD, up from 12 per cent in 2023. No other party enjoyed such support in this age group.

Such a trend will loom large over the European parliament elections, where many young people will vote for the first time. Current polling suggests up to a quarter of seats in the new legislature will go to the populist right, up from a fifth in 2019.

A "sharp right turn" like this could have "significant consequences for European-level policies", says the European Council on Foreign Relations, a think-tank. It could make it much harder for the EU to muster majorities for its agenda of fighting climate change, boosting Brussels' powers or ushering Ukraine into the bloc.

Experts say far-right parties, such as Vox in Spain, portray themselves as insurgents against the system, a tactic that goes down particularly well with young men. Santiago Abascal, Vox's leader, rails against Spain's "progressive dictatorship", vowing to repeal laws on transgender rights and abortion and end the country's "climate fanaticism".

"It's about rebellion, transgression, provocation," says Steven Forti, a professor of contemporary history at the Autonomous University of Barcelona. "They say they're fighting the cultural hegemony of left liberals, and there are a lot of young people who buy into this narrative. Especially young men, many of whom feel emasculated by feminism."

> 'They say they're fighting the cultural hegemony of left liberals, and there are a lot of young people who buy into this narrative'

Maximilian Krah, an AfD member of the European parliament who is leading the party's list for the Euro elections, says the far right has been helped by the "unbelievable unattractiveness of the left in its current form".

In the 1960s and '70s, the era of hippies, Woodstock and the anti-Vietnam war movement, it had strong appeal for teenagers. But "these days, it's pretty uncool". "I mean — vegetarian food? Cargo bikes? Give me a break."

Like Vox, the AfD also presents itself as a way out for young men frustrated by "woke" ideology, who reject a status quo symbolised by Chancellor Olaf Scholz's coalition of social democrats, Greens and liberals.

The left is "pushing a "degrowth" agenda, which is basically promising young people they'll be poorer than their parents and grandparents" and "telling them they have to make sacrifices to save the climate", says Krah. "With us, they won't have to sacrifice anything."

With his punchy TikTok videos and firebrand image, Krah has built up a huge following among young AfD supporters. But he sometimes goes too far, even for his far-right allies. In his interview with the Financial Times, he said that not all members of the SS, which ran Adolf Hitler's extermination camps, were criminals. The comment caused uproar in Paris, where Le Pen said her RN would no longer work with its erstwhile German ally. A chastened Krah said he would refrain from further campaign appearances and resign from the AfD's executive board. That did nothing to assuage the RN, or the AfD's other allies in the far-right "Identity and Democracy" group in the European parliament, which a day later expelled the AfD from its ranks.

Judging by the polls, the constant scandals appear to be putting off more middle-of-the-road voters. But the AfD's young vanguard seems impervious to all the negative publicity. Florian Russ, a leader of the AfD's youth wing Young Alternative (JA) in the eastern state of Saxony-Anhalt, says young people are drawn to the party precisely because of all the social opprobrium it attracts. "It's like with rock'n'roll in the 1950s — there's this youthful rebellion," he says. "A lot of people listened to Elvis because their parents forbade them to. It's the same with the AfD. People are asking — are they really so bad?"

The AfD's growing appeal for young Germans has been reflected in recent voting data. In regional elections last year, 15 per cent of first-time voters plumped for the party in the affluent west German state of Hesse and 16 per cent in Bavaria. In contrast, only 6 per cent of them chose it in the 2021 Bundestag election.

The shift to the right was clearly visible in the latest instalment of an annual survey of German youth. It was a snapshot of a generation that was badly shaken by the Covid-19 pandemic, with its lockdowns and school closures, and was then forced to wrestle with the shockwaves of war in Ukraine, inflation and the continuing climate crisis.

The survey also shows that for young people, worries about climate change have been supplanted by more bread-and-butter concerns — the dire shortage of affordable housing, the fragility of Germany's pension system and fears of poverty in old age.

"I definitely worry about my future," says Sophie Wolfram, an 18-year-old AfD supporter in Bad Lauchstädt, in Saxony-Anhalt. "I wonder what kind of pension I'm going to have — or whether I'll have one at all.

"We face a lot of uncertainties and I just don't feel they're being addressed by the old parties," she adds.

That's a typical view, says Simon Schnetzer, co-author of the youth study. "The young generation is really pessimistic," he says. "There's this feeling that they don't have enough money and won't be able to maintain the standard of living they grew up with."

From Spain and Italy in the south to Romania in the east, rightwing parties are benefiting from this new mood of gloom. In Romania, 25 per cent of 18 to 35-year-olds who intend to vote say they will support the far-right Alliance for the Union of Romanians (AUR), a higher proportion than for any other party. The party wants to unite all Romanian speakers — for instance, those in Moldova — into a Greater Romania. It is critical of Bucharest's military support for Ukraine and rails against "gender ideology" and atheism.

Costin Ciobanu, a political scientist at Aarhus University in Denmark, says frustration with Romania's "grand coalition" government is boosting populist parties like AUR "by allowing them to position themselves successfully against a perceived 'political cartel'".

AUR could also benefit from a deeper pessimism emerging in Romanian society. A recent survey by IRES found only 23 per cent of young people trusted Romanian democracy, and 67 per cent had considered — or were considering — leaving the country.

In Germany, the mood of economic pessimism is prompting many young people to adopt a more sceptical view of immigration. In Schnetzer's survey, 41 per cent of respondents said they were concerned by the uptick in the number of refugees entering Germany — nearly double the level recorded in 2022.

"In the past, there was an increase in immigration, but people said, 'I don't really mind because I'm doing OK'," says Schnetzer. "But now they're less financially secure. And that makes them more receptive to the AfD's message, which is that the government has lost control of the situation."

The drift to the AfD has come despite a flow of negative news about the party. In mid-May, police launched a corruption and money-laundering investigation into one of its most prominent MPs, Petr Bystron, who is suspected of taking money from Russia to spout pro-Kremlin propaganda. He denies the allegations. In April police arrested one of Krah's assistants on charges of spying for China.

None of that seems to matter to the AfD's army of loyal supporters. Its approval ratings have dipped a bit but are still higher than for any of the parties in Scholz's coalition and polls show it on course to come first in three crucial regional elections in eastern Germany this year.

Eric Liebegut, who hails from the small east German town of Schönebeck, feels the AfD is the only party addressing an issue close to his heart: illegal immigration. The party wants to slam shut Germany's borders — a position he agrees with. "I want everything to be safe here," he says over a cup of hot chocolate in Magdeburg, the regional capital of Saxony-Anhalt. "I want to protect my family."

It's not just immigration, though. For some young people, the motivation for voting AfD lies much deeper. "It's about tradition, and loyalty to your homeland," says young supporter Wolfram.

Russ, the youth-wing leader, says Germans are plagued by a "lack of identity". "People have become a kind of empty shell, they no longer see themselves as part of something larger, as part of the German *Volk*, and that's a really big problem," he says.

Germans have, he says, become "fixated" on the Nazi era and the Holocaust, which, he says, prevents them from feeling any kind of healthy patriotism. "When you say you're German, it's like you already have to justify yourself, even if you yourself have done nothing wrong," he says.

That is one of the reasons Wolfram likes the AfD — its sceptical attitude to Germany's *Erinnerungskultur*, or culture of remembrance. "The Nazi period wasn't the whole of German history — it was just a speck," she says. The AfD, she says, offers a home for people who "aren't ashamed to say they're German". "They tell you to say it aloud, it's fine, it's legal, it's not forbidden."

