FINANCIAL TIMES

TUESDAY 30 JULY 2024

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Washington's uneasy bargain with Mexico
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Vance's failed efforts to impersonate Trump
JEMIMA KELLY, PAGE 22

Reeves unveils 'incredibly tough choices' to plug £22bn fiscal hole

● Chancellor paves way for tax rises ● Winter fuel payments cut ● Road and hospital schemes axed

GEORGE PARKER, SAM FLEMING AND LAURA HUGHES



Rachel Reeves has set out a series of "incredibly tough choices" to fill a £22bn fiscal hole the chancellor claims she inherited from the Conservatives, as she paved the way for Budget tax rises in the autumn.

Reeves announced emergency savings, including cutting £1.5bn off winter fuel payments for better-off pensioners, axing road and hospital schemes and dropping plans to cap social care costs.

But she said this would not be enough, confirming that a Budget on October 30 would be painful. A multiyear public spending review would take place at the same time.

"There will be difficult decisions around spending, around welfare and around taxes," she said, while insisting that "working people" would be spared increases in income tax, value added tax and national insurance.

Although Reeves blamed the Tories for the fiscal "mess", her support for above-inflation public sector wage rises — including a 22 per cent two-year pay offer to striking junior doctors in England — added to budgetary pressures. She announced she would meet the recommendations of independent public sector pay review bodies for 2024-25, amounting to £9.4bn of the £22bn that she said the Tories had left unfunded.

"Instead of giving winter fuel payments to pensioners, they have chosen to bend to the pressure from the unions by giving a 22 per cent pay rise to junior doctors," shadow energy secretary Claire Coutinho said.

Reeves claimed spending was in an even worse state than she had imagined when she entered the Treasury on July 5 and that much of the £22bn fiscal gap would have to be closed in the Budget.

Shadow chancellor Jeremy Hunt dismissed the claim as a "sham" designed to soften up the public for tax rises in the Budget. He said Reeves had access to the books before the election.

But Reeves insisted Hunt hid pressures that were building up, including £6.4bn of unfunded costs in Britain's chaotic asylum system, as well as a hole in railway funding and aid for Ukraine, which she vowed to protect.

"Upon my arrival at the Treasury three weeks ago it became clear that there were things I did not know," she said. "Things that the party opposite covered up from the country."

The chair of the independent Office for Budget Responsibility, Richard Hughes, aided Reeves's case by expressing "concerns about the transparency and credibility" of the information he was given in preparing fiscal forecasts alongside Hunt's March Budget. He said he would review the process.

The biggest single cause of the fiscal hole was Reeves's decision to give inflation-busting pay rises to public sector workers, as she sought to draw a line under months of workplace unrest. She agreed an improved 22 per cent two-year offer to junior NHS doctors in England to end a wave of strikes.

Among infrastructure projects delayed was Boris Johnson's "new hospital programme", which promised 40 new hospitals by 2030. Labour officials said the project was "unfunded and based on unfeasible timelines". Reeves added it would be subject to a thorough review.

Road and rail schemes were also sacrificed, saving £785mn but opening up Reeves to criticism that a government committed to growth had begun its term in office by shelving big capital projects.

The Treasury announced that its plan to apply VAT to private education would come into force on January 1. It is also moving ahead with a tax crackdown on private equity bosses and wealthy expatriates with so-called non-dom status.

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Tax breaks crackdown page 10
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Rachel Reeves in the Commons yesterday: 'Upon my arrival at the Treasury three weeks ago it became clear that there were things I did not know'
— House of Commons

Pay day
Doctors win deal for 22%

The government has offered junior NHS doctors in England a pay rise of 22 per cent over two years, in a deal agreed with union leaders to end a wave of strikes. The figure falls short of the 35 per cent demanded by the medics' union but is a sizeable advance on offers by the Tory government. **Page 2**

Briefing

▸ India and Gulf countries lead trade deal target list
The government has set out its priorities for trade deals, led by a six-strong group of Gulf countries and India, with ministers aiming to begin negotiations in the autumn. The US is a notable absentee from the list.— PAGE 3

▸ France suspects far left
Officials have said far-left groups might have been behind the sabotage of high-speed rail lines on the day the Paris Olympics opened. A separate incident hit telecoms lines yesterday.— PAGE 5

▸ Harris backs court reform
White House hopeful Kamala Harris has backed a sweeping set of reforms to the Supreme Court proposed by Joe Biden.— PAGE 4; JEMIMA KELLY, PAGE 22; GIDEON RACHMAN & KRISHNA GUHA, PAGE 23

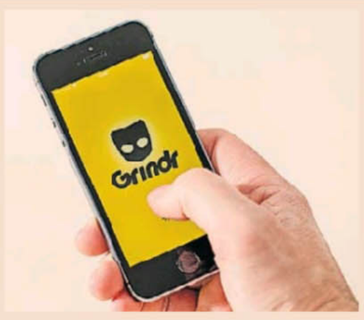
▸ Reckitt hit by US ruling
The consumer goods group's shares have hit their lowest in more than a decade after a US jury ruled against rival Abbott in the latest lawsuit over premature infant formulas.— PAGE 10

▸ US calls for Lebanon exit
The US and Germany have urged their citizens to leave the country after Israeli premier Benjamin Netanyahu vowed retaliation for an attack blamed on Hizbollah that killed 12 people.— PAGE 4

▸ NatWest in mortgage suit
The bank has sued CMIS, a finance group formerly backed by General Motors, for more than €155mn over securitisation deals that were struck in the run-up to the financial crisis.— PAGE 8

▸ China state banks cut pay
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▸ Mozambique 'tuna' win
A High Court ruling has paved the way for the African nation to recoup more than $825mn from the $2bn "tuna bonds" fraud that wrecked its finances and sparked a huge graft scandal.— PAGE 13



Dating apps try new tack for a better fit with users

Online dating companies are enjoying mixed fortunes. While shares in Grindr, with its pitch to gay and bisexual men, have doubled, Tinder owner Match has shed a fifth of its market value. Now the mainstream powerhouse is shifting towards niche products as more dating companies bet that products aimed at specific communities — from single parents to the 'open-minded' looking for a 'throuple' — will reignite growth in a sector challenged by user decline.
Tailored offering ▸ PAGE 8

Brussels ready to tackle Trump tariff threat with carrot-and-stick strategy

ANDY BOUNDS — BRUSSELS

Brussels is developing a two-step trade strategy to deal with Donald Trump, offering the Republican a quick deal if he wins a second term as president, and targeted retaliation if he opts for punitive tariffs instead.

EU officials believe the carrot-and-stick approach is the best response to Trump's pledge to impose a 10 per cent minimum tariff, which they estimate could reduce EU exports by around €150bn annually.

Negotiators are planning to approach the Trump team, if he wins the election in November, before he takes office to discuss which US products the EU could buy in bigger quantities.

Should talks over improving trade fail and Trump apply tariffs, the European Commission's trade department is drawing up lists of imports it could hit with duties of 50 per cent or more.

"We have to show we are a partner for the US, not a problem," said a senior EU official. "We will look for deals but we are ready to defend ourselves if it comes to it. We won't be guided by fear."

Trump's first term between 2017 and 2021 was painful for the EU, which runs a big goods trade surplus with the US. After Trump introduced tariffs on €6.4bn of imports of steel and aluminium from the EU, the bloc hit back with rebalancing tariffs valued at €2.8bn.

It went after Trump voters with duties on bourbon, Harley-Davidson motorcycles and power boats. Those tariffs are suspended until March.

Valdis Dombrovskis, EU trade commissioner, told the Financial Times he hoped the two sides could avoid a repeat of past "confrontation" as it was "important that we work together on trade". But he added: "We defended our interests with tariffs and we stand ready to defend our interests again if necessary."

The Latvian said Brussels was open to "targeted deals" to reduce the €156bn trade deficit in goods.

During Trump's first term, Brussels cut a deal on lobsters, a staple of Maine, a state Trump hoped to win. The EU dropped tariffs on imports of US lobster products and in return the US halved tariffs on a bundle of goods, from crystal glassware to cigarette lighters. Further deals followed on beef and soyabeans to appease Trump's voters in the Midwest.

EU officials caution that it is hard to increase US exports substantially, as they tend to be less valuable. Commodities dominate, while top exports from the bloc include cars and champagne.
Krishna Guha page 23

World Markets

STOCK MARKETS

	Jul 29	Prev	%chg
S&P 500	5472.89	5459.10	0.25
Nasdaq Composite	17417.68	17357.88	0.34
Dow Jones Ind	40587.84	40589.34	0.00
FTSEurofirst 300	2029.40	2034.04	-0.23
Euro Stoxx 50	4819.21	4862.50	-0.89
FTSE 100	8292.35	8285.71	0.08
FTSE All-Share	4542.18	4542.34	0.00
CAC 40	7443.84	7517.68	-0.98
Xetra Dax	18320.67	18417.55	-0.53
Nikkei	38468.63	37667.41	2.13
Hang Seng	17238.34	17021.31	1.28
MSCI World $	3524.08	3490.82	0.95
MSCI EM $	1072.28	1073.98	-0.16
MSCI ACWI $	803.48	796.78	0.84
FT Wilshire 2500	7042.99	6963.19	1.15
FT Wilshire 5000	54853.40	54228.20	1.15

CURRENCIES

Pair	Jul 29	Prev	Pair	Jul 29	Prev
$/€	1.082	1.086	€/$	0.925	0.921
$/£	1.285	1.285	£/$	0.778	0.778
£/€	0.842	0.845	€/£	1.183	1.184
¥/$	154.055	153.535	¥/€	166.625	166.670
¥/£	197.907	197.346	£ index	84.083	84.203
SFr/€	0.959	0.959	SFr/£	1.139	1.135

CRYPTO

	Jul 29	Prev	%chg
Bitcoin ($)	67401.37	69351.94	-2.81
Ethereum	3300.84	3342.18	-1.24

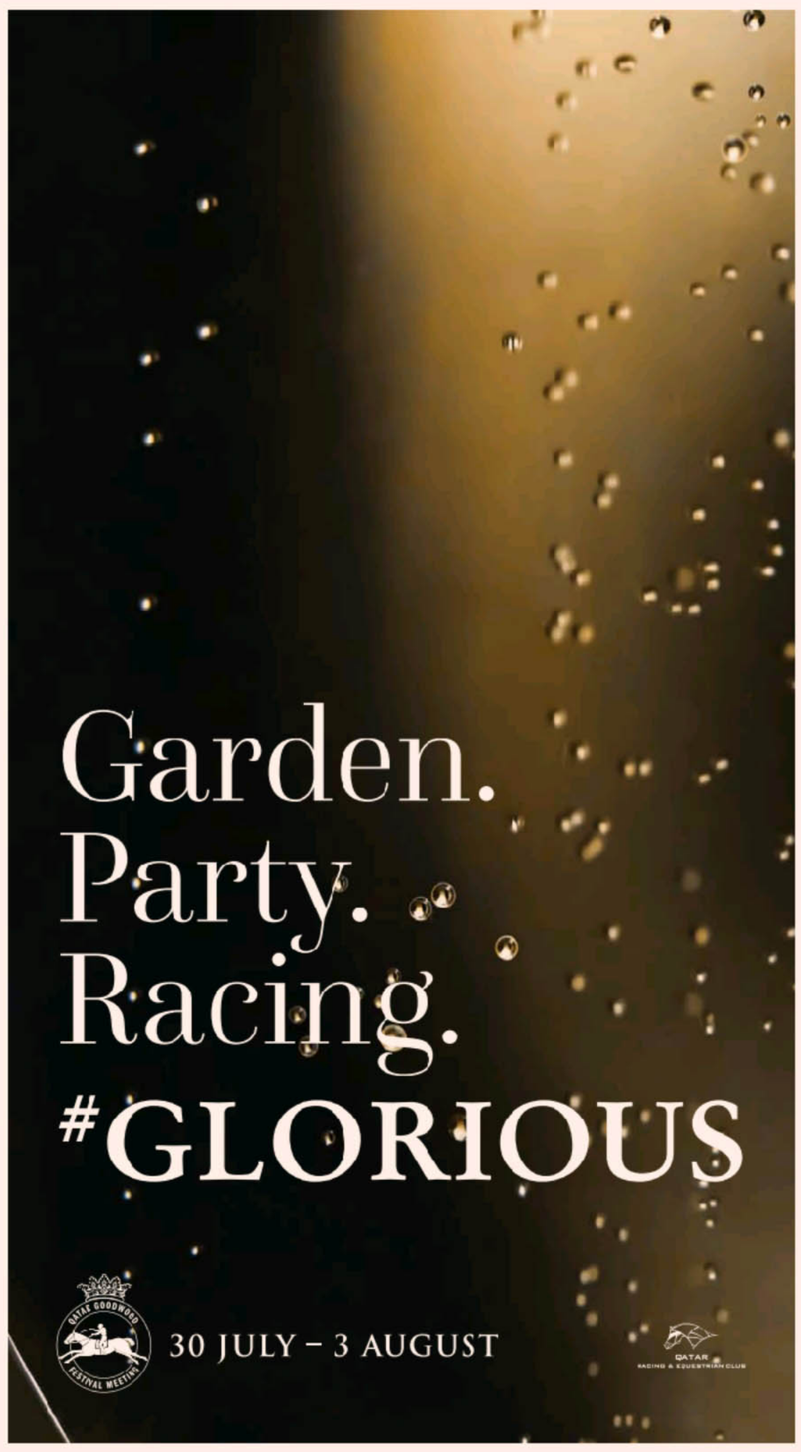
COMMODITIES

	Jul 29	Prev	%chg
Oil WTI $	75.73	77.16	-1.85
Oil Brent $	79.67	81.13	-1.80
Gold $	2386.10	2364.20	0.93

GOVERNMENT BONDS

Yield (%)	Jul 29	Prev	Chg
US 2 yr	4.39	4.39	0.00
US 10 yr	4.17	4.21	-0.03
US 30 yr	4.42	4.46	-0.04
UK 2 yr	3.88	3.91	-0.03
UK 10 yr	4.16	4.21	-0.05
UK 30 yr	4.61	4.65	-0.04
JPN 2 yr	0.39	0.39	0.00
JPN 10 yr	1.02	1.06	-0.03
JPN 30 yr	2.11	2.15	-0.03
GER 2 yr	2.59	2.61	-0.02
GER 10 yr	2.36	2.40	-0.05
GER 30 yr	2.57	2.63	-0.06

Prices are latest for edition
Data provided by Morningstar



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No: 41,698 ★

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

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FISCAL CHECK

Reeves spending audit tees up 'difficult decisions' for first Budget and beyond

Chancellor warns of pain ahead on welfare and tax as she seeks to tackle near £22bn gap in the public finances

SAM FLEMING — ECONOMICS EDITOR

Rachel Reeves yesterday pledged to replace "recklessness" with responsibility but details of the chancellor's announcements made it clear that the punishing job of stabilising the public finances has only just begun.

The statement to parliament laid out what Reeves called immediate "tough choices" aimed at tackling an overspend in this year's government books that totalled nearly £22bn.

Richard Hughes, the head of the independent Office for Budget Responsibility, said the £22bn figure might amount to "one of the largest year-ahead overspends" outside of the pandemic.

The biggest contributor was £9.4bn from pay awards that Reeves has made to public sector workers, in line with recommendations from independent pay review bodies.

Reeves' immediate cuts to help fill the gap included removing the winter fuel allowance from pensioners in around 7mn better off households and a decision to axe reforms aimed at helping fund adult social care.

She also cut government consultancy spending and recorded savings from the end to the previous government's asylum partnership with Rwanda. The measures will save £5.45bn in the current fiscal year, rising to £8.14bn in 2025-26 as road projects are cancelled.

But as the Treasury itself acknowledged, the announcements will go only part of the way towards clamping down on the 2024-25 overspend, reducing the "in-year pressures" to £16.4bn.

Reeves said her first Budget on October 30 would involve "difficult decisions" on "spending, welfare and tax". They are likely to include tax rises falling heavily on wealth and inheritances, given Labour's decision to rule out increases to levies including income tax, national insurance and VAT.

Ruth Gregory at Capital Economics said she expected Reeves to lift taxes by around £10bn a year as part of her efforts to cover the £16.1bn funding shortfall, alongside possible additional borrowing to cover the gap.

Yet more fiscal pain lies ahead, as the Treasury tees up a multiyear spending review for the spring of 2025.

Even on the basis of the March Budget, which Reeves said understated the upward pressures on public spending, the Treasury was on track to have debt to fall as a share of GDP in five years by a minuscule margin of less than £9bn. The debt target is a self-imposed rule adopted by Reeves and her Tory predecessor, Jeremy Hunt.

Analysts said Reeves would need to bolster that fiscal headroom when she delivered the autumn Budget if she was to go into future fiscal years with greater room for manoeuvre.

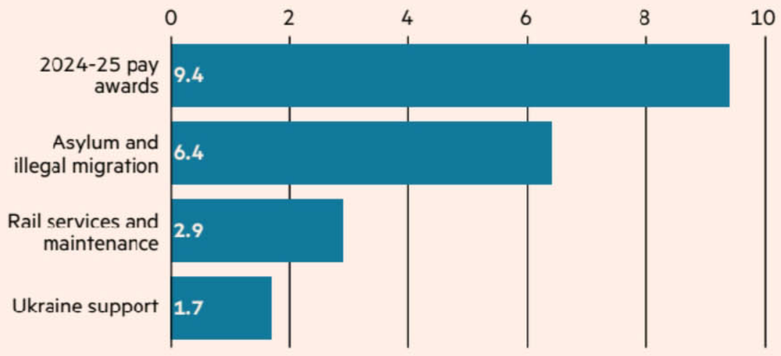
Yesterday's announcement does not address the longer-term budgetary pressures faced by the government, as it attempts to control public borrowing while investing in better public services and meeting its tax commitments.



Off track: a road tunnel at Stonehenge was among the projects cancelled as Rachel Reeves sought to curb spending Alex Davidson/Getty Images

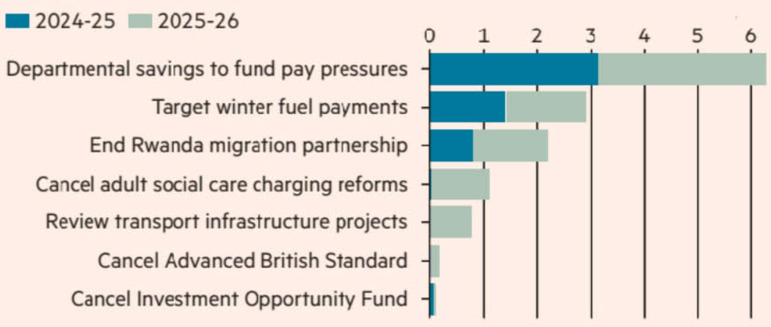
Spending in 2024-25 was forecast to be £21.9bn over budget

Resource pressure, selected categories (£bn)



The government has set out £5.5bn in savings in 2024-25, rising to £8.1bn in 2025-26

Savings (£bn)



Not all categories shown. Pressures before offsets total £35.3bn
Source: HM Treasury

More fiscal pain lies ahead, as the Treasury lines up a multiyear spending review for the spring of 2025

Scrapped schemes

Move to axe Stonehenge tunnel spurs growth fears

The contentious Stonehenge tunnel was scrapped by Rachel Reeves yesterday in a move analysts said cast doubt over Labour's growth strategy.

The project was among a list of transport and healthcare infrastructure projects abandoned by the chancellor, as part of measures to find nearly £22bn in savings.

Reeves said the government would conduct a "complete review" of the Conservatives' new hospital programme, under which 40 projects were to be built or expanded.

She said Labour would set out a "thorough, realistic and costed timetable", given that only one hospital had been opened and six had started main construction activity.

Reeves said the government would achieve £785mn in transport project savings in 2025-26 by cutting the proposed two-mile Stonehenge tunnel and other schemes. Other projects to be axed included the A27 Arundel bypass and the "restoring your railway programme", which will save £76mn next year. The government said it would review all transport projects.

Analysts warned over the decision to cut back on infrastructure spending after two decades of under-investment.

James Smith, research director at the Resolution Foundation think-tank, said the decision raised concerns about Labour's commitment to a growth strategy with building projects at its core. "Cutting infrastructure spending is always the easiest and most expedient lever to pull when budgets get tight. And while these are small projects, the cuts do not send the best signal about the government's priorities if the same approach was taken in October," he said.

A 2023 report by the think-tank calculated that between 2000 and 2020 the failure to reach OECD average levels of spending on infrastructure of 3.7 per cent of GDP had led to a £500bn public under-investment.

Infrastructure construction activity fell 11 per cent in the Conservatives austerity programme introduced in 2011 after the financial crisis. Since 2018, infrastructure output has risen 28 per cent mainly due to large one-off infrastructure projects, such as HS2 Phase 1, Hinkley Point C and the Thames Tideway Tunnel.

Both Hinkley and Thames Tideway, a sewer running under central London and the Thames, are being privately financed through household bills.

Last week, Reeves announced a review of Britain's pensions system, in part to try to boost how much money funds allocated to domestic venture capital and infrastructure. The government said yesterday it would launch a National Infrastructure and Service Transformation Authority, which will develop a 10-year strategy and "drive more effective delivery".

Reeves said nothing on the future of either the HS2 link to Euston or the Lower Thames Crossing, a £9bn road and tunnel to east London.

Simon Rawlinson, senior director at consultancy firm Arcadis, said: "In taking early control of the capital spending programme, Labour need to be careful that they keep options open on programmes that support the growth agenda."

Shevaun Haviland, director-general of the British Chambers of Commerce, said groups would want clarity on any further projects to maintain business confidence. "Infrastructure projects inject wealth into local areas and create jobs through supply chains, as well as having a multiplier effect on investment," she added.

Meanwhile, it was revealed yesterday that Rishi Sunak's cancellation of the second phase of HS2 cost taxpayers more than £2bn. The project's annual report showed a total spend of £8.6bn, including £2.17bn in costs associated with scaling back the railway, remediation and wind-down costs, and ensuring work could be stopped safely.

Gill Plimmer, Peter Foster, Philip Georgiadis, Jennifer Williams and Laura Hughes

The Institute for Fiscal Studies estimated before the election that, under existing plans, the government would need to increase spending by between £10bn and £20bn to avoid real-terms cuts to departments whose budgets had not been promised specific funding boosts, such as justice and home affairs.

And Labour will have to find further budgetary firepower if it wants to lift public sector investment, instead of cancelling road and hospital projects as Reeves did yesterday.

While capital projects were an easy target for saving significant sums of money, there was a "real risk that it is a false economy", said Thomas Pope of the Institute for Government.

There was good evidence the UK had not been investing enough in schools, prisons and other areas of the public sector, which hampered efforts to improve productivity and derive greater value for money, he added.

The "key question" beyond this fiscal year was how much of the overspend turned out to be permanent, adding to upward spending pressures for the rest of the parliament, said Ben Zaranko at the IFS. That would play into the chancellor's decisions on how big future tax rises would need to be to curb borrowing and meet spending commitments. "There are some grounds to the concern it is worse than they thought," he said.

Reeves herself warned that the spending pressures were "unlikely to go away any time soon".

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NHS

Labour agrees 22% pay deal with junior doctors' union

LAURA HUGHES, DELPHINE STRAUSS, ANNA GROSS AND PHILIP GEORGIADIS

Junior doctors in England are in line for a pay rise of 22 per cent over two years as part of a deal agreed between the government and unions to end a wave of strikes that has dogged the NHS.

The British Medical Association has agreed to put a proposal to junior NHS doctors that amounts to a rise of 22.3 per cent. The figure is short of the 35 per cent demanded by the union but a sizeable advance on offers by the previous Conservative government.

The offer to raise doctors' pay over several years looks set to break the deadlock that has led to medics striking 11 times, most recently this month.

The deal includes a backdated pay rise of about 4 per cent for 2023-24, on top of a 9 per cent rise already offered, as well as a rise of 6 per cent in 2024-25 recommended by the independent pay review body. The offer also includes a £1,000 consolidated payment.

Ben Zaranko, senior research economist at the Institute for Fiscal Studies think-tank, described the offer as an "enormous" rise that would start undoing the cuts in doctors' pay since 2010.

Since junior doctors were a relatively small group, the additional cost to the public finances was "probably not more than £1bn", depending on the details, he estimated.

Even this could strain the NHS budget, he said, but added that "where this gets expensive is if this acts as a benchmark for some of the other staffing groups" — for example, if nurses sought a similar pay rise next year.

After five weeks of talks late last year, the medical union rejected the then Tory government's offer of a 3 per cent pay increase, on top of a roughly 9 per cent rise already offered.

The BMA said at the time the proposal was not "credible" and did not address 15 years of inflation-linked pay erosion.

Dr Robert Laurenson and Dr Vivek Trivedi, co-chairs of the BMA junior doctors committee, said yesterday: "This offer does not go all the way to restoring the pay lost by junior doctors over the past decade and a half. However, we have always said that we did not expect to get there in one go. This offer, combined with the recommendation of the pay review body today, changes the current trajectory of our pay."

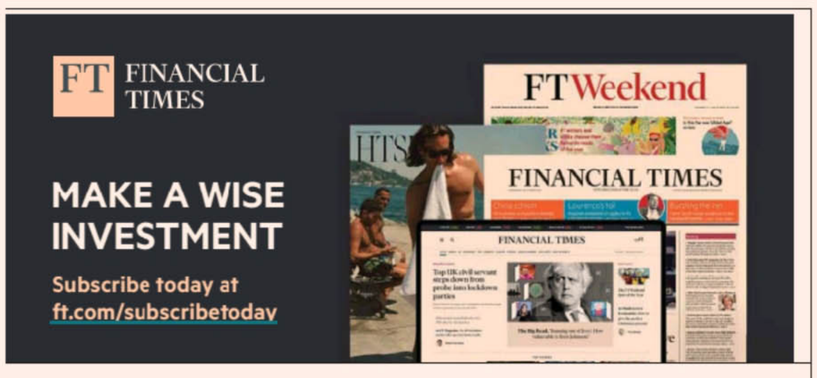
Labour has been confident of securing a deal after BMA members in Wales voted overwhelmingly last month to accept a government offer of an additional 12.4 per cent in pay for junior doctors in 2023-24 — echoing terms of an agreement reached in Scotland last year.

The wave of industrial action by staff that began in December 2022 has compounded pressures on the NHS, with roughly 1.5mn operations and appointments cancelled since the action began.

Meanwhile, expectations are growing of a deal with train drivers to end the worst strikes on the railways in decades.

Mick Whelan, general secretary of the Aslef union, said he believed a deal was possible "very quickly" and "hoped" for an offer from the government this week or next. "I feel we have a massive opportunity to end the longest rail dispute in history," he said.

No firm offer has been put forward but rail executives believe Aslef would accept about 10 per cent over two years, with no changes to working practices.



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

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

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Overspends. Tough choices

'Hole' includes £9.4bn award to public sector staff

Pay bodies' recommendations accepted in full because strikes 'wreaked havoc' on finances

DELPHINE STRAUSS
ECONOMICS CORRESPONDENT

More than 40 per cent of the £22bn of overspending Rachel Reeves blamed on the former Conservative administration yesterday stemmed from the Labour chancellor's decisions on public sector pay, according to experts.

Reeves has accused the Tories of covering up a £22bn hole in the public finances but around £9.4bn of that is from the chancellor's pay awards for 2024-25 of 5-6 per cent for staff across the public sector.

The awards are in line with recommendations from independent pay review bodies that advise ministers. Reeves said the previous government had "extraordinarily" given no indication to the bodies of what was affordable. She was accepting the pay review bodies' recommendations in full because last year's strikes in schools and hospitals had "wreaked havoc" on the public finances, she said.

Reeves added it was also "the right decision for people who work in and use public services", given increasing strains on recruitment and retention. "That is a choice and a pressure that was, broadly, understood," said Paul Johnson, director of the Institute for Fiscal Studies.

Pay awards of 5-6 per cent, while in line with private sector wage growth, will place acute strain on the public finances as they are much higher than the 2 per cent annual increase factored in to departments' plans in 2021.

Reeves also yesterday sanctioned an offer to raise junior doctors' salaries by 22 per cent over two years in an effort to end long-running strike action.

"One challenge for the chancellor is that few of the overspends she has identified are likely to be one-off . . . An extra £9.4bn on the pay bill this year means at least that much in every year to come," said Johnson. "Something will have to give."

Nick Davies, programme director at the Institute for Government, said public sector pay pressures would force Reeves to make "more difficult decisions in the autumn" and "really unpalatable choices" next year.

She has funded some of the savings needed to account for the spending pressures through cuts to road and hospital building schemes, as well as by asking departments to find efficiency savings totalling £3bn.



Young doctors take their pay demands to Whitehall during a BMA strike last month

The risk, Davies added, was that she would cut capital spending again in order to cover a shortfall in day-to-day spending — and end up compounding the public sector's productivity problems. "It's much harder for doctors, nurses and teachers to do their jobs in crumbling buildings and on computers that take 30 minutes to upload in the morning," he said.

The awards still fall short of union demands to restore public sector pay to its real terms value in 2010, at the onset of Tory austerity policies.

The 22 per cent pay offer to junior doctors represented by the British Medical Association risks fuelling similar demands from other public sector unions. "We do not begrudge doctors their pay rise . . . What we ask for is the same fair treatment from government," said Nicola Ranger, general secretary of the Royal College of Nursing.

Unite, one of the unions that led strikes by ambulance workers last year, said it was "imperative to ensure that we are not dividing NHS workers and creating even greater differentials".

Paul Nowak, general secretary of the Trades Union Congress, made it clear the labour movement would press the government to fund higher pay by raising tax. The latest pay awards were "a crucial first step" but should be accompanied by "a long-term plan for the public sector workforce", he said.

NATIONAL

Post-Brexit agreements

Gulf and India top list in push for trade deals

Minister aims for autumn talks but US not among 4 other potential partners

GEORGE PARKER — POLITICAL EDITOR

The Labour government set out its priorities for trade deals yesterday, with a six-strong group of Gulf countries and India at the top of the list and ministers aiming to begin talks in the autumn.

Jonathan Reynolds, business and trade secretary, indicated he wanted to resume negotiations with the six countries of the Gulf Co-operation Council along with India in an effort to secure agreements previously targeted by the Conservative government.

Both deals have proved harder to secure than many Brexiters would have liked. Boris Johnson, former Tory prime minister, touted a deal with India as a big benefit of Brexit and vowed to secure one "by Diwali" of 2022.

Reynolds added that he would also prioritise trade talks with Israel, South Korea, Switzerland and Turkey. The US is a notable absentee from the list.

Negotiations with Israel, South Korea, Switzerland and Turkey began under the last Conservative government. But the prospect of a deal with the US, once seen as one of the biggest prizes of Brexit, has failed to materialise.

Reynolds added that trade deals were not the only focus of policy. Prime Minister Sir Keir Starmer has indicated he wants an improved trading relationship with the EU that stops short of rejoining the single market or customs union.

Reynolds said the government planned to publish a trade strategy that aligned with its industrial policy, enhancing economic security and supporting its net zero ambitions.

"Boosting trade abroad is essential to deliver a strong economy at home," Reynolds said.

"From the Gulf to India, our trade programme is ambitious and plays to the UK's strengths to give British businesses access to some of the most exciting economies in the world.

"Our teams will be entering negotiating rooms as soon as possible, laser-focused on creating new opportunities for UK firms so they can support jobs across the country and deliver the growth we desperately need." He hopes to have UK negotiators working with their counterparts by the autumn.

The government says a trade accord with the GCC would provide a substantial economic opportunity, as some £19bn in total had already been invested in each other's economies by 2021. Talks on a deal with the six GCC states — Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates — started under the Tory government in 2022.

After an initial burst of post-Brexit activity, concerns grew in Whitehall about the danger of rushing into trade deals. A 2021 deal with Australia secured by Liz Truss, who was trade secretary at the time, was much criticised. Some Tory MPs saw it as one-sided and detrimental to British farmers.

David Lammy, foreign secretary, visited India this month to discuss restarting trade talks after they were suspended because of elections in both countries. A deal has been the subject of protracted negotiation.

Natarajan Chandrasekaran, chair of Tata Sons group, said: "I am delighted that the new government has moved so quickly to restart trade negotiations with India. As one of the largest international investors in the UK, the Tata Group supports any action that strengthens the British economy."



Industry blast

Space agency accused of missing target on funding

Orbex plans to launch satellites into orbit in 2025 using its Prime microlauncher — Orbex

Britain's space agency has come under fire from industry over its latest funding awards, which allocated £33mn to more than 20 companies, including £5mn to the UK subsidiary of a Germany launcher start-up.

Phillip Chambers, chief executive of rocket start-up Orbex, questioned the government's decision to award £5mn to help HyImpulse, a private company based in Germany, launch its suborbital rocket from the SaxaVord spaceport in the Shetland Islands. The award brings total UK funding for HyImpulse to £8.8mn.

"HyImpulse have had more funding from the UK than they have had from the German government," Chambers said in an interview on the sidelines of the Farnborough air show last week. "It is an interesting strategy. I don't think Orbex would get the same treatment from the German government."

Orbex, founded in 2015, is planning to send satellites into orbit with its Prime microlauncher from its own spaceport in Sutherland, northern Scotland, next year. It has had £23mn in grants from the UK and £3mn from Denmark, where its propulsion systems are manufactured.

Chambers' criticism of the funding package for almost two dozen "national space projects" covering a variety of initiatives, from a demonstration of an unfolding space telescope to micronuclear reactors, was echoed by other industry executives.

The awards were made through the national space innovation fund but "there is nothing in that package that is really new or will move the needle on the sector", said one industry veteran.

Another senior executive said the funding highlighted the lack of focus in space strategy. "They should put one big slug into a national project where the UK can take leadership of a part of the market," he said.

"We have been doing a little of everything," said Alice Bunn, president of trade body UKspace and chief executive of the Institution of Mechanical Engineers. "But now we need to prioritise what we want for a national capability, so we can secure leadership on the global stage."

The comments came as the National Audit Office, the independent spending watchdog, questioned the effectiveness of the "national space strategy", published by the previous government in 2021.

After three years, the UK Space Agency and government were still in the early stages of "identifying and developing the plans and capabilities needed to deliver the strategy's ambitions", the NAO found.

The UK Space Agency defended the funding choices. "The UK is open for business and our national programmes are focused on catalysing more private investment into the commercial space sector," it said. The launch programme "has created a homegrown rocket manufacturing industry that employs hundreds of people and we also want international firms to view the UK as an attractive place to launch from", it added.

Meanwhile, Orbex is calling on the government to support its efforts to build a bigger rocket than the 180kg capacity Prime. It is aiming to raise about £50mn to compete in the European Space Agency's launcher challenge to build mid-sized rockets capable of carrying between five and 10 tonnes to orbit, with the promise of ESA contracts.

Europe's rocket market is dominated by the French-owned ArianeGroup and Italy's Avio.

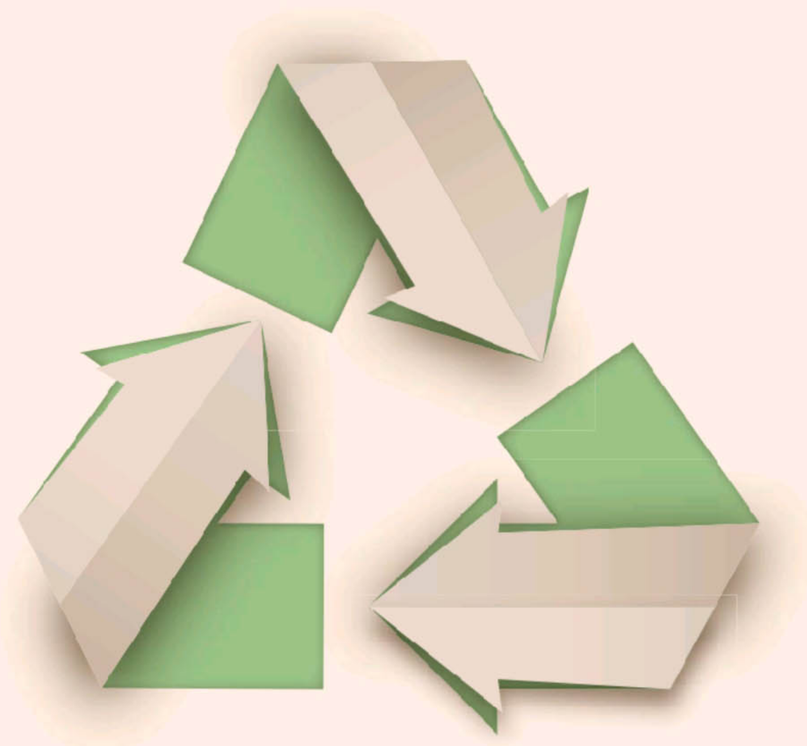
"We think it is incredibly important that the UK government is clear about whether they want to support the launcher challenge," Chambers said. "We missed out on Ariane . . . all those jobs went to France and Germany. With the European launcher challenge the opportunity is there to get back into that market." *Peggy Hollinger*

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Middle East

US and Germany urge citizens to leave Lebanon

Fears grow as Netanyahu promises 'severe' response to Golan Heights attack

JAMES SHOTTER — JERUSALEM
RAYA JALABI — BEIRUT
GUY CHAZAN — BERLIN

The US and Germany have urged their citizens to leave Lebanon as Israeli Prime Minister Benjamin Netanyahu promised "severe" retaliation for a rocket attack blamed on Hizbollah that killed 12 people on Saturday.

The strike on a football pitch where youngsters were playing was the deadliest event for civilians in Israeli-controlled territory in the exchanges of fire between Israel and Hizbollah since they began nine months ago and has sparked fears that the hostilities could spill over into a full-blown war.

"The State of Israel will not, and cannot, ignore this," Netanyahu said during a visit yesterday to Majdal Shams, the Druze town in the occupied Golan Heights hit by the rocket. "Our response will come and it will be severe."

Hizbollah, which denied responsibility for the attack, and Israeli forces have traded near daily fire since the Lebanese militant group began firing rockets at Israel in "solidarity" with Hamas following the October 7 attack.

While the hostilities between Israel and Hizbollah have caused casualties and displaced tens of thousands of people on both sides of the Israeli-Lebanese border, they have so far not morphed into a full-blown conflict, amid intense diplomatic efforts led by the US to de-escalate the situation.

But with concerns that the conflict could escalate, Rena Bitter, US assistant secretary of state for the bureau of consular affairs, urged US citizens in Lebanon to "develop a crisis plan of action, and leave before a crisis begins".

She said "regularly scheduled commercial transportation is always the best option while local communications and transport infrastructure are intact and operating normally", adding that once commercial air travel was no longer available, US citizens in Lebanon should be prepared to "shelter in place for long periods time".

Germany issued a similar warning, with the foreign ministry urging citizens "to use all options that currently exist to leave Lebanon and to do it urgently".

Several airlines suspended flights to Beirut, with Germany's Lufthansa saying it would cancel all travel to and from the Lebanese capital until August 5, and Greece's Aegean Airlines also cancelling flights. Lebanon's Middle East Airlines said it was rescheduling some flights as it tried to distribute "insurance risks for its aircraft" between Lebanon and other Middle Eastern countries.

Israel's security cabinet on Sunday authorised Netanyahu and defence minister Yoav Gallant to decide how and when to retaliate against Hizbollah.

Diplomats said they expected Israel's response to be more forceful than any of the strikes it has conducted in Lebanon since the start of hostilities, but that it would try to avoid an all-out war.

"I think they will try and calibrate their response so as to not tip the region into war," said one diplomat. "But it's a difficult balance to strike."

Israel's military said yesterday it had downed a drone fired from Lebanon, while Lebanese media reported that an Israeli drone strike in southern Lebanon had killed two people and injured three more, including a child.

Occupied territory. Economic strains

Lenders worry over West Bank's rising cash piles

Earnings have been hit and theft is rising as Israeli curbs and war leave more than $1bn in vaults

JAMES SHOTTER — JERUSALEM



Most businesses worry about not having enough cash, but for lenders in the occupied West Bank, the problem is that they have too much.

The surplus of Shk4.2bn ($1.1bn) is one of numerous strains in a financial system also grappling with the fallout from the war in Gaza and punitive measures imposed by Israel's ultranationalist finance minister.

Bankers and officials say the cash idling in West Bank vaults, equivalent to more than $1bn, is not only depriving lenders of earnings and complicating transactions, but is also increasingly a target for thieves.

"It's a problem," one Palestinian official said of the pile, which is predicted to reach Shk8bn by the year-end, a figure equivalent to more than 15 per cent of the West Bank's economic output. "It creates a lot of difficulties for our banks and for Palestinian traders doing business with Israel."

The excess stems from a limit imposed by Israel on the amount of cash West Bank institutions can transfer to the Israeli central bank. West Bank lenders use Israel's currency in line with agreements signed in the 1990s.

Before the war between Hamas and Israel erupted on October 7, the main source of physical shekels in the West Bank was Palestinians who commuted to Israel for work and were paid in cash. They brought up to Shk20bn into the West Bank annually, according to a person familiar with the situation, while Palestinian citizens of Israel who shop in the West Bank brought Shk6bn-Shk7bn.

But Israel's central bank only allows West Bank lenders to send it Shk18bn a year and over time the banks have been left with increasingly large stocks of physical shekels.

Since the war began, Israel has prevented Palestinians from entering its territory for work. But the cash surplus has persisted, as the conflict has led Palestinians who previously kept cash at home to put it in banks, while the downturn the war triggered has led many to spend less. The war has also fuelled the mainly cash-based grey economy.

The Bank of Israel said it "set quotas reflecting legitimate economic activity requiring cash deposits" when it stepped in after Israeli banks stopped providing cash services to Palestinian lenders amid concerns over money-laundering and terrorism financing. It added that the quotas had risen over time. But others say the cap should be raised or scrapped. The IMF said in 2022 that the limit was "not commensurate to the shekel inflows into the Palestinian banking system".

Cash in hand: a surplus of shekels in the West Bank is putting strain on an economy grappling with fallout from the Gaza war and curbs imposed by the Israelis
Hassan Jedi/Anadolu/Getty Images

A diplomat said: "We're not seeing evidence of laundering of money through the West Bank that requires holding a tight restraint on excess shekels. I would look at [the cap] as a false constraint, but one that [the Israelis] firmly believe in and are not about to change."

An audit of the Palestinian banking system this year by US, UK and Swedish officials found it exceeded international thresholds for countering terror-financing, according to people familiar with the process. The most direct impact of the cap on Palestinian lenders is that it deprives them of income. The IMF estimated in 2022 that holding excess shekel cash lowered Palestinian banks' profits by about 20 per cent. According to one Palestinian banker, the lost earnings for the sector amounted to $500mn between 2012 and 2023, much of which has accrued in recent years as interest rates have risen.

"We can't place it [on deposit to earn interest], we can't lend it, because we don't lend physical cash," the banker said. "This money could be put into the economy and be circulating and producing value."

> 'This money could be put into the economy and be circulating and producing value'

The situation also reduces the liquidity available to banks for transactions with Israeli counterparties. "At times we've had to get short-term borrowing to cover transfers and cheques, even though we have 10 times more sitting in our vaults," the banker said.

Bankers also fret about an increase in thefts. One person familiar with the situation said there were eight armed robberies on banks in the West Bank last year, double the previous year's total, and at least three so far this year. Other officials said the number was higher.

Some observers think the thefts are as much to do with poor law enforcement. But a UN official said the problem was being exacerbated by movement restrictions imposed by Israel since October 7, which made it harder for banks to transport cash from less well-protected branches to more secure vaults. The official added: "The more robberies there are, the more guns there are, the greater the risk of an incident that cannot be de-escalated."

To ease the pressure, Palestinian banks have over the years tried charging customers for deposits, and on occasion refused to take shekel cash deposits because of the lack of storage space. The Bank of Israel has also sometimes allowed allocations from one quarter to be brought forward to the one before.

For now, diplomats see little chance of the threshold being raised on a more sustained basis, given the hostility from Benjamin Netanyahu's government, in which ultranationalists such as finance minister Bezalel Smotrich hold key roles, to making any concessions. Since the start of the war, he has restricted transfers of revenues Israel collects on behalf of the Palestinian Authority, which exercises limited self-rule in the West Bank. He has also threatened not to renew a waiver that allows Israeli banks to provide correspondent banking services to Palestinian counterparts.

The diplomat said those issues could potentially hit the West Bank's economy more than the shekel surplus, but added: "There's a fundamental economic reason for wanting to transfer the shekels. They're an economic deadweight."

Judiciary

Harris backs Biden's call for sweeping Supreme Court reforms

JAMES POLITI — WASHINGTON

Kamala Harris has backed a sweeping set of reforms to the Supreme Court proposed by President Joe Biden as the standing of America's highest judicial institution emerges as a key flashpoint in the November presidential election.

"In the course of our Nation's history, trust in the Supreme Court of the United States has been critical to achieving equal justice under law," the vice-president said in a statement yesterday.

"Yet today, there is a clear crisis of confidence facing the Supreme Court as its fairness has been called into question after numerous ethics scandals and decision after decision overturning long-standing precedent," she added.

Her comments came as Biden was travelling to Texas to announce the reforms at the Lyndon B Johnson presidential library in Austin, the state capital, while commemorating the 60th anniversary of the Civil Rights Act.

The White House said the proposed reforms would include setting term limits for justices, who currently enjoy lifetime appointments. Biden will instead propose that presidents appoint justices every two years for 18-year terms.

The president will also call for a binding code of conduct to prevent conflicts of interest, including disclosing gifts and refraining from engaging in openly political activities.

Any plans for judicial reform are unlikely to pass Congress, given Republicans control the House of Representatives, but they still represent a big step for a president who has long resisted a shake-up of the Supreme Court.

Biden will also call for a constitutional amendment denying US presidents immunity from prosecution for crimes committed while in office.

The Supreme Court has come under attack, particularly from Democrats, following a series of controversial rulings by its conservative majority in recent years, including a landmark decision in 2022 that struck down nationwide abortion protections.

Biden, 81, said last week that reforms to the court would be "critical to our democracy" during an address in which he announced his decision to drop out of the presidential campaign and endorsed Harris for the Democratic nomination.

Biden will not go as far as some Democrats, who have called for an expansion of the Supreme Court with more justices to offset the body's current 6:3 conservative slant. But his move comes as a response to ethical questions that have dogged conservative justices Clarence Thomas and Samuel Alito, who have accepted gifts and trips from wealthy friends while on the bench and are aligned with Republican political causes.

According to a Gallup poll conducted in September last year, 58 per cent of respondents disapproved of the way the Supreme Court was handling its job, while 41 per cent approved.

The White House said Biden's plans would force justices to recuse themselves from cases if their spouse had a financial or other related interest.

Biden's call for a constitutional amendment is a direct rebuke to former president Donald Trump, who has insisted on his immunity for actions taken while in office.

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Obituary

Rebel stayed true to her art and became a grande dame

Edna O'Brien
Writer
1930-2024



Edna O'Brien, who has died aged 93, described her native Ireland as "a state of mind as well as an actual country". Over her 17 novels, scores of short stories, plays, memoirs and essays, she diagnosed the state of that mind — and helped it to change.

Michael D Higgins, president of Ireland, paid tribute to her on Sunday as "a fearless teller of truths, a superb writer possessed of the moral courage to confront Irish society with realities long ignored and suppressed".

A literary career launched in scandal and outrage continued, into her 10th decade, to track a revolution in feeling and belief that liberated lives — especially those of women — in Ireland and beyond. O'Brien both observed that revolution and pushed it along.

Yet the charismatic change-maker remained a serious artist. She kept one eye on the illustrious Irish forebears who had lured her to the rewards, and burdens, of the writer's calling. The anthology *Introducing James Joyce*, edited by TS Eliot, first made the teenage student pharmacist realise that "I wanted literature for the rest of my life". That was in boozy, priest-ridden, late-1940s Dublin, after O'Brien — born in 1930 — had left home after a "fervid, enclosed and catastrophic" childhood at Drewsboro, the family house in County Clare.

Writing (from the age of eight) promised a way to break the deadlocks of home in a newly independent country still in thrall to Catholic dogma and "stooped by a variety of fears". Rebellion at her convent school presaged her flight to Dublin and training as a pharmacist. Her swift immersion in the city's literary scene led to marriage to the writer Ernest Gébler.

The couple escaped Ireland to settle in London. They had two sons but, as O'Brien found her literary voice, Gébler's anger and frustration deepened. Her 1960 debut *The Country Girls*, with its pair of heroines in search of sexual and spiritual freedom, confirmed that gift: lyrical, sensual, but shrewdly satirical too. It branded her in pious Irish eyes as a peddler of sauce and smut. That notoriety made her name but also (for a while) cramped her style.

Further novels of awakening and disenchantment followed (*Girl with Green Eyes*; *Girls in Their Married Bliss*; *August Is a Wicked Month*), as O'Brien's marriage foundered. Meanwhile her fiction, with its insurgent wit and frankness, caught the tide of the times. Bestseller status and film deals added prosperity to renown. Her house in Chelsea became a citadel of 1960s style as celebrities flowed though the door. Her charmed life then can sound like parody: once, a timely visit from actor Sean Connery rescued her from a bad acid trip administered by psychiatrist RD Laing. During an illness in Paris, the first three anxious friends to climb her stairs were writers Marguerite Duras and Samuel Beckett and film director Peter Brook.

This epoch-defining icon of beauty and charm knew that stardust soon scatters: she stayed true to writing and its hard labour of love. She never remarried. After 1977, however, she fell silent as a novelist for a decade.

From the late 1980s, renewed creative fervour propelled her into an extraordinary second act in a series of novels, keeping at their heart the lives of women convulsed by change. Ireland now honoured her. Still, she probed its unhealed injuries in novels such as *House of Splendid Isolation* (1994), based on IRA killer Dominic McGlinchey.

Though feted as an Irish literary elder, O'Brien looked further afield for new inspiration. In the 2010s, now past 80, she researched the psychology of genocide for her Bosnia-inspired novel *The Little Red Chairs*. A trip to Nigeria resulted in *Girl* (2019), about the schoolgirls abducted by the Boko Haram sect.

Plaudits replaced the gossip and backbiting that had dogged her early steps: in 2019, she won the David Cohen Prize, the "Nobel" for British and Irish authors. The rebel hoyden had become a grande dame. But her sense of unbridled liberty endured. For generations of readers, O'Brien broke down doors to show what the landscape of freedom might look, and feel, like. *Boyd Tonkin*

Star gymnast Biles seeks redemption at Paris Games

US athlete has spoken candidly about mental health and the pressures of high-level sport

SARA GERMANO — PARIS

Three years after a shock withdrawal from most of her events at the Tokyo Olympics, US star gymnast Simone Biles has billed her participation at the Paris Games as her "redemption tour".

At 27, the four-time Olympic gold medal winner entered the Paris Games in the same fashion she did in Tokyo: the favourite in many of her events and a star attraction for spectators and television viewers at home.

After a bout of the "twisties" — a phenomenon in which a gymnast's body does not perform as her mind instructs — and a period away from competing, Biles has emerged as a model of sporting longevity.

That success reflects athletes' increasing focus on strengthening their mental health to protect themselves in highly pressured environments and Biles' own sport's shift towards routines based on power and skill.

After qualifying for Paris, Biles described what had changed from her Tokyo low point: "Being in a good mental spot. Seeing my therapist every Thursday is kind of religious for me — that's why I am here today."

She has also been dutiful about conditioning and physical recovery in her late 20s, in a sport where athletes traditionally hit their prime in late teens.

"I never pictured going to the Olympics after Tokyo. [But] I'm like 'oh my gosh, I'm still doing it, I'm still capable'," she said.

In qualifying rounds, Biles flipped her way to the top seed in the individual all-around. But she was seen limping after a warm-up, which her coach later attributed to a twinge in her calf.

In many disciplines, gymnastics has shifted from the balletic, perfectionist patterns that favoured younger competitors to dynamic routines emphasising power and gravity-defying tumbling. Biles has driven the change, according to Laurie Hernandez, a teammate at the 2016 Olympics in Rio de Janeiro.

"Every time I think [the difficulty] can't get higher, she makes up a bunch of new skills," said Hernandez, now an analyst for US broadcaster NBC. In the past, she said, a gymnast's strategy would emphasise "clean" routines over the most difficult skills. "Nowadays everybody's routine is difficult. It's just a matter of, do they hit or not?"

The skill likely to command the most attention in Paris is a vault Biles performed for the first time in international competition last year. Known as the "Yurchenko double pike", it is composed of a roundoff back handspring on to the vault — a move named after the 1980s Soviet star Natalia Yurchenko — and two flips with the legs held straight at a 90-degree angle to the torso.

No other woman can complete it, and it remains among the most difficult vaults even in men's gymnastics. The entire sequence is now coded into the sport's rule book as "the Biles II".



Different view: Simone Biles, on the uneven bars in Paris on Sunday, says she is in a good place mentally after a period away from gymnastics
Francisco Seco/AP

In Japan, Biles lost her air awareness while competing on vault in the team event, a dangerous disconnect between mind and body in which she could not sense up from down, risking injury or death if she landed poorly. The incident prompted her abrupt withdrawal from the rest of the apparatus events in the team final and most of her individual events, returning only to secure a bronze medal on the balance beam.

The episode was among the most powerful recent examples of high-profile athletes putting their wellbeing over the crushing demands of elite sport.

USA Gymnastics, the national governing body, has also moved to ease the pressure on Biles and the clutch of Olympic and world champions who comprise this year's women's team.

Biles' coach, Cecile Landi, said that for today's team final she would not be expected to compete in every discipline if she so chose. "I think for her just knowing she has the option of, 'Hey I maybe want to take one event off' . . . it's mentally helping," Landi said. "Of course we'll do whatever is needed."

> 'Seeing my therapist every Thursday is kind of religious for me — that's why I am here today'
>
> Simone Biles

A glimpse of Biles' journey has come through a documentary about her life on Netflix. *Simone Biles: Rising* portrays some of her life outside the gym, including her marriage last year to American football player Jonathan Owens, but also shows her difficulty in returning to the gym and her teammates.

"They're always coming over to me saying, 'You're Simone Biles, you can do anything'. So I didn't want them to see how defeated I was," she said.

Sunisa Lee, Biles' teammate in Paris and Tokyo, also said the 2024 Games were a "redemption tour" for the US women to avenge the team's silver medal from Japan.

Still, the legacy of Biles' experience three years ago may be that her transparency about her mental health has given teammates space to do so as well. Lee, the reigning individual all-around gold medallist from Tokyo, said she sought out a therapist after she was shaken by injuries to other athletes at Olympic trials this month.

Biles is also more grounded now. In Paris, unlike in years past, she does not talk of medal counts or golden hauls. "Success is just what I make it," she said.

Disruption

French far left suspected over Olympics rail sabotage

SARAH WHITE AND LEILA ABBOUD
PARIS

French authorities believe far-left groups could have been behind a mass sabotage of the country's high-speed rail lines on the day of the Paris Olympics opening ceremony, as France remains on guard after a separate incident affecting telecoms lines.

Interior minister Gérald Darmanin yesterday said the methods identified in Friday's rail sabotage, which disrupted thousands of journeys, resembled those of far-left extremists who had carried out similar attacks on a smaller scale. He cautioned that the full picture was not yet known, saying the attackers could have been acting on behalf of other parties or been manipulated.

"We've identified a certain number of profiles of people who could have committed these acts of sabotage," Darmanin told France 2 TV station. "It's traditionally the way far-left groups act."

Telecoms operators were hit by an incident late on Sunday night, with some fibre-optic cables cut in at least nine departments in France, creating localised mobile and fixed-line outages.

Iliad, which uses the brand name Free, confirmed there had been a "multi-operator" incident in the departments of Aude, Hérault, Marne, Meuse and Vaucluse.

The French telecoms federation said the fallout for clients was limited but that "the simultaneous nature of these events and the targeted infrastructure points to acts of sabotage".

The damage was to long-distance underground fibre lines, but officials have not yet explained exactly what happened.

Darmanin said about 50 activists from environmental protest group Extinction Rebellion were detained at the weekend after police said they had planned acts of "sabotage or radical action" during the Olympics.

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Presidential election

Maduro under pressure on poll result

Venezuela leader urged to release detailed figures amid concerns over voting

JOE DANIELS AND MICHAEL STOTT
CARACAS

International pressure was mounting yesterday on Venezuela leader Nicolás Maduro to release a detailed breakdown of Sunday's presidential election result, after the opposition questioned his victory and complained of serious irregularities in the count.

The state-controlled National Electoral Council (CNE) waited for more than six hours after the close of polls before announcing that Maduro had secured re-election with 51.2 per cent of the votes against 44.2 per cent for his main challenger, Edmundo González, with 80 per cent counted.

The result contradicted pre-election opinion polls and exit polls predicting a big opposition victory. The opposition said its own partial tally from voting stations indicated González was winning by 70 per cent to 30 per cent. The CNE blamed a hacking attack on the electoral system by an unspecified foreign power for causing delays in reporting.

The US questioned the result, with secretary of state Antony Blinken voicing "serious concerns" that it did not "reflect the will or the votes of the Venezuelan people". Regional power Brazil and the EU called for the CNE to publish a detailed breakdown of votes while Chile's leftwing president, Gabriel Boric, said results were "difficult to believe".

"It's obvious there was fraud," said Teresa, who runs a convenience-store kiosk in the well-to-do Palos Grandes neighbourhood of Caracas. "But I can't see people marching on the streets after last time," she added, referring to 2019 protests in which more than 100 were killed and hundreds arrested.

> 'It's obvious there was fraud but I can't see people marching on the streets after [2019 crackdown]'

González, 74, a retired diplomat, had been seen as the opposition's best hope of unseating Maduro, who has ruled Venezuela for the past 11 years, defying US and European sanctions and surviving a deep economic crisis with the support of Russia, China, Cuba and Iran.

Venezuela's debt slipped by more than a cent in secondary market trading yesterday as investors expressed concerns that the contested election result would complicate efforts to restructure around $160bn of bonds, after a default more than six years ago.

But CNE president Elvis Amoroso described the outcome as "overwhelming and irreversible" early yesterday and swiftly congratulated Maduro on his victory, blaming "terrorist acts" of sabotage for delaying the results. The leaders of Cuba and Nicaragua sent congratulations as Maduro's supporters celebrated outside the presidential palace. Hours later, Iran, China and Russia also praised Maduro's victory.

María Corina Machado, the main opposition leader who was banned from standing and ran González as a surrogate candidate, said after the results were announced that González was Venezuela's legitimate president-elect. "We have not only defeated them politically, morally and spiritually, today we defeated them with our votes in all of Venezuela," she told a news conference.

The opposition said it had received results from only 40 per cent of polling stations. By late morning, people in a number of areas in Caracas, including some poorer ones, were banging pots and pans from windows, a form of protest common in Latin America.

Maduro made a combative victory speech. He accused the US of meddling in Venezuela's election, saying: "It's not the first time that they try to weaken the peace in Venezuela."

Michael Stott see Opinion

Energy supply

Experts fear Azeri plan will disguise export of Russian gas

ISOBEL KOSHIW — KYIV
ALICE HANCOCK AND SHOTARO TANI
LONDON

Experts have suggested that a plan to replace Russian gas flowing to Europe through Ukraine with gas from Azerbaijan risks becoming a conduit for the disguised export of fuel from Russia.

Gas from Russia is pumped to Europe through pipelines that transit Ukraine. Kyiv is considering trying to replace that supply with Azeri gas.

But that replacement fuel would probably have to travel through Russia and Ukraine to reach Europe — and Baku would only be able to provide a small proportion of the quantity now reaching the continent from Russia, raising questions about how the scheme would operate in practice.

Mykhailo Gonchar, president of the Centre for Global Studies Strategy XXI and a leading expert on Ukrainian gas, said the deal risked "turn[ing] into a scheme involving the hidden export of Russian gas in the form of Azerbaijani gas to the European market".

The question has risen up the agenda for diplomats and executives because a transit contract between Naftogaz, Ukraine's national energy company, and Russian state energy group Gazprom expires at the end of the year.

There is no prospect of renewing this contract, as Kyiv has declined to negotiate directly with the Russians since Moscow launched its full-scale invasion of Ukraine in 2022.

The end of the contract raises the potential for gas shortages in countries on the EU's eastern flank, including Slovakia, Hungary and Austria, diplomats have said.

Oleksiy Chernyshov, chief executive of Naftogaz, said the Azeri swap proposal was the main alternative being considered by Ukraine.

It would involve Azerbaijan importing gas from Russia and then exporting its own gas to Europe through the Ukrainian pipe.

Russian gas arriving through the Ukrainian pipe currently accounts for about 5 per cent of the EU's total supply. Azerbaijan could only supply 2bn cubic metres of the 14bn cubic metres that the EU receives via the Ukraine pipeline, Chernyshov said.

Gonchar said Kyiv was willing to tacitly accept Russian gas running through its pipeline in the guise of Azeri imports, because it believed the presence of the Russian fuel would act as a kind of insurance against attacks organised by Moscow as it pursues its war in Ukraine.

This was a "weak argument", he added, because Russia was striking Ukraine's gas compressor sites.

Russia and Gazprom have not commented on whether they would be willing to accept the Azeri plan.

The Azeri president, Ilham Aliyev, has confirmed that negotiations with Ukraine and Russia are continuing, but earlier this month he said that accusations it was reselling Russian gas to Europe were "fake news".

Chernyshov said another option — EU traders buying gas at the Ukraine-Russia border — would tie Ukraine closer to Gazprom.

"[The] Azeri proposal is more solid because they do have the production of gas which they can channel [to] Europe," Chernyshov said. "Whereas EU traders would be acting as a conduit for Russian gas." He said that for now, both options should be considered.

Gideon Rachman see Opinion

Wagner losses
Russia fighters killed in Mali

Russia's Wagner mercenary group has suffered significant battleground losses in Mali, it acknowledged yesterday, after days of conflicting accounts of what happened during fighting with rebels on the border with Algeria.

The group said its 13th storm brigade, which is fighting ethnic Tuaregs alongside Malian armed forces, sustained losses during "fierce battles" with the rebels.

It did not share a casualty number, but graphic videos posted on Russian Telegram channels showed a sandy landscape strewn with dozens of bodies, some wearing Russian Orthodox crosses, and multiple burnt-out vehicles.

Russian military bloggers described the incident as a rebel "ambush". *Aanu Adeoye in Lagos and Polina Ivanova in Kyiv*



Military intervention: Wagner fighters boarding a helicopter in Mali. The Russian mercenary group has been active in the country since 2021 — AP

US economy. Monetary policy

Fed expected to hold rates but signal September cut

Central bank tipped to remain cautious despite inflation and labour market cooling

COLBY SMITH — WASHINGTON

The Federal Reserve is this week expected to set the stage for lower borrowing costs as US inflation has taken a favourable turn and the labour market continues to soften.

The Federal Open Market Committee is poised to again hold its benchmark interest rate steady at a 23-year high of 5.25-5.5 per cent when its two-day gathering ends tomorrow. While the rate decision itself looks to be uneventful, the meeting will serve as an important platform to further tee up a monetary policy pivot as early as September.

"The Fed is moving closer to a rate cut, and its communications this week should reflect that," said Brian Sack, former head of the New York Fed's Markets Group, who is now head of macro strategy at hedge fund Balyasny Asset Management.

What has given officials latitude to more directly embrace the idea of rate cuts is clearer evidence that, after many fits and starts, inflation is finally being wrestled under control.

Consumer price growth has eased meaningfully in recent months, taming fears that flared earlier this year after an unforeseen hiccup. The labour market has also entered a new phase. Hiring has slowed from its red-hot pace, resulting in slower wage growth.

Lay-offs are rising, pushing the three-month average unemployment rate up 0.43 percentage points compared with its lowest point in the past 12 months — just shy of the 0.5 per cent trigger for the Sahm Rule, which marks the start of a recession.

The Fed is likely to acknowledge these developments directly tomorrow in a revised policy statement and during the press conference by chair Jay Powell.

In June, the FOMC wrote that there had been only "modest further progress" towards its goal of getting inflation to 2 per cent and it was "highly attentive to inflation risks". Moreover, it has long said it would not deem it appropriate to cut rates until it had "gained greater confidence" inflation was moving "sustainably" towards target.

Economists expect the Fed to acknowledge that further progress has been made. The central bank's preferred inflation gauge now hovers at 2.6 per cent, well below its 2022 peak.

They also believe the statement will emphasise that inflation is not the only risk confronting the Fed now the labour market has softened. The central bank is also at risk of causing undue job losses if it fails to act quickly enough to offer relief to businesses and borrowers.

Lastly, the FOMC is likely to affirm it is more confident about its grip on inflation and so its readiness to cut rates.

Powell and other officials have so far demurred from commenting specifically about the timing of the first move.

Between the July and September gatherings, the Fed will receive two sets of inflation and jobs reports, among other updates. Forecasts suggest these will confirm the need to reduce rates.

Some economists argue the Fed is on the verge of making a mistake in delaying a rate cut until September, given the slowdown in the economy.

"Although it might already be too late to fend off a recession by cutting rates, dawdling now unnecessarily increases the risk," former New York Fed president Bill Dudley said last week.

The Fed, however, sees several benefits to waiting. For one, it has been wrongfooted before and officials want to be certain they have a handle on inflation before any big policy moves.

There also remains a range of views internally about the appropriate path for rates.

"Powell probably feels that he can't really get the consensus together to go until September," said Ellen Meade, who served as a senior adviser to the Fed's board of governors until 2021 and is now at Duke University.

"There's a risk that you don't go soon enough, but there is also a risk that you go a little too soon and you have to reverse course," she added. "Given what they experienced with inflation picking up at the beginning of the year, they're probably leaning into that second risk."

Peter Hooper, vice-chair of research at Deutsche Bank, also deems it prudent for the Fed to wait until September to ease. In the event that the labour market weakens much faster and by a larger magnitude than expected, the Fed could get back to a "neutral" policy setting — one that is no longer beating back demand — "fairly quickly", he said.

Hooper sees scope for more cuts in November and December before the bank presses pause until September 2025. At that point, his team predicts quarterly cuts that gradually bring the rate back to 3.5-4 per cent.

See Opinion

East Africa

Ethiopia floats currency to pursue IMF deal

ANDRES SCHIPANI — NAIROBI
DAVID PILLING — LONDON

Ethiopia will float its currency in a long-delayed reform designed to ease chronic foreign currency shortages and attract foreign investment, a move that is expected to be a prelude to a multilateral funding deal.

The central bank yesterday removed restrictions on the foreign currency market as part of efforts by Prime Minister Abiy Ahmed's government to secure more than $10bn in funding from the IMF and World Bank and to restructure debt after defaulting in December.

"The reform introduces a competitive, market-based determination of the exchange rate and addresses a long-standing distortion within the Ethiopian economy," the central bank said in a statement. This included a "shift to a market-based exchange regime".

Ethiopia, east Africa's largest economy, has a managed floating exchange rate system that has caused a severe shortage of dollars critical for imports and the repatriation of profits by foreign investors. Commercial Bank of Ethiopia, the country's largest lender, quoted the birr at about 75 to the US dollar yesterday, indicating a devaluation of about 30 per cent from Friday's official rate of about 57 birr.

Professor Alemayehu Geda, an economist at Addis Ababa University, feared that with inflation running at 20 per cent, a weaker currency would "shoot up" prices even further by raising the cost of imported goods. When Nigeria sharply devalued its currency last year, it stoked inflation to 30-year highs.

But Charlie Robertson, head of macro policy at FIM Partners, a frontier and emerging market investment house, said the devaluation might not create an inflation surge as Ethiopia had been in effect operating for years at the parallel exchange rate of 110-120 birr to the dollar. The float might also be staggered and fuel prices subsidised during the transition, he said.

"This is going to open up Ethiopia to portfolio investment and bring back exporters' money hoarded offshore," Robertson said, adding that he expected further reforms designed to make the country more attractive to portfolio investors. "I don't think overnight it will attract FDI, but it makes Ethiopia more attractive in the medium term," he said.

Lenders and investors have been pushing Ethiopia to float the birr to ease foreign currency shortages. The central bank said the outgoing system had led to "the emergence of an unanchored parallel market exchange rate together with high inflation", while Eyob Tolina, state minister for finance, said its replacement would correct "decades-long distortions" and unfreeze the economy.

Abiy initiated pro-market reforms after taking office in 2018 as part of a plan to open up an economy that had been state-controlled for decades. The process was undermined by a two-year war in the northern region of Tigray that ended with a truce almost two years ago.

COP29

Azerbaijan flaring overshadows climate summit

ATTRACTA MOONEY
AND MALCOLM MOORE — LONDON

Gas flaring in Azerbaijan, host of the UN COP29 climate summit, hit a decade high in 2023, analysis by a campaign group has found, with facilities involving BP and the state oil company being among the culprits.

Flaring is the burning, instead of capturing, of gas that occurs when drilling for oil. It is a significant source of emissions of carbon dioxide and methane, as well as black soot, that contributes heavily to global warming.

The analysis of satellite data undertaken by Global Witness, the non-profit organisation, found the volume of gas flared at oil and gas installations in Azerbaijan had increased by 10.5 per cent since 2018, the last year the country had reported its greenhouse gas emissions.

Flaring increased at several facilities operated or owned by BP, a big player in Azeri oil and gas, and state oil company Socar over that period, despite "numerous pledges" by both the companies and Azerbaijan to eliminate the practice from oil and gas production by 2030.

The activity had "gone largely unnoticed" because Azerbaijan "hasn't bothered to report its emissions in six years", said Patrick Galey, a senior investigator at Global Witness.

Under the Paris Agreement to tackle global temperature rises, countries are required to report their emissions data every two years.



Activists question whether the fossil fuel producer is an appropriate host

Azerbaijan's role as host of COP29 in November has already come under criticism, with campaigners and some politicians questioning the appropriateness of yet another fossil fuel-producing nation overseeing the world's most important climate change summit.

Global Witness found the rate of gas flaring had increased more than 70 per cent in the past six years, using the data provided by the Colorado School of Mines' VIIRS Nightfire service for Azeri oil and gas installations.

Flaring remained high at several BP facilities, including the vast Azeri-Chirag-Gunashli (ACG) field in the Caspian Sea and the Sangachal terminal south of Baku, said Global Witness.

BP said flaring from its upstream operations globally had fallen almost 60 per cent globally over the past decade, and that it was on track to end routine flaring by 2030.

Socar did not respond to a request for comment. The COP29 organising group declined to comment.

Higher plane Embraer aims to nearly double revenue from sales of its regional and business jets over the next decade PAGE 9

Companies & Markets

Chinese state finance houses annul bonuses and slash pay

- Funds viewed as latest 'scapegoat'
- HK-based bankers under scrutiny

CHENG LENG AND CHAN HO-HIM
HONG KONG
TINA HU — BEIJING

Chinese state-owned financial institutions are clawing back bonuses and cutting pay as Beijing broadens its scrutiny of the industry to include mutual funds and Hong Kong-based bankers.

Some state-owned mutual fund managers on the mainland had been told to return the portion of their annual salary that exceeded a cap of Rmb2.9mn ($400,000), according to two fund managers who received guidelines after an onsite audit in June. The payment of this year's bonuses had been delayed, one said.

> Xi is said to consider much of the sector to be 'parasitic' on 'real' economic activity

Hong Kong-based executives at units affiliated to state-owned Citic Group on mainland contracts had been told to return bonuses, two people briefed on the situation said. Executives at the investment unit of Hong Kong's state-owned Everbright Group had also been told to return bonuses, two people familiar with the decision said.

This pressure followed tighter controls of state-owned financial conglomerates on the mainland, bankers briefed on the measures said, with the scrutiny being extended to funds as well as bankers who worked for state institutions in Hong Kong, in particular those on mainland contracts. The finance ministry generally signs off on overall pay packages for state lenders.

Xi Jinping has repeatedly emphasised "new quality productive forces" such as tech and manufacturing over finance, part of a campaign for "high-quality development". China's president has espoused "common prosperity", a philosophy that has coincided with a crackdown on bankers. "We clearly still see the 'common prosperity' theme playing out as well as Xi's view that much of finance is parasitic of 'real' economic activities," said Victor Shih, director of the 21st Century China Center at the University of California, San Diego.

Gary Ng, an economist at Natixis, said the moves showed that Hong Kong, "because of its close economic connections, will not be immune to mainland China's financial and regulatory reform".

For mainland executives dispatched to Hong Kong, "this is not a surprise any more", said an executive at Citic. "You can't escape from it if your contracts and pay package are still under the management of headquarters in Beijing."

The Beijing-based manager of a mutual fund house said the fund industry had become "another scapegoat. IPO bankers had taken the hit, now it's the turn of the fund managers."

A banker at a Beijing state-owned securities firm said: "All the securities and mutual fund units of state-owned financial conglomerates are expected to feel the impact."

In Beijing, many state lenders are considering further pay cuts, with some executives at China Construction Bank facing another 10 per cent cut in pay this year, according to bankers briefed on the discussion.

Hong Kong-based staff at state lender Industrial and Commercial Bank of China complained about the bank's cancellation of bonuses. "We are badly paid already . . . Now we're waiting for a pay freeze as the next step," said one member of staff at ICBC Asia.

Everbright Group, its Hong Kong investment arm Everbright Holdings, Citic Group, the National Audit Office, CCB, and ICBC did not respond to requests for comment.

Fallen arches McDonald's hit by first sales fall since 2020 as consumers reject higher prices



McDonald's has raised prices, with a Big Mac meal in the US up 27 per cent since 2019 to $9.29 — Nati Harnik/AP

GREGORY MEYER — NEW YORK

McDonald's has suffered its first global drop in sales since 2020, as consumers balked at the higher cost of burgers, fries and soft drinks.

Comparable sales at the fast-food chain fell 1 per cent year on year in the three months to the end of June, sliding in both international locations and McDonald's US base.

Chief executive Chris Kempczinski said consumers were "more discriminating" as it published earnings yesterday. While quarterly revenue of $6.49bn was roughly unchanged from a year ago, net profit declined 12 per cent to $2.02bn, missing Wall Street expectations.

Kempczinski told analysts that consumer sentiment in most major McDonald's markets was low. "You're seeing that the consumer is eating at home more often, you're seeing more deal seeking," he said.

The US group is the latest to report a dip in demand, fuelling concerns that after years of helping to prop up the world's largest economy since the pandemic, consumer strength has peaked.

The price of a restaurant meal has escalated in recent years, with a US index of food consumed away from home up by 30 per cent from mid-2019. At the same time households that were flush with cash in the months after pandemic lockdowns have started to pull back.

McDonald's, which sometimes attracts diners trading down, has also increased prices. Joe Erlinger, president of McDonald's USA, said in an open letter in May that the average cost of a Big Mac meal had risen 27 per cent since 2019, to $9.29 in the US, though he said the cost of many menu items had been outpaced by inflation.

"At the end of the day, we expect customers will continue to feel the pinch of the economy and a higher cost of living for at least the next several quarters in this very competitive landscape," Erlinger told analysts.

The company and its competitors are offering discounts to lure back customers. A $5 deal for a sandwich, chicken nuggets, fries and a drink that McDonald's launched in the US late last month boosted footfall, according to Placer.ai, which tracks location data from mobile devices.

McDonald's has more than 40,000 restaurants in over 100 countries. About 41 per cent of its $25.5bn in revenue last year came from the US.

However, fewer customers triggered a 0.7 per cent fall in comparable US sales in the second quarter.

International sales declined by more than 1 per cent. The company recently warned that the war in Gaza had hurt its business in some Middle Eastern countries, as well as Indonesia and Malaysia.

Euronext chief is 'ready to strike' on acquisitions

NIKOU ASGARI — LONDON

Europe's biggest stock exchange operator Euronext is on the lookout for more acquisitions as it seeks to entrench its position in the region's capital markets.

Stéphane Boujnah, chief executive, said "combining Euronext with any large exchange in Europe" could "create a lot of synergies".

"We are monitoring all sort of situations and we are ready to strike or jump on any situation that becomes actionable," he told the Financial Times.

Boujnah has led Euronext since 2015 and previously worked as a mergers and acquisitions banker at Santander and Deutsche Bank. He has expanded the group through a series of acquisitions in recent years, including Borsa Italiana, which owns the Milan stock exchange.

While he declined to comment on specific acquisition targets, Boujnah has told the FT he is eager to buy Nasdaq's Nordics business, which includes the Stockholm and Iceland exchanges, and is open to buying the Spanish exchanges group BME from Swiss group SIX.

Exchange acquisitions would cement Euronext's position as the biggest listing and trading venue in Europe.

The group owns stock listing venues in Amsterdam, Paris and Lisbon, among others, and a clearing house.

Several big European stock exchange groups have tried and failed to merge or run partnerships over the past decade.

European competition regulators in 2017 blocked a merger between Deutsche Börse and London Stock Exchange Group while Deutsche Börse recently approached Euronext about launching a tech-focused stock exchange.

Private equity company CVC and software group Planisware were among the 28 companies that listed on Euronext venues this year, Boujnah said. Companies raised €3.4bn through equity listings on Euronext venues, up 204 per cent on the second quarter of last year.

"The listings are not as hot as we thought it would be six months ago" as some companies postponed their IPOs because of mismatched valuation expectations, Boujnah said.

But he added that "companies that 10 years ago would have listed on LSEG are now listing on Euronext".

Euronext made €413mn in revenues in the second quarter, up 12 per cent on the same period last year. Stock listings accounted for €26.6mn in revenues, up 5 per cent on the same period last year.

Labour market power balance shifts back towards the bosses

INSIDE BUSINESS
RECRUITMENT

Anjli Raval

In uncertain times, British managers are searching for a sure thing. To bring on a new hire two years ago, bosses interviewed three candidates before making an appointment, according to recruiter Hays. Now it's about seven. Others say it can go well above 10.

"Confidence in the market is just not there," said Dirk Hahn, Hays' chief executive. "Clients are more selective and if they want to hire, they want to find exactly the right person. The process is taking much longer."

In short, there has been a shift in the balance of power in the labour market back towards the bosses, and not just in the UK.

This contrasts with the hiring frenzy as the world emerged from the pandemic when employers rushed to fulfil every demand of potential recruits. A London salary while based in eastern Europe? Fine. Working compressed hours? If you must. Extra holiday time? Sure. Office perks proliferated, staff wellbeing was prioritised, while working from home became normalised.

But cost pressures took hold over the past year as the post-Covid revival abated. Major corporations fired thousands of white-collar workers while impending global elections curtailed public sector hiring. Some companies have reduced graduate recruitment, something managers normally say they like to maintain even in tough times. Likewise, there have been significant cuts to internship programmes at companies such as Goldman Sachs and JPMorgan.

Labour market churn just isn't there in the same way as last year. In the UK the share prices of big recruiters have taken a knock, companies are not advertising as many new jobs and unemployment — while low compared with historic levels — is rising. The jobless rate is also higher in the US, where workers have stopped quitting as they had been doing. Even as lay-off rates have slowed, hiring has too.

Where companies are looking for new recruits, they are taking a tough stance and putting candidates through more hoops, including drawn-out interview processes and labour-intensive assessments — from psychometric testing to preparing elaborate presentations.

> 'Clients are more selective and if they want to hire, they want to find exactly the right person. The process is taking longer'

In the current market, employers "have the upper hand", said Lucas Shaw, who advises companies on how to improve their hiring practices. He had recently heard of a 43-stage process for a chief technology officer for a major corporation. Making the wrong hire is costly and time-consuming, so "they all want to reduce risk", he added.

Shaw himself recently had five interviews for a job at a management consultancy that included delivering a strategy report. The company ended up hiring another candidate for a lower salary while taking his ideas for free.

Being burnt in this way is also why he says candidates are nervous and some are so disgruntled that they are pulling out of these processes midway.

LinkedIn is awash with stories about the "homework" — or, quite frankly, unpaid labour — that potential hires are expected to do for companies. "It's sold as a way to gauge skills, but let's call it what it is: exploitation," said Ives Tay, a Singapore-based consultant specialising in adult education.

The extra work and time needed to complete these assessments is less attractive when the bumper pay raises of a few years ago, at the height of the "great resignation" period of 2022, are much diminished. A 20 per cent increase is worth getting out of bed for, but is 5 per cent when you know in today's market if you're the last in, you're probably the first out if a company's fortunes turn?

Job-hopping sounds good in theory but, for most people, re-evaluating life goals and curating the ideal career trajectory pales in comparison with being able to pay the bills.

Something else to consider is that how companies access skills is changing and many are turning to bolt-on workers whom they hire "on demand" and on shorter-term contracts, said Sunny Ackerman, at executive search company Heidrick & Struggles. These include independent consultants, executives, project managers and subject matter experts. This way companies can assess whether the role or the work is something they need longer term while also testing if candidates are a good fit.

Perhaps hiring is reverting to more usual trends after the Covid-related upsurge in recruiting and the inevitable retreat. But one thing is clear — after a period of workers calling the shots, power dynamics now favour their overlords once again.

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Legal Notices

THE HIGH COURT
COMMERCIAL
RECORD NO. 2024 NO. 164 COS
IN THE MATTER OF SMURFIT WESTROCK PLC
AND
IN THE MATTER OF THE COMPANIES ACT 2014
AND
IN THE MATTER OF A PROPOSED REDUCTION OF CAPITAL PURSUANT TO SECTIONS 84 TO 86 OF THE COMPANIES ACT 2014

NOTICE is hereby given that on 25 July 2024:

(i) the Order of the High Court of Ireland (the "**Irish High Court**") made on 24 July 2024 confirming the reduction of the capital of Smurfit Westrock plc (the "**Company**") (pursuant to a special resolution passed by the shareholder of the Company on 2 July 2024) by the cancellation of the amount credited to the Company's un-denominated capital in the form of share premium in the amount of US$25,519,251,304 created upon the issuance by the Company of ordinary shares of US$0.001 each in its capital to: (i) the former shareholders of WestRock Company pursuant to the terms of a Delaware law merger; and (ii) the former shareholders of Smurfit Kappa Group plc pursuant to the terms of an Irish law scheme of arrangement; and

(ii) the Minute approved by the Irish High Court showing the share capital of the Company as altered by the said Order,

were registered by the Registrar of Companies pursuant to Section 86(1) of the Companies Act 2014.

MATHESON LLP
Solicitors for the Company
70 Sir John Rogerson's Quay
Dublin 2
30 July 2024
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Financials

NatWest sues ex-GM unit for €155mn

Bank seeks sums from mortgage securitisation deals made before crisis

ALISTAIR GRAY — LONDON

NatWest is suing a mortgage finance company formerly backed by General Motors for more than €155mn over soured securitisation deals struck in the run-up to the financial crisis.

The High Court in London last week heard a case brought by the UK bank against CMIS, which was originally part of GM when the US car company was making a push into mortgage finance.

The dispute relates to agreements that ABN Amro — the Dutch bank acquired in 2007 by a consortium led by Royal Bank of Scotland, which has since been renamed NatWest — entered into with CMIS under its previous guise of General Motors Acceptance Corp.

The deals were designed to manage financial risks facing GMAC associated with the securitisation of residential mortgages that it had originated in the Netherlands and Germany.

Homeowners who took out the mortgages paid a fixed interest rate on loans, which between 2006 and 2008 were packaged up and sold to investors as securities that offered a variable return.

Given the financial risk of a cash flow "mismatch"— and to allow the securities to attract prized AAA ratings from credit rating agencies — GMAC entered into interest rate swap agreements with ABN Amro. As part of the hedging deal, the two parties agreed "deeds of indemnity" under which NatWest said payments were due to it.

However, NatWest's lawyers complained to the court during the two-day hearing last week that CMIS had "failed to pay the sums falling due" since 2017, having made the payments for about a decade beforehand.

> 'The protagonists have now moved on, and one can only imagine what machinations took place'

Jonathan Davies-Jones KC, representing the UK bank, said in written submissions that the "true explanation" for CMIS's "volte-face" was a "significant increase" in the size of payments required under the deal.

GMAC originated about €10bn of Dutch mortgages between 2000 and 2008, but suspended selling new mortgages during the crisis, according to court documents.

GMAC, which was bailed out by the US government during the crisis, sold its European mortgage business in 2010 to funds managed by Fortress Investment Group.

Tom Smith KC, for CMIS, said in written arguments that CMIS was "effectively in a state of run-off" and had "nowhere near enough funds to pay the sums claimed" by NatWest. The bank is seeking €155mn plus interest.

Smith said "no one has been able to adduce any meaningful evidence" as to why the first deed of indemnity was executed in 2006.

He added that the agreement was entered into "at the height of the securitisation bonanza, immediately prior to the global financial crisis.

"The deed was signed by executives at General Motors and ABN Amro, both of which notoriously collapsed during the crisis. The protagonists have now moved on, and one can only imagine what machinations took place behind the scenes."

Media

Total hours of sport content watched on YouTube up 45% in a year

JOSH NOBLE — PARIS

YouTube users are watching sports on the streaming platform in rapidly growing numbers, according to its chief executive, as more people switch from smartphones to televisions to view online video.

Speaking to the Financial Times on the sidelines of the Olympic Games in Paris, Neal Mohan said more than 35bn hours of sports content was viewed on YouTube in the past year, marking a 45 per cent increase on the previous year.

Much of that, he said, was due to viewers embracing a more traditional television experience to watch the online video app.

"We've seen the growth of YouTube being watched, being consumed on television screens. It's not just the largest screen in the house, it's our fastest-growing screen," said Mohan, who took over as YouTube CEO last year. "It's not surprising, because if you put yourself in the shoes of a consumer or a sports fan . . . that's a great screen to actually consume that sort of content."

YouTube, part of Google parent Alphabet, is not an official partner of the International Olympic Committee. However, it has deals with some of the biggest Olympics broadcasters, including NBCUniversal in the US and Warner Bros Discovery's Eurosport in Europe, to carry highlights from Paris 2024.

> Much is consumed on TVs: 'It's not just the largest screen in the house, it's our fastest-growing screen'

The platform is also working with influencers to offer behind-the-scenes Olympics footage and other "shoulder content" from on the ground in Paris. In Latin America, YouTube is live-streaming some sports in collaboration with a Brazilian influencer Casimiro and Mexican broadcaster Claro Sports, offering viewers the option of watching four events simultaneously on one screen.

Last year, YouTube began showing live NFL matches, through a seven-year contract worth $14bn to carry the league's Sunday Ticket supplement across the US. Since then, the platform has signed deals with two sports competitions hoping to broaden their reach: the Women's Super League, the top tier of professional women's football in England, and F1 Academy, a new series for female racing car drivers.