Krah has a video on TikTok, entitled "Our ancestors weren't criminals", that makes precisely this point. "We have every reason to be proud of our country and the people who built it up," he says into the camera.

It was this sentiment that prompted his remark to the FT about the SS. "Before I call someone a criminal, I'd really like to know what he did personally," he said. Many of the 900,000 SS members were "simple farmers who didn't have another choice", he said.

Krah has become something of a star performer on TikTok: a video he posted last year dispensing dating tips went viral. Noting that "one in three young men has never had a girlfriend", he said: "Don't watch porn, don't vote Green, go out in the fresh air, stand up for yourself . . . Real men are right wing . . . then maybe you'll get a girlfriend." The video has been viewed 1.4mn times.

This is typical of the approach taken by far-right parties, which often use social media to project an enticing image of young, confident virility, says Tarik Abou-Chadi, associate professor in comparative European politics at the University of Oxford.

> 'A lot of people listened to Elvis because their parents forbade them to. It's the same with the AfD'

It is the "image of the European man, in contrast to the non-native", he says, "not like a traditional neo-Nazi, but a guy who goes to the gym, is clean-cut, well-groomed, well-behaved, into law and order, young and masculine.

"The radical right has been really successful at this kind of identity construction over the past 10 years," he adds.

The benefits of this approach are clear in the approval ratings for Jordan Bardella, the charismatic 28-year-old leader of the RN who heads its list for the European elections. With 1.2mn followers on TikTok, he is pivotal to the party's efforts to appeal to the young.

The AfD's social media strategy bears many of the same hallmarks. Johannes Hillje, a political consultant, says the party realised years ago it had to do more to court young voters — a cohort it performed poorly with — and did so by becoming the "first party in Germany to systematically and strategically exploit the opportunities of TikTok".

The AfD's strategy seems to be working. Hillje looked at all the TikTok videos posted by the various parties in the German parliament between January 2022 and December 2023 and found that the AfD's had an average of 430,000 impressions. None of the other parties came close to that.

Hillje says AfD politicians used TikTok to "address young people in a very personal way, sometimes on very intimate subjects". The platform is tailor-made for the party, because its algorithm steers viewers towards "the more emotional, polarising, provocative messages".

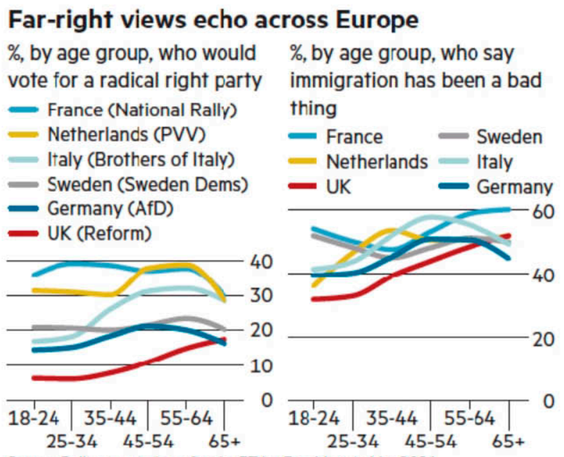
Experts say the growing tendency of young people to drift to far-right parties is pronounced across Europe — but they stress that such people are still the minority. Young people are still more likely to vote for progressive parties, says history professor Forti. "Most of them are accepting of things like immigration, feminism, gay rights," he says. "We shouldn't suggest that they are mostly voting for the far right."

But it is clear the populists exert an appeal — especially conservatives like the AfD, with its vision of a 1950s golden era of political stability, traditional families and ethnic homogeneity.

"The AfD says Germany is going to the dogs and they will bring back the previous state of affairs," says Jannis Koltermann, a 31-year-old journalist with the Frankfurter Allgemeine Zeitung who has written about the young generation's shift to the right. "It's like: if you no longer expect anything from the future, why not elect people who promise a return to a better past?"

Additional reporting by Leila Abboud, Marton Dunai, Barney Jopson and Andy Bounds

Far-right views echo across Europe



Source: Polling carried out for the FT by Focaldata in Mar 2024

The FT View



FINANCIAL TIMES
'Without fear and without favour'

Democracy is on the ballot in Mexico

Outcome of presidential poll has real risks for fragile young multi-party system

The presidential election in Mexico this Sunday will not grip global attention like the Trump-Biden rematch in the US. But it could prove equally consequential for the nation voting — and for the future of Mexican democracy.

President Andrés Manuel López Obrador, an old-school nationalist leftwinger, can boast impressive reductions in poverty and inequality in his six-year term, thanks to a doubling of the minimum wage and expanded welfare programmes. His common touch and austere personal life have cemented support among poorer Mexicans who despaired of a patrician, often corrupt political elite.

Yet Mexico's steady growth, political stability and attraction to multinationals relocating production from China have obscured an uglier side to López Obrador's legacy. This includes the explosive growth of organised crime, record murders, deteriorating government finances, a mismanaged energy sector, a bigger role for the military and a worrying intolerance of dissent.

These present serious challenges for the next president, who for the first time in the country's machismo-steeped history is almost certain to be a woman.

Claudia Sheinbaum, the most likely winner, has stressed continuity. A López Obrador protégée and former mayor of Mexico City, she would keep on expanding welfare programmes, raise the minimum wage further and maintain the state's larger role in the economy. Sheinbaum's training as a climate scientist has led some to predict she would offer an attractive mix of continuity, plus a dash of technocratic modernisation.

Yet Sheinbaum is committed to her mentor's policy of armed forces control over federal policing and key parts of the economy, such as airports, ports, customs and an airline. She is enthusiastic about his proposal for voters to elect Supreme Court justices, other senior judges and board members of the independent electoral authority directly, saying it would increase democracy.

This alarms independent experts, who believe the proposal would bring key institutions under political control and threaten the future of Mexico's young democracy, which emerged only in 2000 after 71 years of one-party rule. Critics see in López Obrador's Morena movement a reincarnation of the long-dominant Institutional Revolutionary Party (PRI), with the same appetite for monopolising power.

Sheinbaum's main opponent, self-made businesswoman Xóchitl Gálvez, has struggled to make headway with voters on a playing field tilted by López Obrador's use of incumbency and pliant media to promote the ruling party. A chaotic campaign and Gálvez's status as the standard-bearer of an unpopular coalition of opposition parties tainted by past failures have not helped. Her relative lack of experience in government is another drawback.

> There are serious challenges for the next leader, who for the first time in the country's machismo-steeped history is almost certain to be a woman

Gálvez has promised a more business-friendly approach, a crackdown on crime and an openness to private investment in the ailing state oil company Pemex. She pledges to bring the National Guard created by López Obrador under civilian control and bolster the independence of key institutions.

Business and investors have largely ignored the election, assuming a continuation of the status quo and preferring to focus on the immediate attractions of high returns from flourishing Mexican markets, flattered by the strong peso.