"In this world where viewership is so fragmented, and viewers have infinite choices in terms of how we consume the content on our mobile phones . . . One of the things that I actually think brings people together and creates that collective experience is sports, live sports in particular, and we see that on YouTube as well," said Mohan.

Streaming platforms have been pushing into sport globally, although the pace varies between rival groups. Amazon has deals to show the Uefa Champions League, the NFL, and the French Open tennis tournament, and recently agreed to carry the NBA beginning next year.

AppleTV+ carries live Major League Baseball matches in the US and has global rights to Major League Soccer, while Netflix recently made its first foray into mainstream live sports after agreeing to show two NFL games on Christmas Day.

YouTube said last week that views on connected TVs have increased more than 130 per cent in the past three years, with watch time for sports on those devices rising 30 per cent year on year.

In the face of intensifying competition in streaming, Mohan said YouTube's presence in sport was likely to grow considerably in the near future.

Technology. Online matchmaking

Dating apps seek growth with tailored offerings

Grindr has attracted more users while Tinder fades and rivals target niche areas

STEPHANIE STACEY — LONDON

Online dating companies are betting that products targeting specific communities — from single parents and gay men to "throuples" — will reignite growth in a sector challenged by user declines at the world's largest matchmaking apps Tinder and Bumble.

Investors have cheered Grindr, with its exclusive pitch to gay and bisexual men, but have increasingly shied away from Match Group, the mainstream one-size-fits-all powerhouse and owner of 40 products including Tinder, as well as $1.2bn rival Bumble.

Meanwhile, Feeld, founded a decade ago, has boosted its user numbers among "curious" and "open-minded" individuals who want to engage in kink, non-monogamy and polyamory — from open relationships to three-way partnerships, or "throuples", and four-way "quads".

Shares in Grindr have more than doubled since the start of 2023, making the app worth $2bn, in contrast to Match Group and Bumble stock, which have drifted off their pandemic-era highs. Match, the $8.8bn industry leader, has shed a fifth of its market value since the start of 2023, while Bumble's share prices have halved.

Monthly active users have slipped at Tinder, Match Group's largest product, and Bumble, while at Grindr numbers have continued to climb, according to figures from Sensor Tower.

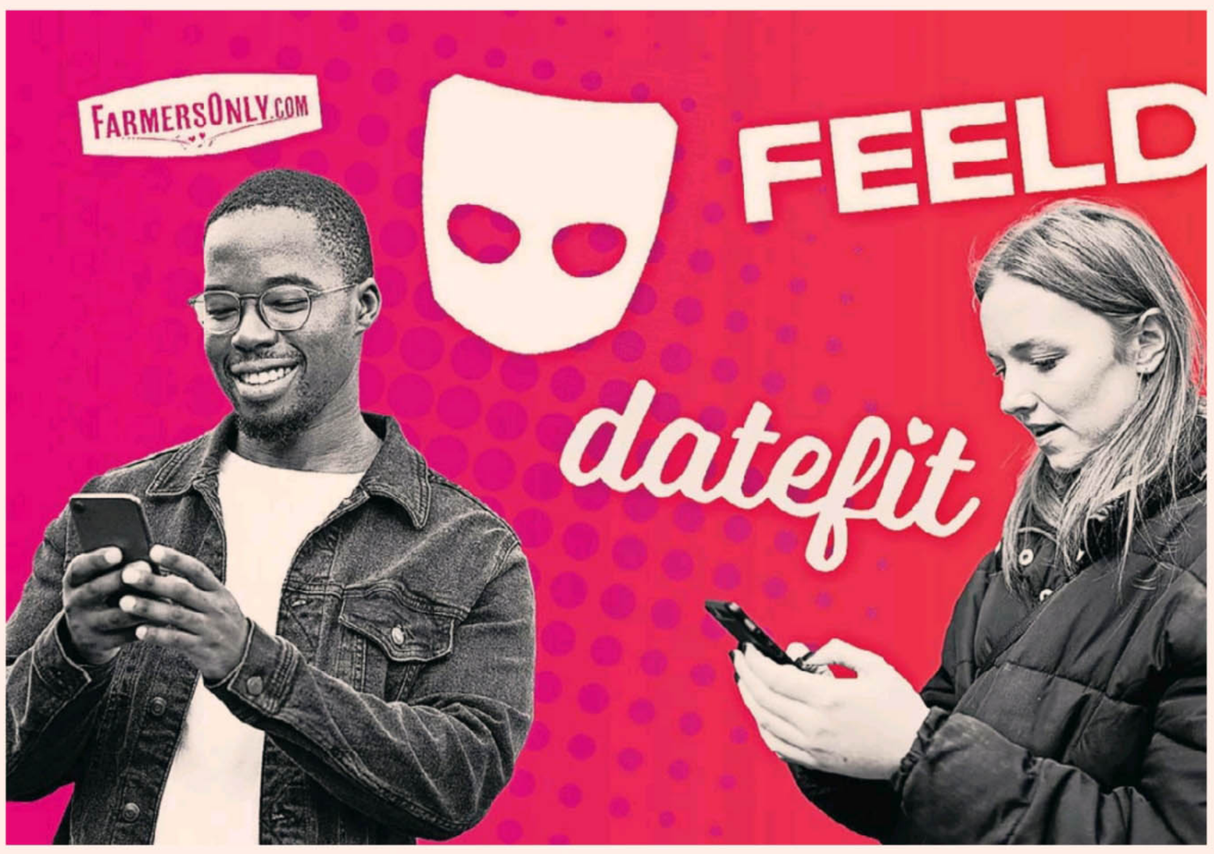
Match's other major mainstream product, the relationship-focused Hinge, has defied the trend and continued to amass users, although not enough to make up for those who have left Tinder.

Grindr says that targeting a particular demographic or community is an asset, rather than a barrier, to growth. Companies with "an intimate understanding" of their users have "a ton of opportunity to make a really great product and then, from that, monetise more and more", said chief executive George Arison.

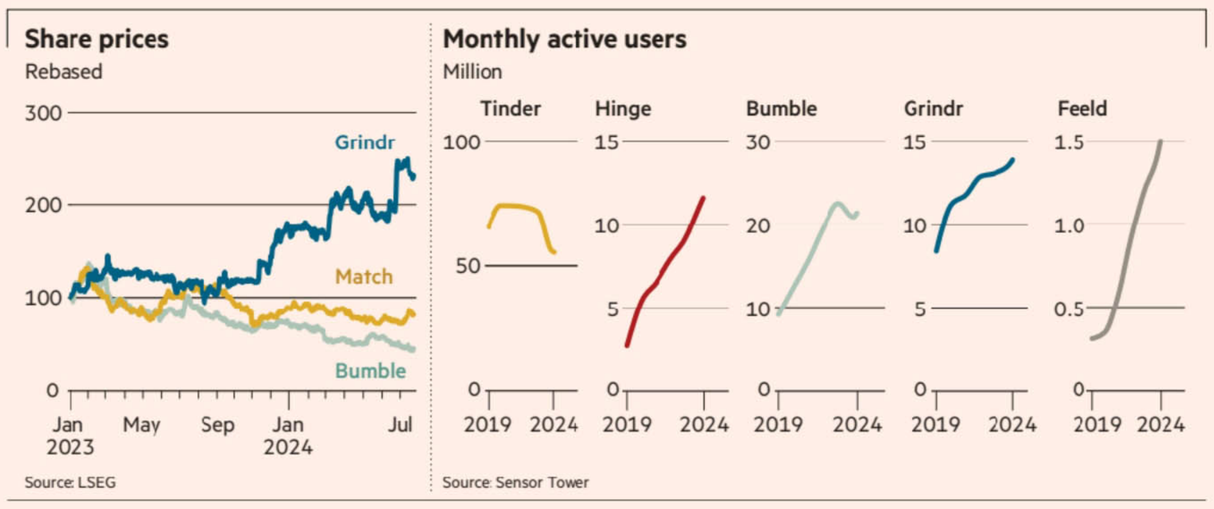
That viewpoint has played out in the app's revenues, which have risen by more than one-third in the three months to March from a year earlier, in contrast to a 9 per cent gain at Match in the same period to $860mn. Bumble's revenues meanwhile have climbed by a tenth to $268mn.

Arison, who is gay and describes himself as an "ex-heavy Grindr user", added that his team's "intimate understanding of gay culture" had enabled them to create a product that fitted "the very specific needs" of its users.

Success at these community-focused apps may have prompted Match Group to pivot towards more niche products in its efforts to appease investors and revive its slowing growth.



One size doesn't fit all: sites such as Feeld, Farmers Only and Datefit aim to appeal to smaller demographics
FT montage/Getty Images



Archer, its first product specifically for gay and bisexual men, offers a premium subscription and has been downloaded more than 1.5mn times in its first year, figures from Sensor Tower show. Gary Swidler, Match's chief financial officer, said in an earnings call that he expected Archer would soon become "a bigger piece of the equation".

Match has added to its stable with products tailored to Black, Latino and Christian daters, and single parents. It also owns a selective "dating app for the overly ambitious" called The League.

Direct revenues in the three months to March leapt by nearly a quarter at these community-based products from a year earlier, Match reported.

Match said in its latest earnings report it expects its brands aimed at specific demographics will offset declines at its mainstream legacy ones, such as OkCupid, "as soon as next year". The online dating company reports its second-quarter earnings today.

Monthly active users of UK-based Feeld, catering to those keen to explore open relationships and polyamory, climbed to an average of 1.5mn in the three months to June, according to Sensor Tower, up more than 10 per cent from the same period in 2023. The company said it has been profitable since 2017. It declined to share details of its revenues.

Chief executive Ana Kirova puts Feeld's growth down to the app's community focus. "The fact that we're so closely knit with our members allows us to be more intuitive about what they want," she says. User loyalty, particularly when purchasing paid features, reflected the app's specific identity rather than mimicking mainstream products such as Tinder, she said.

> 'Growth across these niche products serves as potential proof that online dating remains healthy'

Other niche apps include Datefit with its focus on fitness while US-based Farmers Only, with the slogan "City folks just don't get it", is geared towards people living in the country.

The continued rise of these products reflects a growing belief in the industry that younger people want apps that are personally tailored to them and are increasingly seeking partners who share their interests and backgrounds.

"For some people the appeal of a dating app is the ability to meet anybody — to meet someone completely different to you," says Kathryn Coduto, a researcher at Boston University. Many younger people, however, say they want the "more authentic or traditional experience" of meeting partners through shared interests and experiences, she added.

By filtering out users who fail to fit certain criteria, the industry is hoping that special interest or demographically tailored products could draw back users who have reported being "overwhelmed" on mainstream services.

"The quantity-over-quality issue is one of the things that contributes to burnout on mainstream products," says Liesel Sharabi, a researcher at Arizona State University.

Academic and industry research has consistently shown that most singles use multiple dating apps simultaneously, so Match Group is likely betting that attracting users to their tailored products could also support mainstream giants Tinder and Hinge, Sharabi says.

"The growth across these niche products serves as a potential proof point that the online dating category remains healthy," according to Deutsche Bank research analyst Benjamin Black.

The advantage of targeting specific interests and communities means that new products and start-ups are able to reduce the number of sign-ups needed to build a suitable pool of matches. "Having something in common goes a long way towards facilitating meaningful connections," Coduto says.

Users are often more loyal and motivated, and more willing to pay for premium services. "The specificity is really their advantage," Sharabi points out. "They know their market well and they have a loyal user base."

Some analysts have warned, however, that demographically tailored products may never be able to take on mainstream giants like Tinder and Bumble.

"There's a clear inability to gain scale," Black says. "If you have a vibrant community it is often smaller and, if you try to branch out beyond that, you can alienate the users already on there."

Pharmaceuticals

Roche plans faster obesity drug rollouts to challenge market leaders Eli Lilly and Novo Nordisk

IAN JOHNSTON — LONDON

Roche plans to fast-track its anti-obesity drugs to challenge rivals Eli Lilly and Novo Nordisk in the market after unveiling promising data for a weight-loss pill.

Thomas Schinecker, chief executive of the Swiss group, said Roche's first obesity drugs would come to market "significantly faster than people are expecting", potentially by 2028.

The treatments, acquired in an up to $3.1bn takeover of biotech Carmot last year, includes a jab set to enter phase II trials and a pill that has given users 6.1 per cent reduction in weight compared with a placebo after four weeks.

Schinecker said the company could have "around seven" drugs from the Carmot acquisition, with several in an earlier stage of development, although it has disclosed details for just three of the assets.

Data from its pill last week sent shares in the Swiss company up 6 per cent on the day of the release.

The results also hit shares of Novo Nordisk and Eli Lilly over concerns that Roche could challenge their dominance in the sector.

Goldman Sachs analysts expect the obesity market to surpass $130bn by 2030, with several companies seeking to launch their own drugs.

But Roche will have to catch up with the two incumbents in the field, both of which are developing stronger and more effective treatments than their Wegovy (Novo Nordisk) and Mounjaro (Eli Lilly) drugs that have led to about 15 per cent and 20 per cent weight loss respectively in trials lasting more than a year.

Other drugmakers, including Boehringer Ingelheim and Pfizer, are also hoping to launch drugs, while shares in US biotech Viking Therapeutics rose 30 per cent on Thursday after it said it would advance an obesity pill to late-stage trials.

Schinecker said the company's weight-loss pill would be more easily scalable as it was made synthetically, rather than through living natural molecules known as peptides, which is the case with the weight-loss pill being developed by Novo Nordisk.

Emily Field, an analyst at Barclays, said it was too early to tell if the company would be able to "disrupt the head start Novo and Lilly have".

"If you look at what's disclosed, it's better than pretty much everything at four weeks. But there's a lot we don't know," she said, pointing to a lack of detail on side-effects from the drug, such as nausea and vomiting.

Schinecker took over as chief executive in March 2023 and, in the past year, Roche has cut 25 per cent of underperforming drugs in development.

The group plans to focus on a smaller but more promising pool of drugs, including in obesity and Alzheimer's.

"That creates room for new starts and things that we can bring in from the outside so that you don't carry projects for too long and then you find resources that you could put to much more effective use to develop new medicines," Schinecker said.

But its plans come after a series of research failures in recent years, including a late-stage trial for lung cancer drug tiragolumab this month. The treatment failed to increase survival rates for patients compared with a Merck drug, Keytruda.

Schinecker said he hoped that Roche's obesity drugs could also be used in combination with the company's other treatments for conditions linked to obesity.

He pointed to the company's blockbuster eye treatment Vabysmo, developed with its subsidiary Genentech, which made SFr1.8bn ($2.1bn) in sales in the first half of the year and has shown promise in treating diabetic macular edema.

Driven by strong sales of Vabysmo and multiple sclerosis drug Ocrevus, on Thursday the company raised its expected earnings per share growth in 2024 to the high single-digit range, up from previous guidance of a mid-single digit increase.

See Lex

First Solar seeks to take shine off China rivals through innovation

Biggest US sector operator steps up research investment in pursuit of clean energy breakthrough

AMANDA CHU — PERRYSBURG, OHIO

On a soyabean farm in Ohio, the largest US solar manufacturer is trying to beat China to the next breakthrough in clean energy.

This month, First Solar opened the country's largest solar research facility in the Rustbelt state, where it has manufactured panels since 2002. The objective: to commercialise the next generation of technologies to harness power from the sun before Beijing does.

The company's push into research comes at a tumultuous time for US solar manufacturing, and is motivated by the belief that to compete on clean tech, the US must innovate rather than replicate China.

"We're not going to follow this race to the bottom on pricing," Mark Widmar, First Solar chief executive, said.

The company is spending about $500mn on the research facility, along with a pilot line for an unproved but potentially revolutionary solar tech known as perovskites.

"We need to think about how do we continue to grow and how do we differentiate ourselves, and it needs to be through technology leadership," Widmar said.

Many US solar manufacturers have scrapped or delayed factory projects in the past year as China's overproduction of panels dragged prices to record lows and rendered many western operations unprofitable even when accounting for subsidies and tariffs.

First Solar, meanwhile, has ploughed steadily forward, investing $2.4bn in manufacturing after the passage of Joe Biden's Inflation Reduction Act, which included lucrative 10-year subsidies for the first time for producers.

The subsidies and the IRA's incentives to buy US-made tech have been a boon for the company: its share price has nearly doubled since the law was enacted. First Solar's growing profile has raised concerns among industry members that it may lobby for protectionist policies that benefit its bottom line but make it more expensive for customers to decarbonise.

"They're on a tear," said Michael Parr, executive director of the Ultra Low-Carbon Solar Alliance, a trade group. "The scale of First Solar's work is very promising and validating the view that innovation is going to be what grounds the US industry successfully."

First Solar is the only sizeable solar manufacturer that survived the wave of offshoring and bankruptcies in the 2010s that claimed, most notably, Solyndra, a start-up that defaulted on a $535mn Department of Energy loan and cast a negative light on government funding for clean tech for years.

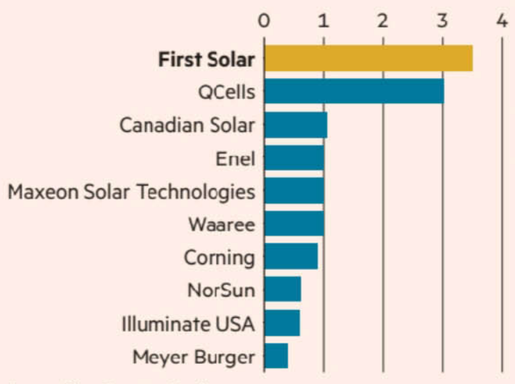
What helped insulate First Solar is its now spun-off projects business and its largely domestic supply chain, a result of a bet in the 1980s on a tech known as cadmium telluride. While these panels make up a fifth of US projects, almost entirely supplied by First Solar, it is less than 5 per cent in a global market that is overflowing with Chinese crystalline silicon panels.

"They were the last company standing for a while in the United States largely because they never incorporated China into their manufacturing strategy," said Mike Carr, president of the Solar Energy Manufacturers for America coalition, an industry group.



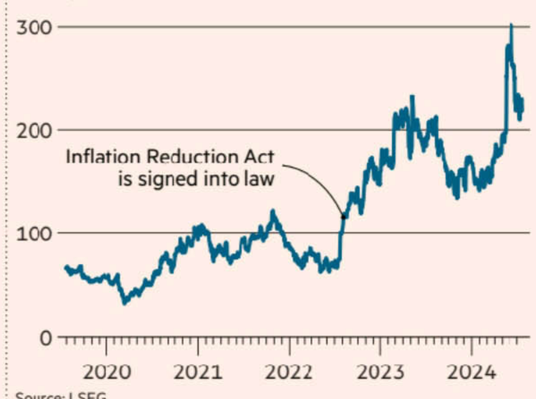
Mark Widmar, chief executive, at First Solar's factory in Perrysburg, Ohio. He is determined that the company will not follow the 'race to the bottom' on price
Angelo Merendino/FT

First Solar leads in US commitments
Total manufacturing investments ($bn)



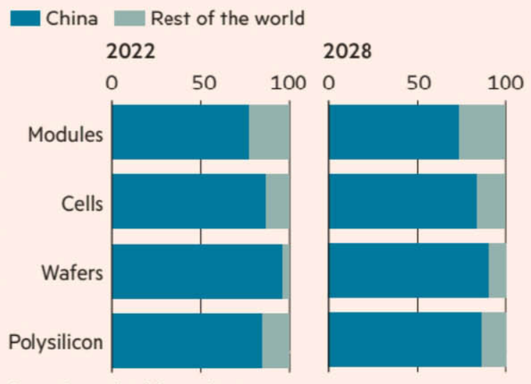
Source: Clean Economy Tracker

First Solar stock has risen since Biden's IRA
Share price ($)



Source: LSEG

China's grip on supply chain likely to persist
Share of supply chain by component (%)



Source: International Energy Agency

US-made crystalline silicon panels generated energy at an average cost of 29.5 cents per watt, while First Solar's hovered above 30 cents per watt and were less efficient, according to BloombergNEF. A panel sourced in south-east Asia can cost under 16 cents per watt, and in China, it is 10 cents per watt.

Cheap panels have helped solar become the fastest-growing source of new US power generation, but have prompted domestic manufacturers to call for greater trade protections.

In April, First Solar filed a petition with several other manufacturers to the US Department of Commerce and International Trade Commission, accusing Chinese companies of dumping cells in south-east Asia, where the US sources the bulk of its supply. New tariffs could reach 270 per cent depending on the company and country.

The case has divided the US solar sector, with companies accusing the flagship US manufacturer of "cornering the market" by pushing for protections that hurt its competitors and make decarbonisation more expensive.

The dispute points to perhaps the biggest advantage of First Solar: given its size and vertical integration, it can provide developers' assurance on deliveries in a volatile trade landscape, a certainty that is worth its higher price.

> The group's strength 'really is its lawyers. It's purely about the trade wars'
> Jenny Chase, BloombergNEF

"First Solar's strength really is its lawyers," said Jenny Chase, an analyst at BloombergNEF. "It's purely about the trade wars."

The political might of First Solar — and the lure of clean energy jobs — will be put to the test in November's elections.

Its Perrysburg facilities are in a House district where the Democratic incumbent is facing a Donald Trump-backed challenger. JD Vance, Trump's running mate, is a senator for Ohio, a swing state and top destination for solar manufacturing. Both Trump and Vance have attacked the IRA, with Trump vowing to "terminate" it.

While the IRA passed with no Republican votes, analysts say the law's disproportionate returns to red districts gives it staying power in the event of a change in administration.

"This is an inflection point for this industry. If we are unable to establish a domestic industry under the IRA programme right now, I don't think it ever happens," Widmar said.

Aerospace & defence

Embraer aims to double its regional plane revenues over next decade

SYLVIA PFEIFER — FARNBOROUGH
MICHAEL POOLER — SÃO PAULO

Embraer plans to almost double revenues from sales of its regional and business jets over the next decade but is keeping its options open on whether to launch a larger aircraft to challenge Airbus and Boeing.

Francisco Gomes Neto, chief executive, said the group was "very focused on selling the products we have. We have a very modern and competitive portfolio of products. We have the potential to be a $10bn company by the end of this decade and with our existing products."

The Brazilian group, which generated $5.3bn in sales in 2023, has been ramping up production of its commercial jets since the pandemic. It ended the second quarter with a $21.1bn order backlog, its highest in seven years. The stock has risen more than 80 per cent since the start of the year.

The third-largest civil aircraft manufacturer is the leading producer of regional jets, which are smaller than the narrow-body planes built by Boeing and Airbus. Its latest and largest model, the E195-E2, can carry up to 146 passengers.

Embraer has in the past played down interest in breaking the duopoly by entering the single-aisle aircraft market. But attention over the prospect has intensified amid turmoil at Boeing after the blowout of a section of one of its 737 Max aircraft in January and as Airbus struggles to ramp up output.

Gomes Neto said that "while we feel good talking about Embraer as a potential to break the duopoly . . . we don't have any concrete plans now to launch a bigger aircraft".

But "we are always making studies in the different segments . . . in business jets, commercial and defence as well . . . We have people working on all those markets to see the opportunities we have."

Taking on Airbus and Boeing would be a decision fraught with risk and cost billions. Analysts said that given Embraer's much smaller size, any move would only be possible in partnership with another company.

Embraer expects to generate between $6bn and $6.4bn in revenues this year and plans to deliver 72-80 commercial aircraft and 125-135 business jets. Airbus expects to deliver about 770 commercial aircraft.

"We cannot yet talk about breaking the duopoly," said Alex Dray, analyst at Gimme Credit. "Competing with Boeing and Airbus requires persuading customers to switch from more established companies. Embraer is still seen as a regional leader but not yet as a global one. Airbus probably has more chances to gain from Boeing's troubles."

Richard Aboulafia, managing director of AeroDynamic Advisory, said that while Embraer had the "expertise, and customers would love it if they launched a larger jet . . . they really don't have the cash. This represents a great opportunity for a partnership with anyone with money and patience."

Gomes Neto said Embraer's line-up of E2 jets was a "great solution to complement the bigger narrow-bodies". Customers were "using the E2s to open new routes, to offer a higher frequency of flights for passengers".

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Financials

Reeves begins tax breaks crackdown

Non-doms, private equity fees and offshore trusts in crosshairs of chancellor

IVAN LEVINGSTON — LONDON
EMMA AGYEMANG — COPENHAGEN

Chancellor Rachel Reeves has kicked off plans to end tax breaks for wealthy expatriates and close a tax "loophole" on private equity performance fees.

The Treasury said yesterday it would end what it described as "the outdated concept of domicile status", and replace it with a shorter, four-year system, from April 2025.

It also gave private equity firms and other interested parties until August 30 to submit details to inform its tax reform of private equity, promising to meet "a range of expert stakeholders across industry, other relevant professions, academia and elsewhere". A decision is expected alongside the Budget on October 30, it said.

The moves show that the newly elected Labour government is intent on pressing ahead with pledges to increase taxation of wealthy foreigners as well as of buyout fund managers on the share of profits that they receive from asset sales, known as "carried interest".

Carried interest, typically 20 per cent of the gains that buyout fund managers generate when they sell investments, has boomed in recent years, fuelled by a long period of cheap debt financing.

Those payments are taxed as a capital gain — at the marginal tax rate of 28 per cent — rather than as income, which attracts a top rate of 45 per cent plus national insurance.

Before their landslide victory earlier this month, Labour party officials vowed to raise £565mn a year by increasing taxes on the performance fees.

"The government believes that the current tax regime does not appropriately reflect the economic characteristics of carried interest and the level of risk assumed by fund managers in receipt of it," the Treasury said.

> 'Asset management will play an important role in this government's mission to boost economic growth'

The proposal to scrap the concept of domicile in tax in favour of a resident-based system, and limit the number of years that individuals benefit from the tax privileges, was set out by the previous Conservative government at the March budget — adopting a policy set out by Labour.

Under the current rules, foreigners living in Britain but who are "domiciled" overseas, are exempt for up to 15 years from paying UK tax on their foreign income and capital gains.

The UK also seeks to "end the use of offshore trusts to avoid inheritance tax", the Treasury said.

The government insisted it would "protect the UK's position as a world-leading asset management hub, recognising that the sector channels vital investment across the UK, and will play an important role in this government's mission to boost economic growth".

Michael Moore, head of the industry's lobby group, the British Private Equity and Venture Capital Association, said the government's statement was "encouraging" in that it made clear the government's plans to preserve the industry's role in the country.

"The BVCA looks forward to responding on behalf of the private capital industry to the call for evidence on changes to the carried interest tax regime," he added.

Reeves previously signalled plans to continue the UK's favourable tax treatment of private equity executives in instances where fund managers put their own capital at risk.

The 2,550 private equity executives in the UK made a total of £3.4bn in carried interest in the 2020-21 tax year, according to an analysis by law firm Macfarlanes.

Despite its relatively small size, the industry has an outsized impact on the UK's economy.

Insurance

FCA discussion paper suggests simpler rules on cover for big businesses

IAN SMITH
INSURANCE CORRESPONDENT

The UK's top financial regulator is considering rolling back rules governing the sale of insurance to big businesses, as it seeks ways to boost the competitiveness of London's capital markets.

The Financial Conduct Authority, which regulates insurers and other financial companies, yesterday published a discussion paper on simplifying the rules in the commercial insurance sector, saying the changes could "significantly reduce the time needed to take on new customers, or renew their contracts". It also announced a review of its rule book governing financial groups, calling on the industry to identify rules that overlap with its new consumer duty regime, which requires companies to create good outcomes for customers.

FCA chief executive Nikhil Rathi said he wanted to "seize the opportunity . . . to streamline our rule book, lowering costs for businesses and supporting the competitiveness and growth of the economy".

The UK commercial insurance sector, which takes in about £95bn in annual premiums, has lobbied for years to change rules they say treat too many big corporate customers the same as a retail customer with little knowledge of insurance. The FCA paper suggests changes to how customers are categorised that could reduce the compliance burden involved in serving large, sophisticated corporate buyers of insurance without reducing protections for individuals and smaller businesses.

> The paper was a 'serious attempt to deal with the issue of proportionality that we have been asking for'

"The discussion we're starting today will help to ensure our rules continue to support a globally competitive UK commercial insurance market, while providing the necessary protections for [small and medium-sized businesses]," said the FCA's director of insurance Matt Brewis.

One option is to increase the categories of insurance that can have lighter rules for big commercial buyers: in some areas such as private medical cover, there is no differentiation between retail and corporate customers.

In the subscription-based market of London specialist insurance, where a number of insurers underwrite a single policy, another proposal is to give the responsibility for product governance to the lead insurer, which takes the first chunk of risk under the contract.

Caroline Wagstaff, chief executive of the London Market Group, a trade body, said the paper was a "serious attempt to deal with the issue of proportionality that we have been asking for", adding it has some "practical options that we think could certainly help reduce cost and complexity, and their acknowledgment of how this helps growth and competitiveness is also very welcome".

The British Insurance Brokers' Association said the paper, which invites responses by September, was a "positive first step".

The FCA had "finally recognised the difficulties in attempting to apply rules written for the mass market consumer business to the commercial end of the market", said Sarah Brook, a partner at law firm CMS.

Household & consumer

US verdict on Abbott infant formula hits Reckitt stock

MADELEINE SPEED

Reckitt shares dropped to their lowest in more than a decade yesterday after a jury in the US ruled against competitor Abbott Laboratories in the latest in a series of lawsuits against the two groups over the health impact of their premature infant formulas.

The consumer goods group's shares fell 9.6 per cent as the market digested the news from late on Friday that a jury in Missouri had awarded $495mn in damages to a mother whose child suffered brain damage after consuming an Abbott product.

Reckitt's stock fell as much as 20 per cent in March following a similar trial in which a jury awarded $60mn in damages to a mother who said her baby died after consuming Enfamil baby formula, which is manufactured by Reckitt's US infant formula business Mead Johnson.

The group has sought to overturn the verdict, arguing that it has no scientific basis. Medical professionals say that while breast milk reduces the risk of necrotising enterocolitis, an often fatal bowel disease, in premature babies, specialised infant formula is sometimes the only feed available.

Investors were waiting for the outcome of the next trial to get a better sense of whether the March verdict against Reckitt could escalate into a long-running class action.

A wave of similar claims have been filed in state and federal courts across the US targeting both Mead Johnson and Abbott.

Jefferies analysts said the Abbott ruling was "not helpful for sentiment" and had already estimated a discount for the legal liability of £3bn.

"With [Reckitt's] own new individual trial due to start on September 30 and MDL [multidistrict litigation] action gaining momentum, that risk may be extended this week, we think," they wrote.

Barclays estimates a settlement cost for Reckitt of between £500mn and £2bn.

In the two cases, lawyers successfully claimed that Reckitt and Abbott had failed to warn parents that formula feeding increased the risk of contracting necrotising enterocolitis.



A visitor sits in a Joby Aviation eVTOL air taxi on display at the Farnborough International Airshow — John Keeble/Getty Images

Joby on course
Take-off sites in London and north targeted

US air taxi group Joby Aviation is looking for take-off locations in London and northern England as it seeks to launch its first European services well before the decade's end.

JoeBen Bevirt, founder and chief executive, said the company would shortly begin "engaging with real estate owners, local community groups" to build support for locations for its electric vertical take-off and landing (eVTOL) vehicles.

"We have had some preliminary conversations but that work will be accelerating in the next stretch," he told the Financial Times at the Farnborough air show last week. He added that he was "incredibly bullish" about opportunities in the UK, noting it had taken him "close to two hours to get from London to Farnborough", about 40 miles.

Apart from the capital, Joby plans to target key areas in the north where, according to Bevirt, you have "limited connectivity, maybe less access to high-speed rail [and] where . . . building out new take-off and landing locations is much more affordable".

Joby has published material showing a network for the north of England and the Midlands that would link cities such as Liverpool, Manchester and Leeds. It claims that a zero-emission journey from Manchester airport to Leeds could take 15 minutes, instead of the average of 90 minutes by road.

A commercial service, said Bevirt, would initially be priced at a comparable cost to Uber's premium Black service, with plans to lower the price to that of a regular taxi over time on a per-seat mile basis. A trip from London to Farnborough in the most expensive type of Uber cost £292 earlier this week.

> 'We have had preliminary conversations but that work will be accelerating in the next stretch'

He declined to specify when a UK commercial service would launch, but said the company's target was "substantially sooner" than 2030. Joby expects its first commercial passenger markets to be Dubai and the US, and plans to start operations in 2025.

The California-based company is among several start-ups and aerospace incumbents hoping to make emission-free "urban air mobility" a reality. Several companies have been forced to tap investors for more funding and push back certification milestones.

Founded in 2009, Joby listed on the New York Stock Exchange in 2021. It has raised more than $2bn in funding from investors and other backers, including carmaker Toyota, which is also a manufacturing partner. Joby ended the first quarter of 2024 with $924mn in "cash and short-term investments".

Its aircraft is the first eVTOL to have had its certification plans accepted by the US aviation safety regulator the Federal Aviation Administration, and it is now working towards full approval. It has so far completed three of the five certification stages, said Bevirt. Joby began the process to certify its eVTOL with the UK's Civil Aviation Authority more than two years ago.

Sylvia Pfeifer in Farnborough

Pharmaceuticals

Watchdog blocks NHS from providing AstraZeneca and Daiichi Sankyo's breast cancer drug

IAN JOHNSTON

England's healthcare spending watchdog has blocked the NHS from providing an innovative treatment for a form of advanced breast cancer, blaming AstraZeneca and Japanese company Daiichi Sankyo for being "unwilling" to offer their Enhertu drug at a low enough price.

Helen Knight, director of medicines evaluation at the National Institute for Health and Care Excellence (Nice), said the organisation was "deeply disappointed that we are unable to recommend Enhertu for use in the NHS [England] for advanced HER2-low breast cancer", a form of cancer that affects about half of late-stage patients.

Knight said cost was to blame for the decision, the first breast cancer treatment Nice has rejected in six years.

If a drug is not recommended by Nice, it cannot be made available on the NHS, but medicines approved by the Medicines and Healthcare products Regulatory Agency can still be provided privately. However, under separate arrangements, the drug can be publicly funded for the condition in Scotland, and is state financed in England for a smaller group of breast cancer patients.

Last week, AstraZeneca chief executive Pascal Soriot called for the UK government to rethink its policy on medicines approvals to facilitate the treatment and other new drugs.

But the decision also shows the challenge for stretched healthcare systems to fund complex, novel medicines. A course of treatment on Enhertu costs £117,857 at list price, although the NHS can access an undisclosed discounted price. The decision confirms draft guidance in March and Nice said the companies had not offered a new price.

Enhertu is a new form of cancer treatment known as an antibody drug conjugate that combines a targeted antibody capable of seeking out cancer cells with a toxic compound that can kill them.

It is currently used for late-stage treatment of cancer, but AstraZeneca has ambitions for its use to be rolled out earlier for patients. In clinical trials, the drug has been shown to give patients an additional five months of life without their condition worsening, compared with chemotherapy.



Protesters call for Enhertu to be made available in England — Mark Thomas/Shutterstock

Rachael Franklin, interim chief executive at Breast Cancer Now, said: "We are both devastated and angry that women's lives will be shortened as a direct result of Nice, NHS England, Daiichi Sankyo and AstraZeneca failing to agree a solution that would make Enhertu available on the NHS in England for thousands of people with HER2-low secondary breast cancer. This was an avoidable tragedy."

Pharmaceutical groups and cancer charities have criticised changes to Nice's 2022 methodology on assessing medicines, which gives weight to drugs used for the most severe medical cases rather than a previous focus on end-of-life treatment. Under the methodology, HER2-low metastatic breast cancer is classed as a "medium severity" disease.

The companies have said that the new rules have hit cancer patients, with Soriot warning last week that further medicines could be blocked under the changed criteria.

Daiichi Sankyo, which has led work on the approval process for Enhertu in the UK, said it was "very disappointed by, and disagrees with, the decision NICE has made". It added it was calling on Nice to "evolve the way treatments are assessed for patients in England".

In Scotland, where the new rules do not apply, the drug is provided by the health service but Wales and Northern Ireland typically follow Nice guidance. Costs of the drug are covered in 17 countries across Europe, according to AstraZeneca.

Nice said that 79 per cent of cancer medicines assessed under the new methodology have been recommended, compared with 78 per cent of cancer drugs carried out since 2009 under the previous methods. It added that evaluation of the new methods was ongoing.

Shares in AstraZeneca were up 2.4 per cent after the company reported positive trial results yesterday for a treatment for chronic lymphocytic leukaemia, a blood and bone marrow cancer.

FT Global Reader Survey

Dear Reader,

You are who we write for, and you are integral to the success of the Financial Times. Our journalism is available on many platforms and this study helps us better understand how you read and use the FT. We want to know what we do that you find most valuable, so that we can produce more of the news and analysis you rely on.

As a thank you for taking part, every reader who completes and returns this questionnaire by post (please see overleaf for instructions) by Sunday 31st August 2024 may be entered into a free prize draw to win £1,000. Alternatively you can complete the survey and enter the free prize draw online at: **www.ft.com/globalsurvey**. Please visit www.ft.com/globalsurvey/terms for full T&Cs.

Many thanks,

Roula Khalaf
Editor, Financial Times

YOUR RELATIONSHIP WITH THE FINANCIAL TIMES

Q1 How long have you been reading the FT? *Please tick one only.*

- Less than 12 months ❑
- 1–5 years ❑
- 6–10 years ❑
- 11–15 years ❑
- 16–20 years ❑
- Over 20 years ❑

Q2 How or why did you start reading the FT? *Please tick all that apply.*

	in print	via digital
Whilst studying at university	❑	❑
After purchasing the occasional newspaper at retail/kiosk	❑	❑
Via corporate/group subscription	❑	❑
Free/reduced-rate trial	❑	❑
Via shared articles on the FT.com	❑	❑
Via social media	❑	❑
Recommendation from friend/family/colleague	❑	❑
Other (please specify) _____	❑	❑

Q3 How often do you read the Financial Times newspaper on weekdays? *Please tick one only.*

- 4–5 issues per week ❑
- 2–3 issues per week ❑
- One issue per week ❑
- 3 issues per month ❑
- 2 issues per month ❑
- One issue per month ❑
- One issue every quarter ❑
- Less often ❑
- Never ❑

Q4 How often do you read FT Weekend? *Please tick one only.*

- 3–4 issues per month ❑
- 1–2 issues per month ❑
- 2–3 issues per quarter ❑
- One issue every quarter ❑
- Less often ❑
- Never ❑

Q5 Other than yourself how many other people read your copy of the Financial Times? *Please tick one only in each column.*

	Weekday	FT Weekend
1–2	❑	❑
3–4	❑	❑
5–6	❑	❑
Nobody else reads my copy of the Financial Times	❑	❑

Q6 How do you usually get hold of your copy of the FT newspaper? *Please tick one only.*

- Personal subscription ❑
- Corporate subscription/office copy ❑
- Newsstand, supermarket or other retailer ❑
- Free copy (eg airline, hotel, gym) ❑
- Do not read the newspaper *(Please skip to Q8)* ❑

Q7 What is the average time that you spend reading a copy of the FT?

	Weekday	Weekend		Weekday	Weekend
Less than 30 minutes	❑	❑	60–89 minutes	❑	❑
30–44 minutes	❑	❑	90 minutes+	❑	❑
45–59 minutes	❑	❑	Do not read	❑	❑

Q8 How often do you access FT.com via a browser (ie not via an app)?

	PC/laptop	Mobile phone	Tablet
At least once per day	❑	❑	❑
4–5 days per week	❑	❑	❑
2–3 days per week	❑	❑	❑
Once per week	❑	❑	❑
3 days per month	❑	❑	❑
2 days per month	❑	❑	❑
Once per month	❑	❑	❑
Once per quarter	❑	❑	❑
Less often	❑	❑	❑
Never	❑	❑	❑

Q9 How often do you access the FT app on a ...?

	Mobile phone	Tablet
At least once per day	❑	❑
4–5 days per week	❑	❑
2–3 days per week	❑	❑
Once per week	❑	❑
3 days per month	❑	❑
2 days per month	❑	❑
Once per month	❑	❑
Once per quarter	❑	❑
Less often	❑	❑
Never	❑	❑

Q10 How often do you access the digital edition of the FT newspaper?

- At least once per day ❑
- 4-5 days per week ❑
- 2-3 days per week ❑
- Once per week ❑
- 3 days per month ❑
- 2 days per month ❑
- Once per month ❑
- Once per quarter ❑
- Less often ❑
- Never ❑

Q11 Do you access FT digital content via any of the following FT products? *Please tick all that apply.*

- MyFT ❑
- Audio narrated articles ❑
- FT Podcasts ❑
- FT Newsletters ❑
- FT Edit ❑
- FT Channels (channels.ft.com) ❑
- FT Videos ❑
- FT Standpoints ❑

Q12 Other than the Financial Times, which other media sources do you frequently use:

In print (please specify) .....

Online (please specify) .....

Q13 What type of FT digital access do you have? *Please tick one only.*

- Personal subscription as part of an online and newspaper package ❑
- Online-only personal subscription - Premium ❑
- Online-only personal subscription - Standard ❑
- Online-only personal subscription - Registered user ❑
- Online-only personal subscription - Trial ❑
- Corporate/group subscription ❑
- Visitor (not subscriber or registered user)
- (i) Direct ❑
- (ii) via following the FT on X (formerly Twitter) ❑
- (iii) via following FT on Facebook ❑
- (iv) via following FT on Instagram ❑
- (v) via following FT on LinkedIn ❑
- (vi) shared by existing subscriber ❑
- (vii) via search engine ❑
- Do not read FT online *(Please skip to Q15)* ❑

Q14 On an average day, how much time do you spend accessing FT content on each of these FT digital platforms?

	PC/laptop	Mobile phone	Tablet
Less than 5 minutes	❑	❑	❑
5–14 minutes	❑	❑	❑
15–29 minutes	❑	❑	❑
30–44 minutes	❑	❑	❑
45–59 minutes	❑	❑	❑
60–89 minutes	❑	❑	❑
90 minutes+	❑	❑	❑
Do not visit	❑	❑	❑

Q15 In the past 12 months, have you read or attended anything produced by the following FT Group or associated brands? *Please tick all that apply.*

- Investors' Chronicle ❑
- MandateWire ❑
- The Banker ❑
- fDi Intelligence ❑
- GIS Planning ❑
- Banking Risk and Regulation ❑
- Ignites Europe ❑
- Professional Wealth Management ❑
- Asset Allocator ❑
- FT Adviser ❑
- Sustainable Views ❑
- FTLIVE: Global Conferences ❑

WHY YOU READ FT CONTENT

Q16 To what extent do you agree or disagree with the following statements? *Reading the FT (in print or digitally) helps me...*

	Strongly agree	Somewhat agree	Neither	Somewhat disagree	Strongly disagree
Make investment decisions	❑	❑	❑	❑	❑
Learn about or discover something interesting	❑	❑	❑	❑	❑
To understand the latest technology trends	❑	❑	❑	❑	❑
Stay abreast of business developments	❑	❑	❑	❑	❑
Make smarter, more informed decisions	❑	❑	❑	❑	❑
Better understand client businesses/industries	❑	❑	❑	❑	❑
Have informed discussions with clients/colleagues	❑	❑	❑	❑	❑
Identify emerging risks and opportunities	❑	❑	❑	❑	❑
Get alerted to changes in the market	❑	❑	❑	❑	❑
Save time by reading a trusted source	❑	❑	❑	❑	❑
Learn about / educate myself about subjects that will assist me professionally	❑	❑	❑	❑	❑

Q17 To what extent do you agree or disagree with the following statements?