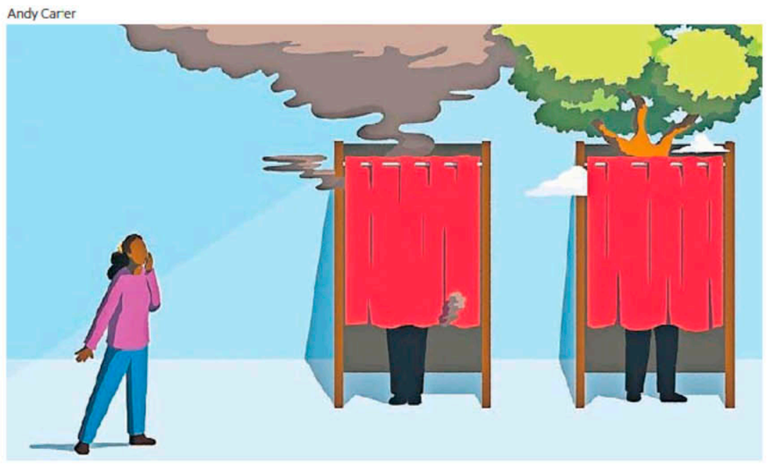
They may be underestimating the risks to institutions and the rule of law which could materialise after the election if a majority is secured for constitutional change, whether at the polls or in subsequent congressional horse-trading. It is no exaggeration to say that the survival of healthy multi-party democracy in Mexico is on the ballot.

ft.com/opinion

Opinion Environment

Sunak's big net zero election gamble

Andy Carter





Pilita Clark

Any British voter who believes in climate change should not vote Conservative in the July 4 general election.

That's because, in its current state, the Conservative party is endangering people's lives, jobs and opportunities for economic growth by taking a negative approach to climate action and rowing back on the energy transition.

If all that sounds overly dramatic, don't blame me. It is almost word for word what a former minister in the Conservative government, Chris Skidmore, told a Bloomberg podcast earlier this month, just before Prime Minister Rishi Sunak called the election.

It was only part of a salvo from Skidmore, an ardent net zero advocate who quit as an MP in January over what he called the "toxic message" sent by government moves to boost North Sea oil and gas extraction.

> A bipartisan approach to climate has characterised UK politics for much of the past two decades

He went on to describe Sunak's decision to water down a series of net zero policies last year as "the worst mistake of his premiership".

"Historians will look back at this moment and recognise this was the moment the Conservative party lost the country, because it no longer spoke to the country about what its future was going to look like."

I agree with a lot of what Skidmore said. But the bigger question is this: how good is his political assessment? Will Sunak's move to talk down net zero be a serious vote loser? Or has he cannily improved his chances of staying in power by aligning his party with a green backlash that threatens to weaken climate progress across Europe and beyond? The signs so far are not encouraging for the Tories.

Let's remember how this net zero rollback began. In July last year, the Tories clung on in Boris Johnson's old Uxbridge seat in London's suburbs by a few hundred votes — on a night when they were defeated heavily in two other parliamentary by-elections.

The winning Tory candidate had vigorously opposed the plans of London's Labour mayor, Sadiq Khan, to expand an ultra low emissions zone to outer London, costing some drivers of heavily polluting cars £12.50 a day.

Eight weeks later, Sunak announced a "new approach to net zero". In what became known as his "seven bins speech", he pushed back plans to end new petrol car sales and phase out gas boilers and cancelled moves to make rental homes more energy efficient.

To widespread bafflement, he also declared he would scrap rules that did not seem to formally exist — including "a government diktat to sort your rubbish into seven different bins".

Two points deserved more attention than they received at the time, starting with the jolt of hearing a Conservative leader sound as if he wanted to ditch the relatively bipartisan approach to climate policy that has characterised UK politics for much of the past two decades.

Second, Sunak took this contentious step without a broad public mandate. His party made him leader, not the electorate, after the disastrous Liz Truss premiership.

It's true that he insisted the UK would — somehow — stick to its international climate commitments. And his government quietly kept a raft of important net zero measures promoting everything from heat pumps to green electricity transmission.

But the U-turn sent a loud message, even though some research suggested it would bear few obvious political benefits. When Steve Akehurst, a polling analyst, showed voters a news story about Sunak's rollback, older Tory supporters' views of the party barely moved but younger graduates were actively repelled.

The Conservatives went on to lose more by-elections and, in the first major electoral test since the seven bins speech, the party suffered serious losses in local elections this month. Tellingly, one prominent Tory who held on, Tees Valley mayor Ben Houchen, is a big supporter of green investment. And Khan was comfortably re-elected in London.

None of this proves the rollback failed. Sunak's party has been in power for 14 long years. Disentangling the reasons voters abandoned Conservative councillors is complicated and not every green-leaning Tory was victorious. West Midlands mayor Andy Street lost his re-election bid. And Susan Hall, the Conservative candidate for London mayor, did better in some outer London spots where the Ulez is controversial.

Sunak's move does not look like a vote-winning masterstroke so far. But this might change: voters have a habit of upsetting conventional wisdom. But if Sunak does end up proving it pays to weaken net zero policies, it will be a terrible setback for a party that has long shown climate leadership — and for the wider effort to keep the climate safe.

pilita.clark@ft.com

Letters

Email: letters.editor@ft.com
Include daytime telephone number and full address
Corrections: corrections@ft.com
If you are not satisfied with the FT's response to your complaint, you can appeal to the FT Editorial Complaints Commissioner: complaints.commissioner@ft.com

Cocoa price surges rarely help west Africa's poor farmers

The extreme volatility of cocoa markets and the rising price of chocolate ("Huge supply shortages put cocoa trade under strain", Report, May 2) highlight the impact of climate change on the global food system and the fragility of the policies being promoted to address it.

The Network of Farmers' Organisations and Agricultural Producers of West Africa (ROPPA) represents family farmers across 15 countries. Our members are a critical part of the cocoa industry. Small scale producers in west Africa grow 70 per cent of the world's cocoa. Family farms also supply more than 80 per cent of the agricultural and agrifood products consumed and exported in the region and employ 62 per cent of the working population.

Despite this, governments, cocoa traders and agrifood companies have failed to provide the support farmers need to scale up innovations — such as planting trees to protect the cocoa pods — which would allow them to maintain the level and quality of their cocoa production. As a result the current average yield for small cocoa farmers in west Africa is between 500kg and 600kg a hectare, a far cry from the 1.3 tonnes they used to get. The increase in world prices very rarely, if ever, reflects their income and family farmers are unable to make a decent living from their work.

Analysis published last year by ROPPA, together with networks representing 35mn family farmers across the globe, revealed that only 0.3 per cent of international climate finance was dedicated to helping small-scale producers adapt in 2021. An even smaller percentage was devoted to supporting diversified, nature-friendly practices which, according to the Intergovernmental Panel on Climate Change, are key to adaptation.

West Africa's farmers are resilient people. They produce some of the world's finest cocoa despite decades of under-investment and an unfair global food system which makes it almost impossible for them to make a decent living. But now they are reaching their limits. Governments and industry need to work in partnership with farmers to ensure they have the support they need to adapt — including more direct access to climate finance.

Ibrahima Coulibaly
President, ROPPA, Ouagadougou, Burkina Faso

Florentine bankers knew all about the pricing of risk

Gillian Tett's excellent article "Eight centuries of data tell us a lot about rates" (Opinion, April 12) presents the historical perspective on interest rates which provides both captivating and valuable insights.

The indisputable long-term downward trend of real interest rates can indeed be put down to economic growth, monetary policy and globalisation. But in addition to those reasons, we can look in one more place. Perhaps the general strengthening of creditor protection rights contributed to lowering the risk of lending, which is baked into the cost of lending money.

Consider a Florentine banker during the Renaissance, where credit risk was managed partly by relying on personal relationships and trust, rather than formal legal protections for creditors. What if that poor Florentine banker were to have lent money to the ruler of a more distant city-state to finance his martial ambitions and the borrower then simply refused to pay back the loan? Well, good luck with that!