	Strongly agree	Somewhat agree	Neither	Somewhat disagree	Strongly disagree
I can trust what is written in the FT to be unbiased and accurate	❑	❑	❑	❑	❑
I believe anything written in the FT to be important	❑	❑	❑	❑	❑
I read FT for the global perspective	❑	❑	❑	❑	❑
The FT is my most trusted news source	❑	❑	❑	❑	❑
The FT offers me something I cannot get from other news sources	❑	❑	❑	❑	❑
I enjoy the FT's coverage of luxury watches	❑	❑	❑	❑	❑
I enjoy the FT's coverage of luxury travel	❑	❑	❑	❑	❑
I enjoy the FT's coverage of fashion	❑	❑	❑	❑	❑
I enjoy the FT's coverage of health and beauty	❑	❑	❑	❑	❑
I trust sponsored content/advertiser branded content appearing within the FT	❑	❑	❑	❑	❑
The FT helps me pursue my passions/interests	❑	❑	❑	❑	❑
The FT champions responsible business practices	❑	❑	❑	❑	❑

Q18 Which of the following FT content areas a) do you regularly read b) are you interested in reading the most? *Please tick all that apply.* ***If you don't read a content area please leave blank and continue....***

	(a)	(b)		(a)	(b)
World news	❑	❑	Politics	❑	❑
National/Regional news	❑	❑	Global Economy	❑	❑
Companies	❑	❑	FTfm	❑	❑
Markets/Markets Data	❑	❑	Executive Appointments	❑	❑
Lex	❑	❑	Watches / Jewellery	❑	❑
Analysis	❑	❑	Opinion	❑	❑
Management	❑	❑	HTSI	❑	❑
Business Education	❑	❑	Cryptocurrencies	❑	❑
Technology	❑	❑	FT Globetrotter	❑	❑
Specific columnists	❑	❑	Climate	❑	❑
Life & Arts	❑	❑	Art of Fashion	❑	❑
Food & Drink	❑	❑	Work and careers	❑	❑
House & Home	❑	❑	FT Moral Money	❑	❑
Style	❑	❑	ETF Hub	❑	❑
Travel	❑	❑	Entrepreneurship	❑	❑
Personal Finance	❑	❑	Films	❑	❑
Energy	❑	❑	Health	❑	❑
Managed Funds	❑	❑	Philanthropy	❑	❑
Special Reports	❑	❑			

Q19 How likely are you to recommend the FT to your colleagues or friends in the next 12 months?

(Not at all likely) 1 ❑ 2 ❑ 3 ❑ 4 ❑ 5 ❑ 6 ❑ 7 ❑ 8 ❑ 9 ❑ 10 ❑ (Extremely likely)

ABOUT YOU

Q20 Are you...? Male ❑ Female ❑ Prefer not to say ❑

Prefer to self-describe _____ ❑

Q21 Year of birth? *Please write in format YYYY.*

_ _ _ _

Q22 Which country do you live in? *Please write in* _____

Are you a citizen of that country? Yes ❑ No ❑

Q23 Into which of the following bands does your total annual household income (before tax) from all sources fall?

- Less than £49,999 ❑
- £50,000–£99,999 ❑
- £100,000–£249,999 ❑
- £250,000–£499,999 ❑
- £500,000 £999,999 ❑
- Over £1m ❑
- I'd prefer not to answer this question ❑

Q24 What is your household NET worth?

	INCLUDING main residence	EXCLUDING main residence
Less than £49,999	❑	❑
£50,000–£99,999	❑	❑
£100,000–£249,999	❑	❑
£250,000–£499,999	❑	❑
£500,000–£999,999	❑	❑
£1m–£1.9m	❑	❑
£2m–£4.9m	❑	❑
£5m–£9.9m	❑	❑
Over £10m	❑	❑
I'd prefer not to answer this question	❑	❑

ABOUT YOUR WORK

Q25 Which best describes your work status? *Please tick one only.*

- Working full-time ❑
- Working part-time (including semi-retired) ❑
- Looking for work *(Please skip to Q34)* ❑
- Retired *(Please skip to Q34)* ❑
- Studying full time *(Please skip to Q34)* ❑
- Other *(Please skip to Q34)* ❑

Q26 Which of the following best describes your position / job title? *Please tick one only.*

- Owner/Partner ❑
- Founder/Co-founder/Entrepreneur ❑
- President/Chairman/CEO ❑
- Chief Marketing Officer ❑
- Chief Operating Officer ❑
- Chief Financial Officer/Finance Director ❑
- Chief Data/Information/Technology Officer ❑
- Other C-suite title (please specify) _____ ❑
- Managing Director ❑
- Board member ❑
- Other managerial level/executive ❑
- Departmental Director/Vice President ❑
- Head of Department ❑
- Technical Specialist ❑
- Consultant ❑
- Financial Professional ❑
- Investment Consultant ❑
- IFA / Financial Adviser ❑
- Broker / Trader ❑
- Professional Investor ❑
- Other Professionally qualified (ie doctor, teacher, engineer etc.) ❑
- Administration/clerical ❑
- Elected representative ❑
- Academic ❑
- Self-employed ❑
- Other (please specify) _____ ❑

Q27 Who do you report into? *Please tick one only.*

- Owner / Partner / CEO ❑
- C-suite / Managing Director ❑
- Departmental Director / Vice President ❑
- Other (please specify) _____ ❑

Q28 Does your job responsibility involve making decisions about the purchase or lease (i.e. choosing the supplier or brand or authorising the payment) of any of the following? *Please tick all that apply.*

- IT / Telecommunication equipment/systems/services ❑
- AI ❑
- Cybersecurity ❑
- Aerospace ❑
- Industrial materials/components ❑
- Fuel / Energy ❑
- Company vehicles ❑
- Business premises/sites ❑
- Accountancy / Treasury services ❑
- Corporate treasurer ❑
- Corporate finance / Capital market services ❑
- Pension services ❑
- Investment advisory / Investment management services ❑
- Domestic banking / Financial services ❑
- International banking / Financial services ❑
- Foreign Direct Investment ❑
- Legal ❑
- Management consulting services ❑
- Risk Management ❑
- Advertising / Marketing / Public relations ❑
- Training / Education courses ❑
- Insurance products/services ❑
- Sustainability ❑
- Logistics ❑
- Other business services ❑
- Other (please specify) _____ ❑
- Not involved in purchase decision making ❑

Q29 Which of the following broad areas are your main areas of activity at work? *Please tick no more than four.*

- General management ❑
- Strategy / Strategic planning ❑
- Management of particular geographical regions ❑
- Banking services ❑
- Financial advisory services ❑
- Accountancy / Management accountancy ❑
- Actuarial / Insurance ❑
- Investment / Fund management ❑
- Treasury ❑
- Other Financial ❑
- Legal ❑
- Marketing / Advertising / PR / Communications ❑
- Sales ❑
- E-Commerce / Business systems ❑
- IT / Telecommunications ❑
- Scientific / Technical Services ❑
- R&D / Design ❑
- Procurement / Purchasing ❑
- Logistics ❑
- Risk Management ❑
- Premises / Property management ❑
- HR / Training ❑
- Education / Medical / Health ❑
- Government / Politics ❑
- Other (please specify) _____ ❑

Q30 Which one of the following best describes the industry sector of your organisation? *Please tick one only.*

- Investment Banking ❑
- Other Banking ❑
- Investment / Fund Management ❑
- Accountancy ❑
- Financial advisory services ❑
- Insurance / Actuarial ❑
- Other financial services ❑
- Law ❑
- Management consulting ❑
- Media ❑
- PR / Marketing ❑
- IT / Telecommunications ❑
- Scientific / Technical services ❑
- Retail / Wholesale ❑
- Travel / Tourism / Leisure / Entertainment ❑
- Other services ❑
- Property / Construction ❑
- Transport / Vehicle manufacture / Logistics ❑
- Utilities / Energy / Oil ❑
- Pharmaceutical ❑
- Food / Drink / Tobacco / Textile / Clothing ❑
- Industrial materials / Components / Other manufacturing ❑
- Aerospace / Engineering ❑
- Government / Politics ❑
- Education ❑
- Health ❑
- NGO ❑
- Charity / Not for profit organization ❑
- Other (please specify) _____ ❑

Q31 How many employees does the organisation that you work for have worldwide? *Please tick one only.*

- Just myself/1 person ❑
- 2–5 employees ❑
- 6–50 employees ❑
- 51–250 employees ❑
- Unsure / Don't know ❑
- 251–500 employees ❑
- 501–1,000 employees ❑
- 1,001–10,000 employees ❑
- 10,001+ employees ❑

Q32 Does your company conduct business ...? *Please tick all that apply.*

Internationally ❑ Nationally ❑

Q33 How many international and domestic business flights do you take each year?

	Flights per year: 20+	10 to 19	1 to 9	None
Domestic	❑	❑	❑	❑
International	❑	❑	❑	❑

Prize draw and mailing instructions on back

Equities. Trading rotation

Small-cap stockpicking 'legend' steps back after five decades



Sector pioneer is retiring aged 84 just as shares in smaller US businesses are back in favour

WILL SCHMITT — NEW YORK

Timing the US stock market is usually a fool's errand, a fact not lost on venerable small-cap investing pioneer Chuck Royce.

Earlier this year, he and other investors focused on smaller US companies watched as they suffered their worst stint relative to larger stocks in more than two decades.

But smaller companies have seen rays of hope in recent weeks amid a sudden rotation away from Big Tech and other megacaps and into smaller, lesser-known names.

As the investing climate turns sunnier for small-cap stocks — at least for now — the 84-year-old Royce this month announced plans to end his 52-year portfolio management career this autumn, transitioning to an advisory role as part of his eponymous firm's long-term succession programme.

Royce started in finance as an equities analyst in the 1960s and his stockpicking tenure dates to 1972 when he took over management of the Pennsylvania mutual fund — since renamed the Royce Small-Cap fund.

He put his approach — eschewing the biggest names in the S&P 500 for lesser-known names with above-average profits and enticing valuations — into practice about a decade before the debut of the Russell 2000, the best-known US small-cap index.

"It's been a very slow period for small-caps until a week or two ago," Royce told the Financial Times earlier this month.

He said that if recent performance for both big and small companies continued, a small-cap boom could benefit from "a phenomenal shift in psychology, which potentially could last for a couple of years and longer".

He joked: "I timed my retirement to be the beginning of this small-cap take-off — that was part of our plan 10 years ago."

Royce is a "legend" in the small-cap space and "one of the last of the generation of star managers", said Morningstar's editorial director for manager research, Dan Culloton, praising the portfolio manager's foresight, consistency and "entrepreneurial moxie".

He noted that Royce's company has been taking pains to put together teams to emulate the founder's distinctive value approach: stocks that offer a combination of profitability, steadiness, price and competitive advantage.

His flagship fund's largest current holding is Arcosa, a provider of infrastructure-related products, which announced a 195 per cent increase in operating cash flow in May and is up about 20 per cent over the past year.

"You can't replace an investor like Chuck but you can try to put together teams that will carry on the philosophy and a process into the future," Culloton said.

Royce holds an edge in small-cap value investing not only in theory but also in practice.

Culloton calculated that a "wise five-year-old" who trusted Royce's flagship fund with $10,000 in 1975 would be sitting on about $9.5mn today.

"Of course, almost nobody did that, with the exception of maybe Chuck himself," Culloton added.

By comparison, the same investment in the S&P 500 index during that time would have returned about $3.1mn.

Morningstar ranks his flagship fund in the top 20 per cent for 10-year annualised returns.

In recent years, Royce's consistently positive returns have bumped against the seemingly inexorable trend of investors preferring passive investments and exchange traded funds to the detriment of actively managed mutual funds.

Investors have pulled nearly $2tn from active mutual funds in the past five years while ETFs have added about $3.2tn — and Royce has suffered about $4.9bn in net outflows in that time, according to data from Morningstar.

Looking back over his career, Royce called ETFs the biggest change in asset management he had seen, given their "tremendous advantage" in terms of tax treatment for investors over traditional mutual funds.

One of the biggest lessons he has learnt — and a point he thinks is underappreciated — was that there are several "vastly different" flavours of small-cap investing, such as a smaller Royce fund that invests mostly in dividend-paying companies.

"There's a variety of ways to make a lot of money," he added.

While his fund company "is not a terribly expensive investment shop, a boutique like Royce has never wanted to compete on price with ETFs, and that has been a difficult approach in the money management industry in the last decade or so", Culloton said.

Royce also acknowledged that the marketplace has evolved to include specialised investment platforms such as Robinhood and "we haven't quite fitted into that new development".

Value approach: Chuck Royce was described as 'one of the last of the generation of star managers'
Kayana Szymczak

Royce's co-chief investment officer, Francis Gannon, is optimistic that the company's new guard of portfolio managers will help the firm adapt and prosper while sticking to the style that Royce pioneered.

Gannon was named co-chief investment officer in 2014 in preparation for Royce's eventual exit alongside Chris Clark, now the company's chief executive.

"Obviously, we live in a world of continuous improvement," Gannon told the FT. "We're looking to make sure that we can deliver on our expertise as small-cap managers in any way that people would like to see it — and that's something that we as a firm are going to continue to work on."

Royce's company was acquired by Legg Mason in 2001 and changed hands again in 2020 when Franklin Templeton bought Legg Mason.

Despite having more than 50 years managing funds under his belt, Royce is actually the second-longest tenured manager of a US mutual fund, according to a review of Morningstar data.

The top spot belongs to another octogenarian figure in the Franklin family: Rupert H Johnson Jr, the billionaire son of the group's founder, uncle of current chief executive Jenny Johnson and manager since 1968 of the Franklin DynaTech fund.

Even after he has finished managing funds, Royce said he planned to continue studying smaller stocks.

"I love doing it," he said. "And I'm probably going to do it forever."

'You can't replace an investor like Chuck but you can try to put together teams that will carry on the philosophy'

FT

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ft.com/markets

Fixed income

Mozambique set to recover $825mn from tuna bonds graft scandal

JOSEPH COTTERILL — LONDON

Mozambique is set to recoup more than $825mn from the $2bn "tuna bonds" fraud that wrecked the southern African nation's finances and triggered one of Africa's biggest graft scandals.

The country was awarded more than $825mn in damages from Privinvest, a Gulf shipbuilder, in a London court yesterday.

The High Court ruled "substantially in favour" of a claim that one of the world's poorest nations was defrauded in loans used to fund tuna boats and other maritime projects.

The boats supplied by Privinvest rusted in harbour and the projects were looted of hundreds of millions of dollars after Mozambican state companies used sovereign guarantees to issue debt arranged by Credit Suisse and other banks from 2013.

The borrowing spree collapsed after its full extent was revealed in 2016, unleashing a financial crisis and ultimately a government debt default as the IMF and key donors to Mozambique pulled direct budget funding.

Mozambique had sued Credit Suisse in the same case but settled with the bank before the trial started last year.

The bank separately paid $475mn in fines and agreed to forgive a part of the debt in 2021. The country also recently settled with Russia's VTB, another arranger of the borrowing.

'Mozambique was hustled to buy what it couldn't use properly and didn't need and wasn't prepared for'

"Mozambique was hustled to buy what it couldn't use properly and didn't need and wasn't prepared for," Justice Robin Knowles said, finding that Privinvest had bribed Manuel Chang, a former finance minister, to approve loans.

Mozambican claims of bribes to other key officials and politicians could not be substantiated but Iskandar Safa, Privinvest's late chief executive and co-founder, "was the individual ultimately behind each promise and payment" to Chang, he said.

Safa, who owned a rightwing media empire in France, died in January. Chang, who denies wrongdoing, is awaiting trial in New York over a US criminal prosecution into the scandal.

In a statement yesterday, Privinvest said it would appeal an "unfair and unjustified" ruling that it said was marred by the failure of President Filipe Nyusi's government to disclose critical documents to the court.

The company has denied bribing any Mozambican official, including Chang, and has said that any payments were part of lawful investments.

"Privinvest trusts that more senior courts will correct what Privinvest perceives as a trial having taken place in circumstances that the Republic failed so completely to fulfil its own obligations and ignored orders of the court," it said.

Commodities

Australia ends attempts to revive uranium mining at World Heritage site

NIC FILDES — SYDNEY

The Australian government has intervened to block a renewed attempt to mine under Kakadu National Park in the country's Northern Territory — all but ending a decades-long dispute over one of the world's largest untapped deposits of high-grade uranium.

Energy Resources of Australia, a company majority-owned by Rio Tinto, had applied to renew a licence permitting uranium mining at a site called Jabiluka, triggering an outcry from the local Mirarr indigenous community.

Members of the community virulently opposed any prospect of mining there since an original development plan was stopped in the 1990s after a huge public protest.

But a booming uranium price and a public debate about whether Australia should adopt nuclear power for the first time has refocused attention on Jabiluka.

Minority investors in ERA, frustrated at Rio Tinto's failure to push for development of the site, have in recent weeks called for the licence to be extended and for mining to start.

However, the Northern Territory government said on Friday that it would not renew the lease for an additional 10 years and would deem the site to be "reserved land" — preventing other mining companies from trying to develop it.

It said it made the decision on the advice of Canberra.

ERA was put into a trading halt and now faces an uncertain future. Its value has collapsed since Ranger, another uranium mine close to Jabiluka, stopped producing. The cost of repairing that site has ballooned to more than A$2bn ($1.3bn) in the past year.

ERA is due to run out of funds by the end of the year and needs to raise capital but has no other significant assets with the Jabiluka licence set to expire.

That raises the prospect of the Australian government having to foot the bill for a rehabilitation of Ranger if ERA collapses.



Members of the Mirarr indigenous community — Kirsten Blair/Gundjeihmi Aboriginal Corporation

One person with direct knowledge of the situation said the government had been monitoring the situation closely.

ERA said it was disappointed with the licence decision and would consider its next steps, which could include an appeal. In contrast, Rio Tinto said it was "pleased" that the wishes of the Mirarr people had been respected.

Minority investors had stepped up pressure in recent weeks, arguing that Jabiluka could be mined with minimal impact to the environment.

Jock Packer, an investment manager at Packer & Co, which has a 9.3 per cent stake in ERA, told the Financial Times: "Jabiluka could be Australia's biggest contributor to the decarbonisation of the planet and help the US and other western countries diversify from their reliance on Kazakhstan and Russia."

Yet those arguments were dismissed as "madness" by the Mirarr, who said Kakadu remained one of Australia's most important World Heritage sites and that the traditional owners would never consent to it being mined.

Speaking after the licence was not renewed, Packer said the decision was "devastating for all stakeholders", despite Rio's statement, as a huge opportunity for the region had been passed up.

Minority investors, who have invested tens of millions of dollars into ERA on the basis that the licence would be renewed, have also accused Rio Tinto, which owns 86 per cent of ERA, of working against their interests and of hypocrisy — for mining iron ore out of Western Australian sites located near national parks but not at Kakadu.

'We would see a powerful response that would pull strings to trip over any Gulliver mining Jabiluka'

In 2020, Rio Tinto destroyed indigenous rock shelters in the Juukan Gorge in the Pilbara in Western Australia, which cost the then-chief executive his job.

It has since refused to entertain any notion that it would ever mine Jabiluka without the support of the traditional owners.

Uranium mining has been a particular bright spot on the Australian markets with developers Boss Energy, Deep Yellow and Bannerman Energy all booming in value over the past year.

Paladin Energy, an Australia-listed miner, proposed a takeover of Canadian rival Fission Uranium last month that would value the business at more than A$5bn.

In contrast, ERA's value has collapsed from more than A$3 a share — in 2010 when Ranger was still producing — to 3.7 cents this year, much to the fury of the minority investors.

The Mirarr's right of veto that was attached to the ERA licence will disappear, meaning there remains a risk that a future government could revive plans to mine the site given the value of the uranium.

Dave Sweeney, a campaigner with the Australian Conservation Foundation, said the rejection of the licence renewal would finally end a multi-decade struggle to rule out uranium mining in Kakadu after the deep scars left by Ranger.

Sweeney argued that the domestic and international outrage to any future move to develop Jabiluka would dwarf that seen in the 1990s. "We would see a powerful response that would pull strings to trip over any Gulliver trying to mine Jabiluka," he said.

UK must continue to innovate in digital payments



Sarah Breeden

Markets Insight

It's easy to think — as we've moved over my lifetime from paying with cheques to smartphones and to settling large-value payments in real time through the Bank of England — that payments in the UK are safe, easy and efficient.

They are but that does not mean things cannot be made better. In countries such as India, Brazil and Sweden, people can pay retailers directly from their bank accounts without using cards and can pay using a mobile phone number or a QR code — allowing even the tiniest businesses to accept payments cheaply.

More fundamentally, we should consider applying new tokenisation technology to conventional money, rather than in the cryptoasset markets where they were first employed.

This technology allows the digital representations of assets on programmable platforms such as blockchains. It could potentially allow payments to be embedded more efficiently and deeply into our increasingly digital economy.

When shopping online, payments could be made automatically only once delivery has happened. That could support greater competition as people become more confident using a new online retailer or platform.

In wholesale payments between financial institutions, these technologies could enable faster and cheaper settlement, greater automation of back-office processes and greater tradability of a wider range of assets.

By driving greater choice and functionality, further innovation can spur economic growth. So while the UK has made a lot of progress, we need to do more to modernise our payments landscape. So we are furthering our conversation with industry through a discussion paper published today.

Fundamental to the BoE's responsibility for monetary and financial stability is confidence in payment systems and in money itself. Or put another way, trust in both the rails (payments) and the trains that travel on them (money).

We maintain that confidence by issuing money (banknotes held by the public, and reserves held by banks), settling payments between banks through our Real-Time Gross Settlement (RTGS) infrastructure, and by regulating both the money issued by commercial banks and the interbank payment rails such as cards and internet banking.

> The goal is a robust and dynamic UK economy. Achieving it is a team sport with many players

Technological innovation means we can't simply keep the trains running on time, as vital as that is. Our roles as provider and regulator must evolve — the trains and rails must improve.

As regulator, we've already proposed new regimes to enable new market infrastructure for tokenised securities, and to allow stablecoins — digital assets that aim to maintain a stable value by holding other assets as backing — to be used safely for real-world payments.

As a provider, we will issue banknotes for as long as people want them. But we are also undertaking exploratory work on a digital version of banknotes — a retail central bank digital currency (CBDC) — as the use and usability of physical cash continues to fall. We have made great progress in renewing our RTGS service, which will launch in coming months.

But we need collectively to do more. We need to see greater innovation by banks, including in the UK's interbank payment rails, to keep pace with the global and technological frontier.

Money issued by commercial banks is used in the vast majority of retail payments in the UK and banks should not leave a CBDC as potentially the only game in an increasingly digitalised town.

The BoE will work closely with the Treasury, the Financial Conduct Authority and the Payment Systems Regulator.

In addition, we need further modernisation of the BoE's own payments infrastructure. But as tokenisation hits financial markets, we will also launch a programme of experimentation with wholesale CBDC technologies so we don't lose the clear financial stability benefits of wholesale settlement taking place in central bank money.

Those experiments will link up with similar initiatives at other central banks. We need the global payments infrastructure, in which the UK plays an important role as an international financial centre, to remain at the technological frontier, supporting openness, trade and growth. Ultimately, the goal is a robust and dynamic UK economy. Achieving it is a team sport with many players in government and business.

But one contribution the BoE can make working with industry is to redouble efforts on innovation in money and payments — modernising trains and rails as the fundamental infrastructure for commerce and the digital economy.

Sarah Breeden is deputy governor of the Bank of England for financial stability



The day in the markets

What you need to know

- **UK sovereign debt leads global government bond rally**
- **US techs nudge higher, rebounding from last week's sharp sell-off**
- **Brent crude oil prices dip below $80 for first time since June**

UK sovereign debt led a global bond market rally yesterday as chancellor Rachel Reeves unveiled a series of spending cuts to shore up the country's public finances, boosting investor confidence the new government would stick with what analysts called a fiscally responsible approach.

The yield on benchmark 10-year gilts fell 5 basis points to 4.05 per cent, the biggest daily decline for two weeks.

The yield on the two-year rate, which is sensitive to interest rate changes, fell 4bp to 3.88 per cent, boosted by hopes that the Bank of England could start lowering interest rates this week.

Traders in swaps markets now place a 60 per cent likelihood that the BoE will cut interest rates on Thursday from a 16-year high of 5.25 per cent, having been evenly split late last week.

"Gilts are rallying partly on the expectation that the Bank of England may go this week . . . but more on the comments coming from Rachel Reeves — she is toeing the fiscally prudent line," said Shamil Gohil, a portfolio manager at Fidelity International.

Beyond the UK, benchmark 10-year Treasury yields fell 2bp to 4.17 per cent ahead of the two-day US Federal Reserve meeting that concludes tomorrow when policymakers are expected to keep interest rates on hold.

Gilt yields fall as BoE rate cuts draw nearer

Two-year gilt yield (%)



Source: LSEG

Tech stocks also nudged higher, rebounding after a sharp sell-off last week that pushed four of the "Magnificent Seven" down more than 10 per cent from recent peaks into so-called correction territory.

Traders were also looking ahead to earnings from Microsoft, Apple, Amazon and Meta this week.

The tech-heavy Nasdaq Composite rose 0.6 per cent by midday trading in the US while the S&P 500 climbed 0.4 per cent, boosted by Tesla gains after Morgan Stanley analysts promoted the carmaker to its "top pick" in the US autos sector.

European stocks fell, dragged down by consumer companies, with Heineken leading the declines.

London's FTSE 100 index rose 0.1 per cent, boosted by real estate companies as hopes of BoE rate cuts increased.

Brent crude, the international oil benchmark, fell 2.1 per cent to $79.42 a barrel, dipping below $80 for the first time since June after Israeli officials said they wanted to avoid dragging the Middle East into an all-out war.

WTI, its US counterpart, retreated 2.3 per cent to $75.38 a barrel.

Mary McDougall and Emily Herbert

Markets update

	US	Eurozone	Japan	UK	China	Brazil
Stocks	**S&P 500**	**Eurofirst 300**	**Nikkei 225**	**FTSE100**	**Shanghai Comp**	**Bovespa**
Level	5472.89	2029.40	38468.63	8292.35	2891.85	126784.68
% change on day	0.25	-0.23	2.13	0.08	0.03	-0.56
Currency	**$ index (DXY)**	**$ per €**	**Yen per $**	**$ per £**	**Rmb per $**	**Real per $**
Level	104.594	1.082	154.055	1.285	7.258	5.662
% change on day	0.266	-0.368	0.339	0.000	0.059	0.144
Govt. bonds	**10-year Treasury**	**10-year Bund**	**10-year JGB**	**10-year Gilt**	**10-year bond**	**10-year bond**
Yield	4.174	2.356	1.024	4.162	2.129	11.722
Basis point change on day	-3.410	-4.800	-3.330	-5.100	-2.200	-0.400
World index, Commods	**FTSE All-World**	**Oil - Brent**	**Oil - WTI**	**Gold**	**Silver**	**Metals (LMEX)**
Level	530.35	79.67	75.73	2386.10	27.76	3880.20
% change on day	0.25	-1.80	-1.85	0.93	-0.84	0.18

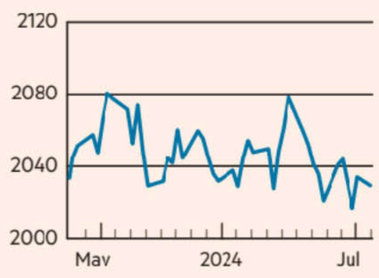
Yesterday's close apart from: Currencies = 16:00 GMT; S&P, Bovespa, All World, Oil = 17:00 GMT; Gold, Silver = London pm fix. Bond data supplied by Tullett Prebon.

Main equity markets

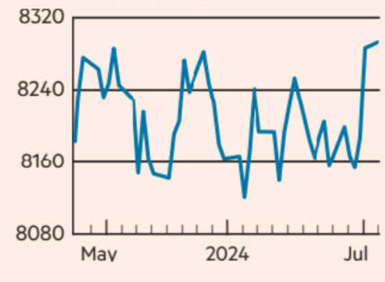
S&P 500 index



Eurofirst 300 index



FTSE 100 index



Biggest movers

%	US		Eurozone		UK	
Ups	On Semiconductor	13.32	Philips	13.90	Jd Sports Fashion	4.14
	Dexcom	6.37	A.p. Moller - Maersk B	5.58	Airtel Africa	2.91
	Revvity	5.62	Merck	3.54	Natwest	2.63
	Resmed	4.67	Ucb	3.35	Segro	2.04
	Tesla	4.65	Infineon Tech	2.21	Prudential	1.61
Downs	Constellation Brands	-2.99	Heineken Holding	-8.25	Reckitt Benckiser	-8.76
	Franklin Resources	-2.71	Carlsberg	-4.32	Entain	-8.07
	Southwest Airlines Co	-2.66	Thyssenkrupp	-3.25	Easyjet	-1.98
	Western Digital	-2.37	Basf	-2.57	Int Consolidated Airlines S.a.	-1.85
	Apa	-2.34	Hermes Intl	-2.41	Anglo American	-1.70

Prices taken at 17:00 GMT

Based on the constituents of the FTSE Eurofirst 300 Eurozone

All data provided by Morningstar unless otherwise noted.

Equities

Heineken shares slide after weather blamed for disappointing beer sales

MADELEINE SPEED

Heineken blamed the weather after its sales disappointed in a second quarter also hit by a writedown of its stake in a Chinese brewer, sending shares in the world's second-largest brewer down 7 per cent.

The Dutch group said the volume of beer it sold in the first half rose 2.1 per cent, below the 3.4 per cent increase forecast by analysts, after the Euro 2024 football tournament failed to deliver a significant boost.

"Typically big sports events like the Euro cup have a positive impact but the weather has been significantly below long-term averages and below last year, impacting our business," said chief executive Dolf van den Brink.

A weaker second quarter overshadowed what was a strong start to the year from Heineken as it reversed a period of falling sales volumes.

The brewer faced criticism for raising prices too high in 2023, leading to a drop in volumes as consumers balked.

Laurence Whyatt, an analyst at Barclays, said the reaction in the share price yesterday was likely to have been influenced by positive comments made by executives at a recent conference.

"However, these results missed forecasts, suggesting there was a gap between the company's messaging and analyst expectations," he said.

Heineken said its revenues increased 2.2 per cent to €17.8bn in the first half of the year. Operating profit before exceptional items and amortisation was better than expected, increasing 12.5 per cent to €2bn in the same period.

> 'However, there was a gap between the company's messaging and analyst expectations'

Beer sales volumes in Europe rose 0.6 per cent in the first half compared with an expected 2 per cent uplift with north and western Europe hit hardest.

In the Americas, sales increased 1.1 per cent compared with 3.1 per cent growth anticipated by analysts.

Heineken expects to deliver organic operating profit growth of between 4 and 8 per cent for the full year compared with its previous guidance of between low and high single-digit growth.

The brewer also reported an €874mn impairment on its investment in China's largest brewer after softening consumer demand pushed China Resources Beer's share price lower than the price Heineken paid for its stake. The impairment led to a net loss of €95mn in the first half of the year for Heineken.

Heineken said it had written down the value of its 20 per cent interest in China Resources Beer after the company's share price fell significantly, "possibly reflecting concerns on the macroeconomic environment in China and its impact on consumer demand".

The brewer added that the share price performance had deviated from the strong operational results of China Resources Beer.

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 $
0.25%	0.34%	No change	0.08%	-0.23%	2.13%	1.28%	0.25%	-0.368%	No change	0.339%	-0.355%	-0.45%	0.93%

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

AMERICAS

Jun 30 -- (Index / All World)

S&P 500 — New York



Day 0.25% Month 0.23% Year 19.44%

Nasdaq Composite — New York



Day 0.34% Month -1.78% Year 21.66%

Dow Jones Industrial — New York



Day 0.00% Month 3.77% Year 14.48%

Jun 30 - Jul 29 (Index / All World)

S&P/TSX COMP — Toronto



Day -0.27% Month 4.02% Year 10.89%

IPC — Mexico City



Day -0.21% Month 0.52% Year -4.07%

Bovespa — São Paulo



Day -0.56% Month 2.32% Year 5.49%

Country	Index	Latest	Previous
Australia			
	All Ordinaries	8224.30	8153.40
	S&P/ASX 200	7985.60	7921.30
	S&P/ASX 200 Res	5476.50	5465.10
Austria	ATX	3663.04	3671.77
Belgium	BEL 20	4116.86	4088.20
	BEL Mid	10570.19	10582.75
Brazil	Ibovespa	126784.68	127492.49
Canada	S&P/TSX 60	1359.52	1362.71
	S&P/TSX Comp	22752.77	22814.81
	S&P/TSX Div Met & Min	2041.08	1954.58
Chile	S&P/CLX IGPA Gen	32542.19	32556.24
China	FTSE A200	9023.45	9050.19
	FTSE B35	9000.71	8988.96
	Shanghai A	3031.39	3030.38
	Shanghai B	232.30	232.84
	Shanghai Comp	2891.85	2890.90
	Shenzhen A	1633.67	1641.41
	Shenzhen B	1112.79	1118.35
Colombia	COLCAP	1261.61	1260.21
Croatia	CROBEX	2013.05	2011.29
Cyprus	CSE M&P Gen	68.46	68.68
Czech Republic	PX	1598.50	1597.84
Denmark	OMXC Copenahgen 20	2680.35	2656.64
Egypt	EGX 30	29090.57	29195.24
Estonia	OMX Tallinn	1734.00	1739.38
Finland	OMX Helsinki Generz	9892.65	9848.11
France	CAC 40	7443.84	7517.68
	SBF 120	5649.87	5702.66
Germany	M-DAX	25097.86	25116.62
	TecDAX	3342.55	3333.28
	XETRA Dax	18320.67	18417.55
Greece	Athens Gen	1468.01	1469.25
	FTSE/ASE 20	3575.90	3575.55
Hong Kong	Hang Seng	17238.34	17021.31
	HS China Enterprise	6080.56	6010.64
	HSCC Red Chip	3579.61	3574.16
Hungary	Bux	73745.69	73174.10
India	BSE Sensex	81355.84	81332.72
	Nifty 500	23394.20	23292.05
Indonesia	Jakarta Comp	7288.90	7288.17
Ireland	ISEQ Overall	9536.03	9541.46
Israel	Tel Aviv 125	2004.52	2053.76

EUROPE

Jun 30 - Jul 29 (Index / All World)

FTSE 100 — London



Day 0.08% Month 1.63% Year 7.84%

FTSE Eurofirst 300 — Europe



Day -0.23% Month -0.10% Year 9.06%

CAC 40 — Paris



Day -0.98% Month -0.48% Year -0.44%

Jun 30 - Jul 29 (Index / All World)

Xetra Dax — Frankfurt



Day -0.53% Month 0.82% Year NaN%

Ibex 35 — Madrid



Day -0.43% Month 1.59% Year 14.79%

FTSE MIB — Milan



Day -0.51% Month 1.47% Year 14.04%

Country	Index	Latest	Previous
Italy	FTSE Italia All-Share	35838.93	36035.27
	FTSE Italia Mid Cap	47224.55	47692.03
	FTSE MIB	33640.83	33812.44
Japan	2nd Section	7226.27	7239.06
	Nikkei 225	38468.63	37667.41
	S&P Topix 150	2446.03	2387.01
	Topix	2756.67	2699.54
Jordan	Amman SE	2408.69	2397.75
Kenya	NSE 20	1674.10	1683.44
Kuwait	KSX Market Index	6633.44	6603.51
Latvia	OMX Riga	866.71	879.79
Lithuania	OMX Vilnius	993.09	993.05
Luxembourg	LuxX	1373.33	1377.27
Malaysia	FTSE Bursa KLCI	1624.56	1612.88
Mexico	IPC	52706.98	52819.58
Morocco	MASI	13773.16	13660.65
Netherlands	AEX	904.12	906.64
	AEX All Share	1190.53	1198.53
New Zealand	NZX 50	12313.62	12349.47
Nigeria	SE All Share	97343.42	98255.72
Norway	Oslo All Share	1667.60	1655.11
Pakistan	KSE 100	78827.74	78029.51
Philippines	Manila Comp	6649.23	6726.01
Poland	Wig	83912.39	83712.63
Portugal	PSI 20	6699.06	6669.78
	PSI General	4591.13	4557.10
Romania	BET Index	18513.49	18562.57
Russia	Micex Index	2436.57	2445.30
	RTX	1245.71	1212.57
Saudi-Arabia	TADAWUL All Share Index	12175.43	12026.21
Singapore	FTSE Straits Times	3444.18	3426.47
Slovakia	SAX	308.66	308.66
Slovenia	SBI TOP	-	-
South Africa	FTSE/JSE All Share	81011.65	81120.51
	FTSE/JSE Res 20	60285.10	60374.86
	FTSE/JSE Top 40	73872.66	74042.43
South Korea	Kospi	2765.53	2731.90
	Kospi 200	378.73	374.20
Spain	IBEX 35	11117.80	11165.90
Sri Lanka	CSE All Share	11619.01	11633.38
Sweden	OMX Stockholm 30	2580.00	2578.75
	OMX Stockholm AS	993.99	993.87
Switzerland	SMI Index	12214.90	12241.49

ASIA

Jun 30 - Jul 29 (Index / All World)

Nikkei 225 — Tokyo



Day 2.13% Month -2.71% Year 17.56%

Hang Seng — Hong Kong



Day 1.28% Month -2.65% Year -13.40%

Shanghai Composite — Shanghai



Day 0.03% Month -2.55% Year -11.72%

Jun 30 - Jul 29 (Index / All World)

Kospi — Seoul



Day 1.23% Month -1.15% Year 6.03%

FTSE Straits Times — Singapore



Day 0.52% Month 3.44% Year 2.26%

BSE Sensex — Mumbai



Day 0.03% Month 2.95% Year 22.98%

Country	Index	Latest	Previous
Thailand	Bangkok SET	1307.21	1291.58
Turkey	BIST 100	10766.07	10691.42
UAE	Abu Dhabi General Index	9222.93	9251.11
UK	FT 30	2861.90	2839.40
	FTSE 100	8292.35	8285.71
	FTSE 4Good UK	7535.37	7529.90
	FTSE All Share	4542.18	4542.34
	FTSE techMARK 100	6967.12	7001.76
USA	DJ Composite	12993.25	12975.40
	DJ Industrial	40587.84	40589.34
	DJ Transport	15985.17	15919.59
	DJ Utilities	974.42	971.41
	Nasdaq 100	19112.01	19023.66
	Nasdaq Comp	17417.68	17357.88
	NYSE Comp	18551.90	18584.48
	S&P 500	5472.89	5459.10
	Wilshire 5000	42052.18	41446.59
Venezuela	IBC	89244.33	87847.25
Vietnam	VNI	1246.60	1242.11

Country	Index	Latest	Previous
Cross-Border	DJ Global Titans ($)	666.30	658.19
	Euro Stoxx 50 (Eur)	4815.21	4862.50
	Euronext 100 ID	1465.62	1474.98
	FTSE 4Good Global ($)	14029.10	14017.77
	FTSE All World ($)	530.35	529.05
	FTSE E300	2029.40	2034.04
	FTSE Eurotop 100	4028.47	4045.54
	FTSE Global 100 ($)	3772.67	3765.10
	FTSE Gold Min ($)	2186.42	2169.03
	FTSE Latibex Top (Eur)	4440.00	4432.20
	FTSE Multinationals ($)	3753.79	3718.84
	FTSE Word ($)	974.96	972.74
	FTSEurofirst 100 (Eur)	5446.75	5474.58
	FTSEurofirst 80 (Eur)	6465.38	6517.92
	MSCI ACWI Fr ($)	803.48	796.78
	MSCI All World ($)	3524.08	3490.82
	MSCI Europe (Eur)	2054.57	2036.07
	MSCI Pacific ($)	3034.58	3036.12
	S&P Euro (Eur)	2102.40	2116.36
	S&P Europe 350 (Eur)	2078.58	2083.06
	S&P Global 1200 ($)	3887.10	3877.22
	Stoxx 50 (Eur)	4431.64	4448.03

(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
Tesla	163.9	230.01	10.21
Nvidia	144.8	113.03	-0.03
Advanced Micro Devices	36.0	140.82	0.83
Apple	35.7	218.04	0.08
Microsoft	25.7	427.13	1.92
Amazon.com	24.5	183.52	1.02
Meta Platforms	20.8	469.80	4.10
Crowdstrike Holdings	16.6	263.73	7.63
Super Micro Computer	15.1	703.73	-8.41
Mcconald's	14.7	262.23	10.20
BIGGEST MOVERS	**Close price**	**Day's change**	**Day's chg%**
Ups			
On Semiconductor	79.52	9.35	13.32
Dexcom	68.08	4.03	6.37
Revvity	121.62	6.47	5.62
Resmed	206.25	9.21	4.67
Tesla	230.01	10.21	4.65
Downs			
Constellation Brands	245.91	-7.57	-2.99
Franklin Resources	22.46	-0.63	-2.71
Southwest Airlines Co	26.51	-0.73	-2.66
Western Digital	66.64	-1.62	-2.37
Apa	30.48	-0.73	-2.34

Based on the constituents of the S&P500

LONDON

ACTIVE STOCKS	stock traded m's	close price	Day's change
Astrazeneca	254.0	12364.00	184.00
British American Tobacco	175.4	2767.00	33.00
Hsbc Holdings	146.7	670.00	4.80
Unilever	142.5	4735.00	-6.00
Feckitt Benckiser	139.1	4093.00	-393.00
Ep	137.5	453.00	-1.50
Felx	121.1	3661.00	53.00
Standard Chartered	119.3	726.80	3.80
Glencore	110.4	427.45	-6.15
Prudential	108.3	696.00	11.00
BIGGEST MOVERS	**Close price**	**Day's change**	**Day's chg%**
Ups			
Jd Sports Fashion	128.30	5.10	4.14
Airtel Africa	113.00	3.20	2.91
W.a.g Payment Solutions	66.00	1.80	2.80
Natwest	371.40	9.50	2.63
Eridgepoint	277.00	6.60	2.44
Downs			
Energean	989.00	-106.00	-9.68
Feckitt Benckiser	4093.00	-393.00	-8.76
Entain	596.60	-52.40	-8.07
Man	246.40	-13.20	-5.08
Discoverie	674.00	-33.00	-4.67

Based on the constituents of the FTSE 350 index

EURO MARKETS

ACTIVE STOCKS	stock traded m's	close price	Day's change
Nestle N	331.3	91.81	0.10
Stellantis	316.6	15.63	-0.54
Roche Gs	300.6	297.69	-0.63
Asml Holding	275.1	808.70	-11.80
Unicredit	226.2	37.89	0.05
Intesa Sanpaolo	214.4	3.67	-0.04
Novartis N	198.5	102.29	0.65
Eni	177.8	14.63	0.14
Lonza N	141.4	599.96	-6.05
Holcim N	123.2	84.84	-2.40
BIGGEST MOVERS	**Close price**	**Day's change**	**Day's chg%**
Ups			
Stmicroelectronics	31.45	0.67	2.16
Siemens Health.ag Na O.n.	54.00	1.06	2.00
Infineon Tech.ag Na O.n.	31.52	0.57	1.84
Muwi	15.22	0.20	1.34
Eni	14.63	0.14	0.98
Downs			
Heineken	82.02	-8.68	-9.57
Stellantis	15.63	-0.54	-3.33
Holcim N	84.84	-2.40	-2.75
Basf Se Na O.n.	42.61	-1.12	-2.57
Hermes Intl	2025.00	50.00	2.41