Of course, the creditor would threaten refusal of repeat business while warning off his friends and associates. But recovering that loan? Not without visiting with an army of his own, which not only would be costly but also have an unpredictable outcome. Bottom line, our Florentine friend would price such a loan in the first place with a large margin of safety and thus a high interest rate.

Compare that to the present day, where developed countries have robust legal frameworks for bankruptcy and creditors' rights. With that comes lower risk of lending, which is then reflected into lower borrowing rates.

Pete Vatev
Lecturer in Finance, Virginia Commonwealth University, Richmond, VA, US

Politicians want to see the regulators regulated

Financial services regulators are unelected officials whose decisions have an enormous impact on our economy. Patrick Jenkins's contention ("Politicisation of financial regulation turns increasingly toxic", Inside Business, May 28) that there has been "political interference in supposedly independent financial policymaking" misses a basic point: regulators' operational independence must go hand in hand with scrutiny and accountability.

Over the past decade, regulators' remits have grown, and their powers have increased, but there has not been a commensurate rise in either scrutiny or accountability. Politicians on the right and the left in British politics are now calling for this to be addressed.



Regulators should welcome this: effective scrutiny by, and accountability to, both Houses of Parliament will strengthen their legitimacy. The alternative — implied by Jenkins — is that independence should mean unaccountability.

Lord Bridges of Headley (Conservative)
Chair, Economic Affairs Committee, House of Lords
Lord Forsyth of Drumlean (Conservative)
Chair, Financial Services Regulation Committee, House of Lords
Lord Hollick (Labour)
Former Chair, Industry and Regulators Committee, House of Lords
London SW1, UK

When CEO graduate visa warnings ring hollow

I'm not sure the FT made the best case for preserving the graduate visa scheme by headlining warnings from Anglo American, Rio Tinto and Severn Trent that abolition of the scheme would threaten their firms' investment in Britain ("Business leaders warn Sunak that Tory migration policy threatens investment", Report, May 16). None of these companies is renowned for a burgeoning or successful UK investment programme. Indeed one of them — Rio Tinto — disposed of all its British operations many years ago.

Anglo American announced the deferral of its one significant UK project (the proposed Woodsmith fertiliser mine) this month — and I don't think a threatened shortage of locally resident foreign graduates was to blame.

As for Severn Trent, its investment programme — like that of its peers in the water sector — has been the subject of much recent comment, most criticising its alleged inadequacy.

Charles Mercey
Tellisford, Somerset, UK

HMRC must change way taxpayers use its service

Embracing digital channels to help customers resolve queries quickly and efficiently online is always a positive development. But the National Audit Office report demonstrates why it's crucial not to neglect other channels in the process ("HMRC warned again over poor customer service", Report May 18).

HM Revenue & Customs is unique in how it interacts with customers, and so it is even more important that taxpayers can quickly and easily resolve what are often stressful issues. HMRC must take this report seriously and dramatically change the way taxpayers communicate and interact with the service.

Quadient, which is a supplier, believes HMRC should place equal weight on digitising its communication platforms and supporting more traditional communication methods like call centres. However, HMRC doesn't have a good record in understanding that customers still heavily rely on call centres, as seen by the organisation's U-turn earlier this year on shutting the self-assessment line.

Cost-cutting cannot impinge on customer experience as the direct assistance and support call centres are vital when dealing with personal finances. Customers may have questions or uncertainties about their tax obligations. Being able to speak with a knowledgeable agent is essential to provide clarity and peace of mind. This is particularly important for vulnerable individuals who may require more personalised assistance due to unique circumstances, such as limited financial literacy. While it is important to digitally transform, HMRC cannot let this isolate those who are less tech savvy, or simply can't find the answer online.

By adopting an equal focus strategy across all communication platforms, HMRC can ensure that every piece of communication and support on offer strengthens the relationship with its customers, rather than damaging it.

Andrew Stevens
Principal, Quadient, London E15, UK

How to get through the six-week campaign

Steeling myself to survive six weeks of relentless political campaigning was just made a lot easier thanks to your picture on page 3 ("Sunak struggles to find campaign momentum", Report, May 25). Prime Minister Rishi Sunak standing under an exit sign made me laugh. Let us hope that we have many more moments of hilarity before July 4, maybe even on the big day too.

Robert Boston
Kingshill, Kent, UK

Reason some US students rack up colossal debts

Reading Oren Cass's piece on US higher education ("Conservatives should be storming the ivory tower", Opinion, May 14), it's easy to assume that American colleges and universities are producing woke idiots amassing mountains of debt.

Cass might want to examine other indicators such as the number of Nobel Prizes awarded or patents received, or the productivity per worker in determining the success or failure of American higher education.

He is surely right to decry the colossal levels of student debt, but a great deal of such debt was incurred by hopeful students taking pre-career courses in countless non-certified for-profit "schools", rather alarmingly like the apprenticeship programmes Cass recommends.

Michael A Barnhart
New York, NY, US

Out of sight, out of mind

Efficiency optimisation is not necessarily a benign pursuit, and may come at the cost of factors that are less quantifiable. In overcoming the Jevons paradox (Magazine, Life & Arts, May 18), there is an inherent risk that we incentivise and induce an "externality arbitrage".

The growth of the electric vehicle market, for example, reflects our pursuit of local carbon efficiency. But does our improved carbon efficiency profile outweigh the marginal social cost associated with the inhumane artisanal cobalt mining that may feed into the supply chain?

This is the "externality arbitrage": focusing on particular efficiencies can incentivise a mere category-shifting of externalities, from the local and quantifiable to the less quantifiable — the out of sight, out of mind.

Karim Henide
London School of Economics, London WC2, UK

The more time spent in the workplace the better

I agree that loneliness poses a serious problem in America but I emphatically disagree with Rana Foroohar that shortening the working week to four days would help (Opinion, May 27).

Indeed, I think that it would render the problem far worse as would the continuation of the trend towards the establishment of virtual work. The workplace provides a very important venue for socialisation and the more time spent there the better.

Any policy that isolates workers in their homes would be a terrible mistake.

Harold J Smith
White Plains, NY, US

Opinion

The Tories' disastrous misunderstanding of America



POLITICS

Janan Ganesh

Boris Johnson, 2017: "We hear that we're first in line to do a great trade deal with the US." Liz Truss, 2019: "My main priority now will be agreeing a free trade deal with the US." Dominic Raab, a cabinet eminence at around the same time: "President Trump has made clear again that he wants an ambitious trade agreement with the UK."

Then Rishi Sunak on the same subject last summer. "For a while now, that has not been a priority for either the US or UK." Oh.

This government's single greatest disservice to the UK has been to misunderstand the US. Brexit was, from the start, a huge bet on the economic openness of America. A bilateral trade deal with Washington was meant to offset the loss of unfettered access to the EU market. That no such deal emerged was bad enough (though as predictable as sunrise). But then Donald Trump and later Joe Biden embraced a wider protectionism. World trade is fragmenting as a result. So for Britain, double jeopardy: no agreement with America, but also less and less prospect of agreements with third countries.

As the US is neutering the World Trade Organization, blocking appointments to its appellate bench, Britain can't even count on multilateralism to keep the liberal flame from snuffing out. In essence, the nation staked its future on trade at the exact historical moment that it fell out of favour as an idea. It is the geostrategic equivalent of investing one's life savings in a DVD manufacturer circa 2009.

Now, leave aside the question of whether America is right to turn against trade. The turn is happening, and Tories should have anticipated it. Anyone with a passing knowledge of Washington could have warned them not to confuse the place for a free-market bastion.

> Protectionist sentiment is a force in the US to an extent that it can't be in a resource-poor archipelago

In 1992, the trade sceptic Ross Perot won 19 per cent of the national vote as an independent presidential candidate. "Fast track", the law that allows the president a free-ish hand to do trade deals, lapsed more than once in the decades either side of the millennium, such was the cross-partisan mistrust of it in Congress.

Look at the dates here. This was the high summer of "neoliberalism". Imagine how much stronger the protectionist impulse was in normal times. Or rather than imagine, check the record. It shows the tariff walls of the 1800s. It shows the statism of Alexander Hamilton and Abraham Lincoln. Smoot-Hawley wasn't an interwar aberration.

Britain had the Corn Laws, of course, and Imperial Preference. But protectionist sentiment is a force in American life to an extent that it can't be in a mid-sized, resource-poor archipelago. It is then transformed into policy via sectoral lobby groups of a scale and sophistication that must be seen up close to be believed. (Prediction: in the contest with China, a lot of industries will turn out to be "strategic".)

All this is America's sovereign right. If I lived in a continental-scale market with superabundant resources, I'd need a lot of persuading from David Ricardo and The Economist that I am still better off trading. But that is the point. The Tories think the crucial fact about America is that it is made up of Britain's "cousins". (It isn't, unless we are consulting the census of 1810.) In fact, what matters are certain geographic and geologic realities, which render the US much less dependent on commercial exchange with the outside world.

After that, the next most important fact is its status. America is defending a position as the world's number one power. Chinese imports — of electric vehicles, say — poke at anxieties that aren't half as raw in Britain.

One needn't admire this about the US. One can suspect it of hysteria, in fact. But the job of a British government is to fathom these things before betting the nation's entire future on a hunch that America will forever uphold world trade.

This mistake came from "Atlanticist" Tories, remember — the ones who read Andrew Roberts and track the exact co-ordinates of the Churchill bust in the White House. (Barack Obama was hated for moving it.) Well, after giving it all that, these people failed on their own terms. They failed to understand US politics. Britain will foot the bill of their error for decades.

"Trade": even the moral connotation of the word is distinct in each nation. It has had a high-minded ring to it in Britain ever since the abolition of the Corn Laws helped to feed the working poor. In America, where the cotton-exporting Confederates were free-traders, history isn't quite so clear-cut. It is almost as if these are different countries.

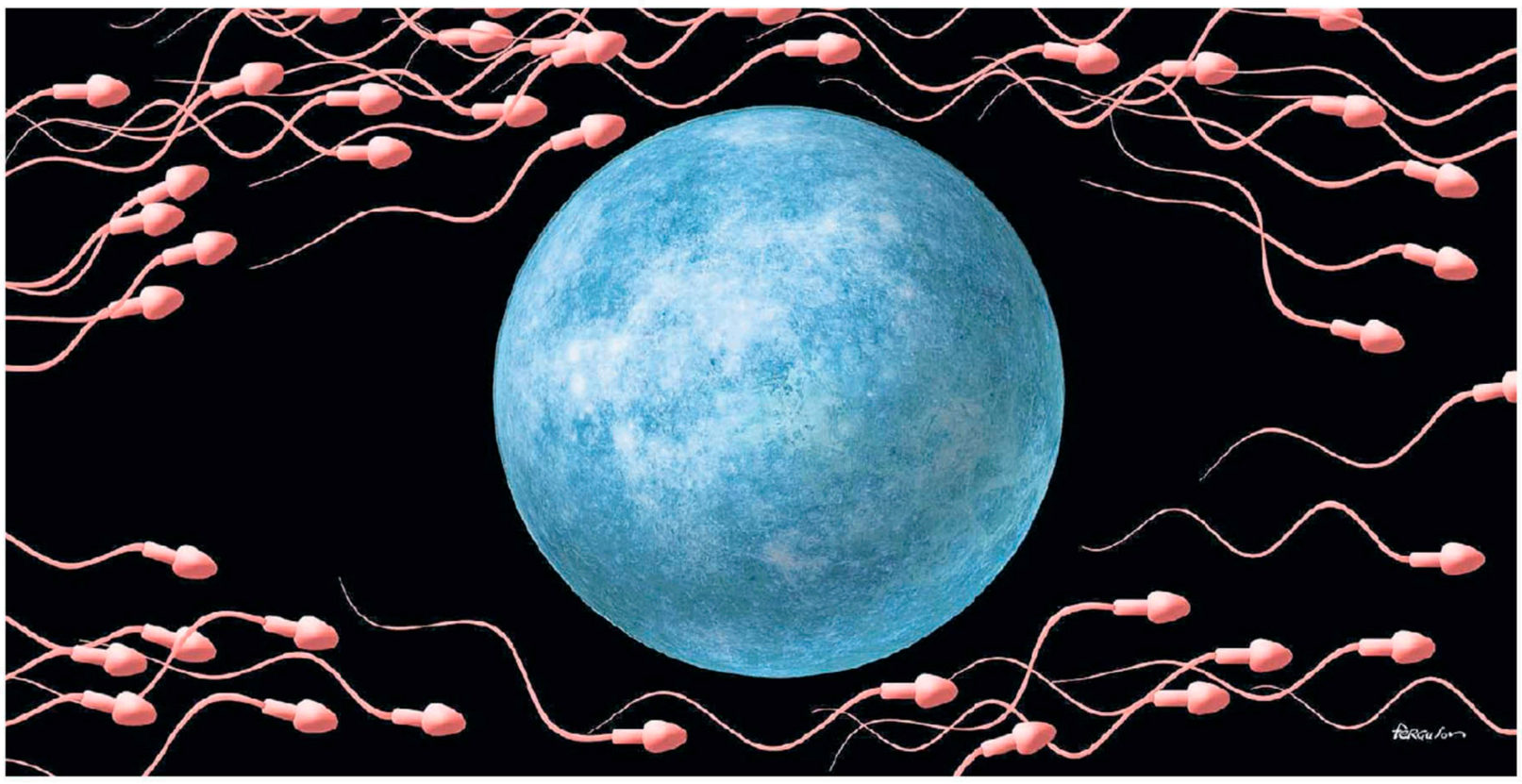
janan.ganesh@ft.com

From the baby boom to the baby bust



Martin Wolf Economics

Falling fertility rates are one of the biggest challenges facing our world



People live longer than ever before. This, as I noted recently, has created both opportunities and challenges. But postponing death is only a part of the demographic story. The other is the decline in births. The combination of the two is creating huge changes in the world we inhabit.

The notion of a "demographic transition" is almost a century old. Human societies used to have roughly stable populations, with high mortality matched by high fertility. In England and Wales in the 18th and 19th centuries, death rates plummeted. But fertility did not. The result was a population explosion, until, at last, fertility rates also collapsed.

As the benefits of economic growth and advances in medicine and public health spread, most of the world has followed a similar transition, but far faster. As a result, human numbers rose fourfold over the last hundred years, from 2bn to 8bn. In time, however, fertility followed mortality. The result has been plummeting fertility rates (births per woman) across most of the world. According to a study recently published in The Lancet, "Fertility is declining globally, with rates in more than half of all countries and territories in 2021 below replacement level." For the world as a whole, the fertility rate was 2.3 in 2021, barely above replacement, down from 4.7 in 1960. For high-income countries the fertility rate was a mere 1.6, down from 3 in 1960. In general, poor countries still have higher fertility rates than richer ones, but they have been falling there, too. (See charts.)