Based on the constituents of the FTSEurofirst 300 Eurozone index

TOKYO

ACTIVE STOCKS	stock traded m's	close price	Day's change
Disco	2097.0	47580.00	1480.00
Tokyo Electron	1731.1	28640.00	1015.00
Lasertec	1118.5	26175.00	535.00
Softbank .	1000.1	9383.00	209.00
Mitsubishi Heavy Industries,	944.1	1837.00	59.50
Toyota Motor	838.5	2967.00	58.00
Shin-etsu Chemical Co.,	770.8	6844.00	540.00
Mitsubishi Ufj Fin	738.7	1706.00	20.50
Sumitomo Mitsui Fin	660.7	10625.00	80.00
Screen Holdings Co Ltd	656.2	11810.00	-525.00
BIGGEST MOVERS	**Close price**	**Day's change**	**Day's chg%**
Ups			
Shin-etsu Chemical Co.,	6844.00	540.00	8.57
Rakuten	903.80	63.50	7.56
Sumco	2503.50	162.50	6.94
Furukawa Electric Co.,	3954.00	230.00	6.18
Fujikura	2977.00	170.50	6.08
Downs			
Eisai Co.,	5768.00	-860.00	-12.98
Hitachi Construction Machinery Co.,	3764.00	-397.00	-9.54
Screen Holdings Co Ltd	11810.00	-925.00	-7.26
M3	1426.00	-66.50	-4.46
Keyence	65120.00	-810.00	-1.23

Based on the constituents of the Nikkei 225 index

UK MARKET WINNERS AND LOSERS

FTSE 100	Jul 29 price(p)	%Chg week	%Chg ytd
Winners			
Natwest	371.40	9.7	69.3
Jd Sports Fashion	128.30	8.8	-22.9
Compass	2359.00	7.7	9.9
British American Tobacco	2762.00	6.7	20.6
Easyjet	454.40	6.6	-10.9
Barratt Developments	527.60	6.3	-6.6
Unilever	4735.00	5.6	24.6
Intertek	4940.00	5.1	16.3
Persimmon	1580.00	4.9	13.8
Anglo American	2339.50	4.7	18.7
Vistry	1373.00	4.6	49.6
Relx	3661.00	4.2	17.5
Losers			
Pershing Square Holdings Ltd	3728.00	-11.9	4.0
Entain	596.60	-9.1	-40.0
Reckitt Benckiser	4093.00	-7.5	-24.5
Centrica	130.95	-6.3	-0.9
Fresnillo	572.00	-5.3	-3.8
Glencore	427.45	-3.6	-9.5
Rentokil Initial	465.60	-3.6	5.6
Airtel Africa	113.00	-3.4	-12.8
Scottish Mortgage Investment Trust	647.00	-3.1	4.9
Rightmove	558.00	-2.8	-2.9
Londonmetric Property	196.40	-2.5	2.6
Mondi	1544.50	-2.4	-8.7

FTSE 250	Jul 29 price(p)	%Chg week	%Chg ytd
Winners			
Ascentia	572.00	54.1	14.7
Drax	642.00	13.1	31.2
Ig Holdings	939.50	9.1	22.7
Genus	1774.00	7.9	-18.1
Volution	532.00	6.4	22.1
Aj Bell	452.00	6.2	44.4
Redrow	743.00	5.9	20.8
Tyman	409.50	5.7	30.2
Bellway	2848.00	5.6	10.9
Bh Macro	385.00	5.5	4.9
Hunting	448.00	5.4	52.1
Jlen Environmental Assets	96.40	5.0	-5.1
Losers			
Carnival	1212.50	-7.6	-7.7
Discoverie	674.00	-6.8	-14.7
Dowlais	63.50	-6.8	-40.6
Centamin	119.70	-6.3	20.0
Energean	989.00	-6.3	-3.5
Hammerson	28.22	-5.9	-0.6
Ti Fluid Systems	129.40	-5.7	-15.9
Wizz Air Holdings	1915.00	-5.7	-13.4
Pennon	621.00	-5.6	-17.5
Helios Towers	125.20	-4.4	40.7
Polar Capital Technology Trust	3035.00	-4.4	17.0
Allianz Technology Trust	361.00	-4.2	18.9

FTSE SmallCap	Jul 29 price(p)	%Chg week	%Chg ytd
Winners			
Regional Reit	137.00	891.3	289.2
Petrofac	16.18	27.4	-56.7
Card Factory	120.80	14.0	12.1
Oxford Biomedica	380.50	10.6	73.0
Jpmorgan Us Smaller Co Inv Tst	455.00	7.8	11.3
Sabre Insurance	161.00	7.5	9.1
Ferrexpo	60.30	7.1	-33.2
Secure Trust Bank	840.00	6.9	22.1
Oryx Int Growth Fund Ltd	1425.00	6.3	17.5
Brown Advisory Us Smaller Companies	1395.00	5.3	7.9
Aew Uk Reit	93.80	4.9	-7.1
Vanquis Banking	52.40	4.8	-59.4
Losers			
Cab Payments Holdings	84.90	-19.9	2.5
Evoke	58.20	-9.0	-39.1
Sig	24.50	-7.7	-26.6
Seraphim Space Investmen Trust	54.50	-7.0	56.9
Tullow Oil	29.86	-6.7	-23.3
Luceco	158.60	-6.2	27.9
Petra Diamonds	32.50	-5.9	-53.6
Synthomer	258.00	-5.8	36.0
Jpmorgan China Growth & Income	197.40	-5.2	-11.1
Robert Walters	368.00	-5.2	-17.3
Fidelity Japan Trust	168.50	-4.3	-8.9
Capita	19.14	-4.2	-13.0

Incustry Sectors	Jul 29 price(p)	%Chg week	%Chg ytd
Winners			
General Retailers	4138.31	7.5	9.8
Tobacco	31514.30	5.5	20.3
Household Goods	14680.23	4.3	12.0
Health Care Equip.& Services	12046.45	3.7	10.6
Media	12840.97	3.2	15.3
Food & Drug Retailers	4371.53	2.5	9.1
Software & Computer Services	2515.45	2.5	4.1
Mobile Telecommunications	2085.04	2.0	9.4
Electricity	11331.17	2.0	2.6
Banks	4400.85	1.8	19.6
Gas Water & Multiutilities index	6054.18	1.8	-1.0
Incustrial Transportation	4072.11	1.8	2.2
Losers			
Automobiles & Parts	1060.66	-4.4	-33.4
Mining	10427.72	-3.5	5.4
Travel & Leisure	7302.14	-1.6	-2.7
Real Estate & Investment Servic	2350.77	-1.4	1.4
Electronic & Electrical Equip.	10384.45	-1.2	4.6
Oil & Gas Producers	8959.20	-0.7	4.5
Equity Investment Instruments	12165.22	-0.7	5.3
Real Estate Investment Trusts	2349.80	-0.7	-2.3
Chemicals	6369.02	-0.5	-12.0
Incustrial Metals	6408.29	0.1	-5.9
Aerospace & Defense	10787.67	0.1	25.7
General Incustrials	7538.45	0.2	11.1

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

CURRENCIES

Jul 29	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	930.9936	1.7136	1006.9586	-1.8674	1196.0043	1.5573
Australia	Australian Dollar	1.5303	0.0044	1.6552	-0.0013	1.9660	0.0046
Bahrain	Bahraini Dinar	0.3770	-	0.4077	-0.0015	0.4843	-0.0003
Bolivia	Bolivian Boliviano	6.9100	-	7.4738	-0.0277	8.8770	-0.0043
Brazil	Brazilian Real	5.6620	0.0082	6.1240	-0.0138	7.2737	0.0065
Canada	Canadian Dollar	1.3854	0.0014	1.4984	-0.0041	1.7797	0.0003
Chile	Chilean Peso	957.6100	7.7600	1035.7468	4.5901	1230.1572	9.3102
China	Chinese Yuan	7.2577	0.0042	7.8499	-0.0244	9.3236	0.0004
Colombia	Colombian Peso	4057.6900	46.1200	4388.7810	33.8223	5212.7261	56.4657
Costa Rica	Costa Rican Colon	525.4550	0.3250	568.3298	-1.7511	675.0276	0.0534
Czech Republic	Czech Koruna	23.4805	0.1160	25.3964	0.0319	30.1642	0.1323
Denmark	Danish Krone	6.8994	0.0251	7.4623	-0.0003	8.8633	0.0275
Egypt	Egyptian Pound	48.3185	-0.0029	52.2611	-0.1966	62.0725	-0.0372
Hong Kong	Hong Kong Dollar	7.8107	0.0034	8.4480	-0.0276	10.0340	-0.0013
Hungary	Hungarian Forint	363.5587	3.7576	393.2234	2.6236	467.0469	4.5777
India	Indian Rupee	83.7388	0.0125	90.5715	-0.3217	107.5753	-0.0423
Indonesia	Indonesian Rupiah	16280.0000	-10.0000	17608.3923	-76.0425	20914.2016	-24.1288
Israel	Israeli Shekel	3.7169	0.0533	4.0202	0.0495	4.7749	0.0736
Japan	Japanese Yen	154.0550	0.5230	166.6252	-0.0523	197.9073	0.5615
	..One Month	154.0543	0.5136	166.6247	-0.0534	197.9065	0.5598
	..Three Month	154.0529	0.5159	166.6237	-0.0554	197.9048	0.5565
	..One Year	154.0479	0.5058	166.6201	-0.0625	197.9065	0.5517
Kenya	Kenyan Shilling	131.0000	-0.2500	141.6890	-0.7959	168.2896	-0.4122
Kuwait	Kuwaiti Dinar	0.3059	0.0001	0.3303	-0.0012	0.3929	-0.0001
Malaysia	Malaysian Ringgit	4.6390	-0.0135	5.0175	-0.0387	5.9595	-0.0270
Mexico	Mexican Peso	18.6140	0.1470	20.1323	0.0851	23.9125	0.1760
New Zealand	New Zealand Dollar	1.7046	0.0072	1.8437	0.0010	2.1898	0.0081
Nigeria	Nigerian Naira	1610.0000	10.0000	1741.3691	4.4097	2068.2925	11.7368
Norway	Norwegian Krone	11.0027	-0.0272	11.9005	-0.0735	14.1347	-0.0425
Pakistan	Pakistani Rupee	278.5000	0.1750	301.2244	-0.9251	357.7760	0.0318
Peru	Peruvian Nuevo Sol	3.7369	-0.0122	4.0413	-0.0282	4.8006	-0.0183
Philippines	Philippine Peso	58.5110	0.1610	63.2852	-0.0595	75.1664	0.1664
Poland	Polish Zloty	3.9682	0.0346	4.2920	0.0217	5.0978	0.0418
Romania	Romanian Leu	4.5989	0.0199	4.9741	0.0032	5.9080	0.0224
Russia	Russian Ruble	86.5013	0.4013	93.5594	0.0892	111.1241	0.4558
Saudi Arabia	Saudi Riyal	3.7515	-0.0001	4.0576	-0.0151	4.8194	-0.0027
Singapore	Singapore Dollar	1.3439	0.0014	1.4536	-0.0039	1.7264	0.0009
South Africa	South African Rand	18.4838	0.2150	19.9919	0.1594	23.7452	0.2635
South Korea	South Korean Won	1381.9000	-3.7500	1494.6570	-9.6041	1775.2627	-5.7785
Sweden	Swedish Krona	10.0298	0.0219	11.7134	-0.0196	13.9125	0.0206
Switzerland	Swiss Franc	0.8864	0.0034	0.9587	0.0001	1.1387	0.0037
Taiwan	New Taiwan Dollar	32.8710	0.0440	35.5531	-0.0838	42.2278	0.0338
Thailand	Thai Baht	36.0600	-	39.0023	-0.1444	46.3246	-0.0250
Tunisia	Tunisian Dinar	3.1131	0.0090	3.3671	-0.0027	3.9992	0.0094
Turkey	Turkish Lira	33.0220	0.0240	35.7104	-0.1062	42.4218	0.0079
United Arab Emirates	UAE Dirham	3.6729	-0.0001	3.9726	-0.0148	4.7185	-0.0026
United Kingdom	Pound Sterling	0.7784	0.0004	0.8419	-0.0027	-	-
	..One Month	0.7785	0.0004	0.8418	-0.0027	-	-
	..Three Month	0.7785	0.0004	0.8416	-0.0027	-	-
	..One Year	-	-	0.8406	-0.0027	-	-
United States	United States Dollar	-	-	1.0816	-0.0040	1.2847	-0.0007
	..One Month	-	-	1.0814	-0.0037	1.2847	-0.0007
	..Three Month	-	-	1.0811	-0.0038	1.2847	-0.0007
	..One Year	-	-	1.0798	-0.0038	1.2848	-0.0007
Vietnam	Vietnamese Dong	25285.0000	-30.0000	27348.1834	-133.7816	32482.5082	-56.1233
European Union	Euro	0.9249	0.0034	-	-	1.1877	0.0037
	..One Month	0.9244	0.0034	-	-	1.1876	0.0037
	..Three Month	0.9241	0.0034	-	-	1.1874	0.0037
	..One Year	0.9228	0.0034	-	-	1.1864	0.0037

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

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	£ Strlg Jul 29	Day's chge%	Euro Index	£ Strlg Jul 26	£ Strlg Jul 25	Year ago	Div yield%	Cover	P/E ratio	X/D adj	Total Return
FTSE 100 (100)	8292.35	0.08	7675.76	8285.71	8186.35	7594.27	3.67	1.75	15.61	174.29	9059.46
FTSE 250 (250)	21252.07	-0.49	19671.85	21356.30	20884.35	19124.14	3.20	1.60	19.51	382.67	18667.09
FTSE 250 ex Inv Co (167)	22330.27	-0.71	20677.20	22497.81	21960.09	19944.19	3.29	1.43	21.35	410.50	20054.89
FTSE 350 (350)	4586.27	0.00	4245.25	4586.28	4524.71	4237.17	3.60	1.73	16.06	94.42	9931.63
FTSE 350 ex Investment Trusts (264)	4527.74	0.00	4191.07	4527.58	4467.33	4186.48	3.66	1.68	16.28	94.59	5071.87
FTSE 350 Higher Yield (127)	3892.28	-0.19	3602.86	3899.71	3850.62	3555.53	5.14	1.61	12.11	110.82	9744.14
FTSE 350 Lower Yield (223)	4827.22	0.20	4463.29	4

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$)							
ANZ Bank	28.82	-0.34	30.23	23.90	6.17	12.58	56669.87
BHP Group	42.07	-0.03	50.84	41.02	6.33	18.72	139419.53
CmwBkAu	134.90	1.76	134.90	96.15	3.51	22.27	147526.69
CSL	311.33	3.28	313.55	228.65	1.18	39.66	98312.19
NatAusBk	37.90	0.49	38.08	27.50	4.47	16.94	76554.34
Telstra	3.89	0.04	4.30	3.39	4.60	21.00	29370.43
Wesfarmers	71.38	0.46	72.78	48.36	2.82	30.68	52901.69
Westpac Bank	28.99	0.40	29.02	20.41	4.97	15.94	65593.45
Woolworths	34.45	0.24	39.19	30.12	3.18	27.29	27499.6
Belgium (€)							
AnBshInBv	55.08	-1.08	62.16	49.17	1.42	25.14	107066.76
KBC Grp	71.38	0.24	71.72	48.78	5.69	9.88	32217.8
Brazil (R$)							
Ambev	11.85	-0.03	15.45	10.98	7.09	11.25	32979.2
Bradesco	11.29	-0.04	15.77	10.87	5.76	8.46	10628.63
Cielo	5.75	-0.01	5.76	3.24	8.71	6.30	2759.03
ItauUnHpFin	29.56	0.23	31.02	22.46	4.91	7.49	25886.09
Petrobras	39.45	-1.40	44.77	32.25	13.20	3.98	51855.3
Vale	61.55	0.08	78.55	59.36	10.24	5.91	49342.28
Canada (C$)							
Bausch Hlth	8.11	-0.19	15.43	5.45	-	-4.64	2115.28
BCE	46.13	-0.03	58.10	42.58	8.80	22.95	30374.32
BkMontrl	120.90	0.04	133.95	102.67	5.10	14.01	63655.92
BkNvaS	63.44	0.04	70.40	55.20	6.91	10.20	56307.37
Brookfield	58.88	11.29	63.88	41.28	0.65	73.96	69948.82
CanadPcR	114.29	0.50	123.37	94.45	0.69	26.26	76976.29
CanImp	70.61	-0.21	71.05	47.44	5.17	10.32	48066.44
CanNaRs	47.21	-0.42	56.50	38.91	4.24	13.42	72514.27
CanNaRy	159.49	-0.11	181.34	143.13	2.10	18.17	72807.09
Enbridge	50.89	0.17	52.34	42.75	7.32	18.44	79978.04
GtWesLif	41.44	-0.06	45.05	37.06	5.31	11.35	27883.12
ImpOil	95.08	-3.08	101.63	68.32	2.30	10.63	36775.81
Manulife	35.79	-0.18	37.46	23.69	4.35	14.75	46101
Nutrien	69.05	-1.77	92.48	64.89	4.35	28.66	24656.76
RylBkC♦	152.84	-0.29	154.59	107.92	3.70	13.53	156119.39
SHOP	83.73	0.80	123.20	63.16	-	-371.45	73162.36
Suncor En	52.66	-0.57	56.60	30.52	4.21	8.37	48712.85
ThmReut	224.45	0.80	242.92	163.01	1.24	28.26	72853.89
TntoDom♦	80.10	-0.35	87.10	73.67	5.11	12.97	101031.4
TrnCanc♦	58.12	0.08	58.58	43.70	8.72	21.31	43526.04
China (HK$)							
AgricBkCh	3.53	0.08	3.85	2.50	6.85	4.52	13892.1
Bk China♦	3.44	0.06	3.99	2.60	7.45	4.29	36828.92
BkofComm	5.72	0.13	6.33	4.23	7.25	4.49	25640.24
BOE Tech	0.52	-0.01	0.87	0.40	5.81	6.53	13.25
Ch Coms Cons♦	4.53	0.11	5.07	3.16	5.55	2.77	2562.58
Ch Evrbrght	2.35	0.02	2.64	2.13	9.00	3.51	3814.65
Ch Rail Coms	5.03	0.03	5.96	4.06	6.09	2.63	1337.11
Ch Rail Gp	3.74	-0.01	5.32	3.06	5.84	2.67	2014.62
ChConstBk♦	5.46	0.07	5.95	4.01	7.86	3.79	168061.32
China Vanke	4.14	-0.05	11.46	3.63	17.89	4.31	1169.54
ChinaCitic	4.64	0.10	5.23	3.39	7.89	3.61	8840.9
ChinaLife♦	10.62	0.08	14.18	8.19	5.11	14.42	101177.54
ChinaMBank	32.20	0.25	39.00	24.20	5.97	5.23	10926.22
ChinaMob	73.20	0.45	79.00	60.90	6.39	10.71	192493.92
ChinaPcIns	19.56	0.04	23.30	12.72	5.76	6.27	6950.07
ChMinsheng	2.73	0.04	3.20	2.43	8.78	3.55	2908.11
ChMrchSecs	14.57	-0.07	15.91	12.62	1.30	15.34	14899.82
Chna Utd Coms	4.75	0.10	5.61	3.90	2.63	17.36	20266.4
ChShenEgy♦	32.90	0.20	40.70	21.45	8.99	10.45	14226.53
ChShpbldng	5.64	0.33	5.79	3.81	-	-177.51	17719.69
ChStCnrEng	5.62	0.13	6.25	4.54	4.59	4.20	31996.44
ChUnicHK	6.82	-0.01	7.76	4.45	5.16	10.07	26717.06
CNNC Intl	11.90	-0.11	12.29	6.87	1.46	20.84	30961.79
CSR	4.85	-0.03	5.25	3.10	4.60	10.26	2714.17
Daqin	7.01	0.06	7.82	6.71	6.99	10.56	16966.68
GuosenSec	8.42	-0.03	10.90	7.42	3.27	17.18	10602.43
HaitongSecs♦	3.47	-0.03	5.70	3.37	6.75	-78.95	1514.74
Hngzh HkVDT	29.11	-0.44	37.75	28.86	2.46	18.61	36533.11
Hunng Pwr♦	4.94	0.09	5.95	3.22	-	8.99	2972.85
IM Baotou Stl	1.43	-	1.97	1.36	-	-210.10	6205.88
In&CmBkCh♦	4.38	0.07	4.88	3.35	7.64	4.11	48671.5
IndstrlBk	16.72	0.23	18.45	13.95	7.26	5.10	47859
Kweichow	1390.02	-24.17	1935	1390	1.09	22.05	241976.09
Midea	0.30	-	0.40	0.26	-	-1.22	11.56
New Ch Life Ins	14.68	0.18	23.45	12.46	8.16	6.21	1943.57
PetroChina	6.91	0.10	8.60	4.73	6.97	7.05	18665.77
PingAnIns	33.70	0.30	57.45	29.55	8.21	6.61	32133.24
PngAnBnk	10.11	0.08	12.53	8.96	7.88	4.38	27031.93
Pwr Cons Corp	5.47	0.15	6.08	4.45	2.24	7.84	9851.75
SaicMtr	14.60	0.17	15.77	12.92	2.36	11.72	23285.57
ShenwanHong	0.06	0.00	0.14	0.05	-	-3.69	71.60
ShgPdgBk	8.53	0.20	9.07	6.36	3.83	8.03	34497.61
Sinopec Corp	4.93	0.07	5.43	3.64	7.92	8.37	15361.53
Sinopec Oil	1.81	0.02	2.27	1.60	-	55.47	3384.07
Denmark (kr)							
DanskeBk	210.40	1.10	216.70	152.00	7.00	8.22	26292.86
MollerMrsk	11065	585.00	14430	8412	4.72	14.74	9738.84
NovoB	384.20	10.50	1033.2	530.00	1.08	43.72	434468.63

Stock	Price	Day Chg	52 Week High	52 Week Low	Yld	P/E	MCap m
Finland (€)							
Nokia	3.54	0.00	3.80	2.70	3.44	23.25	21499.3
SampoA	40.35	0.36	41.80	34.86	4.53	17.05	21890.83
France (€)							
Airbus Grpe	130.22	-0.68	172.78	120.28	1.40	25.85	111589.5
AirLiquide	165.50	-1.82	179.47	137.60	1.83	27.39	103486.69
AXA	32.23	-0.25	35.19	25.76	5.38	10.98	79184.22
BNP Paribs	63.91	-0.55	73.08	52.82	6.20	10.40	78167.03
ChristianDior	606.50	-13.00	832.50	600.50	2.12	16.87	118410.71
Cred Agr	13.90	0.02	15.93	10.85	7.67	6.31	45491.93
Danone	58.48	-0.56	63.80	50.59	3.52	41.78	42982.95
EDF	12.00	-	12.05	7.27	2.41	-2.31	53889.44
Engie SA	14.42	-0.02	15.64	13.07	10.00	16.10	37969.02
EssilorLuxottica	207.60	0.50	212.40	159.68	1.60	39.71	102685.3
Hermes Intl	2026	-49.00	2436	1641	0.66	47.87	231335.53
LOreal	392.60	-6.20	461.85	372.00	1.57	33.11	227062.84
LVMH	654.70	-8.40	883.40	644.00	1.97	20.97	354160.65
Orange	10.28	0.01	11.41	9.19	6.91	-	29576.64
PernodRic	125.05	-2.70	202.30	123.50	3.87	15.12	34263.61
Renault	43.24	-0.57	54.54	31.32	0.60	5.26	13830.4
Safran	199.80	-3.60	213.90	142.06	0.70	24.06	92332.13
Sanofi	95.78	-1.04	104.32	80.60	3.77	26.13	131421.64
Sant Gbn	78.00	-1.60	82.76	43.87	2.64	14.49	42520.17
Schneider	218.40	-1.15	239.00	134.38	1.48	30.01	135974.83
SocGen	23.70	-0.26	27.95	20.23	7.29	13.55	20579.1
Total	61.74	-0.39	70.11	52.82	4.88	7.41	160111.55
UnibailR	68.84	1.20	82.16	41.66	-	-5.71	10376.61
Vinci	105.55	-2.50	120.62	97.44	3.95	12.54	67186.77
Vivendi	9.97	0.05	11.17	7.99	2.58	23.06	11101.67
Germany (€)							
Allianz	258.80	-2.30	280.00	210.35	4.47	11.37	109648.73
BASF	43.00	-0.74	54.93	40.25	8.03	1411.43	41509.97
Bayer	27.44	-0.03	53.80	24.96	8.88	-8.52	29152.03
BMW	86.58	-0.98	115.35	86.24	9.97	5.08	56373.55
Continental	57.00	-0.22	73.40	51.58	2.67	15.59	12330.55
Deut Bank	14.32	-0.10	17.01	9.44	2.13	4.95	30894.84
Deut Tlkm	24.17	-0.07	24.43	13.50	-	27.05	130356.3
DeutsPost	44.73	0.54	45.03	29.68	4.18	14.57	60466.66
E.ON	12.94	0.09	13.48	10.43	4.00	27.70	36967.5
Fresenius Med	37.44	0.26	43.89	30.16	3.04	22.32	11881.75
Fresenius SE	31.79	-0.07	32.06	23.93	2.94	42.00	19203.49
HenkelKgaA	72.00	-1.25	75.80	53.36	2.62	22.35	20231.57
Linde	415.60	0.60	437.60	338.60	1.18	34.32	216069.33
Mercedes-Benz	61.90	-1.12	77.45	55.08	8.53	4.83	71626.44
MuenchRkv	451.30	-4.00	473.60	335.30	2.61	10.96	65291.62
SAP	192.88	-2.90	197.46	113.44	1.08	94.03	256288.23
Siemens	167.84	-1.98	183.88	113.48	2.84	18.34	145223
Volkswgn	109.80	-0.30	152.50	105.95	8.05	3.60	35044.63
Hong Kong (HK$)							
AIA	52.50	0.80	73.85	45.25	2.98	20.21	74896.93
BOC Hold	23.55	0.30	25.10	17.86	6.15	7.55	31877.83
Ch OSLnd&Inv	12.62	0.06	13.24	10.10	6.12	4.86	17683.93
ChngKng	29.85	0.20	45.60	29.00	7.70	6.09	13375.93
Citic Ltd	7.20	0.11	9.90	5.53	9.07	3.27	26815.63
Citic Secs	11.18	-0.14	18.02	10.66	4.86	8.07	3750.3
CK Hutchison	41.45	1.00	43.00	35.35	6.91	6.70	20325.35
CNOOC	20.60	0.70	23.90	11.88	6.63	6.79	117567.2
HangSeng	163.80	3.00	170.20	79.05	5.15	11.48	25154.82
HK Exc&Clr	231.00	2.00	335.00	212.20	3.57	24.48	37496.04
MTR	25.25	0.10	35.02	22.30	5.23	20.04	20123.23
SandsCh	14.94	0.10	31.45	14.80	-	22.17	15480.69
SHK Props	69.90	-	99.60	65.30	7.14	8.15	25932.99
Tencent	358.20	3.80	401.00	260.20	0.67	27.15	427461.41
India (Rs)							
Bhartiart	1481.35	-33.05	1539.25	847.05	0.28	113.35	107637.05
HDFC Bk	1605.05	-13.10	1794	1363.55	1.20	16.54	145827.54
Hind Unilevr	2711.6	0.55	2811.3	2172.05	1.51	60.72	76083.67
ICICI Bk	1212.7	5.50	1257.8	899.00	0.67	20.10	101922.75
Infosys	1671.1	-7.80	1903	1333.25	1.93	31.23	92774.96
ITC	496.05	-6.15	513.65	399.35	2.61	29.77	74022.81
L&T	3774.95	95.05	3919.9	2536.3	0.64	40.88	61978.23
OilNatGas	332.90	1.30	339.55	171.40	3.14	8.33	50012.1
Reliance In	3040.2	22.15	3217.6	2220.3	0.30	28.94	245637.97
SBI NewA	871.60	9.15	912.00	543.20	1.32	11.36	92892.35
SunPhrminds	1723.25	9.00	1723.75	1003.35	0.74	42.30	49375.65
Tata Cons	4381.1	-6.75	4431	3311	1.19	34.09	189293.53
Israel (ILS)							
TevaPha	61.86	0.12	64.94	30.02	-	-39.58	19155.23
Italy (€)							
Enel	6.65	-0.02	8.93	5.47	6.34	14.55	73124.95
ENI	14.63	0.14	15.83	13.38	6.45	13.47	51972.92
Generali	23.76	-0.05	24.98	17.98	5.02	9.78	40332.07
IntSPaolo	3.67	-0.04	3.77	2.31	6.48	8.02	72523.23
Unicred	37.89	0.05	39.33	20.44	2.65	6.78	67086.01
Japan (¥)							
AstellasFh	1710.5	21.50	2270	1426	4.18	585.96	20093.01
Bridgestne	6156	94.00	7058	5474	3.36	12.62	28519.2
Canon	4778	156.00	4778	3422	2.96	16.54	41366.54
CntJpRwy	3498	89.00	4027	3218	0.88	8.74	23387.37

Stock	Price	Day Chg	52 Week High	52 Week Low	Yld	P/E	MCap m
Denso	2403.5	32.00	2993.5	2075.5	2.37	22.12	49172.71
EastJpRwy	2763	52.50	3108.33	2505	1.39	13.38	20345.85
Fanuc	4262	165.00	4748	3603	2.44	26.47	27538.7
FastRetail	41160	310.00	48040	31140	0.86	35.71	85021.42
Fuji Hvy Ind	2533	48.50	3614	2395.5	2.85	5.86	14353.28
Hitachi	3234	101.00	3892	1712.2	5.28	3.44	97333.18
HondaMtr	1622.5	42.00	1956.5	1386	3.33	7.73	55608.7
JapanTob	4416	87.00	4622	3072	4.84	14.76	57330.18
KDDI	4540	27.00	5080	4059	3.40	12.76	64593.69
Keyence	65120	-810.00	77400	52080	0.48	41.27	102805.39
MitsbCp	3175	62.00	3775	2182.33	2.28	13.79	86127.56
MitsubEst	1158.69	11.42	1199.24	972.54	-	-	-
MitsubishiEle	2670.5	122.00	2942.5	1651.5	1.97	18.85	35260.04
MitsuiFud	844.34	20.24	1071.91	732.82	-	-	-
MitUFJFin	1706	20.50	1849.5	1067	2.49	13.26	136627.44
Mizuho Fin	3037	83.00	3571	2223	3.20	12.03	55002.95
Murata Mfg	3546	142.00	3816	2461	1.55	28.23	45819.43
Nippon TT	159.70	1.80	192.90	144.00	3.38	10.34	93868.08
Nissan Mt	476.50	10.30	712.50	463.10	3.47	3.91	12092.19
Nomura	910.70	30.40	1021	526.20	2.42	22.36	18701.5
Nppn Stl	3228	59.00	3847	3040	5.63	4.93	20450.61
Panasonic	1204.5	-2.00	1808	1197	2.97	5.09	19190.39
Seven & I	1775.5	45.50	2244.5	1720.67	2.18	19.48	30017.77
ShnEtsuCh	6844	540.00	6926	4190	1.51	25.51	88926.54
Softbank	9383	209.00	12180	5639	0.52	-22.27	89532.73
Sony	13545	125.00	15485	11535	0.66	17.53	108161.56
SumitomoF	10625	80.00	11350	6177	2.69	15.42	90882.97
Takeda Ph	4303	58.00	4873	3900	4.71	34.75	44437.4
TokioMarine	5674	306.00	6679	2960.5	2.17	16.14	75419.64
Toyota	2667	58.00	3891	2332.5	2.41	8.10	304201.35
Mexico (Mex$)							
AmerMvl	16.40	0.11	20.25	15.66	-	17.00	41116.45
FEMSA UBD	204.39	2.50	245.00	181.66	1.77	29.07	23080.69
WalMrtMex	61.71	0.46	73.50	59.28	2.07	17.74	57838.92
Netherlands (€)							
ASML Hld	806.30	-14.20	1021.8	534.40	0.76	43.97	348473.92
Heineken	81.50	-9.20	97.50	81.50	2.42	19.36	50774.65
ING	16.86	-0.15	17.24	11.43	4.45	7.99	60253.79
Unilever	56.20	0.86	56.66	42.97	2.63	25.33	130078.75
Norway (Kr)							
DNB	224.50	2.00	224.70	192.80	5.74	8.77	30453.71
Equinor	286.00	1.25	382.85	256.70	4.72	7.86	72594.49
Telenor	129.20	0.70	131.80	105.25	7.50	23.28	16067.95
Qatar (QR)							
QatarNtBk	15.27	-	17.15	12.83	4.33	7.64	38736.66
Saudi Arabia (SR)							
AlRajhiBnk	85.80	2.30	91.60	63.10	2.73	21.02	91480.96
NatnlCombnk	37.70	0.60	44.35	30.90	3.91	11.43	60294.3
SaudiBasic	78.70	0.90	91.00	73.40	4.40	203.47	62933.16
SaudiTelec	39.05	-0.10	45.10	35.00	4.17	14.21	52044.45
Singapore (S$)							
DBS	36.33	0.09	38.55	28.19	4.87	8.93	76885.55
JardnMt US$	36.24	-0.11	50.06	33.72	6.12	15.17	10533.48
OCBC	14.77	-	15.38	12.17	5.48	8.95	49447.95
SingTel	3.10	0.06	3.11	2.25	3.31	15.54	38067.82
UOB	32.40	0.20	33.33	26.82	5.07	9.48	40365.75
South Africa (R)							
Firstrand	79.82	-0.14	80.50	58.90	4.90	11.57	24223.96
MTN Grp	75.72	-1.54	142.99	72.92	4.44	33.34	7719.04
Naspers N	3433.77	-11.60	4004.54	2672.3	-	0.04	33120.26
South Korea (KRW)							
HyundMobis	228000	2500	270000	198300	2.06	5.76	15343.28
KoreaElePwr	19670	100.00	25450	16030	-	17.64	9137.74
SK Hynix	195600	3800	248500	111800	0.64	-27.95	103044.55
SmsungEl	81200	300.00	88800	65800	1.86	26.82	350782.51
Spain (€)							
BBVA	10.03	-0.01	11.28	6.69	1.62	7.26	62522.43
BcoSantdr	4.47	-0.06	4.93	3.33	3.19	6.56	76478.22
CaixaBnk	5.36	-0.05	5.60	3.49	7.42	8.38	42151.42
Iberdrola	12.19	-0.02	12.53	9.88	4.32	13.12	84688.95
Inditex	44.54	-0.42	47.60	32.32	2.20	24.05	150142.43
Repsol	13.04	0.02	16.22	12.81	5.84	5.35	18009.5
Telefonica	4.16	0.00	4.48	3.49	7.32	-25.62	25530.92
Sweden (SKr)							
AtlasCpcoB	161.65	-	178.45	119.10	1.47	26.69	23298.38
Ericsson	72.10	0.28	74.24	48.53	3.86	-9.17	20548.62
H & M	166.45	0.50	195.10	137.10	4.15	27.04	21765.68
Investor	300.90	1.20	304.15	197.88	1.51	5.55	50621.73
Nordea Bk	125.25	0.70	134.30	114.90	8.74	7.31	40543.38
SEB	163.40	0.50	164.90	120.70	5.36	8.72	21923.81
SvnskaHn	108.00	0.55	125.95	89.68	6.20	7.49	19394.35
Swedbank	226.50	0.30	233.80	173.95	6.89	7.09	23675.46
Telia Co	32.11	0.12	32.35	20.98	4.81	259.91	11658.63
Volvo	271.10	-1.30	321.10	213.40	2.85	10.50	39763.95
Switzerland (SFr)							
ABB	47.77	-0.45	52.46	29.13	1.82	27.18	100272.54
CredSuisse	8.82	0.01	5.86	0.66	11.88	-0.31	3611.19
Nestle	88.02	0.10	108.48	85.70	3.56	19.61	260167.41
Novartis	98.07	0.62	100.96	81.63	3.45	24.73	242290.71

Stock	Price	Day Chg	52 Week High	52 Week Low	Yld	P/E	MCap m
Richemont	133.40	-1.50	151.10	102.95	1.76	19.60	80904.16
Roche	285.40	-0.60	287.40	212.90	3.53	18.79	226208.7
Swiss Re	107.70	-0.60	117.20	83.10	5.31	11.49	38576.78
Swisscom	536.00	1.00	564.20	486.80	4.11	16.09	31324.28
UBS	26.70	-0.21	28.78	18.67	2.09	3.04	92437.74
Zurich Fin	478.80	-	492.90	401.70	4.99	18.03	79055.88
Taiwan (NT$)							
Chunghwa Telecom♦	121.50	-1.00	128.00	115.00	4.04	24.59	28673.62
Formosa PetChem♦	64.90	-	85.40	63.50	1.77	26.33	18807.86
HonHaiPrc♦	193.00	1.00	234.50	94.00	2.07	17.22	81407.14
MediaTek♦	1240	-5.00	1500	666.00	8.47	20.63	60332.41
TaiwanSem	944.00	20.00	1080	516.00	1.36	26.92	244770.26
Thailand (THB)							
PTT	31.75	-	36.50	31.25	6.33	8.00	25149.15
United Arab Emirates (Dhs)							
Emrtestele	24.30	0.70	38.98	11.60	2.95	22.59	57535.64
United Kingdom (p)							
Anglo American	2339.5	-40.50	2813	1630	4.33	129.67	40200.2
AstrBrFd	2480	-33.00	2765	1907.5	1.91	16.04	23759.13
AstraZen	12364	184.00	12704	9461	1.85	38.56	246236.15
Aviva	493.10	0.40	501.40	366.00	6.45	13.26	16958.14
Barclays	232.75	1.35	236.90	128.12	3.44	8.99	44045.98
BP	453.00	-1.50	562.30	404.74	4.82	6.73	96029.58
BrAmTob	2762	33.00	2792	2233	8.36	-4.27	78703.8
BT	141.85	1.35	151.20	101.70	5.43	16.49	18138.24
Compass	2359	-2.00	2375	1940.5	1.83	30.14	51526.87
Diageo	2547.5	-18.00	3509	2452	3.07	17.37	72755.95
GlaxoSmh	1557	4.00	1823.5	1330.19	3.73	14.31	82909.42
Glencore	427.45	-6.15	506.72	365.31	8.18	16.03	66997.16
HSBC	670.00	4.80	725.20	572.90	7.27	7.30	159388.93
Imperial Brands	2161	16.00	2190	1968	6.79	9.38	23712.56
Jardine Mathes.	62.50	-	49.18	34.29	3.59	26.17	18166.19
LlydsBkg	61.10	0.44	64.67	39.42	4.12	8.73	48952.47
LSE Group	9468	-10.00	11080.2	7784	1.17	68.55	64619.52
Nat Grid	979.00	4.00	1052.05	845.00	5.35	17.04	61447.70
Natwest Group	371.40	9.50	372.70	168.00	4.58	7.99	39620.02
Prudential	696.00	11.00	1102.5	668.00	2.20	14.33	24490.37
ReckittB	4093	-393.00	6006	4034	4.57	18.00	36701.95
RELX	3661	53.00	3675	2462	1.53	38.91	87527.9
RioTinto	4989.5	-47.50	5910	4509.5	6.36	10.32	80287.93
RollsRoyce	439.80	-2.00	488.50	178.14	-	15.32	48051.9
Shell PLC	2771.5	-8.00	2961	2289	3.69	12.82	224354.6
StandCh	726.80	3.80	796.00	571.00	2.94	8.21	23825.71
Tesco	330.90	3.80	333.70	217.53	3.29	13.49	29441.6
Unilever	4735	-6.00	4780	3680.5	3.17	21.34	151721.14
Vodafone♦	73.22	-	82.56	62.71	10.51	19.29	24987.74
WPP	740.40	-4.20	865.48	7.24	5.32	73.31	10258.75
United States of America ($)							
21stC Fox A	37.80	0.20	37.95	28.20	1.40	11.73	8737.47
3M	125.09	-2.08	128.65	71.35	4.89	-9.66	69217.19
AbbottLb♦	103.83	-1.41	121.64	89.67	2.04	31.81	180626.17
AbbVie	182.34	-2.82	186.85	135.85	3.27	86.52	321988.33
Accenture	326.79	-1.67	387.51	278.69	1.50	29.17	219588.79
Activision Bli.	94.42	-0.05	94.57	70.94	-	36.23	74289.5
Adobe	537.70	-4.74	638.25	433.91	-	50.57	238417.95
Advanced Micro	140.82	0.83	227.30	93.12	-	200.68	227601.24
AEP	96.63	0.18	97.32	69.38	3.60	17.69	50935.83
Aflac	94.59	-0.23	95.49	71.97