What explains this collapse in fertility rates? An important part of the answer is the wonderful surprise that more children survived than expected (or desired). So, people started to practise various forms of birth control, contrary to what Thomas Malthus had predicted. But the desire to have many children also shrank sharply. This, fascinatingly, has happened in the teeth of reactionary gender ideologies. In the mullahs' Iran, for example, the fertility rate has collapsed from 6.6 in 1980 to 1.7 in 2021.

A big reason for this shift was that, for their parents, children have moved from being a valuable productive asset to a costly consumption good. As the late Gary Becker argued, people came to desire a few high-quality (and so well-educated) children, rather than many of them. That was partly because this was the sort of worker the economy rewarded. But extended education makes children expensive in both time and money. Moreover, female participation in the economy rose dramatically in the 20th century, including in highly skilled careers. That raised the "opportunity cost" of producing children especially for mothers, the parents most bound to parenthood. So, they have children later, or even not at all.

In "The Economics of Fertility: A New Era", an excellent survey published by the National Bureau of Economic Research in 2022, the authors argued that where public childcare is more generous women are encouraged to combine careers with having children. The absence of such help, it is suggested, helps explain the exceptionally low fertility rates in much of east Asia and southern Europe, where support for parents is limited. Yet this is no longer so clear: fertility rates have recently fallen well below replacement even in the Nordic welfare states.

This global shift towards very low fertility, with the exception (so far) of sub-Saharan Africa, is among the most important events in our world. One implication is that the population of Africa is forecast to be larger than that of all today's high-income countries, plus China by 2060. Another is that familiar population pyramids, with the largest numbers at the youngest ages, are inverting. In South Korea, for example, males aged 50-54 are 4.3 per cent of the population, while those aged 0-4 are a mere 1.5 per cent of it. Similar inversions are occurring elsewhere, including China and, albeit more slowly, in India.

Extremely low fertility is sure to create huge challenges. One is how to maintain pension or health systems as the population of working age shrinks sharply. One answer will indeed be much longer working lives. Another might be immigration. But the immigration needed to stabilise populations in low, let alone ultra-low, fertility societies would be enormous and, as such, surely politically and even practically impossible. Beyond these issues, there is the question whether a shortage of young people would inevitably starve an economy of the risk-taking on which progress has depended. At the same time, a shrinking population would in the long run help rebalance human demands with the carrying capacity of the planet and the health of the other species with which we share it.

Last but not least, what are relevant policies? The ability of societies to raise fertility rates is limited, particularly since they would need to influence the behaviour of well-educated and successful younger people, which is very hard to do. But societies do have an interest in children if they have one in their own future. Helping people have the children they want in ways that fit with their own plans should be a focus of policy. It is essential, in the modern world, to help parents, especially women, combine careers with children. It seems clear that many will not sacrifice the independence of the former for the burdens of the latter, however great the pleasures children might bring. More broadly, many policies must be reconsidered: in an ageing society, for example, there will be more households and so a need for far more housing.

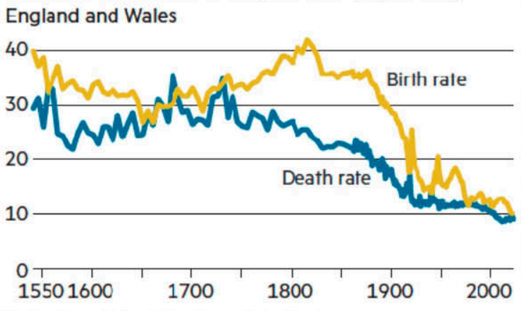
These demographic shifts are profound. Whether we like them or not, they are transforming the world. And we must respond accordingly.

> Helping people have the children they want in ways that fit with their plans should be a focus of policy

martin.wolf@ft.com

The transition from high mortality and high fertility to low mortality and low fertility

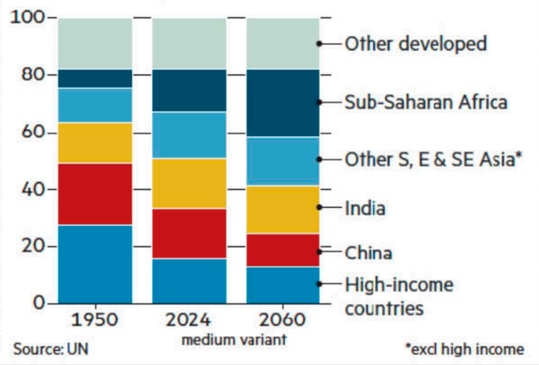
Crude birth and death rates per 1,000 population, England and Wales



Death rate excludes military losses in world wars
Source: Our World in Data based on Wrigley & Schofield (1981), Mitchell (2010), ONS (2016) and UN

Africa's population is forecast to exceed that of today's high-income countries plus China

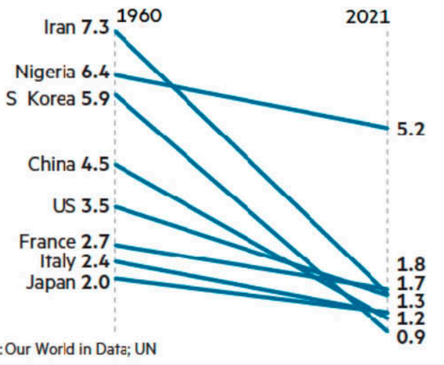
Shares of global population (%)



Source: UN
*excl high income

Fertility rates have fallen everywhere but have fallen furthest in richer countries

Fertility rates (children per woman, selected countries)



Sources: Our World in Data; UN

Trade must transform its role in the social contract

Katherine Tai

During the peak of the pandemic, the Financial Times wrote of the need for a new "social contract that benefits everyone" and for radical reforms to reverse "the prevailing policy direction of the last four decades". Poignantly, the piece noted that, just as the Atlantic Charter and Bretton Woods conference had crystallised during the thick of the second world war, leaders must act today to win the peace.

As an integral part of economic policy, trade must also be a part of any social contract; it must undergo its own transformation. Here, the Atlantic Charter of 1941 also provides a guidepost. It stated that international economic co-operation is to be pursued "with the object of securing, for all, improved labour standards, economic advancement, and social security". This is not a call for trickle-down economic policy, but a call for economic policy to serve the interests of working people.

Trade policy has long followed the trickle-down approach that has been so common over the past four decades. But if we recognise that deferring to the market has its limits in ensuring that domestic economic policy benefits working people, we must also recognise its limits to do the same when it comes to trade.

A laissez-faire system has allowed short-term profit-driven businesses to maximise their gains, often by partnering with a non-market autocracy to further that goal. While profits and executive pay soared, workers were left behind. Meanwhile, concentrated production emboldened monopolistic behaviour by countries such as China. The American economy has been and remains an open one. That, however, has meant that American workers were particularly exposed to the harms from such behaviour. Communities were devastated as trade policy remained isolated from democratic accountability.

> This is about reconfiguring the system to improve access to economic opportunity and justice

This is why the Biden-Harris administration's approach to trade has been to democratise economic opportunity. We are breaking out of the technocrats' bubble to meet working people where they are, redesigning the incentive structure so that communities are not pitted against each other. For example, for a long time, workers in Ohio or Pennsylvania or Arizona have been set against workers in Mexico, where rights have been unfairly suppressed. This is what happens when we blindly believe that liberalising trade rules leads to a gradual improvement in labour standards as countries grow wealthier through trade flows.

We are flipping this narrative on its head, using a trade agreement. Through the United States-Mexico-Canada Agreement's Rapid Response Labor Mechanism, the US and Mexico have worked together to positively affect the lives of nearly 30,000 workers and their communities in Mexico. That also means many more people in America can compete on a level playing field.

We are drawing on people's real experiences to best formulate trade rules that support such collective resilience, including on supply chains. For my office, this is about much more than just the movement of goods — it is about reconfiguring the system so that more people can access economic opportunity and justice. It means reaching out to those that have been traditionally left out of trade discussions — not only inviting them to the table, but then incorporating their voices, so that they can thrive in this new global economy. We are also putting people at the centre of our review of digital trade rules. Countries around the world are figuring out how to protect their citizens' data, and trade rules must support those efforts.

American companies are strong, innovative and dynamic. When the playing field is level, they can compete and thrive. But whether in digital trade or other sectors, we must be clear-eyed that China is not just a trading partner, but is pursuing global dominance across key economic sectors. President Joe Biden, recognising the need to do more to counter China's unfair practices, including its cyber theft, recently directed me to increase tariffs on a range of products, including electric vehicles and batteries. These tariffs will defend American workers and businesses, as well as our historic investments. Other countries also have growing concerns about China's non-market excess capacity and are starting to take steps to address it.

The stakes are high. As Oxford historian Patricia Clavin has documented, democracies failed to find common ground on international economic issues in the 1930s, with devastating results. As we again confront uncertainty and fear, we must embrace the opportunity to make the world a safer, more equitable place. And we know it is something that we must do together.

The writer is the US trade representative

Lex.

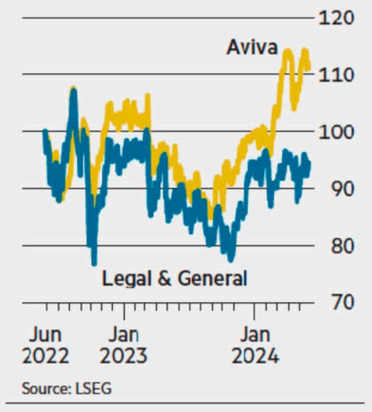


June Yoon
China's EV makers to steer clear of US tariffs via Europe growth
INSIDE BUSINESS

Legal & General move to sell housebuilder makes sense



Aviva outperforms L&G
Share prices rebased



Source: LSEG

Britain's undersupplied and overpriced housing market is an obvious political target. Opposition leader Keir Starmer has promised to roughly double the number of homes built yearly. Housebuilding targets have been promised before and fallen short. Even so, renewed efforts to boost activity should be good for the industry.

With that in mind, Legal & General's decision to sell top 10 housebuilder Cala Group now might seem odd. Persimmon is reportedly readying a £1bn bid. But a deal would make sense for all involved.

L&G's new chief executive António Simões wants to make the insurer simpler and clearer to shareholders. He is expected to outline a shift in strategy at a capital market day in mid-June. Cala is part of L&G's alternatives business LGC, which had set bold targets for housebuilding under former CEO Nigel Wilson.

Shareholder returns are likely to gain higher priority under Simões. L&G is generating significant surplus cash. The sale of Cala would bolster the pot for dividend payments or buybacks. These have helped shares in peer Aviva outperform following its own more radical streamlining.

At the right price, Cala would support Persimmon's margins with cost cuts and product diversification. Similar logic underpins the all-share tie-up of Barratt and Redrow announced this year.

True, Persimmon does not need the land a deal would bring. It has about eight years' worth of both owned and controlled land in its bank — the same again in strategic reserve.

Cala would add about a quarter more plots. There are other risks: further industry consolidation could attract competition scrutiny. The £1bn mooted price tag for Cala might be too good an opportunity to pass up, though. At a multiple of around book value, according to RBC, it would be sold at a discount to the 1.2 times that Barratt offered for Redrow.

Falling volumes have hit Persimmon hard. Its shares have underperformed the sector by a quarter since the end of 2022. A deal for Cala would probably be done at least in part with shares, meaning an overhang for shareholders may loom.

But Persimmon would be one of the biggest beneficiaries of an expansion of low-cost housing, a target for Labour. An increase in activity at that end of the market would help reverse Persimmon's recent fortunes.

For L&G, which could be handed Persimmon shares at a good time for the sector, it might help make up for any price discount for Cala.

Oil investors are now looking for the thrill of the drill

Not so long ago, telling portfolio managers about the potential size of a new oilfield was an easy sell.

That era ended when investors decided they would not pay up for high-cost exploration given climate change and the approach of Peak Oil.

But the mood has changed, again. Drilling is back in fashion, and suddenly shareholders want to talk exploration and production once more, according to executives and analysts.

Portfolio managers are not looking so much in the US shale patch. Years of shareholder demands for less drilling and more cash flow for buybacks has forced consolidation there. Last year, M&A deals — of both companies and assets — more than doubled from 2022 to $234bn, according to the US Energy Information Administration.

Deals included ExxonMobil's $64.5bn acquisition of Pioneer Resources, Diamondback's $26bn swoop for Endeavor Energy and Occidental's $12bn acquisition of privately held CrownRock. In the Permian Basin, the most productive shale region, five companies now own half of the resources, according to Citi.

Investors with a taste for frontier exploration have taken a shine to oil discoveries in Namibia's Orange Basin. Portugal's Galp last month announced promising results after only two wells. Its shares are up 24 per cent since April 18, pricing in prolific production unlikely to begin until next decade. On an enterprise value of 5.7 times forward ebitda, Galp trades at nearly double the 2.9 times average of seven large international exploration and production groups, using Jefferies data.

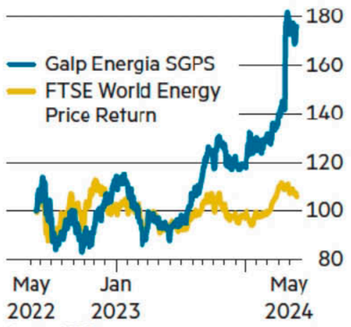
This may not reflect speculative excess but a hunger for new oil exploration ideas. There has been a sea change in interest from investors, one E&P chief executive said.

Investors have noted that US shale production is less about exploration and more about a manufacturing process of wells drilled in proximity. Production of oil is outrunning new finds. Reserve lives since 2016 for these E&Ps have dropped more than a third to 13.5 years of production.

Galp's find may be a moment for the sector. Investors last week shot down a climate-change resolution asking for tighter targets at Shell.

Investors may even become more receptive to visits from smaller E&Ps.

Galp shares reflect exploration optimism
Share price and index rebased in € terms



Source: LSEG

The US consumer squeeze hasn't yet hit $18 salads

The US restaurant industry has had a rough start to 2024. Sales and footfall are both sliding, as customers pull back their spending. Price increases can no longer be relied on to pick up the slack.

Starbucks and KFC owner Yum Brands is among the big chains that reported a drop in their same-store sales in their most recent quarter. At McDonald's, growth on the same metric has fallen for four straight quarters.

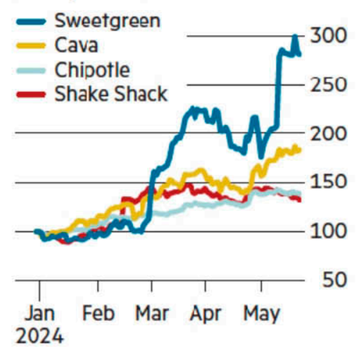
Yet there has been one bright spot: "fast casual" chains. These pitch themselves as a healthier option, or cater to a slightly better-off customer, than their fast food rivals.