FINANCIAL TIMES SHARE SERVICE

Main Market

	Price	+/-Chg	52 Week High	52 Week Low	Yld	P/E	Vol 000s
Aerospace & Defence							
Avon Protection	1276	-64.00	1408	582.00	1.84	-27.14	30.1
BAE Sys	1277	4.50	1415.25	919.20	2.20	21.14	3932.5
Chemring	395.00	0.50	412.14	258.00	1.75	36.24	317.2
Automobiles & Parts							
FordMtr $♦	10.99	-0.2'	14.85	9.63	5.55	11.14	51121.9
Banks							
ANZ A$♦	28.82	-0.34	30.23	23.90	5.17	12.58	5465.2
BcoSant	379.50	-1.50	423.00	285.00	3.17	6.62	250.1
BnkGeorgia	4585	-95.00	5510	3037.5	5.74	5.08	49.6
Banklre Grp €	10.56	0.32	10.80	7.74	2.05	7.32	11.3
BkNvaS C$♦	63.44	0.04	70.40	55.20	5.91	10.20	522.9
Barclays♦	232.75	1.35	236.90	128.12	3.44	8.99	37775.2
Canlmp C$♦	70.61	-0.2'	71.05	47.44	5.17	10.32	409.9
HSBC♦	670.00	4.80	725.20	572.90	7.27	7.30	21892.6
LlydsBkg♦	61.10	0.44	64.67	39.42	4.12	8.73	172733.5
NWG♦	371.40	9.50	372.70	168.00	4.58	7.99	21567.2
PermTSB €	2.35	-0.04	2.81	1.18	-	53.03	65.9
RylBkC C$♦♦	152.84	-0.29	154.59	107.92	3.70	13.53	1650.1
StandCh♦	726.80	3.80	786.00	571.00	2.94	8.21	16489.3
..7.375%Pf	110.50	-0.10	110.50	94.50	5.67	-	0.0
..8.25%Pf	119.60	-1.15	122.00	103.04	5.90	-	12.9
TntoDom C$♦♦	80.10	-0.35	87.10	73.67	5.11	12.97	665.7
Westpc A$♦	28.99	0.40	29.02	20.41	4.97	15.94	5109.3
Chemicals							
Elementis	151.20	2.00	161.17	106.40	-	41.01	817.9
Johnsn Mtthey♦	1640	-15.00	1917.07	1428.5	4.70	28.13	375.0
Victrex	1096	-4.00	1632	1054	5.43	31.31	76.8
Construction & Materials							
Boot(H)	228.00	7.00	237.00	170.00	3.04	11.81	56.5
GalfrdT	299.00	-15.00	316.00	185.81	3.51	21.67	239.6
MorgSdl	2760	-70.00	2975	1760	3.77	11.02	90.0
Tyman	409.50	2.00	414.00	231.50	3.35	21.00	111.8
Electronic & Electrical Equip							
Dialight	181.00	-	238.00	135.00	-	-15.56	2.2
Discoverie PLC♦	674.00	-33.00	842.00	586.00	1.70	29.95	106.1
Halma♦	2552	-11.00	2750	1802	0.79	40.62	694.5
Morgan Ac	335.00	1.50	340.50	215.50	3.58	20.55	201.7
Oxfordln♦	2425	-20.00	2765	1634	3.80	23.54	80.6
Renishaw	3580	-50.00	4500	2823.42	2.13	26.79	25.5
Spectris	3080	-92.00	3861	2778	2.55	21.54	228.6
TT Elect	150.00	-1.50	189.80	133.60	4.30	-38.46	114.4
XP Power	1396	-34.00	2489.2	682.41	3.87	-30.75	6.2
Financial General							
3i	3042	14.00	3180	1858.5	1.85	7.67	991.3
abrdn	167.15	-1.00	237.80	134.60	8.73	1671.50	2744.1
Bridgepoint Grp Plc	277.00	6.60	300.60	164.80	3.03	30.78	550.1
CtyLonInv	374.00	-5.00	410.00	300.00	8.41	12.94	9.1
CloseBrs	524.50	-24.00	953.00	5.03	12.87	5.54	446.7
CoinShares Int Ltd SKr	66.90	2.70	72.90	31.55	-	-0.18	72.4
Hargr Lans	1103.5	5.00	1169	675.40	3.49	19.67	795.5
Indvardn SKr	358.90	-1.10	377.20	273.70	2.08	4.77	332.3
ICG♦	2124	12.00	2176	1224	3.67	13.27	1022.3
Investec	599.00	-9.50	614.00	429.60	5.18	8.16	624.5
Jupiter	88.00	-0.10	128.30	71.10	4.55	-35.20	854.5
Liontrust	648.00	-10.00	865.00	519.00	7.25	8.10	204.6
LSE Gp■	9468	-10.00	11080.2	7784	1.17	68.55	428.1
RathbnGrp	1788	4.00	1874	1436	6.66	35.20	44.7
Record	67.20	0.30	86.00	55.20	6.70	13.20	116.8
S & U	1870	5.00	2450	1750	7.11	8.94	1.6
Schroder	386.20	1.80	469.70	345.20	5.57	15.96	1194.8
Shires Income♦	243.50	-2.50	253.00	200.00	5.83	-56.89	44.2
StJnsPl	558.50	3.00	1096.5	393.60	9.49	-310.28	1731.9
TP ICAP	217.00	-4.00	230.50	151.50	5.85	23.33	1584.4
Vanqus	52.40	-2.60	185.80	42.61	29.20	-21.83	694.9
Food & Beverages							
AngloEst	610.00	-6.00	778.00	602.50	5.16	6.04	4.3
AscBrFd♦	2480	-33.00	2765	1907.5	1.91	16.04	284.4
Barr(AG)	630.00	-4.00	645.31	470.50	2.10	18.40	162.0
Britvic	1267	1.00	1287	770.00	2.43	24.89	670.4
CarrsGroup	142.00	1.00	150.00	92.00	5.67	-129.09	15.9
Coca-Cola HBC	2836	-10.00	2856	2065	2.38	18.92	1101.0
Crarswk♦	4600	60.00	4685	3158	1.73	19.57	277.9
Diageo■	2547.5	-18.00	3509	2452	3.07	17.37	2409.2
Gmcore	176.40	-3.20	188.80	68.35	-	16.80	1320.5
HiltonFd	915.00	-16.00	957.00	630.00	3.45	22.76	77.0
Kerry €	79.00	2.00	92.88	71.05	1.41	18.73	25.1
PremFds	175.80	0.60	180.20	111.50	0.82	13.84	1333.9
TateRyl♦	651.50	2.00	777.50	587.00	2.96	14.67	861.5
Unilever■	4735	-6.00	4780	3680.5	3.17	21.34	3009.2
..NV	-	-	-	-	-	-	-
Health Care Equip & Services							
GNStre kr	175.20	0.25	227.90	110.10	-	45.38	324.8
Smith & Nephew	1128	6.00	1215.5	887.00	2.59	47.77	1362.2
House, Leisure & Pers Goods							
BarrttDev	527.60	7.80	582.60	384.15	6.39	23.45	7354.6
Bellway	2848	32.00	2898	1972	4.92	15.80	137.8
Berkeley	5050	-	5360	3832	2.55	11.99	144.9
Burberry Gp♦	735.60	-11.60	2275	680.00	8.54	9.95	927.4
Cairn Homes	158.80	-1.00	164.40	89.00	3.38	14.54	152.7
GamesWk	10200	-210.00	11850	8860	4.36	24.09	34.3
Gleeson	575.00	-1.00	630.00	350.00	2.43	19.75	25.9
Headlam	348.00	4.00	434.55	332.00	10.27	15.42	106.3
McBride	130.50	-3.00	145.00	31.40	-	12.92	103.0
Philips €	27.21	3.47	29.10	16.48	-	-55.24	6418.5
PZCusns	107.00	-0.20	169.60	81.50	5.98	-13.31	541.7
Redrow	743.00	16.50	750.00	434.60	4.04	11.57	1772.3
Vistry Group	1373	-3.00	1395	12.65	2.33	21.55	848.3
Industrial Engineering							
Bodycote	715.00	-4.00	774.00	545.00	3.02	15.96	143.3
Goodwin	8340	80.00	8860	4500	1.34	39.99	1.6
Hill&Sm	2260	-5.00	2305	1491.86	1.64	26.59	72.2
IMI	1856	-2.00	1911	1429	1.43	20.35	390.4
Melroselnd	570.60	2.20	681.20	445.40	1.05	5709.00	3028.3
Renold	55.60	-	66.80	26.50	-	7.75	341.5
RHIM	3605	-40.00	3827.49	2456	3.97	12.16	12.4
Rotork	352.80	2.60	358.80	277.20	1.94	26.73	777.4
Severfd	82.20	1.00	84.80	48.10	4.26	16.02	288.1
Weir	1930	15.00	2210.25	1652.5	1.92	21.88	676.8
Industrial General							
Coats Group	87.40	0.40	89.60	64.30	2.28	21.72	1814.4
Macfrlne	125.00	-0.50	147.50	98.38	2.77	13.38	51.3
Smith DS	455.00	-0.40	464.00	260.50	3.95	13.61	3740.1
Smiths	1750	6.00	1780	1517.5	2.38	26.32	304.7
SmurfKap	3656	124.00	3910	2528	3.34	14.49	24090.8
Industrial Transportation							
Braemar	311.00	2.00	317.64	230.00	3.86	24.30	45.0
Fisher J	336.00	-	412.00	238.73	-	-3.32	17.3
intlDistsvr	346.60	1.00	348.40	209.82	-	-3.28	1517.8
OceanWil	1250	-	1500	912.26	4.38	8.40	7.8
Insurance							
Admiral	2671	16.00	2870	2043.96	2.83	24.11	686.6
Aviva■	493.10	0.40	501.40	366.00	6.45	13.26	10336.6
Chesnar	253.00	0.50	289.50	240.00	9.30	20.59	110.1
Direct Line	191.40	3.90	240.10	145.65	-	12.19	1924.4
Eccles plf	130.50	-1.00	137.00	117.00	6.61	-	101.6
Hansard	43.90	0.10	53.00	37.20	9.49	9.77	5.1
Hiscox	1246	-5.00	1282	926.04	2.33	7.88	408.4
Lancashire	622.00	-7.00	690.00	527.50	1.89	5.99	179.7
Leg&Gen	231.40	1.90	257.80	203.10	8.49	31.79	11600.7
Old Mut	49.40	-1.30	58.30	41.55	7.29	7.47	220.4
PhoenixGrp	540.00	2.00	564.80	436.40	9.63	-35.13	1042.6
Prudntl■	695.00	11.00	1102.5	668.00	2.20	14.33	15642.6
LEISURE							
PhotoMe International Plc	107.00	5.00	109.00	55.70	5.58	8.04	655.5
Media							
4imprint	5970	-170.00	6780	4115.9	2.49	26.70	44.1
Auto Trader Group Plc	800.40	6.20	849.00	584.80	1.05	31.62	1202.5
DlyMailA	270.00	-2.50	1178	264.50	8.56	10.31	111.0
Informa	876.40	2.60	883.40	684.00	1.44	29.31	1125.6
ITV	80.70	-0.05	89.00	55.49	6.20	15.52	6987.4
Pearson	1045	-6.00	1060	809.60	2.10	19.83	3226.8
MEDIA							
Reach PLC	101.80	0.20	109.00	58.47	7.21	14.97	194.9
Media							
RELX PLC■	3661	53.00	3675	2462	1.53	38.91	3309.0
Rightmove PLC	558.00	-2.00	603.00	5.31	1.58	22.87	1217.5
STV Grp	270.50	-5.00	297.00	175.00	4.18	28.78	19.0
WPP■	740.40	-4.20	865.48	7.24	5.52	73.31	1056.1
Mining							
AngloAmer■	2339.5	-40.50	2813	1630	4.33	129.67	1228.2
AsGoldA R	501.57	3.74	559.05	287.40	0.81	-48.08	729.1
Antofagasta	1943	-24.00	2425	15.82	2.53	29.24	562.8
BHP Group	2124	-17.00	2707.5	2080	6.41	18.58	860.6
Ecora Resources	64.20	0.20	117.80	61.60	10.45	247.88	362.0
Ferrexpo	60.30	-1.00	96.66	40.75	-	-5.33	2172.5
Fresnillo	572.00	-7.00	647.50	435.20	2.03	23.00	987.3
Glencore■	427.45	-6.15	506.72	365.31	8.18	16.03	25825.4
Harmony R	162.04	-1.31	203.96	65.00	0.47	11.10	2117.8
Polymtlnd#	215.00	50.00	362.02	125.00	-	2.47	12.0
Rio Tinto■	4989.5	-47.50	5910	4509.5	6.36	10.32	2015.7
Troy Res A$	0.04	0.00	0.20	0.03	-	-0.24	3131.9
Oil & Gas							
BP■	453.00	-1.50	562.30	404.74	4.62	6.73	30362.9
Capricorn Energy	190.00	-2.40	370.03	139.14	-	-2.57	41.6
EnauroML $♦	116.09	-1.24	123.75	95.77	3.26	13.99	3336.0
Gazprom PJSC ADR $#	0.58	-	10.97	0.02	-	-0.61	3213.3
GeoPark $	9.70	-0.49	11.25	8.05	5.58	4.70	161.9
HELLENIC ENERGY #	7.30	-0.04	8.81	6.55	11.13	4.38	206.3
ImpOil C$♦	95.08	-3.08	101.63	68.32	2.30	10.63	308.3
TriCan C$♦♦	58.12	0.08	58.58	43.70	6.72	21.31	655.6
Wood Group (John) PLC	203.40	-8.00	213.20	117.67	-	-13.37	1540.5
Pharmaceuticals & Biotech							
AstraZeneca■	12364	184.00	12704	9461	1.65	38.56	2054.0
GlaxoSmh■	1557	4.00	1823.5	1330.19	3.73	14.31	4072.7
HikmaPhm	1919	23.00	2222	1711	2.53	28.78	212.3
Ozfd Bio	380.50	12.50	460.00	164.29	-	-2.33	233.4
RichterG $	27.00	0.20	27.60	23.40	4.24	10.78	0.0
Real Estate							
REITs							
Assura	40.88	-0.04	49.18	37.54	8.02	-40.88	5499.0
BritLand	403.60	3.80	446.80	287.30	5.61	-3.51	2097.1
Cap&Reg	67.60	0.70	68.60	48.88	8.09	35.58	38.1
Civitas SH	79.80	-	86.18	51.07	6.81	13.62	115.0
DrwntLdn	2262	20.00	2452	1766	3.49	-5.33	105.3
Great Portland	349.50	2.00	381.00	290.96	2.99	-3.46	399.9
LandSecs	634.50	6.00	729.40	554.70	6.23	-14.76	1792.4
LondonMtrc	196.40	0.40	210.80	152.30	4.89	-10.39	4910.6
Palace Cap♦	231.00	-3.00	265.00	201.55	6.49	-4.34	43.1
PrimyHth	92.35	-0.50	105.00	84.20	7.26	46.18	2514.3
SEGRO	910.20	18.20	945.00	675.00	2.96	-43.97	2545.6
Shaftesbury Cap	149.30	1.10	152.02	101.90	2.14	3.30	5978.7
TritaxEBBOX	164.30	0.90	173.00	127.10	4.40	44.17	4118.0
Wkspace♦	622.00	4.00	645.00	449.20	4.24	-6.20	156.1
Real Estate Inv & Services							
Grainger	241.00	3.00	278.80	216.20	2.56	68.86	791.7
Harworth Grp	166.00	-0.50	177.50	95.40	0.83	14.43	87.1
Helical♦	228.00	3.50	281.80	181.80	5.15	-1.60	58.8
Lon&Assc	10.50	-0.50	18.00	7.00	-	-2.32	1.8
Mntview	9850	275.00	11000	9075	5.08	14.42	0.0
Savills	1254	12.00	1272	745.00	1.62	43.54	175.8
SiriusRE	94.85	0.05	101.70	77.90	5.42	12.86	1605.6
Smart(J)	125.00	-	172.00	108.00	2.58	416.67	19.5
U+I	148.50	-0.50	151.50	58.51	-	-2.12	98.8
Retailers							
Caffyns♦	460.00	-	626.00	400.00	4.89	5.77	0.5
Dunelm	1214	-13.00	1335.53	959.00	3.46	16.45	236.3
Halfords	151.60	-2.40	244.00	125.80	6.60	10.24	251.0
Inchcape	841.00	-14.00	892.50	597.50	3.67	12.98	427.4
JDSportsF	128.30	5.10	177.75	103.00	0.76	12.28	10101.7
Kingfisher	277.60	-2.80	283.50	198.30	4.47	15.42	6000.9
Marks&Sp	325.40	-0.30	341.16	201.30	0.31	15.64	3210.1
Ocado	432.60	-13.30	1017	278.17	-	-11.25	2095.6
Saga	111.80	2.40	154.80	100.20	-	-1.38	271.3
Sainsbury (J)	274.00	-0.60	311.16	243.80	4.78	48.07	2781.2
Tesco■	330.90	3.80	333.70	217.53	3.29	13.49	10442.4
Support Services							
AshtdGp	5414	-40.00	6180	4437	1.47	18.71	294.2
Bunzl	3248	-2.00	3306	2680	1.96	20.82	292.5
Capita	19.14	-0.56	26.92	12.48	-	-1.81	5906.4
DCC	5280	-50.00	6875	4171	3.60	16.01	81.5
DeLaRue	103.00	-	107.00	46.50	-	-4.64	341.9
Diploma	4358	2.00	4398	2772.88	1.30	50.50	243.6
Essentra PLC	165.00	-1.60	191.80	130.20	1.33	82.50	306.0
Experian	3589	-9.00	3796	2366	1.22	34.82	646.0
Ferguson♦	16890	-35.00	17810	12035	1.44	23.14	101.1
Hays	92.30	-2.20	111.90	87.90	3.25	12.72	2084.7
HowdenJny	943.00	3.00	953.59	612.80	2.20	20.37	1345.1
Intertek	4940	-75.00	5145	3746	2.21	26.94	374.7
Mitie♦	121.00	-2.60	124.94	90.70	2.64	13.30	3074.7
Rentokil	465.60	-2.20	663.80	387.80	1.70	30.90	5374.8
Ricardo	491.00	-7.00	608.00	394.01	2.44	-491.00	66.1
RbrtWitts	368.00	-1.00	472.00	344.00	6.39	19.37	22.4
RS Grp	803.50	-5.50	852.60	551.20	2.74	20.76	728.5
SIG	24.50	-1.90	39.36	20.65	-	-6.45	2600.2
Vp♦	685.00	2.50	745.00	460.00	5.47	11.41	5.7
Tech - Hardware							
SpirentCM	176.60	2.70	203.80	79.75	3.47	52.84	1088.4
Tech - Software & Services							
Computcnt	2642	-18.00	3016	1994.3	2.59	15.25	254.2
NCC Grp	147.20	0.60	157.20	90.50	3.16	-32.71	273.9
Sage	1086.5	4.50	1285	915.20	1.78	42.11	1990.7
TriadGp	292.00	-	320.00	105.00	2.05	-76.44	6.0
Telecommunications							
Airtel Africa	113.00	3.20	132.50	90.20	4.02	-32.44	3123.0
BT■	141.65	1.35	151.20	101.70	5.43	16.49	12802.9
TelePlus	1846	8.00	1932	1356	3.09	47.33	194.1
Vodafone Gp■♦	73.22	-	82.56	62.71	10.51	19.29	49001.4
Tobacco							
BrAmTob■	2762	33.00	2792	2233	8.36	-4.27	6351.4
Imperial Br■	2161	16.00	2190	1968	6.79	9.38	1027.8
Travel & Leisure							
Carnival	1212.5	-14.50	1400	793.00	-	47.93	334.2
Dalata Hotel	350.00	-6.00	436.00	324.00	0.99	10.12	0.8
easyJet	454.40	-9.20	591.07	350.00	0.99	9.22	2933.2
FirstGrp♦	169.60	-0.50	189.00	135.00	7.24	-113.20	528.7
Flutter Entertainment	15055	-295.00	17980	12020	-	-25.67	185.1
Fuller A	744.00	4.00	753.40	540.00	1.97	42.51	47.1
IntCon Htels Gp	8006	18.00	8790	5548	1.41	23.13	205.9
Intl Cons Air	164.05	-3.10	187.65	2.14	-	3.67	5728.6
Whitbrd	2854	-42.00	3714	2797.31	2.94	17.85	430.3
Utilities							
Drax	642.00	-3.50	657.50	395.20	3.40	4.60	1922.2
Natl Grid■	979.00	4.80	1052.85	645.00	5.35	17.84	5775.1
Pennon♦	621.00	0.50	774.50	532.83	7.05	-172.50	892.4
Severn Trent	2538	31.00	2801	2243	4.37	49.86	509.4
SSE♦	1858.5	25.50	1932.5	1485	4.72	11.88	2538.2
UtdUtils♦	1023.5	11.50	1139.5	896.76	4.45	-217.77	1448.3

AIM

	Price	+/-Chg	52 Week High	52 Week Low	Yld	P/E	Vol 000s
Aerospace & Defence							
Cohort	848.00	22.00	874.38	456.00	1.58	26.03	51.4
Velocity Composites PLC	43.00	-	48.00	28.00	-	-5.38	4.6
Banks							
Caribbean Inv	26.50	-	45.40	24.03	-	3.05	138.6
Basic Resource (Ex Mining)							
CropperJ	274.00	4.00	851.00	212.00	2.19	8.05	3.9
Chemicals							
Directa Plus PLC	18.50	-	59.00	16.00	-	-3.08	12.4
Versarien PLC	0.07	-	2.00	0.06	-	-0.02	81236.7
Construction & Materials							
AccsysTch	55.10	-	108.00	49.90	-	-2.43	11.6
Electronic & Electrical Equip							
Checkit	26.00	-	31.00	18.10	-	-6.19	7.6
LPA	66.50	-	92.00	56.60	-	-746.30	8.4
ThorpeFW	349.00	12.00	460.00	320.00	1.85	18.50	21.3
Zytronic	58.00	-	100.00	53.00	-	-4.57	7.2
Financial General							
Arbuthnot	972.50	-	1139.3	840.00	4.52	4.36	0.9
BP Marsh	535.00	7.50	540.00	347.20	0.46	14.74	14.6
Burford Capital Ltd	1058	-9.00	1388	975.50	0.94	9.35	137.4
Gresham House Plc	1100	-20.00	1120	652.00	1.45	30.51	177.7
MattioliWds	795.00	-	800.00	481.00	3.37	41.41	2.8
Premier Miton Group♦	69.50	-	83.00	48.10	8.63	51.87	76.2
Food & Beverages							
Camellia	4510	-50.00	5850	4048.6	3.24	-33.66	0.0
Fevertree Drinks	927.00	-40.00	1412	918.00	1.77	70.33	225.8
Nichols	1205	40.00	1520	882.00	2.32	23.95	21.3
Churchill	1160	20.00	1500	947.00	2.76	16.52	4.6
Frontier Developments PLC	255.50	-6.00	649.00	95.00	-	-1.64	85.9
Pua Limited	222.50	-	317.50	200.17	5.84	-3.62	7.4
Sanderson Design Grp♦	84.50	-	130.00	70.10	4.14	7.45	18.0
Health Care Equip & Services							
AVO#	1.93	-	25.75	1.75	-	-0.23	200.0
Tristel	492.50	7.50	506.00	315.00	2.13	36.37	34.4
House, Leisure & Pers Goods							
Churchill	1160	20.00	1500	947.00	2.76	16.52	4.6
Frontier Developments PLC	255.50	-6.00	649.00	95.00	-	-1.64	85.9
Pua Limited	222.50	-	317.50	200.17	5.84	-3.62	7.4
Sanderson Design Grp♦	84.50	-	130.00	70.10	4.14	7.45	18.0
Industrial Engineering							
600 Grp#	2.65	-	13.50	2.00	-	15.50	40.4
MS Intl	1120	-10.00	1180	590.06	1.34	26.86	7.2
IT							
Keywords Studios	2384	4.00	2498	1101	0.10	110.31	1156.6
Learning Technologies Group	70.70	0.40	90.13	58.62	2.26	17.74	811.1
Media							
Mission Group	26.00	-1.00	44.00	10.00	6.42	-2.06	25.6
Mining							
AMC#	0.09	-	48.00	11.20	-	0.00	5981.6
CentAsiaM	191.80	-7.20	235.00	150.20	9.63	12.45	159.3
Gemfields	11.38	-0.13	16.50	11.00	19.69	-18.11	326.2
Oil & Gas							
BorSthnFet	2.52	-0.01	3.30	1.70	-	-22.91	35.2
Phoenix Global	6.50	0.25	7.95	3.07	-	-1.63	53.0
UnJackOil	18.50	0.50	28.00	14.00	1.62	23.42	183.7
Pharmaceuticals & Biotech							
Reneuron#	3.38	-0.08	11.50	3.28	-	-0.38	177.6
Sareum	32.00	-	109.90	10.00	-	-5.16	61.0
Real Estate							
Lok'nStor	1110	-	1180	621.90	1.71	88.52	6.6
Retailers							
Boohoo Group PLC	34.26	-0.24	42.63	27.77	-	-2.98	1574.4
CVS Group PLC	1094	-12.00	2225	902.41	0.69	22.10	212.1
Support Services							
Begbies	99.80	0.20	135.76	95.28	3.81	332.67	155.8
Christie	107.50	-	151.75	66.00	2.79	-7.27	11.5
Impellam	875.00	35.00	950.00	580.00	-	25.00	4.6
JhnsnSrv	159.60	-3.40	172.00	107.09	1.57	24.94	183.9
LonSec	3800	150.00	3700	2880	3.26	20.02	0.0
NWF	167.50	-2.50	270.00	160.00	4.66	6.37	35.8
Petards	7.25	-	8.46	2.13	-	34.52	14.6
Renew	1060	-18.00	1144	672.00	1.70	17.19	186.3
Tech - Software & Services							
IncBlue Prism Group PLC	1274	-	1392	747.50	-	-23.65	1869.0
Eckoh	42.50	-0.50	47.00	32.05	1.74	28.33	177.8
Oxford Metrics	92.00	-2.50	118.00	78.00	2.99	23.83	253.5
Travel & Leisure							
gamingrealms	37.20	0.60	43.00	29.45	-	18.98	198.9
Jet2	1358	4.00	1568	960.00	0.79

MANAGED FUNDS SERVICE

SUMMARY

FT.COM/FUNDS

Winners - US Fund Large Value

Fund Name	1yr Return GBP	3yr Return GBP	5yr Return GBP	3yr Sharpe Ratio	3yr Std Dev
Fidelity New Millennium Fund	19.22	11.26	11.63	0.69	17.07
Huber Select Large Cap Value Fund	18.48	10.47	11.30	0.62	15.74
Muhlenkamp Fund	11.87	10.26	11.57	0.65	12.40
Voya Corporate Leaders Trust Fund	9.64	10.24	9.51	0.50	18.37
Fairholme Fund	12.76	9.46	11.62	0.27	31.63

Losers - US Fund Large Value

Fund Name	1yr Return GBP	3yr Return GBP	5yr Return GBP	3yr Sharpe Ratio	3yr Std Dev
WP Large Cap Income Plus Fund	18.29	-0.28	-0.33	-0.06	25.68
Olstein All Cap Value Fund	6.05	0.06	5.55	-0.16	19.52
Boyar Value Fund	6.84	0.31	3.50	-0.12	18.20
Coho Relative Value ESG Fund	1.86	1.31	-	-0.08	14.98
American Beacon Shapiro Equity Opportunities Fund	9.78	1.64	7.60	-0.06	21.86

Morningstar Star Ratings

Fund Name	Base Currency	Morningstar Rating 3 Yr	Morningstar Rating 5 Yr	Morningstar Rating 10 Yr
UK Smaller Companies W-ACC-GBP	Pound Sterling	★★★★★	★★★★★	★★★★★
European Multi-Cap	Pound Sterling	★★★★	★★★★★	★★★★★
Global Property Fund W-ACC-GBP	Pound Sterling	★★★	★★★	★★★★
Janus Henderson Multi-Manager Distribution Fund A Inc	Pound Sterling	★★	★★	★★
Special Situations A Acc	Pound Sterling	★★	★★★	★★★

Global Broad Category Group - Miscellaneous

Morningstar Category	Base Currency	Total Ret 1Yr GBP	Total Ret 3Yr GBP	Total Ret 5Yr GBP
Guaranteed Funds Equities	Mexican Peso	-4.87	6.66	-
Capital Protected Funds	Mexican Peso	11.88	6.36	6.75
Other	Mexican Peso	11.87	0.41	4.28
Capital Protected	Eaht	1.00	-0.22	-0.07
ELF/DLF	US Dollar	-0.60	-4.38	-

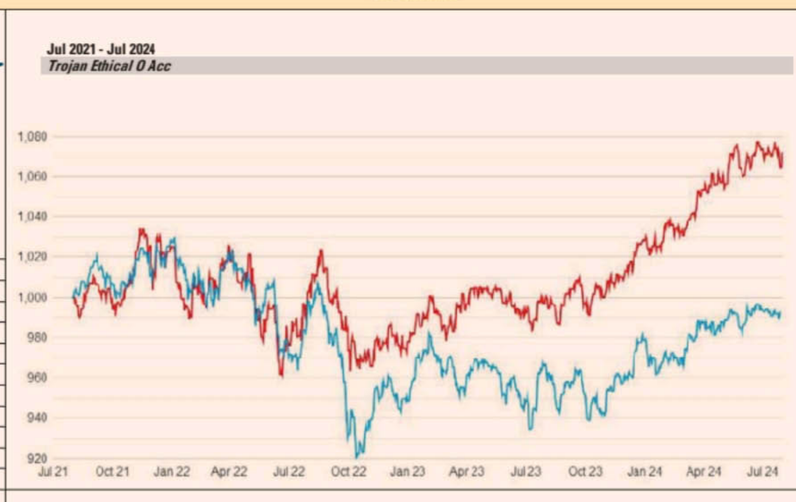
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TROY
ASSET MANAGEMENT

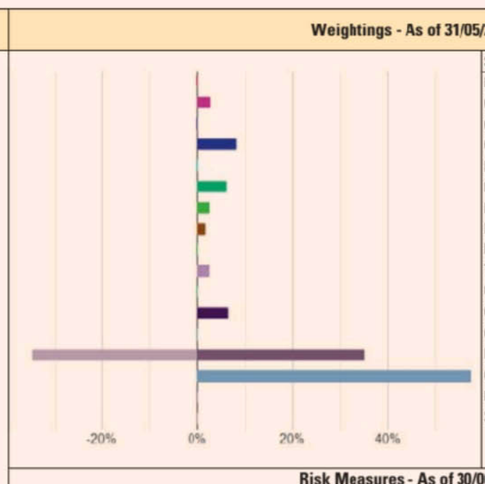
Please remember that past performance is not necessarily a guide to future performance

Firm Name			
Troy Asset Management Limited			
Fund Name			
Trojan Ethical O Acc			
Morningstar Category			
GBP Flexible Allocation			
Max Annual Charge			
-			
3Yr Rating			
★★★★			
Morningstar Sustainability Rating			
-			
Bid Price	-	**KIID Ongoing Charge**	1.02
Offer Price	-	**Day-End One Year Return**	8.16
+/-	0.97	**Total Ret 3Yr**	3.30

Performance



Weightings - As of 31/05/2024



Sector	Weighting	Cat Avg.
Basic Materials	-	3.22%
Communication Services	3.12%	3.16%
Consumer Cyclical	-	5.43%
Consumer Defensive	9.20%	4.12%
Energy	-	3.10%
Financial Services	6.91%	8.35%
Healthcare	2.91%	5.59%
Industrials	1.89%	6.27%
Real Estate	-	2.37%
Technology	2.89%	7.63%
Utilities		1.86%
Cash & Equivalents	7.29%	15.09%
Corporate	-	11.11%
Derivative	0.42%	3.01%
Government	65.37%	18.89%
Municipal	-	0.00%
Securitized	-	0.80%

Top 10 Holdings - As of 31/05/2024

Holding	Sector	Weighting
Unilever PLC	Consumer Defensive	3.47%
Nestle SA	Consumer Defensive	3.42%
Visa Inc Class A	Financial Services	3.11%
Alphabet Inc Class A	Communication Services	2.74%
Microsoft Corp	Technology	2.26%
Experian PLC	Industrials	1.67%
Becton Dickinson & Co	Healthcare	1.58%
American Express Co	Financial Services	1.45%
Procter & Gamble Co	Consumer Defensive	1.22%
Agilent Technologies Inc	Healthcare	0.98%

Risk Measures - As of 30/06/2024

	1Yr	1Yr Cat Ave	3Yr	3Yr Cat Ave	5Yr	5Yr Cat Ave
Alpha	1.52	-2.72	0.55	-2.53	2.63	-1.43
Beta	0.23	0.91	0.40	0.85	0.44	0.90
Information Ratio	-0.48	-0.66	0.14	-0.44	0.25	-0.34
R Squared	31.59%	64.52%	43.63%	59.05%	43.82%	61.43%
Sharpe Ratio	1.04	-2.60	0.12	-0.17	0.71	0.21
Std Dev	2.66	7.97	4.57	8.27	5.15	8.73

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Fund	Bid	Offer	+/-	Yield	1Yr	3Yr

Algebris INVESTMENTS

Algebris Investments (IRL)
Regulated

Algebris Core Italy I EUR	€ 158.34	-	0.48	0.00	5.24	0.99
Algebris Core Italy R EUR	€ 148.47	-	0.44	0.00	4.45	0.42
Algebris Financial Credit I EUR	€ 203.51	-	0.21	0.00	14.15	1.69
Algebris Financial Credit R EUR	€ 173.46	-	0.17	0.00	13.60	1.10
Algebris Financial Credit Rd EUR	€ 95.32	-	0.09	6.05	13.76	1.15
Algebris Financial Equity B EUR	€ 236.47	-	1.30	0.00	29.58	20.60
Algebris Financial Equity R EUR	€ 195.64	-	1.07	0.00	28.30	19.40
Algebris Financial Income I EUR	€ 227.57	-	0.57	0.00	19.67	9.28
Algebris Financial Income R EUR	€ 204.05	-	0.51	0.00	18.60	8.30
Algebris Financial Income Rd EUR	€ 114.31	-	0.28	4.69	18.59	8.30
Algebris Global Credit Opportunities I EUR	€ 145.11	-	-0.15	0.00	10.66	3.60
Algebris Global Credit Opportunities R EUR	€ 140.70	-	-0.14	0.00	10.22	3.14
Algebris Global Credit Opportunities Rd EUR	€ 114.55	-	-0.11	4.61	10.39	3.21
Algebris IG Financial Credit I EUR	€ 110.29	-	0.14	0.00	11.70	-0.55
Algebris IG Financial Credit R EUR	€ 107.70	-	0.13	0.00	11.13	-1.05
Algebris Sust. World B	€ 126.84	-	1.91	0.00	13.96	-
Algebris Sust. World R	€ 123.97	-	1.87	0.00	12.49	-

The Antares European Fund Limited
Other International

AEF Ltd Usd	$ 541.01	-	-13.82	0.00	-2.21	-1.36
AEF Ltd Eur	€ 498.45	-	0.25	0.00	-1.56	-1.84

ARTEMIS
The Profit Hunter

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	2842.21	-	38.29	3.35	18.15	10.38
Artemis European Select I Acc	108.74	-	0.65	5.15	11.32	-1.96
Artemis Global Income I Inc	575.21	-	1.43	2.66	19.73	12.35
Artemis Global Select I Acc	151.85	-	0.71	1.67	13.57	3.78
Artemis High Income I Q Inc	199.97	-	0.87	-	15.83	7.15
Artemis Income I Inc	456.23	-	4.80	2.40	18.08	7.87
Artemis Monthly Dist I Inc	138.32	-	1.97	3.12	30.00	12.59
Artemis Positive Future Fund	190.17	-	1.39	0.53	13.77	3.85
Artemis Short-Dn Strat Bond	118.87	-	0.51	4.68	10.59	2.68
Artemis SmartGARP Eur Eq I Acc	73.66	-	0.34	5.89	12.88	2.28
Artemis SmartGARP Global Emr Eq I Acc	287.14	-	4.80	3.59	19.02	8.99
Artemis SmartGARP Glo Eq I Acc	77.85	-	0.55	4.53	18.70	6.03
Artemis SmartGARP UK Eq I Acc	64.57	-	0.85	0.00	4.76	-14.37
Artemis Strategic Assets I Acc	102.31	-	0.26	1.60	2.30	5.48
Artemis Strategic Bond I Q Acc	112.38	-	0.51	4.44	10.62	-0.12
Artemis UK Select Fund Class I Acc	1017.42	-	15.27	2.22	23.73	8.66
Artemis UK Smaller Cos I Acc	2503.20	-	28.75	2.17	25.23	4.68
Artemis UK Special Sits I Acc	944.33	-	11.81	2.12	17.16	4.99
Artemis US Extended Alpha I Acc	436.43	-	6.67	0.00	24.13	11.75
Artemis US Select I Acc	401.04	-	5.62	0.00	27.65	9.25
Artemis US Smlr Cos I Acc	371.80	-	5.66	0.00	23.78	1.58

Ashmore

Ashmore Group
61 Aldwych, London WC2B 4AE. Dealing team: +352 27 62 22 233
Authorised Inv Funds

Emerging Markets Active Equity Fund	$ 126.35	-	1.40	0.00	-0.95	-7.94
Emerging Markets Blended Debt Fund	$ 56.76	-	0.13	4.64	11.73	-5.95
Emerging Markets Corporate Debt Fund	$ 61.01	-	0.07	4.40	9.99	-6.89
Emerging Markets Debt Fund	$ 63.53	-	0.19	4.85	14.76	-6.07
Emerging Markets Equity ESG Fund	$ 149.40	-	2.43	0.00	0.58	-7.78
Emerging Markets Equity Fund	$ 136.50	-	1.57	0.00	5.54	-5.79
Emerging Markets Frontier Equity Fund	$ 221.26	-	1.41	1.55	17.48	5.77
Emerging Markets Local Currency Bond Fund	$ 62.02	-	0.13	5.09	-1.39	-1.52
Emerging Markets Sovereign Debt Fund	$ 87.21	-	-0.99	0.00	5.48	-6.27

Atlantas Sicav (LUX)
Regulated

American Dynamic	$ 8137.59	-	73.14	0.00	12.64	3.27
American One	$ 8838.24	-	-69.41	0.00	14.44	6.95
Bond Global	€ 1607.82	-	-0.34	0.00	6.78	1.47
Eurocroissance	€ 1441.32	-	-13.71	0.00	4.49	-0.17
Far East	$ 976.03	-	-25.72	0.00	-7.03	-10.02

BLUE WHALE GROWTH FUND

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

Blue Whale Growth USD T	$ 13.16	-	0.13	0.00	21.99	0.84

BM BROOKS MACDONALD

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 8000 (UK)
Brooks Macdonald International Investment Funds Limited

Euro High Income	€ 1.3430	-	0.0040	2.50	5.73	-3.94
High Income	£ 0.6657	-	0.0031	3.77	10.34	-3.57
Sterling Bond	£ 1.3925	-	0.0065	2.06	9.97	-3.49

Brooks Macdonald International Multi Strategy Fund Limited

Cautious Balanced Strategy	£ 1.3199	-	0.0080	0.00	7.20	-0.80
Cautious Balanced Strategy A	£ 0.9422	-	0.0058	1.89	7.73	-0.40
Balanced Strategy	£ 1.0078	-	0.0083	0.86	9.19	-
Balanced Strategy A	£ 1.0072	-	0.0082	1.34	9.73	-
Growth Strategy	£ 2.1874	-	0.0196	0.00	10.63	1.94
Growth Strategy A	£ 1.0440	-	0.0095	0.90	11.20	2.31
High Growth Strategy	£ 3.0962	-	0.0309	0.00	10.00	1.95
High Growth Strategy A	£ 1.0544	-	0.0106	0.65	11.43	2.30
US$ Growth Strategy	$ 2.0687	-	0.0185	0.00	12.37	-1.05

Dealing Daily. Initial Charge Nil for A classes and up to 2% for other classes

Brown ADVISORY
Thoughtful Investing.

Brown Advisory Funds plc (IRL)
http://www.brownadvisory.com Tel: 020 3301 8130
FCA Recognised

Global Leaders Fund USD C	$ 27.20	-	0.38	0.00	15.70	4.82
Global Leaders Sustainable Fund USD C	$ 16.26		0.23	0.00	14.43	3.94
Global Sustainable Total Return Bond GBP B	£ 9.52	-	0.03	2.66	4.06	-
Global Sustainable Total Return Bond USD B	$ 10.12	-	0.03	0.00	4.55	-
US Equity Growth Fund USD B	$ 62.87	-	0.61	0.00	15.04	-1.41
US Flexible Equity Fund USD B	$ 33.19	-	0.47	0.00	22.61	7.08
US Mid-Cap Growth Fund USD C	$ 20.52	-	0.00	0.00	10.74	-3.82
US Small Cap Blend Fund USD B	$ 26.33	-	0.41	0.00	13.44	3.37
US Smaller Companies Fund USD B	$ 36.95	-	0.50	0.00	6.50	-2.13
US Sustainable Growth Fund USD C	$ 33.01	-	0.42	0.00	19.04	4.64
US Sustainable Value Fund USD C Acc	$ 13.46	-	0.22	0.00	19.64	-

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	£ 136.62	137.24	0.82	2.12	5.44	1.02
Capital Gearing Portfolio GBP P	£ 3717.01	3763.38	221.54	1.74	4.75	0.27
Capital Gearing Portfolio GBP V	£ 182.01	183.01	1.08	1.75	4.75	0.27
Dollar Fund Cls D Inc	£ 158.82	159.25	0.83	1.85	2.09	-0.98
Dollar Hedged GBP Inc	£ 93.43	93.71	0.33	1.78	0.79	-4.10
Real Return Cls A Inc	£ 187.52	188.06	0.80	2.35	0.87	-1.50
UK Index-Linked Bond G Inc	£ 104.17	104.32	0.04	-	-	-

CANDRIAM
A NEW YORK LIFE INVESTMENTS COMPANY

Candriam Investors Group (LUX)
FCA Recognised

Candriam Abs Ret Eqt Mkt Neutral-C-Cap	€ 221.79	-	0.40	0.00	7.17	3.54
Candriam Bds Euro High Yield Cap	€ 1330.42	-	0.62	-	9.33	1.41
Candriam Bonds Glb Hi Yield -C-Cap	€ 267.94	-	0.33	0.00	9.08	2.64
Candriam Bonds Glbl Infl Sh Dtion-I-Cap	€ 157.23	-	0.20	0.00	3.45	0.60
Candriam Bonds Total Return - C - Cap	€ 137.57	-	0.27	0.00	3.93	0.42
Candriam Dversified Futures-I-Cap *	€ 1370.73	-	81.22	0.00	-4.75	5.02
Candriam Eqts L Australia CapA$	2128.08	-	16.33	0.00	8.02	5.90
Candriam Eqts L Emerging Mkts Cap	€ 943.96	-	6.73	0.00	6.22	-6.86
Candriam Equities L Biotecth-C-Cap	$ 937.86	-	3.50	0.00	22.99	5.51
Candriam Equities L Europe Innov-R-Cap	€ 274.73	-	2.75	0.00	3.43	-3.42
Candriam Index Arbitrage-C - Cap	€ 1493.14	-	-0.90	0.00	4.62	1.79
Candriam Long Short Credit-R - Cap	€ 113.25	-	0.01	0.00	5.50	2.28
Candriam Risk Arbitrage - C - Cap	€ 2589.28	-	-2.20	0.00	6.21	0.71
Candriam Sust Bond Emerg Mkts-I-DIST	$ 796.27	-	2.28	8.44	5.24	-3.57
Candriam Sust Bond Euro Corp-R-Cap	€ 105.02	-	0.06	0.00	7.56	-1.84
Candriam Sust Bond Global-HighYield-I-Cap	€ 1178.35	-	1.28	0.00	7.13	0.53
Candriam Sust Eq Clrl Econ-R-Cap	$ 143.56	-	1.38	0.00	2.05	-3.55
Candriam Sust Eq Clmt Action- I - Cap	$ 1657.88	-	22.52	0.00	-1.17	-4.09
Candriam Sust Eq Emerging Mkts-C-Cap	€ 119.24	-	0.64	0.00	0.65	-9.58
Candriam Sust Eq EMU-C-Cap	€ 186.32	-	2.29	0.00	7.90	3.51
Candriam Sust Eq Eurp S&M Caps-I-Cap	€ 2437.43	-	25.51	0.00	1.06	-4.46
Candriam Sust Eq World -C-Cap	€ 36.57	-	0.35	0.00	16.54	6.26
NYLIM GF US HighYieldCop Bond-R-Cap	$ 155.26	-	0.25	0.00	9.52	2.49

Candriam Investors Group
Other International Funds

Candriam Bds Euro Sh Term Cap	€ 2087.88	-	0.74	-	4.34	0.17
Candriam Bonds Credit Opportunities	€ 209.39	-	0.01	0.00	4.64	1.06
Candriam Bonds Emerg Mkt -C-Cap	$ 2690.72	-	5.98	0.00	14.18	-0.74
Candriam Equities L Eurp Opt Qlit-I-Cap	€ 218.74	-	1.71	0.00	0.75	-1.36
Candriam Equities L Globa Demg-R-Cap	€ 314.42	-	3.19	0.00	17.67	7.03
Candriam Equities L Onco impt-I-Cap	$ 3020.47	-	28.87	0.00	14.68	2.42
Candriam Equities L Robt& InvTech-I-Cap	$ 4482.54	-	41.85	0.00	17.34	3.76

Cantab Asset Management Ltd (UK)
01223 522000
www.cantabam.com
FCA Recognised

VT Cantab Balanced A GBP Acc	£ 1.12	-	0.00	1.46	5.83	-2.86
VT Cantab Moderate A GBP Acc	£ 1.15	-	0.01	1.77	6.72	-2.33
VT Cantab Sustainable Glbl Eq A GBP Acc	£ 1.41	-	0.01	1.17	11.79	8.15

Chartered Asset Management Pte Ltd
Other International Funds

CAM-GTF VCC	$ 329429.78	329429.78	9041.80	-	-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

Dodge & Cox®
Worldwide Funds

Dodge & Cox Worldwide Funds (IRL)
48-49 Pall Mall, London SW1Y 5JG.
www.dodgeandcox.com +44 (0)203 642 3370
FCA Recognised
Dodge & Cox Worldwide Funds - Global Bond Fund

EUR Accumulating Class	€ 17.36	-	0.05	0.00	8.70	3.69
EUR Accumulating Class (H)	€ 11.33	-	0.04	0.00	4.52	-1.12
EUR Distributing Class	€ 11.73	-	0.03	4.60	8.69	2.72
EUR Distributing Class (H)	€ 7.61	-	0.03	4.43	4.63	-2.12
GBP Distributing Class	£ 12.15	-	0.02	4.75	6.90	3.26
GBP Distributing Class (H)	£ 8.27	-	0.03	-	5.89	0.10
USD Accumulating Class	$ 13.60	-	0.05	0.00	6.42	0.85

Dodge & Cox Worldwide Funds - Global Stock Fund

USD Accumulating Share Class	$ 36.60	-	0.58	0.00	11.79	7.54
GBP Accumulating Share Class	£ 46.76	-	0.67	0.00	12.40	9.91
GBP Distributing Share class	£ 30.73		0.44	1.41	12.42	9.55
EUR Accumulating Share Class	€ 50.62	-	0.75	0.00	14.21	10.38
GBP Distributing Class (H)	£ 16.27	-	0.26	1.99	10.97	5.75

Dodge & Cox Worldwide Funds - U.S. Stock Fund

USD Accumulating Share Class	$ 48.45	-	0.93	0.00	16.92	7.80
GBP Accumulating Share Class	£ 58.54	-	1.03	0.00	17.57	10.57

DRAGON CAPITAL

Dragon Capital
www.dragoncapital.com
Fund information: info@dragoncapital.com
Other International Funds

Vietnam Equity (UCITS) Fund A USD	$ 31.70	-	0.14	0.00	6.48	-2.86

edentree
investment management

EdenTree Investment Management Ltd (UK)
Sunderland, SR43 4AU, 0800 358 3010
Authorised Inv Funds

EdenTree European Equity Cls A Inc	362.40	-	2.80	2.34	11.94	7.57
EdenTree European Equity Cls B Inc	365.90	-	2.90	2.85	12.51	8.16
EderTree Global Equity Cls A Inc	369.60	-	5.00	0.93	8.08	1.64
EderTree Global Equity Cls B Inc	372.50	-	5.10	1.40	8.64	2.17
Edentree Global Impact Bond B	83.10	-	0.52	2.97	7.16	-
Edertree Green Future B Net Inc	113.40	-	1.70	1.03	12.25	-
EdenTree Green Infrastructure Cls B Inc	£ 0.84	-	0.01	6.47	-2.02	-
EdenTree Managed Income Cls A Inc	124.50	-	1.30	4.52	10.52	2.74
EdenTree Managed Income Cls B Inc	133.60	-	1.30	4.64	10.84	3.21
EdenTree Multi-Asset Balanced Cls B Acc	£ 0.99	-	0.00	1.96	7.70	-0.74
EdenTree Multi-Asset Cautious Cls B Acc	£ 0.99	-	0.01	2.10	7.01	-0.79
EdenTree Multi-Asset Growth Cls B Acc	£ 1.02	-	0.01	1.95	8.88	0.03
EdenTree Responsible and Sust S Dtd Bd B	95.75	-	0.21	2.93	7.31	0.48
EderTree Sterling Bond Cls A Inc	87.27	-	0.55	4.36	10.58	-2.36
EderTree Sterling Bond Cls B Inc	99.48	-	0.64	4.36	11.28	-1.75
EdenTree UK Equity Cls A Inc	227.40	-	3.70	1.51	4.24	-3.58
EdenTree UK Equity Cls B Inc	226.30	-	3.60	2.05	4.78	-3.05
EdenTree UK Equity Opps Cls A Inc	307.50	-	4.00	1.51	13.70	-3.64
EdenTree UK Equity Opps Cls B Inc	313.60	-	4.10	2.01	14.35	-3.11

Euronova Asset Management UK LLP (CYM)
Regulated

Smaller Ccs Cls One Shares	€ 56.35	-	-0.30	0.00	3.87	-3.29
Smaller Ccs Cls Two Shares	€ 35.68	-	-0.19	0.00	3.36	-3.79
Smaller Ccs Cls Three Shares	€ 17.80	-	-0.10	0.00	3.31	-4.07
Smaller Ccs Cls Four Shares	€ 23.47	-	-0.12	0.00	3.35	-3.32

Fidelity INTERNATIONAL

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	£ 3.15	-	0.01	1.11	14.36	6.22
American Fund W-ACC-GBP	£ 63.51	-	-0.13	0.00	17.65	3.35
American Special Sits W-ACC-GBP	£ 25.73	-	0.27	0.56	13.05	10.89
Asia Fund W-ACC-GBP	£ 15.78	-	0.10	0.90	4.85	-4.49
Asia Pacific Ops W-Acc	£ 2.80	-	0.01	1.21	-1.51	-2.19
Asian Dividend Fund W-ACC-GBP	£ 2.40	-	0.02	2.68	6.99	2.88
Cash Fund W-ACC-GBP	£ 1.11	-	0.00	4.60	5.38	2.98
China Fund W-Accumulation (UK)	£ 2.00	-	0.00	0.74	-19.06	-17.18
Emerging Mkts NAV	£ 7.21	-	-0.16	1.98	15.72	-4.75
Enhanced Income Fund W-INC-GBP	£ 0.85	-	0.02	7.16	8.95	7.38
European Fund W-ACC-GBP	£ 23.07	-	0.39	1.26	11.74	7.60
Extra Income Fund W-ACC-GBP	£ 1.41	-	0.00	5.34	10.69	-1.63
Sustainable Emerging Mkts Equity Fund A-ACC Shares	£ 1.52	-	0.01	-	-13.81	-0.91
Sustainable European Equity Fund W-ACC-GBP	£ 6.12	-	0.10	1.03	8.54	2.18
Sustainable Global Equity Fund W-ACC-GBP	£ 36.58	-	-0.01	0.38	6.15	0.60
Japan Fund W-ACC-GBP	£ 6.78	-	0.01	1.13	12.01	7.63
Japan Smaller Companies Fund W-ACC-GBP	£ 3.66	-	-0.01	-	0.63	-3.54
Select 50 Balanced Fund PI-ACC-GBP	£ 1.24	-	0.00	1.52	8.36	0.82
Special Situations Fund W-ACC-GBP	£ 51.99	-	1.01	3.05	19.77	8.94
Short Dated Corporate Bond Fund W-ACC-GBP	£ 11.50	-	-0.01	4.38	8.37	0.84
Sustainable Water & Waste W-ACC-GBP	£ 1.29	-	0.01	0.70	8.35	0.90
Sustainable Water & Waste W-INC-GBP	£ 1.26	-	0.01	0.70	8.36	0.88
UK Select Fund W-ACC-GBP	£ 4.21	-	0.09	2.29	12.64	5.08
Global Dividend Fund W-ACC-GBP	£ 3.50	-	0.04	2.56	15.15	7.65
Global Enhanced Income W-ACC-GBP	£ 2.73	-	0.02	4.27	14.51	7.72
Global Property Fund W-ACC-GBP	£ 1.91	-	-0.01	-	6.04	-3.47
Global Special Sits W-ACC-GBP	£ 64.32	-	0.21	0.55	12.39	4.98
Index Emerging Markets P-ACC-GBP	£ 1.79	-	0.01	2.23	6.72	-1.29
Index Europe ex UK P-ACC-GBP	£ 2.22	-	0.02	2.32	11.03	5.52
Index Japan P-ACC-GBP	£ 2.23	-	0.00	1.80	11.62	5.11
Index Pacific ex Japan P-Acc-GBP	£ 1.94	-	0.03	3.86	3.46	1.35
Index UK P-ACC-GBP	£ 1.82	-	0.03	3.39	12.37	7.62
Index US P-ACC-GBP	£ 4.48	-	0.01	1.04	21.01	11.10
Index World P-ACC-GBP	£ 3.37	-	0.02	1.38	11.73	8.81
MoneyBuilder Balanced Fund W-ACC-GBP	£ 0.64	-	0.00	3.37	8.34	1.68
MoneyBuilder Dividend Fund W-INC-GBP	£ 1.33	-	0.02	4.42	10.86	7.85
Sustainable MoneyBuilder Income Fund W-ACC-GBP	£ 13.17	-	-0.02	4.39	8.84	-4.18
Multi Asset Allocator Adventurous Fund W-ACC-GBP	£ 2.46	-	0.01	1.12	12.29	4.28
Multi Asset Allocator Defensive Fund W-ACC-GBP	£ 1.40	-	0.00	1.56	6.13	-1.52
Multi Asset Allocator Growth Fund W-ACC-GBP	£ 2.07	-	0.01	1.19	9.98	2.22
Multi Asset Balanced Income Fund W-INC-GBP	£ 0.95	-	0.00	4.85	6.87	-1.54
Multi Asset Income & Growth Fund W-INC-GBP	£ 1.05	-	0.01	4.46	9.65	0.65
Multi Asset Income Fund W-INC-GBP	£ 0.86	-	0.01	5.98	7.11	-2.87
Multi Asset Allocator Strategic Fund W-ACC-GBP	£ 1.73	-	0.00	1.23	7.71	0.19
Multi Asset Open Advent W-ACC-GBP	£ 1.92	-	-0.01	1.70	8.31	3.16
Multi Asset Open Defen W-ACC-GBP	£ 1.41	-	0.00	2.34	5.48	-0.45
Multi Asset Open Growth Fund W-ACC-GBP	£ 1.81	-	-0.01	1.94	8.26	2.80
Multi Asset Open Strategic Fund W-ACC-GBP	£ 1.61	-	-0.01	2.19	6.69	1.06
Open World Fund W-ACC-GBP	£ 2.58	-	-0.02	0.92	9.87	5.05
Strategic Bond Fund W-ACC-GBP	£ 1.27	-	-0.01	3.23	7.15	-3.23
UK Opportunities Fund W-ACC-GBP	258.00	-	4.20

MANAGED FUNDS SERVICE

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Charifund Acc	39460.30	-	413.34	4.95	15.05	5.95
M&G Charibond Charities Fixed Interest Fund (Charibond) Inc	£ 1.11	-	0.01	3.93	8.24	-3.78
M&G Charibond Charities Fixed Interest Fund (Charibond) Acc	£ 41.76	-	0.21	3.56	8.24	-3.78
M&G Charity Multi Asset Fund Inc	£ 0.95	-	0.02	4.29	11.21	5.97
M&G Charity Multi Asset Fund Acc	£ 120.46	-	1.47	3.73	11.22	5.97

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

McInroy & Wood Portfolios Limited (UK)
Easter Alderston, Haddington, EH41 3SF 01620 825867
Authorised Inv Funds

Balanced Fund Personal Class Units	6132.00	-	63.40	1.40	4.59	2.18
Income Fund Personal Class Units	3012.00	-	34.10	2.40	9.82	4.82
Emerging Markets Fund Personal Class Units	2024.90	-	4.90	1.48	-8.95	-2.73
Smaller Companies Fund Personal Class Units	6397.20	-	104.30	1.30	3.46	-4.44

MILLTRUST INTERNATIONAL

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	$ 86.48	-	-1.04	0.00	-12.15	-12.51

Milltrust International Managed Investments SPC
em@milltrust.com, +44(0)20 8123 8316, www.milltrust.com
Regulated

Milltrust Alaska Brazil Fund SP A	$ 80.87		0.99	0.00	24.56	1.75
Milltrust Laurium Africa Fund SP A	$104.95	-	1.00	0.00	1.00	0.55
Milltrust Marcellus India Fund SP	$163.77		2.99	0.00	21.03	5.28
Milltrust Singular ASEAN Fund SP founders	$152.04	-	1.23	0.00	15.32	-1.23
Milltrust SPARX Korea Equity Fund SP A	$131.65		0.06	0.00	0.25	9.13
Milltrust Xingtai China Fund SP A	$ 74.38	-	0.70	0.00	-24.05	-21.89
The Climate Impact Asia Fund SP A	$ 67.75		0.14	0.00	18.68	12.25

Ministry of Justice Common Investment Funds (UK)
Property & Other UK Unit Trusts

The Equity Idx Tracker Fd Inc	2131.00	-	20.00	2.31	11.83	5.47

Distribution Units

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr

MIRABAUD ASSET MANAGEMENT

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	$127.22	-	0.23	0.00	8.19	0.71
Mir. - Disc Cur D Cap GBP	£190.90	-	1.44	0.00	18.09	-3.04

OASIS

Oasis Crescent Global Investment Funds (UK) ICVC (UK)
Regulated

Oasis Crescent Global Equity Fund USD A (Dist)	$ 38.87	-	0.24	0.79	7.70	0.31
Oasis Crescent Global Income Fund USD A (Dist)	$ 10.17	-	0.00	3.76	5.41	0.19
Oasis Crescent Global Low Equity Fund USD D (Dist)	$ 13.09	-	0.06	1.44	6.16	0.02
Oasis Crescent Global Medium Equity Fund USD A (Dist)	$ 14.73	-	0.06	1.04	6.43	0.18
Oasis Crescent Global Property Equity Fund USD A (Dist)	$ 9.13	-	0.08	-	13.14	-0.72
Oasis Crescent Global Short Term Income Fund USD A (Dist)	$ 0.94	-	0.00	3.57	4.05	1.04
Oasis Crescent Variable Fund GBP A (Dist)	£ 10.25	-	0.08	0.71	6.95	0.29

Omnia Fund Ltd
Other International Funds

Estimated NAV	$1159.00	-	0.00	0.00	26.05	21.11

PLATINUM CAPITAL MANAGEMENT

Platinum Capital Management Ltd
Other International Funds

Platinum All Star Fund - A	$164.99	-	-	-	9.63	2.08
Platinum Global Growth UCITS Fund	$ 9.95	-	0.11	0.00	11.82	-13.07
Platinum Essential Resources UCITS Fund SICAV USD Class E	$ 9.42	-	-0.70	0.00	-19.83	13.34
Platinum Global Dividend UCITS Fund	$ 47.69	-	0.55	0.00	-0.51	-7.43

Private Fund Mgrs (Guernsey) Ltd (GSY)
Regulated

Monument Growth 23/07/2024	£576.84	582.49	1.73	0.85	7.81	2.60

Prusik Investment Management LLP (IRL)
Enquiries - 0207 493 1331
Regulated

Prusik Asian Equity Income B Dist	$165.37	-	0.86	6.04	-3.76	2.04

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr

Purisima Investment Fds (UK) (1200)F (UK)
3rd Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL
Order Desk and Enquiries: 0345 922 0044
Authorised Inv Funds
Authorised Corporate Director - Waystone Management (UK) Limited

Global Total Fd PCG A	520.54	-	6.44	0.26	23.63	9.45
Global Total Fd PCG B	513.09	-	6.34	0.07	23.32	9.18
Global Total Fd PCG INT	501.95	-	6.20	0.00	23.01	8.90

Purisima Investment Fds (CI) Ltd (JER)
Regulated

PCG B ✠	402.90	-	-2.21	0.00	22.08	5.46
PCG C ✠	390.58	-	-2.15	0.00	21.82	5.23

ram ai

Ram Active Investments SA
www.ram-ai.com
Other International Funds

RAM Systematic Emerg Markets Eq	$251.97	251.97	0.53	-	8.47	1.40
RAM Systematic European Eq	€611.12	611.12	5.47	-	14.71	1.55
RAM Systematic Funds Global Sustainable Income Eq	$180.68	180.68	1.59	0.00	14.86	5.07
RAM Systematic Long/Short European Eq	€169.18	169.18	0.21	-	17.76	3.84

Royal London (UK)
80 Fenchurch Street, London EC3M 4BY
Authorised Inv Funds

Royal London Sustainable Diversified A Inc	£ 2.62	-	0.03	1.32	11.43	1.20
Royal London Sustainable World A Inc	403.10	-	5.90	0.68	13.10	2.74
Royal London Corporate Bond Mth Income	77.66	-	0.40	4.92	10.91	-2.27
Royal London European Growth Trust	230.00	-	1.30	1.71	9.39	4.97
Royal London Sustainable Leaders A Inc	873.70	-	16.00	1.53	11.39	4.73
Royal London UK Growth Trust	698.60	-	11.90	2.09	13.05	3.64
Royal London UK Income Wtf Growth Trust	222.40	-	2.60	-	15.96	6.14
Royal London US Growth Trust	505.60	-	4.50	0.00	24.01	13.12

Additional Funds Available
Please see www.royallondon.com for details

Ruffer LLP (1000)F (UK)
3rd Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL
Order Desk and Enquiries: 0345 601 9510
Authorised Inv Funds
Authorised Corporate Director - Waystone Management (UK) Limited

WS Ruffer Diversified Rtrn C Acc	101.26	-	0.25	1.15	1.19	-
WS Ruffer Diversified Rtrn C Inc	98.24	-	0.24	1.16	1.18	-
WS Ruffer Ecuity & General C Acc	623.24	-	1.92	1.24	8.25	3.56
WS Ruffer Equity & General C Inc	555.50	-	1.71	1.25	8.25	3.56
WS Ruffer Gold C Acc	323.38	-	-9.26	0.32	29.58	7.72
WS Ruffer Gold C Inc	194.90	-	-5.58	0.34	29.59	7.72
WS Ruffer Total Return C Acc	537.58	-	-1.59	1.99	-0.38	-0.08
WS Ruffer Total Return C Inc	324.28	-	-0.96	2.02	-0.37	-0.08

Rubrics Global UCITS Funds Plc (IRL)
www.rubricsam.com
Regulated

Rubrics Emerging Markets Fixed Income UCITS Fund	$142.02	-	0.27	0.00	0.48	0.32
Rubrics Global Credit UCITS Fund	$ 17.84	-	0.02	0.00	5.29	-0.61
Rubrics Global Fixed Income UCITS Fund	$176.39	-	0.46	0.00	2.78	-0.79

Scottish Friendly Asset Managers Ltd (UK)
Scottish Friendly Hse, 16 Blythswood Sq, Glasgow G2 4HJ 0141 275 5000
Authorised Inv Funds

Managed Growth ♦	397.50	-	3.90	0.00	11.81	4.53
UK Growth ♦	456.60	-	6.70	0.00	11.47	2.08

STONEHAGE FLEMING
GLOBAL BEST IDEAS EQUITY FUND

Stonehage Fleming Investment Management Ltd (IRL)
www.stonehagefleming.com/gbi
enquiries@stonehagefleming.com
Regulated

SF Global Best Ideas Eq B USD ACC	$270.69	-	4.27	0.00	5.44	-1.81
SF Global Best Ideas Eq D GBP INC	£319.50	-	5.59	0.00	6.01	0.60

SUPERFUND INVEST BETTER

Superfund Asset Management GmbH
www.superfund.com, +43 (1) 247 00
Other International Funds
Other International Funds

Superfund Green Gold	$1035.27	-	26.76	0.00	4.84	-12.15
Superfund Green Silver	$855.98	-	13.56	0.00	-3.92	-17.33
Regulated						
Superfund Green US$	$675.92	-	9.61	0.00	-7.28	-16.63
Superfund Black Blockchain EUR	€ 19.50	-	-1.00	0.00	50.54	-
Superfund Gold Silver & Mining EUR	€ 11.06	-	-0.40	-	-	-

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	£ 20.70	-	0.26	0.24	7.48	1.52
TM New Court Fund - A 2014 Acc	£ 21.00	-	0.27	0.26	7.47	1.52
TM New Court Equity Growth Fund - Inc	£ 23.07	-	0.31	0.06	8.76	1.61

Toscafund Asset Management LLP
www.toscafund.com

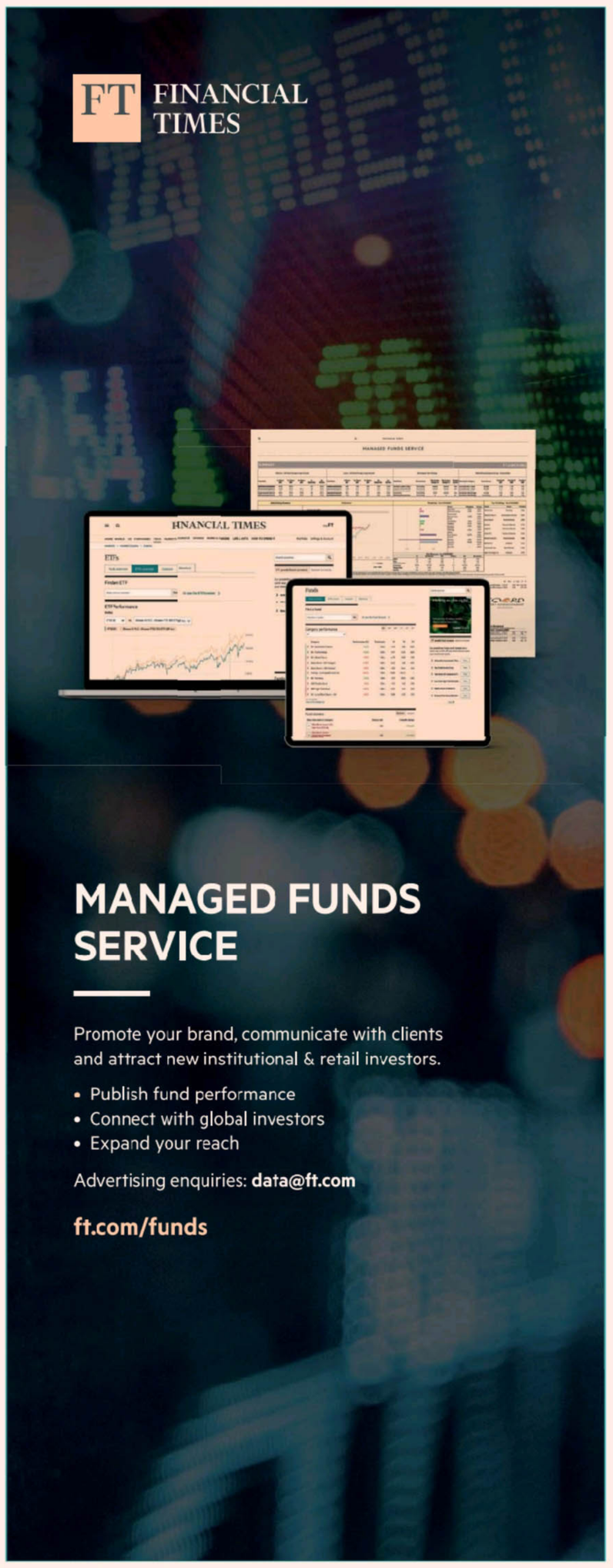
Tosca Mid Cap GBP	£117.80	-	-0.64	0.00	-29.93	-21.59
Tosca Opportunity B USD	$252.81	-	-15.03	0.00	-29.95	-19.96
Pegasus Fund Ltd A-1 GBP	£ 27.03	-	-0.23	0.00	-32.66	-22.42

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Trojan Ethical Global Inc O Acc	108.21	-	0.72	2.46	4.12	-
Trojan Ethical Global Inc O Inc	101.45	-	0.68	2.50	4.11	-
Trojan Ethical O Acc	136.93	-	0.97	1.23	7.52	2.42
Trojan Ethical O Inc	134.82	-	0.96	1.44	7.53	2.49
Trojan Ethical Income O Acc	152.91	-	1.62	2.66	8.68	1.83
Trojan Ethical Income O Inc	122.73	-	1.30	2.72	8.68	1.83
Trojan Fund O Acc	404.69	-	2.14	1.02	5.46	1.95
Trojan Fund O Inc	323.30	-	1.70	1.03	5.46	1.95
Trojan Global Equity O Acc	588.18	-	5.88	0.22	12.81	4.87
Trojan Global Equity O Inc	484.20	-	4.84	0.22	12.81	4.86
Trojan Global Income O Acc	161.82	-	1.35	3.02	3.58	3.95
Trojan Global Income O Inc	128.96	-	1.07	3.08	3.57	3.95
Trojan Income O Acc	369.93	-	3.90	2.85	6.57	1.07

Fund	Bid	Offer	+/-	Yield	1Yr	3Yr
Trojan Income O Inc	174.43	-	1.83	2.93	6.56	1.07



Guide to Data

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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.)

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Different share classes are issued to reflect a different currency, charging structure or type of holder.

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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.

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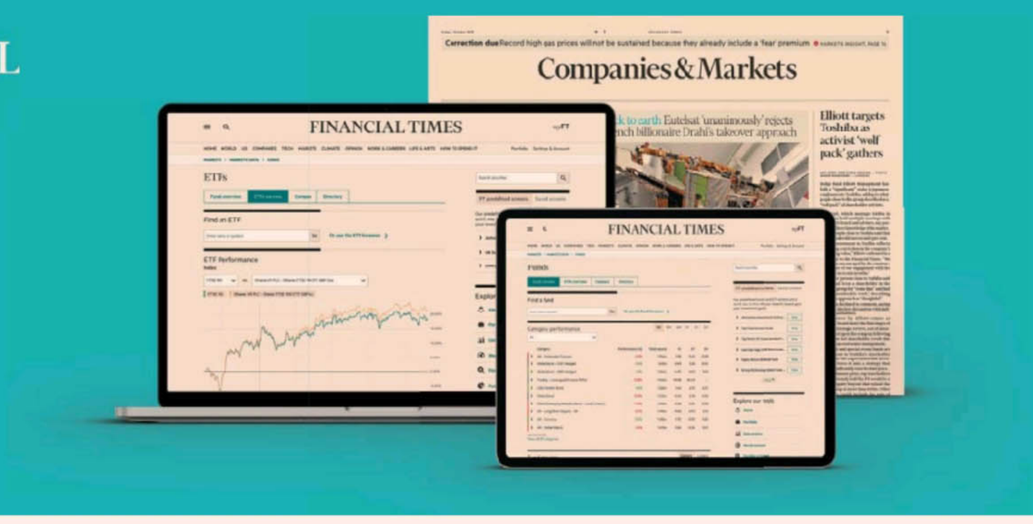
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ARTS

Bayreuth sticks to strengths

Better gender balance and AR glasses are among the responses to demands for the Wagner festival to modernise. Richard Fairman reports



A familiar face is missing from Bayreuth this year. After many years of attendance, former German Chancellor Angela Merkel, who turned 70 a couple of weeks ago, has announced that she is giving the Bayreuth festival a miss in 2024.

Not that this has stopped the country's highest-profile opera festival from getting itself in the news, as usual. Shortly before the opening night, culture minister Claudia Roth set the cat among the pigeons by suggesting that other composers should be performed at Bayreuth, not just the operas of Wagner, for which the festival was founded in 1876.

"I have Engelbert Humperdinck's *Hansel und Gretel* in mind," she told German media. "It is important that the festival is generally more open to young audiences and specifically addresses them. Bayreuth should become more diverse, more colourful and younger overall."

Andreas Schager is an unrivalled Tristan, strong, full in voice and seething with intensity

As the federal and local governments have assumed greater responsibility for the festival, it was always likely that pressure for change would mount. For the time being, though, the Wagner dynasty remains in control, as much the German "royal family" as ever.

In May this year, Katharina Wagner, the composer's great-granddaughter, had her contract as artistic director extended for a further five years to 2030, albeit with a general manager now alongside.

Plans continue to feature a new production of a Wagner opera each year and in 2026, its 150th anniversary year, the festival will present all 10 mature operas, plus the early *Rienzi*, never before staged at Bayreuth.



Main: Camilla Nylund as Isolde and Christa Mayer as Brangäne in 'Tristan und Isolde'. Left: Klaus Florian Vogt as Tannhäuser and Irene Roberts as Venus — Bayreuther Festspiele/Enrico Nawrath

This year's novelty is a new production of *Tristan und Isolde*. Its predecessor, directed by Katharina Wagner herself, probed deeper than most with its multiple visions of Isolde in Tristan's raving mind. This latest, directed by Thorleifur Örn Arnarsson, is as inconsequential as they come.

Its salient feature is that crucial turning-points in the opera's plot are negated — so the love potion is "superfluous", Melot does not stab Tristan, and Tristan and Isolde spend part of their love duet having a tiff (she slaps him). The idea is that their love and destiny are so strong that outside influences are not needed to play any part, but that leaves all kinds of questions unanswered. In particular, why do these two archetypal lovers barely interact? The first time they showed a positive connection was at the curtain calls, when Tristan enthusiastically swept Isolde off her feet. Wasn't that what the opera was meant to be about?

We are left with random ideas, often lost on an unhelpfully murky stage. A large hull of a boat dominates in the gloom, piled inside with what look to be disused props. Isolde spends her time defacing her wedding dress, but the words she has scrawled on it are snatched away before we have a chance to read them. Spotlights blaze unexpectedly at Tristan's entrance, as though announcing the star of the show.

At least the production gets that right. Andreas Schager is an unrivalled Tristan in almost every way, strong, full in voice and seething with intensity in Tristan's suffering. His stamina is heroic, though even he could backpedal earlier to leave more juice in the tank for the last 15 minutes.

As well as Tristan, he is singing the title role in *Parsifal* this summer. Has Bayreuth rifled through Isolde's chest of magic droughts for a potion to keep him going?

Many Isoldes might find themselves overpowered by him and Camilla Nylund is no exception. Even in this most voice-friendly of opera houses her soprano sounds on the small side for Wagner and less than opulent in quality, though she gives everything she has. Christa Mayer is a fine Brangäne, Olafur Sigurdarson a tireless Kurwenal with a throat of steel and Günther Groissböck a highly charged King Marke.

There was luxury down in the pit, where Semyon Bychkov conducts a slow and spacious performance with the music sinking into a velvety cushion of rich sonorities. Forward drive is hard-won — one was left gasping for dramatic tension at times — but his slow-burn Wagner pays off and was wonderfully well played, earning him an ovation. The production team were booed long and loud, though at Bayreuth that could be taken as a badge of honour. ★★★☆☆

This year Bayreuth is also making other news. After more than a century of male dominance, there are more women conductors at the festival than men. One of them is Nathalie Stutzmann, returning to take charge of *Tannhäuser*, to which she brings an invigorating cut-and-thrust.

This is Tobias Kratzer's rollicking production from 2019, which fuses video and live action to show us Tannhäuser as a dropout from a zany group of travelling players and the singing competition at the Wartburg as — guess what? — a performance of *Tannhäuser* at the Bayreuth Festspielhaus. In a delightful twist, a parallel feed of live video offstage shows Venus craftily changing the sign on the conductors' dressing room from male to female.

Updating the production with details like that has kept it fresh. Kratzer wittily subverts Wagner's queasy take on sex and religion and has done so with gung-ho panache. Elisabeth Teige's pure singing as Elisabeth and Klaus Florian Vogt's ringing Tannhäuser stand out in a good cast. ★★★★☆

A live video feed is also a feature of the current *Parsifal*, new last year, but its director Jay Scheib went one better, adding special effects viewable through augmented reality glasses. Once an AR designer gets involved, there is no stopping them. Birds, hand grenades, dollops of blood, used plastic bags (this is *Parsifal* after a climate-change cataclysm) — the images flash relentlessly before one's eyes.

Venus changes the sign on the conductors' dressing room from male to female

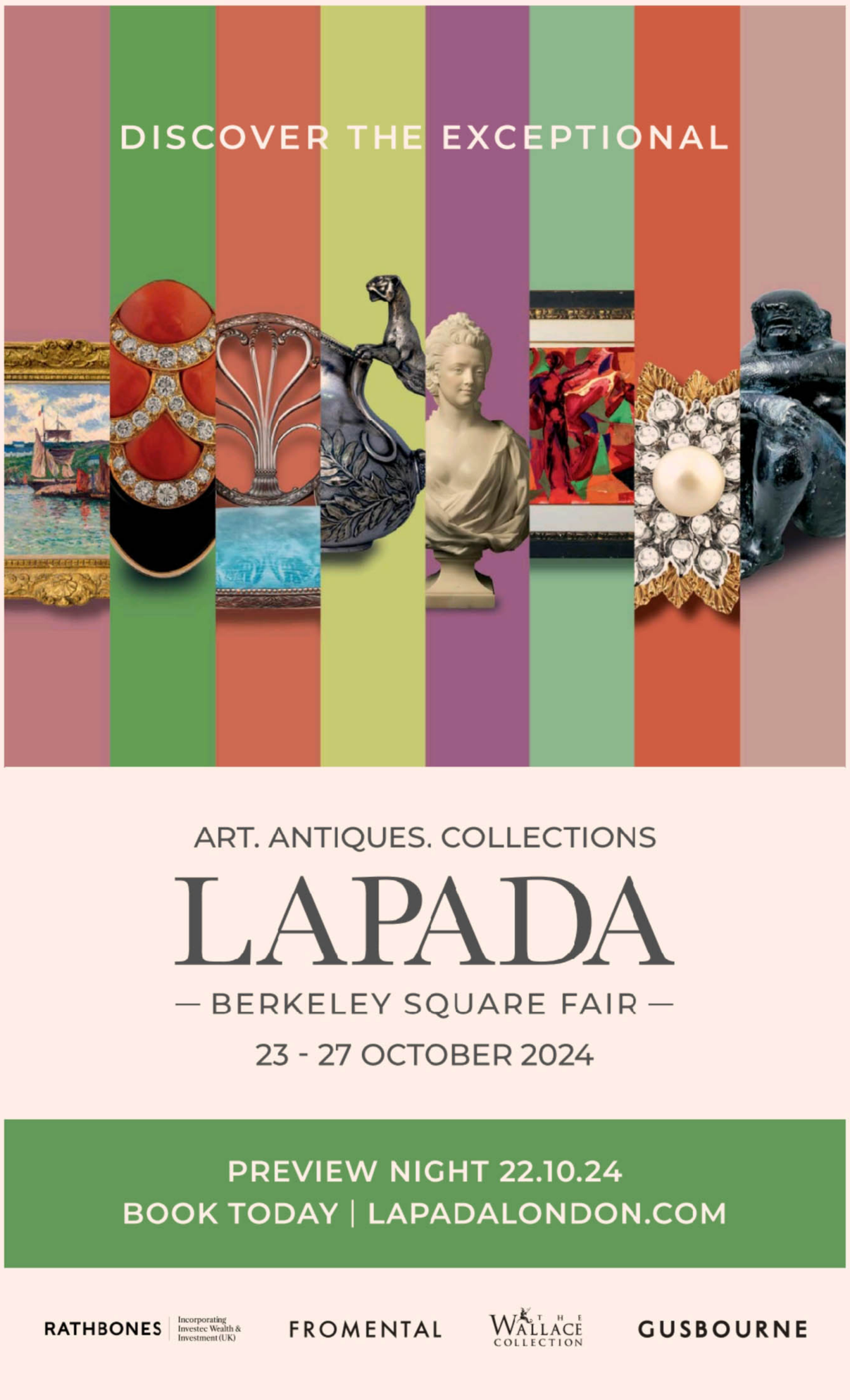
If you are lucky enough to get a pair of the AR glasses, set them aside. What makes this *Parsifal* worth catching is the musical performance. Pablo Heras-Casado judges pace and architecture to a nicety, and Bayreuth's orchestra and chorus are first rate, as always.

In Georg Zeppenfeld, the festival has the pre-eminent Wagnerian bass of his generation, and arguably the one before, as a Gurnemanz of exceptional eloquence. Ekaterina Gubanova is an effective Kundry, Derek Welton a sturdy Amfortas and Jordan Shanahan a vivid Klingsor. Last, but certainly not least, Schager was back, apparently refreshed after his Tristan, as a Parsifal of limitless power and musicality. Does this man never tire? A minor miracle — a Wagner festival with nothing but top-grade tenors. ★★★★☆

To August 27, bayreuther-festspiele.de



Andreas Schager as Parsifal, the second of his starring tenor roles — Bayreuther Festspiele/Enrico Nawrath



Surreal take on post-industrial decay

GAMING

Thank Goodness You're Here!
Nintendo Switch, PC, PlayStation 4/5
★★★☆☆

Lewis Gordon

Barnsworth does not exist but there is a good chance you know somewhere like it. Landmarks in this fictional Yorkshire town include a chippy called Marge's Chippo and a discount shop named Price Shaggers. Weeds sprout between pavement cracks; the river is the favoured hang-out for bored youths; rubbish is strewn about the dilapidated high street. *Thank Goodness You're Here!* paints a picture of post-industrial decay, yet it is a far cry from the social realism of Ken Loach — more The Beano comic than *I, Daniel Blake*; less *Kes* than *Rick and Morty*.

The art style is what hits first: bright illustrations of odd and sometimes grotesque characters. Then the gags arrive, not as a trickle but a deluge, and the pace doesn't let up until the credits roll.

You play as a tiny salesperson, tufts of red hair sprouting out of his head, beckoned to his manager's office because Barnsworth is in need of what your company is selling. The meeting over, you look for a way out, except you're only able to move along a 2D plane and the door is located in the background. The solution to the puzzle, it transpires, is to wallop the water cooler until the receptacle comes loose. Water gushes across the office, but you're able to use the vessel as a step to hop out of the nearby window. Without missing a beat, the manager asks for another water cooler — "It's happened again," he sighs.

Upon arrival in Barnsworth, the game's form quickly reveals itself: a series of spaces filled with an outlandish population to talk to and receive quests from, including an innuendo-loving gardener voiced by Matt Berry.

The best of these play out as absurdist vignettes, like a bedridden chap who needs help with his groceries. His fleshy pink arm extends out of bed, down the hall, out the front door and across town, wrapping itself around water fountains and winding through sewers.

You follow gallantly, squeezing through pipes yourself, all until his shopping arrives home and he can enjoy a soothing bowl of soup — which naturally spills all over him. Another chronicles the meaty hallucinations of the town's butcher; there is also a Tardis-like wheelie bin, home to an old man and his dim-witted pigeons.

But the game isn't quite so anarchically fun as another small-town sandbox, 2019's *Untitled Goose Game*. Rather than honking about as a goose, disrupting the twee, sleepy lives of villagers in south-east England, your primary mode of interaction is the comparably mean-spirited slap (which, in a way, makes *Thank Goodness You're Here!* the world's first happy-slap simulator). It's fitting: a little too often, the game feels as if it sneers at its northern subjects, treating them as the butt of jokes rather than celebrating their eccentricities.

For sure, there are laughs to be had, both of the genuinely witty variety and those of crass, cartoon silliness. But *Thank Goodness You're IIere!* lacks a certain comedic warmth, like that permeating the work of Reeves and Mortimer, the modern masters of quotidian surrealism. The game lands less like a love letter to a forgotten corner of England than a backhanded compliment.

Released August 1



Crude but comic: 'Thank Goodness You're Here!'

FT BIG READ. IMMIGRATION

The Biden administration needed the help of Mexican President Andrés Manuel López Obrador to reduce migration ahead of the election. But did it give away too much in return for his assistance?

By Michael Stott and Christine Murray

An uneasy bargain

On December 21, the situation on the 2,000-mile US border with Mexico was critical. Every day that month, thousands of migrants were sneaking across the frontier, overwhelming border officials and forcing the closure of legal crossing points. Republicans were weaponising the crisis and President Joe Biden needed a quick solution.

Biden called the one person who could help him quickly, Mexico's President Andrés Manuel López Obrador, and demanded action, dispatching a team headed by Antony Blinken, secretary of state, to Mexico City.

López Obrador's government quickly restarted deporting and busing thousands of migrants from northern Mexico to the south, measures it had previously halted for lack of money. Unauthorised border crossings fell sharply in the following months from December's record level of more than 300,000 and last week Biden boasted that they were now lower than when Donald Trump left office, although this claim has been disputed.

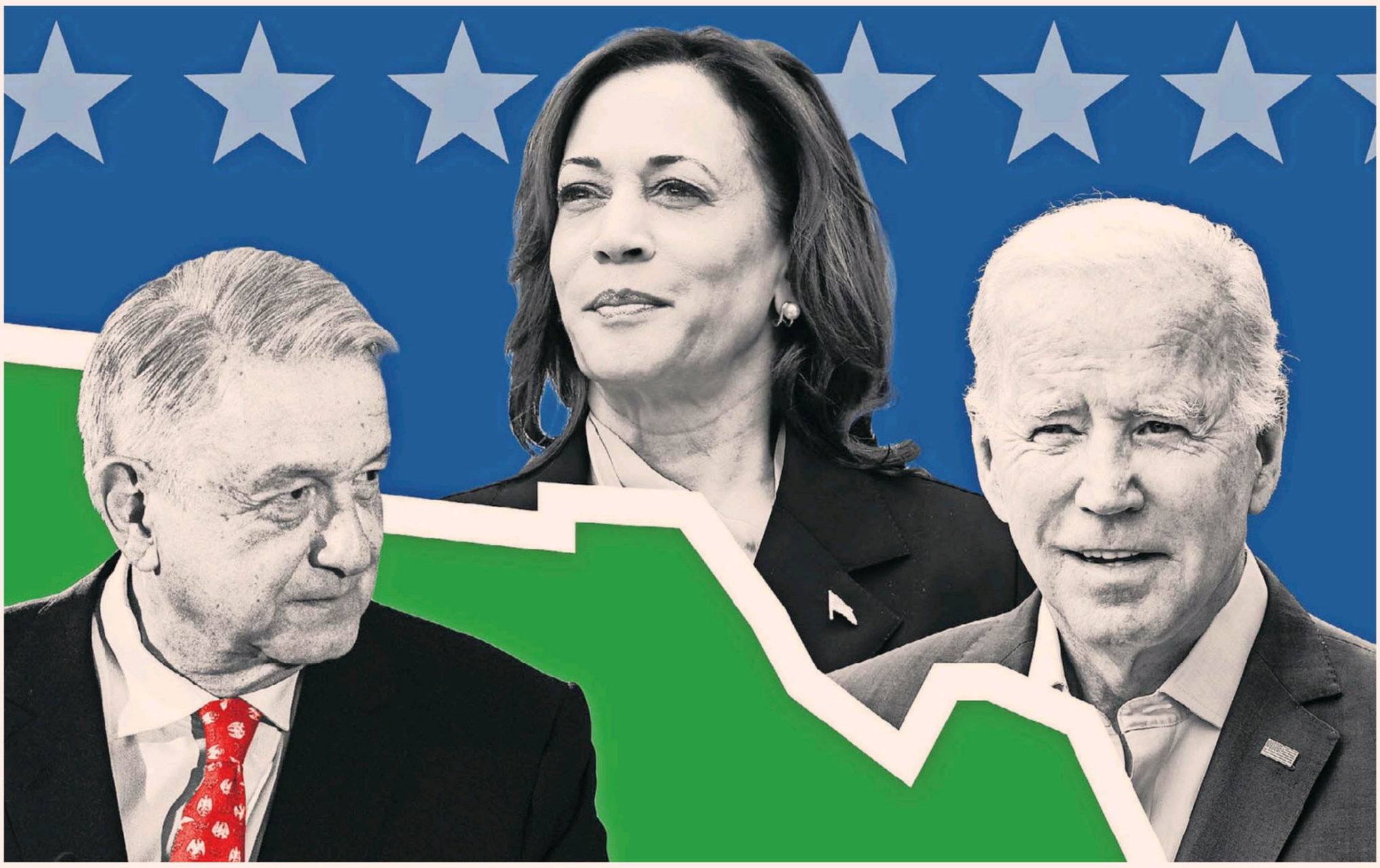
The episode showed how heavily the administration has depended on López Obrador for help with stemming migration, an issue on which Republicans have constantly attacked Biden and vice-president Kamala Harris, the presumptive Democratic nominee.