This focus has helped salad purveyor Sweetgreen, burrito hawker Chipotle, and burger slinger Shake Shack to buck the wider gloom and report higher like-for-like sales for the last quarter.

Shares in these companies have in turn served up market-beating returns. Sweetgreen is up more than 190 per cent so far this year, topping even the gains of tech darling Nvidia. Cava, a Mediterranean-inspired eatery that went public in June last year, has doubled in value.

Chipotle, meanwhile, is up around 40 per cent during the period, compared with McDonald's 13 per cent decline.

Fast casual restaurants buck consumer spending gloom
Share prices rebased



Source: LSEG

Several factors are driving the divergence in performance. Fast casuals' higher income customers have helped shield the chains from the worst of the reduction in consumer spending, which has hit the less well off the most.

Fast food is also no longer a bargain. Inflation and new minimum wage laws in states such as California have forced the likes of McDonald's to raise prices. In New York City, a Big Mac meal plus tax now tops $12. Suddenly, the $13 carnitas rice bowl from Chipotle or an $18 salad from Sweetgreen do not look so expensive.

The average cost of lunch at a fast casual restaurant was only $2.64 more compared with one at a fast food restaurant in the first quarter of this year, according to consumer consultancy Circana.

Fast casual chains may be in a sweet spot, but their valuations are beginning to look rather spicy.

Sweetgreen, which has yet to make an annual profit, is trading on six times revenues, compared with its 12-month average of around three times. Cava, which swung into an annual profit in 2023, is trading at 12 times revenue, also well ahead of its 12-month average of eight times.

That makes it difficult for investors to justify adding second helpings to their plates, especially if the fast food operators begin cutting prices once more.

Exxon's resort to scorched earth lawfare is tempting fate

There are shareholder votes that matter and there are those that do not. ExxonMobil may be confusing the two. A small Massachusetts-based investment fund, Arjuna Capital, has in recent years exercised its legal rights to bring non-binding shareholder votes, urging the oil major to reduce production in the name of combating climate change.

Those have been handily rejected by shareholders. But this year Arjuna tried again. Federal securities laws also allow companies to go to the Securities and Exchange Commission to exclude such "precatory" or advisory votes. Often such appeals are successful.

Instead, Exxon went to federal court in Texas to invalidate the proposal, a seemingly heavy-handed approach even after Arjuna withdrew its efforts and pledged never to try again.

Yet somehow, Exxon has prompted an even bigger shareholder revolt. The likes of the Norway wealth fund and Calpers are set to vote against Exxon directors at this week's annual meeting to voice their displeasure at Exxon's scorched earth lawfare, even as they may not necessarily support the underlying Arjuna ideas.

It is one thing to play rough with an inconsequential firm like Arjuna. It is another to awaken some of the largest institutional investors in the world to what may be a broader assault on shareholder rights.

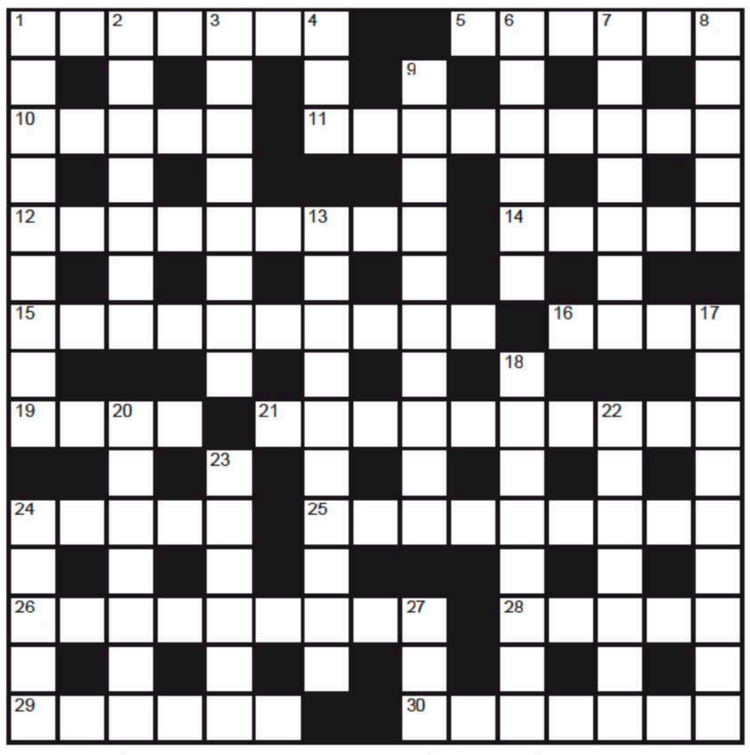
While climate change is the proximate issue in this particular fight, there is a larger war brewing about how companies should manage the social issues that touch shareholder value creation and even corporate purpose.

Exxon says that it is merely pursuing the legal avenues available to it. Chief Darren Woods remarkably wrote in the FT that "Calpers' fiduciary duty is not furthered by their attack on our company", adding: "They should leave politics to the politicians."

A few years ago, a tiny start-up ESG investor, Engine No. 1, was able to win board seats at Exxon. The company would want to avoid that ever happening again. But its recent aggression is rallying a diverse opposition and tempting fate.

NIKKEI Asia The voice of the Asian century

CROSSWORD No 17,748 by IO



ACROSS

1 Lost to antiquity, like husband's boring hat (7)
5/29 Drink hot date introduced to idiot twins (who shall be nameless) (6-6)
10 Twist away with ease (5)
11 Sort of lush, very large, mountain (2,2,5)
12 Hound my counterpart in *Pravda*? (3,6)
14 Chap heading west almost left port (5)
15 A line on river-dweller withdrawing rather briskly (10)
16 Weapon curiously vanished, as has Dean (4)
19 *Paradise Regained* and *Endymion* at their unified core (4)
21 I'm loving this sweet German wine: we sent empties here? (7,3)
24 That woman, she's enchanting to the ear (5)
25 Were leading actors entertaining author Douglas? (4,5)
26 Keep on alone, always probing (9)
28 The nearly men left in the crummy bits (1-4)
29 See 5
30 Swine and deer, young Spooner gives warning (7)

DOWN

1 Caps taken off for it, dropped lawsuit (5-4)
2 Giant split within set (7)
3 See 13
4 Votes against heir moving up (3)
6 Head-turning splendour of Hollywood topcoat (6)
7 Initially holding post in retirement, Kamala is irritable (7)
8 It's very alarming indeed about Mika's gut (5)
9 Smart-arse gets this wrong, missing his stellar shift (4,6)
13/3 24ac 25, a question of order some other Across answers fail to resolve (3,7,2,3,3)
17 Tiddly dipping into wine cask, get cards (5-2-2)
18 Safeguard when posting second win (5,3)
20 Pointed remark investigator found cutting spread to the north (7)
22 Variety of flour tortilla (a lot full to bursting from it!), but folding over (7)
23 Alfred, Peter or Catherine perhaps eliminated danger (6)
24 A little money United accepted no longer on record (5)
27 Is it Germany's football team being mischievous? (3)*

Solution 17,747

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

JOTTER PAD

Scan the QR code to access FT crosswords over the last 30 days — cryptic, Polymath, Weekend and Sunday puzzles — or go to ft.com/crosswordapp

Get the business insights you need to succeed in Asia
Visit asia.nikkei.com