The Mexican leader, a canny and experienced politician, has in turn maximised his leverage over the Democratic administration to push through leftwing nationalist reforms that opponents say have weakened democracy, allowed organised crime to expand, crimped economic growth and prejudiced foreign investment — all without criticism from Washington.

López Obrador "understood very clearly that if he did as much of the dirty work on immigration for the US as he could . . . he would get from the Americans basically an attitude of leaving him alone," says Jorge Castañeda, a former Mexican foreign minister. "He could pretty much get away with whatever he wanted."

This raises questions about the nature of the tacit bargain between the two presidents and about whether it will survive after their respective terms end. López Obrador will be succeeded in October by Claudia Sheinbaum.

"The US has given up a lot and has worked against its own interests," says Duncan Wood, president of the Pacific Council on International Policy and former head of the Mexico Institute at the Wilson Center.



Mexican leader Andrés Manuel López Obrador, left, has used his leverage over President Joe Biden and vice-president Kamala Harris to ensure minimal US resistance as he pushes through controversial reforms at home

FT montage/Bloomberg

The US relationship with its southern neighbour is closer than almost any other. Over more than 200 years, the two nations have evolved from fighting wars with each other to knitting a close web of trading, investment and cultural links.

Mexico is the US's biggest trading partner and the US is the largest foreign investor in Mexico. More than 37mn people of Mexican descent live in the US, an estimated 1.6mn Americans dwell in Mexico and the US embassy in Mexico City is among Washington's biggest missions.

At the start of his term in 2018, López Obrador, a charismatic populist, established a surprisingly good relationship with Donald Trump. When campaigning for the White House, Trump had called Mexican migrants rapists and drug dealers, and as president vowed to impose tariffs if Mexico did not stem migration but the two men quickly cut a deal. Trump needed illegal migration cut, while López Obrador wanted the economic benefits from the US-Mexico-Canada trade agreement (USMCA).

Some Democrats in Washington and the opposition in Mexico City had hoped that the Biden administration would break with Trump's transactional approach towards Mexico, stand up for democracy and human rights and ease harsh migration rules.

The Biden administration did initially ease some of the most draconian Trump-era restrictions on migrants. But it soon became clear that, as American voters grew more concerned about illegal migration, foreign policy principles would again take a back seat.

"There was always going to be a desire to be pragmatic about the relationship," says Ricardo Zúniga, who served in Biden's Latin America team as principal deputy assistant secretary of state. "The Biden team . . . understood they needed Mexico's help on migration. There wasn't a sense of coming in to try to lecture or . . . totally reset a relationship where Amlo was understood to be quite powerful domestically".

> 'This government is more assertive in its relationship with America. It drives hard bargains'

López Obrador had a reputation as a prickly nationalist, with an instinctive anti-Americanism that is common on the Latin American left. To deal with him, Biden picked an old friend and former Senate colleague, Ken Salazar, as ambassador to Mexico.

He also tasked Harris to deal with the root causes of migration to the US by working with Guatemala, El Salvador and Honduras, three Central American nations that were historically sources of many of the migrants.

Salazar arrived in Mexico City with a clear objective. "His instruction from Biden was to get up close and friendly with Amlo," another ambassador in Mexico says, referring to the Mexican leader by his initials. "The Americans were almost intimidated by Amlo."

Salazar quickly established a close rapport with López Obrador — so close that it disturbed some senior diplomats at the US embassy, who felt he went too far to please his hosts.

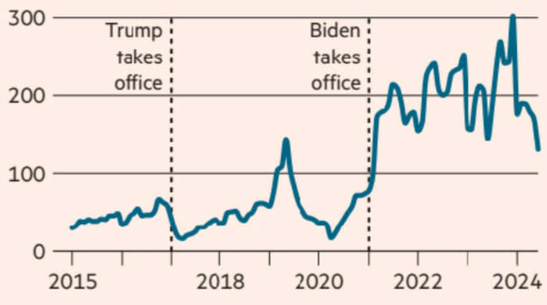
"He handles the bilateral relationship himself and has been very effective in sidelining the entire state department," says one US diplomat, speaking off the record. "He is always reminding people he is a personal friend of Biden's. But Mexican officials call him a 'useful idiot'."

A US state department official says that "Ambassador Salazar and his team in Mission Mexico work side by side with our Department of State colleagues in Washington and our Mexican partners to advance US interests".

For his part, López Obrador has been quick to understand how to use the leverage that migration has given him over the US. "You had someone who was the ultimate politician," says Andrew Selee, the president of the Migration Policy Institute in Washington. "He is an incredibly skilled negotiator."

Unauthorised migrant crossings on the US-Mexico border have fallen sharply this year

US Border Patrol south-west land border encounters*, by month ('000)



* Includes Office of Field Operations

Source: US Customs and Border Protection

When Biden entered office in January 2021, he immediately faced a diplomatic dilemma on Mexico involving a former defence minister and top military commander accused of drug trafficking. Drug Enforcement Agency officials had arrested General Salvador Cienfuegos in October as he travelled through Los Angeles airport, accusing him of conspiracy to traffic cocaine, heroin and methamphetamines and laundering the proceeds.

Despite the general's seniority — he had been defence minister for six years until 2018 — López Obrador initially appeared to accept his guilt. But, under pressure from Mexico's military, he quickly switched to suggesting that the charges were false and demanding Cienfuegos's release. He threatened to expel all DEA agents from Mexico and to end co-operation on fighting the drug trade, a crucial area of concern for the US because of the flood of illegal cocaine and fentanyl across the border.

Two weeks later, the Trump administration capitulated. Cienfuegos was released and sent back to Mexico on the understanding that charges would be pursued there. But days before Biden took office, Mexican prosecutors announced they had no grounds to charge Cienfuegos. López Obrador then ordered the release of the hundreds of pages of confidential evidence which the US had shared with Mexico, and denounced the case as fabricated.

A US justice department spokesperson said at the time it was "deeply disappointed" by the case's closure. Last year López Obrador decorated the general for his service. "Neither Trump nor Biden was going to do anything to [López Obrador] that he would get upset about, if it meant the threat of limited co-operation on migration," says Castañeda.

At the start of his term in 2018, López Obrador has relied increasingly on the military to execute his top priority projects. The armed forces were put in charge of everything from big construction projects to a new federal police force, violating a constitutional rule that police should be under civilian command. López Obrador has also given them control of airports, ports, the customs service and even an airline.

But while the US criticised authoritarianism in other countries in the region such as El Salvador and sent strong messages to Brazil's military about the need to respect the constitution under the presidency of Jair Bolsonaro, there has been no similar effort in Mexico.

The Biden administration also failed to speak out against López Obrador's attacks on key democratic institutions in Mexico, such as the Supreme Court, when it came under siege from government supporters last year.

López Obrador had vilified the institution constantly in his daily news conferences after it ruled against some of his most cherished initiatives. Pro-government demonstrators set up an encampment outside the court building in the centre of Mexico City last summer, plastering it with slogans such as "Corrupt traitor justices, you are fired". Norma Piña, the court's president, was portrayed on a large poster stuck to the building's walls as a "narco-pig" and protesters burnt her effigy.

When the Bolsonaro government in Brazil attacked the Supreme Court, cozied up to the military and questioned the electoral system, the Biden administration responded with a strong and coordinated effort to shore up Brazilian democracy, yet in Mexico, attacks by pro-government demonstrators on a key democratic institution did not prompt the same reaction.

"There was concern," says the Pacific Council's Wood, "but they felt they were held hostage by migration . . . They could have been tougher". The state department official says the US co-ordinates closely with Mexico "on a wide range of important issues . . . even as we make clear the need for strong democratic institutions."

Now in the final months of his tenure, López Obrador has proposed to replace the Supreme Court with popularly elected judges — a move NGOs say would risk turning it into an appendage of the ruling party. Salazar, the ambassador, has said a strong justice system is important but that it is up to Mexicans to decide any changes. "They depend on us over fentanyl and migration," says one minister in López Obrador's cabinet. "This government is more assertive in its relationship with the US government. It drives hard bargains."

López Obrador has felt strong enough to pursue a foreign policy that at times ran counter to US interests. After Russia invaded Ukraine, he invited Moscow's troops to parade at Mexico's independence day celebration and described US military aid to Ukraine as "irrational".

He sent free oil to Cuba and invited Venezuela's authoritarian leader, Nicolás Maduro, who has a $15mn price on his head in the US for alleged drug trafficking, to a regional summit in Mexico City.

Most strikingly, he snubbed Biden when the US president hosted the Summit of the Americas in Los Angeles in June 2022, an absence which emboldened several other Latin American leaders to skip the event. Yet the following month Biden invited him to the White House. US businesses have struggled with López Obrador's nationalist and statist policies. The Mexican leader squeezed private investment in the energy sector, reversing a gradual opening under his predecessor.

> '[López Obrador] understood very clearly . . . he could pretty much get away with whatever he wanted'

Migration is likely to remain a big and divisive issue in the November election, even after Biden's withdrawal. Trump lost no time in attacking Harris on her record, saying last week that "as border tsar, Kamala threw open our borders and allowed 20mn illegal aliens to stampede into our country . . . Kamala, you've done a terrible job."

Harris aides have pointed out that the vice-president was never a "border tsar" and was instead tasked with tackling the root causes of migration.

This strategy foundered when political repression and economic crisis in Venezuela and Cuba triggered a big exodus. Security crises in Ecuador and Haiti added still more migrants.

Sheinbaum, López Obrador's handpicked successor, won a landslide victory in June elections and their Morena party has enough votes in congress to rewrite the constitution — something the Mexican president intends to do before leaving office. Using the justification of rooting out corruption, the measures he has discussed include sweeping changes to the courts and the electoral system and dismantling independent regulators.

"Washington needs to pay serious and undivided attention to the potential reforms that López Obrador and Morena will seek to ram through in September," says Arturo Sarukhán, a former Mexican ambassador to the US. "If Mexico morphs into an illiberal democracy on its doorstep, there will be three winners: China, Russia and Cuba."

Castañeda traces what he calls a US indifference to Mexico's domestic politics back to the chaos in the 1920s following the Mexican revolution. "As long as the place is stable, as long as core American interests are not threatened, meaning property and people, let the Mexicans govern themselves any goddamn way they want".

Some Mexican civil society leaders feel let down by Washington's failure to defend democracy more robustly. "If you undermine the rule of law in Mexico, this will create a problem which affects US interests," says Lorenzo Córdova, former president of the independent electoral institute INE. "That's because authoritarian governments sort things out as they please, not according to the law."

The FT View

FINANCIAL TIMES
'Without fear and without favour'

Britain's tough fiscal choices

Growth policies should not be sacrificed to plug 'black hole' in public finances

An audit commissioned by Britain's chancellor, Rachel Reeves, has revealed an additional £21.9bn "black hole" in the country's already strained public finances for this financial year. In a speech to parliament yesterday the finance minister said that the Labour government's first three weeks in power had unveiled the true extent of spending needs across the UK's public services.

It is, indeed, plausible that a closer examination has unearthed unresolved matters that the government could not have known while in opposition. Reeves cited additional spending pressures across asylum, rail services, and assistance to Ukraine — alongside several apparently unfunded policy announcements made by the Conservatives.

Still, Labour was well aware that it would be inheriting a dire set of finances and public services. When the party published its manifesto, economists and think-tanks warned that it had baked in unrealistic cuts to unprotected departments. The Institute for Fiscal Studies cautioned that the party's financing plans relied on optimistic assumptions of economic growth and uncertain revenue gains from clawing back on tax avoidance, too. But both Labour and the Conservatives ducked the fiscal realities during the election campaign.

A considerable chunk of the "black hole" comes from Reeves's decision to follow through with the recommendations of public sector pay review bodies for above-inflation wage rises, amounting to more than £9bn for 2024-25. The chancellor also confirmed a 22 per cent two-year pay offer to junior doctors. Resolving pay disputes could limit future costs from strike action. But this is another expense — alongside the effects of inflation on spending commitments — that Labour should have seen coming, and budgeted for.

The government has also tied itself in knots with its manifesto promises. Reeves recommitted to not raising income tax, national insurance or VAT — which account for a significant share of government revenue. That leaves the chancellor with little wiggle-room. Cuts to NI contributions made by the Conservatives — in part, to boost its vote — are roughly equal to the size of the "black hole".

To start covering the shortfall, Reeves made some sensible announcements including to stop non-essential spending on consultants, review welfare spending and hasten efficiency improvements. But it is unfortunate that the chancellor has announced plans for cuts and delays to road and rail projects to make additional room. Britain needs capital investment to support growth, which drives productivity and revenue growth.

Yet, these cutbacks only filled part of the hole. This raises concerns that the chancellor will opt for further cuts to infrastructure investment and tax rises in the autumn Budget, which Reeves confirmed will be held on October 30. This includes the possibility of raising capital gains tax. Uncertainty over these taxes, or a significant increase to them, risks stifling wealth creators and undermining international competitiveness — particularly at a moment when Britain is experiencing an uptick in investor interest.

The Labour government's bad inheritance, coupled with its own commitments, leaves few good options to raise revenue

The government's bad inheritance, coupled with its own commitments, leaves few good options to raise revenue. As it assesses its choices ahead of the autumn Budget, it should prioritise revenue-raisers that impose least damage on growth and investment. That means Labour may even need to revisit some of its manifesto pledges. Otherwise, the government risks falling into the same spiral that plagued the Conservative administration before it: sacrificing long-term economic growth to pay for stretched public services.

ft.com/opinion

Opinion America

Vance shows imitating Trump is not that easy

Ben Hickey



Jemima Kelly

One of the manifold remarkable aspects of the 2024 US presidential race is how quickly the news cycle moves on. Just over two weeks ago, an assassination attempt was made on Donald Trump — an episode that was expected to dominate and "reshape" the race. And yet the sheer volume of election news since then has made this feel like a distant memory. Indeed, in the past week, the number of Americans looking up "Trump shooting" online has been eclipsed by the number putting another search term into Google: "JD Vance couch".

The search relates to a rumour that Vance, Trump's running mate, had confessed to having sex with a couch in his bestselling memoir *Hillbilly Elegy* — a rumour that, while utterly baseless, has been seized upon by meme

He may be a millennial, but the boomer former president has a better idea of how the internet works

makers. While this is hard to blame on Vance, a series of misjudgments, blunders and a strong cringe factor are not. And those have combined to keep the Ohio senator trending on social media for all the wrong reasons.

Vance has made several attempts, over the past week or so, to come across as a likeable kinda guy who can crack jokes and make people laugh — a guy like Trump, in other words. The problem is that he can't seem to pull it off. Trump is naturally very funny; Vance is not. And somehow, despite the fact that the former was born into a life of privilege while Vance was born in an impoverished home to a drug-addict mother, it is Trump who manages to come across, to his supporters at least, as a man of the people.

On Monday last week, at a rally in his hometown of Middletown, Ohio, Vance made a weird crack about how Democrats would probably call the fact that he drinks Diet Mountain Dew racist. "It's good!" he said as a few members of the crowd laughed half-heartedly, before doing a very awkward faux laugh and pointing his finger at the crowd Trumpily with an "I love you guys".

A montage of awkward moments from the speech was shared widely, as was an accidentally hilarious video of Vance backstage at a rally in Virginia. In the clip, Vance goes through the "ton of crap" (including bottles of Diet Mountain Dew) that had been laid out for him to eat and drink before saying to camera, in distinctly Michael-Scott-from-*The-Office* fashion, "If I ate even half this stuff of course I'd balloon up like crazy," and then asking for campaign donations.

Trump would never. Vance might be the millennial, but it is the boomer former president — perhaps because of his background in and affection for television — who has a better sense of how the moving image and the internet work. Trump often gives incredibly long and rambling speeches — I was in the crowd in 2022 when he announced he would run for the presidency again and many superfans were trying to leave before he'd finished — but he understands that it is the clips and soundbites that will be watched by millions of people and that only they really count.

Trump also has a keen grasp on the magic of plausible deniability. While Vance went on television in 2021 to rally against childless "cat ladies" — and doubled down by posting the same phrase on social media — Trump often tends to be more cunning. He deploys phrases like "a lot of people are saying" or "I've been hearing" in order to put some distance between himself and an offensive comment, and uses body language to signal what he really means.

"There's a script of what he's saying, but then there's also a meta script of what it means to people," Donna Goldstein, an anthropologist at the University of Colorado Boulder and co-author of a 2016 paper on Trump's entertainment value, tells me. "A lot of it has to do with bullying other people, but it's done in this clownish, gesture-ish way . . . He often just gestures the final sentence, which is then highly interpretable and so he's off the hook."

Vance has a further problem that Trump doesn't share: he has a real ideology. Trump has changed his position on abortion many times, for instance; Vance has openly called for a national ban. While Trump has started calling for unity, Vance talks about "completely replacing the existing ruling class with another ruling class" and the need to "overthrow" the "people who currently actually control the country".

Vance is too serious for listeners to brush off his comments with an, "Oh, he's only joking" — something I often hear from Trump's supporters. He lacks Trump's charisma, confidence and comedy value, and he also lacks the subtlety of Trump's style, which is often under-appreciated. If the former president wanted a running mate who would make him shine, Vance was a great pick.

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Letters

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Why aircraft carriers are key to the UK's future defence

Regarding your report on Britain's defence review quoting the army chief saying it will take the UK "three years to be war-ready" (July 24), as far as our navy is concerned we need an organic fast jet capability to conduct war winning maritime operations.

For land-based fast jets have limited range (anything beyond 400 miles is a push) and are just not there when the fight starts. There are also areas of the world where limited numbers of air bases and weather means they can only give very limited support. The Arctic Ocean and area around northern Norway are cases in point. Indeed, vast areas of the North Atlantic fall within this category. Similarly, in the Balkan war carriers were able to provide fast jet support when air bases in Italy could not operate. Being a major airfield capable of travelling 500 miles a day without hindrance enables your air power to be much closer to where you wish to use it with huge operational benefits. We realised this too late in the Mediterranean during the Libya operations. The most important military contribution the UK makes to Nato is that of its maritime forces and European allies are dependent on it. The carriers are a fundamental part of that as seen in recent Nato exercises. The fact that forces operating in the Atlantic can be fighting in the Gulf three weeks later — as they were in 2001 or indeed assisting our US, Australian and Japanese allies in the South China Sea some five weeks after operations in the Atlantic — is just a bonus provided by their mobility and flexibility.

Admiral Lord West of Spithead
House of Lords, London SWI, UK

Unions are indispensable to solving US immigration

Once again Martin Wolf ("Immigration is both essential and impossible", Opinion, July 24) has outlined the rational solution to immigration — temporary work visas based on secure digital identification for immigrant employees and penalties for employers not following the rules.

This may work in the UK but not in the US. Why? Because regulations of any sort are opposed by a large segment of the business community. These laissez-faire capitalists illegally employ underage children in dangerous meat packing plants, pay their immigrant labour off the books in cash, and avoid paying payroll, social security and Medicare taxes by not using the E-Verify digital identification system. Why? Because doing so creates a vast pool of cheap labour. This is the source of the demagogic appeal of Donald Trump to more regulated voting native-born workers.

Wolf doesn't suggest that unionisation of the workforce is an indispensable component of any attempt to solve the immigration issue. But it is.

As we know Elon Musk and other billionaires who dislike unions have bankrolled Trump. So unless society begins to deal politically and economically with class issues in a more constructive manner, any solution to immigration is building sandcastles. The politics of the situation do not support rational solutions. Trump's political career is based on this.

Paul Fiondella
East Hampton, NY, US



Labour's tax timidity — time for FT leadership

How disappointing that the FT's commentary around chancellor Rachel Reeves's tax and spending plans has so quickly returned to discussing tweaks to the existing system (Report, June 8). Pre-election FT columnists wrote persuasively about the opportunity for a fundamental simplification of the tax system and the potential to increase the overall tax take as a result. This feels less "without fear and without favour" as your masthead proclaims than "without focus and without strength". Time to regroup and reassert the FT's customary leadership?

Michael Ledzion
Cambridge, UK

Where good ideas also fail

In "Universal basic income: the bad idea that never quite dies" (July 27) Chris Giles acknowledges that "raising the income of poorer people definitely improves their lives, reduces poverty and allows those with low incomes to enjoy some time off" but he says nothing about all the "good" ideas that have so far failed to eliminate poverty.

Robert Mercer-Nairne
London SW15, UK

States accept rule-based order, but with one caveat

Philippe Sands has a problem with his Weekend Essay on how Britain restores its global reputation (Life & Arts, July 27). No demand for compliance with a rules-based order will change a simple political reality: so long as the world consists of nation states, it is axiomatic that those who govern them will act in what they perceive to be their state's best interests. It follows that decisions of international bodies, whether it be the courts, or the UN itself, will only be effective against alleged wrongdoers if the latter believe compliance to be in their best interests.

William Stockler
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No towering achievement

Reading your account of the revitalisation of the Greek capital's southern coastline ("The rise of the Athens Riviera", House & Home, July 13) am I the only reader who finds the artist's rendering of the 200-metre tall Riviera Tower an absolute monster, notwithstanding the fact it was designed by Foster + Partners?

Tina Elliott
Prangins, Switzerland

OUTLOOK

ITALY

Archaeological challenges of modern vs ancient Rome



by Amy Kazmin

At a busy construction site near Rome's River Tiber, archaeologist Dora Cirone proudly displays three 2,000-year-old lead water pipes stamped with the names of their erstwhile owners: Iulia Augusta — wife of Roman emperor Augustus — and her great-grandson, the despised emperor Caligula.

The heavy tubes were the latest in a trove of antiquities discovered in the building of a new road underpass near the Vatican. A few weeks earlier, crews unearthed a fullonica — a sophisticated ancient Roman laundry complex — and the remnants of a monumental portico from Caligula's riverside garden. Pieces of a large terracotta frieze also surfaced.

"I have been digging in Rome for 40 years, but every find is so exciting," says Cirone, who directs the day-to-day archaeological excavations at the Piazza Pia site, supervised by an expert from Italy's culture ministry. "With this work, we reclaim the history of the place."

Yet the find was a headache for the contractors racing to meet a December deadline. When the laundry emerged, construction was temporarily halted and a team of 70 archaeologists had to be recruited to work round the clock to excavate it.

Meanwhile, engineer Alessandro Bernardini redrew the work plan so construction could carry on as fullonica and portico were carefully dismantled and relocated. "The main problem is the project has a final milestone that can't be postponed," Bernardini says.

Infrastructure projects in densely populated urban areas are never easy. But few cities pose such complications as Rome, where two millennia of architectural and cultural history lie below a vast area of the modern city.

"It's more challenging than anywhere else," says mayor Roberto Gualtieri. "No other city in the world has such a level of complexity of stratification . . . You have the ancient quota, the Middle Ages, the Renaissance."

With the destruction of cultural heritage property treated as a serious crime under Italian law, any underground public works must be ready for what Gualtieri calls "emergency archaeology" to deal with unexpected discoveries. Finds must be either relocated or kept in situ through redesign of the project.

Tensions between protecting antiquities and improving infrastructure seem to be mounting, as Rome upgrades public works ahead of next year's Catholic Jubilee — expected to bring millions of additional pilgrims to the city — and expands an antiquated Metro system.

Yet Italian officials say infrastructure works are bringing otherwise hidden treasures to the public eye. Take Porta Metronia, where the newest station for the 10-year-old Metro C line is nearing completion. Unlike other parts of Rome dug up in recent centuries, little was known about the station site, just outside the Aurelian Walls that have ringed the city since the third century.

But initial work unearthed the remains of a 40-room military barracks, with some marble mosaic floors still intact, traces of decorative painting and a nearby comandante's quarters. A redesign of the station plan incorporated a small museum to display the barracks, which were dismantled, kept in climate-controlled storage during the heavy underground construction and then returned to their original site.

Similar efforts — albeit on a far greater scale — lie ahead, with work under way on a vast new Metro station at Piazza Venezia, at the heart of both ancient and modern Rome. A 2006 archaeological survey of the area found ruins of old shops and restaurants that had once lined a major road out of the city and will be displayed in situ in the new station.

In these circumstances, Pietro Salini, chief executive of Webuild — one of the two largest companies in the Metro C consortium — says construction will take longer than a similar project elsewhere but that the time was a price worth paying. "If you measure it from an engineering point of view, people will not be happy with the daily progress," he says. "But this is insignificant. This project is not only about completing a station. It is about making marvels — an exciting trip through history — available to everyone."

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Opinion

Global chip war could turn into a cloud war

Chris Miller

If artificial intelligence systems transform the global economy, then the data centres that train them are the factories of the future. Governments around the world see AI-capable data centres as a strategic resource — one they are racing to control.

The idea of high-powered computing as strategic is nothing new. During the cold war, the US permitted supercomputer sales to the Soviet Union only if they were used for weather forecasting, not nuclear simulations. These rules were enforced by requirements that the Soviets accept permanent foreign monitors and even hand over supercomputer data for analysis by US intelligence.

Like supercomputers, the AI systems being developed today have both civilian and military capabilities. They may optimise food delivery apps but they can also analyse satellite photos and direct drone strikes. It's not unreasonable to bet that control over AI data centres will have political as well as economic implications.

All advanced AI systems are developed in data centres full of high-end chips such as Nvidia graphics processing units and high-bandwidth memory semiconductors. Cutting-edge AI chips are already subject to US export controls and advanced memory chips may soon be added to the list. Adversaries like China have received blanket bans that prevent them from accessing restricted US chips and are developing their own.

It should not therefore come as a surprise that more countries want guaranteed access to AI technology via data centres that are built on their own soil.

Saudi Arabia and the UAE have made no secret of their ambition to become AI hubs by investing in vast data centre infrastructure. Kazakhstan wants to build an AI data centre and train Kazakh-language models. Malaysia is experiencing a data-centre boom, with huge new investments by both US and Chinese companies. US cloud companies see a lucrative opportunity. They argue that if they do not take contracts from foreign governments that are ploughing billions of dollars into "sovereign AI" infrastructure, then China will. Washington understands that US tech companies need international markets to retain the scale that underpins their economic advantage.

American diplomats have data centres on the mind, too. There's no better way to lock out Chinese tech than to get other countries on your cloud. When US President Joe Biden hosted Kenyan President William Ruto in May, the White House proudly announced that Microsoft was building a major new data centre in Kenya to offer cloud computing services. What the White House didn't mention was that Microsoft would develop the Kenyan data centre alongside G42, the UAE-owned tech company that has a history of technology partnership with Chinese companies. Earlier this year, Microsoft announced it would invest $1.5bn in G42.

> More nations are wanting guaranteed access to AI technology via data centres built on their own soil

Security hawks in Washington worry that deals such as this risk compromising their control over AI tech. They note long-standing ties between G42 and Chinese tech companies like Huawei. Kevin Xu of Interconnected Capital suggests that the chip war may be about to be followed by a cloud war.

Whatever safeguards Washington demands on the Microsoft-G42 deal will be seen as a template for future international data centre projects. Will the US government verify compliance? Could it demand sharing of data, as it did during the cold war? Such safeguards would address American security concerns but would make countries already wary of US restrictions even more nervous.

This matters because the US has based its tech competition with China partly on the question of trust. Who would you rather trust with your telecoms, US officials have asked: European firms or Huawei? Not coincidentally, Huawei is redoubling efforts to build its own cloud computing business for customers in China and abroad. The head of Huawei Cloud recently argued China should "shift the demand for AI computing power from chips" to the cloud, where China has vast scale and no difficulty building the electricity infrastructure that AI data centres require.

Whether companies such as Huawei can compete without the most advanced chips remains to be seen. The fact that China is importing vast numbers of Nvidia's H20 chips — deliberately downgraded to comply with US restrictions — suggests it will not be exporting its own AI tech soon.

Chips, clouds and data centres are intrinsically interlinked, so long as high-end, export-controlled chips give cloud computing companies the ability to deploy AI efficiently. The tech competition that started with silicon is now intruding into a new layer of the computing stack.

The writer is the author of 'Chip War'

Maduro's flawed victory won't solve his problems



AMERICAS

Michael Stott

In the tense days leading up to Sunday's presidential election, Venezuelans gamed out ever more elaborate scenarios for the outcome. In the end, the result was the simplest and most predictable: the South American country's authoritarian leader Nicolás Maduro was declared the winner, while the opposition cried foul.

Few will be convinced by Maduro's victory. Opinion polls and unofficial quick counts had predicted a landslide opposition win. There was a long silence from the state-controlled election authority after polling closed, followed by the declaration of an "irreversible" triumph for the president, without any breakdown of numbers. Then rapid congratulations from key allies Russia, China and Cuba and threats against those who questioned the result.

"In the face of high voter participation and strong support for the opposition, the Maduro regime had two options," said Ryan Berg, director of the Americas programme at the Center for Strategic and International Studies in Washington. "Admit defeat . . . or engage in a fraud to the extent we haven't seen in Venezuela before." The statement of victory "indicates the path for which he has opted: mega-fraud and potential repression of street protests", he said.

The opposition had mounted its most serious challenge yet to Maduro's 11-year rule. It united behind a single candidate, ran a highly effective insurgent campaign on social media and deployed tens of thousands of volunteers to act as witnesses at voting stations. Yet most of the witnesses were sent away without the official printed final tally of votes to which the law entitles them and opposition leaders were reduced to questioning the result.

> Investors hoped Venezuela's poll might accelerate a recovery from the economic collapse of the past decade

Maduro had already tilted the playing field heavily before the vote, banning the main opposition leader María Corina Machado, directing state-controlled media to ignore the opposition and using state resources to buy support. But as his gap with Machado's surrogate candidate Edmundo González grew, the bus driver and union activist appears to have opted for what one analyst in Caracas called his "red nuclear button".

"The government's results strain credulity, not just because they defy serious public opinion surveys leading up to the election but also because they imply that people would freely re-elect a president who had overseen an economic disaster of the scale of Venezuela's," said Christopher Sabatini, senior fellow for Latin America at Chatham House, referring to the loss of three-quarters of the country's output under Maduro.

Maduro's contested election victory will not solve his biggest problems: a lack of international recognition, sanctions from the US, EU and UK and legal cases against him and his inner circle. Instead the flawed result presents the Biden administration with a dilemma. Keen to stem the flow of Venezuelan refugees towards the US border and to improve the supply of oil to global markets after Russia's invasion of Ukraine, Washington had bet heavily on a strategy of inducing Maduro to hold a competitive election in return for sanctions relief, an approach that now lies in tatters.

International investors will be disappointed. Many had hoped that the election might accelerate a process of gradual recovery from the economic collapse of the past decade, during which oil production cratered and one in four of the population emigrated. That now looks unlikely.

Criticism is unlikely to bother Maduro unduly — his previous election victory in 2018 was also declared bogus by the west. His key allies Russia, China, Cuba and Iran will stand by him. The only thing he might fear is his own people and it remains to be seen whether they have the stomach for another fight. If not, what was once one of Latin America's wealthiest nations may go the way of Cuba and Nicaragua and stop even holding competitive elections in future.

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The real danger Trump would pose for Ukraine



GLOBAL AFFAIRS

Gideon Rachman

What would a Trump presidency mean for Ukraine? A lot of the speculation about a potential "betrayal" of the country centres on a possible cut-off in arms supplies, linked to the acceptance of Russian annexation of chunks of Ukrainian territory.

Territory and weaponry are both key questions. But another less discussed issue is also emerging as a vital topic: Ukrainian neutrality.

Senator JD Vance, Trump's running mate for the presidency, came out in favour of a neutral Ukraine in an interview with the New York Times in June. Vance said that his approach would be to "guarantee both Kyiv's independence but also its neutrality . . . Neutrality is clearly something that they [the Russians] see as existential for them."

On the surface, a neutral Ukraine sounds like an interesting option. Finland and Austria were neutral during the cold war. Both countries managed to remain democratic and outside the Soviet bloc.

However, the Biden administration remains wary of Russia's demand for a neutral Ukraine, believing that Vladimir Putin's ambitions would not stop there. US national security adviser Jake Sullivan told me last week: "It's clear that what Russia wants now is a neutered Ukraine that cannot properly defend itself. He still wants to subjugate Ukraine. And we will not let that happen."

Russian hopes to neuter Ukraine became clear in the peace proposals put forward by Moscow in 2022, early in the conflict. They insisted Ukraine should not join Nato — and that Ukraine's army should be reduced to 85,000 troops and its number of tanks severely limited. One senior Ukrainian official recalls: "They were asking that we put our weapons into warehouses that they would guard. And for a complete veto over our foreign policy."

There is no indication that Russia has backed down from these maximalist demands. The Ukrainians know that accepting Putin's proposals would put their country permanently at Moscow's mercy. But the current debate about neutrality is still interesting, because it sheds light on arguments about how to end the war in Ukraine that are taking place just beneath the surface of the public discussions. Much of the public argument still revolves around the vital and emotive question of territory. Russia continues to insist that it will hang on to all the territory that it currently occupies — and also that Ukraine must make further troop withdrawals, followed by an international agreement that Donetsk, Luhansk, Kherson and Zaporizhzhia regions are Russian territory. Ukraine continues to insist on the complete restoration of its territorial integrity, including Crimea. The US and its European allies say they will support Ukraine for "as long at it takes" and that they will not impose peace terms on the Ukrainians.

Ann Kierran



Wars are unpredictable, so a decisive battlefield breakthrough by either Ukraine or Russia remains possible. But, as things stand, it is unlikely that Kyiv will be able to take back all its territory by force of arms. The Ukrainians and their main western backers know this, even if they will not acknowledge it in public. Making territorial concessions in return for peace is gaining some support among the Ukrainian public, although it is not yet a majority position.

The biggest obstacle to peace is not Ukraine's deep reluctance to make territorial concessions — real though that is. It is the fact that Russia would still demand a settlement that involved the subjugation of the 80 per cent of Ukraine that it did not control. The Ukrainians need assurances that Russia would not use a peace settlement to rearm and then go back on the offensive. Until they get that, there is no possibility of a serious debate in Kyiv about borders or territory.

> Kyiv needs assurances that Moscow would not use a peace settlement to go back on the offensive

That is why security guarantees for Ukraine would be central to any future peace talks. Kyiv's current stance is that Ukraine must join Nato — which would mean that the country was covered by the alliance's collective security guarantee. The most recent Nato summit declared that "Ukraine's future is in Nato". But it added that this will only happen "when allies agree and conditions are met".

Admitting Ukraine to Nato, while Russia still occupies some of the country's territory, would be tricky. West Germany during the cold war could be a model. But West German membership of Nato was backed by the stationing of significant numbers of US troops on West German soil. There is no guarantee that the US Congress would agree to deploy American troops in Ukraine.

Another idea that has powerful advocates in Washington is the "Israel option" (sometimes called the porcupine option), which would avoid a formal treaty commitment to defend Ukraine — and instead rely on building up Ukraine with advanced western military aid, so that it could deter future Russian aggression on its own.

But even the porcupine option would fall foul of Russia's demand for a neutered Ukraine. Could Moscow's stance change? The Russians are suffering staggering losses, estimated at over 1,000 troops killed or wounded every day.

But Putin seems to be waiting on events in America. The Biden administration will not agree to the neutering of Ukraine. But a Trump-Vance administration might. As long as the US election result remains in doubt, Putin has every incentive to keep fighting.

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The Fed's US election dilemma

Krishna Guha

Investors are grappling with what a second Trump presidency would mean for the US economy, the Federal Reserve and interest rates, even as they also weigh the possibility that vice-president Kamala Harris might turn the tables.

There are two aspects to the debate — potential pressure from Trump on the Fed and the impact of Trump policy shocks on the economy and rates. The more extreme scenarios are ones in which political pressure prevents a timely response to the shocks.

Trump has urged the Fed not to cut rates soon with inflation still too high, which many read as meaning a cut before the election this November would not be justified. This will not prevent the Fed from cutting rates in September but makes it additionally important for it to set out its case methodically, one reason why there is unlikely to be an early cut at this week's meeting.

Most investors assume that, once in office, Trump would then press the Fed to lower rates. Aggressive "jawboning" seems likely, though the head-on assault on Fed independence floated by some would-be Trump advisers will probably not materialise, and would likely be shut down by a jump in bond yields and sell-off in equities if it did.

Any political pressure would make it harder at the margin for the Fed to cut rates while preserving inflation credibility. Fed chair Jay Powell is likely to keep his head down, get on with his job and rely on Congress to provide insulation from the executive branch. But the Fed would still need to consider the potential impact of Trump policy shocks.

The Fed's current Summary of Economic Projections is de facto a "constrained Harris" forecast. This is simply because it assumes no new shocks, likely in a scenario in which Harris wins but is limited by a Republican Senate. But Trump is a disrupter. Changes in market prices signal investors think Trump's trade, immigration, fiscal, energy and deregulation policies would be reflationary overall, pushing nominal GDP and inflation higher.

This presents the Fed with a dilemma: update its policy plans early in light of prospective shocks or wait and risk falling behind the curve again. It seems likely it will err in the direction of only slowly adapting for potential shocks, updating its baseline forecast after the election and only then cautiously.

> It will not want to look as if it is prejudging Trump policies as inflationary during the campaigns

The Fed does not know who will win, has no edge in judging what will be implemented, and will be keenly aware of the difficulty of modelling both the mechanical impacts and the effects on animal spirits and risk premia. It will not want to look as if it is prejudging Trump policies as inflationary during election season. Helpfully, bond yields are doing some of its work for it, moving higher when Trump victory odds improve, which leans against overheating.

Some Trump shocks — tariffs in particular — are also in principle one-time price level shocks and not ongoing inflationary ones, though the Fed would have to consider the possibility that tariffs could interact with reduced labour supply from migration and easy fiscal policy to generate more sustained inflation pressure.

In the near term there are good reasons for the Fed to stay sharply focused on inflation and employment data as it comes in. But it would be unwise for it to completely ignore obvious large potential shocks ahead.

Rather than change its baseline view now based on assumptions about who will win and what his or her policies will do, the Fed should instead consider what level of interest rates would leave it well positioned in mid-2025 for a broad range of scenarios. These should include ones dominated by Trump shocks but also those conditioned by a Harris presidency. It should then lightly pencil in a rate path consistent with this.

On current information, well positioned in mid-2025 might mean a rate in the 4 to 4.5 per cent range — significantly below the current 5.25 to 5.5 per cent rate, but still a bit restrictive.

If incoming shocks are inflationary or inflation a bit sticky, the Fed could then go on hold, and even tap the brakes with a rise at the end of 2025 if needed. If incoming shocks and data are not inflationary, it could continue cutting, or even speed up. If we pencil in two cuts under the new president in the first half of 2025, that leaves scope for two, possibly three cuts over the rest of 2024.

Of course no policy path can ever be set in stone. If the labour market were to weaken more sharply in the months ahead, the Fed would need to move aggressively. The priority would then shift to saving the soft landing and worry about possible Trump shocks later.

The writer is vice-chair of Evercore ISI and a former member of the management committee of the New York Fed

Lex.



Anjli Raval
Job hunters pay the price as bosses regain the upper hand
INSIDE BUSINESS

Premium beauty heads for a rough patch as users cut costs



Prestige outshines mass beauty products
US sales, 2023 (% increase)



Sources: Circana; Jefferies

Beauty products are touted as virtually recession-proof. When times are good, consumers slather on the anti-ageing, plumping and illuminating serums. When times are bad, the so-called "lipstick effect" kicks in. With so much crimping and saving going on, a smallish splurge on a beauty product gives shoppers that much-needed pick-me-up.

Yet here, too, there are signs that consumer weakness is starting to bite. "Mass" beauty in the US has shown softish sales for some time. Now that weakness appears to be creeping up the ladder to "premium" beauty — which has been the hottest area in the sector given that those tiny bottles of expensive lotion have staggering gross margins.

Unilever's results last week referenced a slowdown in its prestige beauty division, where it holds brands such as Dermalogica and REN. Beauty retailer Sephora, owned by LVMH, last week missed analyst estimates, albeit with a reasonable-looking 5 per cent growth rate in the second quarter. Evidence of a slowdown is still patchy, however.

Switzerland's Galderma, maker of neuromodulator injectables (better known as Botox to the rest of us), has continued showing strong sales. Industry bellwether L'Oréal — reporting today — will be closely watched.

Signs of a slowdown in the prestige beauty sector would chime with recent evidence that consumer weakness has become broad-based and those with higher disposable incomes are starting to feel the pinch.

If the gloss is coming off premium beauty, that would be bad news for the many acquisitions that have been completed in the sector in recent years. Those were priced for a blemish-free performance. Think, for instance, of L'Oréal's acquisition of Aesop at 24 times ebitda. Elsewhere, Unilever bought Paula's Choice for 20 times ebitda, reckons Jefferies, and Colgate went even higher upmarket with Filorga at 30 times ebitda.

There are ways to apply balm to any potential rough patch in high-end skincare. One option is to stretch brands downmarket, rather than up. Estée Lauder, for instance, is selling its Clinique brand through Target stores in the US. Another is to have a stable of brands at different price points. L'Oréal here is a prime example. Its CeraVe dermatological brand is lauded by skincare influencers and — at an average price of about $20 — costs a fraction of ritzier potions. It should be well placed to freshen up the temporarily straitened high-end consumer.

Weight loss drug race leaves pharma also-rans struggling for attention

Many European pharma executives have something in common with athletes. As the Olympics shows, being an also-ran can be brutal. Sponsors love winners.

The market obsession with weight-loss treatments has reached such heights that groups focused on other areas — or are late to the game — struggle for attention. There is a near 60 per cent valuation gap between Novo Nordisk and the other European pharma groups. "We are in a bit of [an obesity drug] fad," said Stuart Harris, research director at Cavendish.

The also-rans haven't always helped themselves. The likes of Sanofi and Roche need to impress with progress on their pipelines if they are to attract even a slither of attention.

There were encouraging signs from second-quarter results. Sanofi said it was no longer expecting a decline in earnings per share this year, after strong sales of its asthma and eczema drug Dupixent. The results were also promising for more recent launches, including Altuviio, used to manage bleeding in haemophilia A patients.

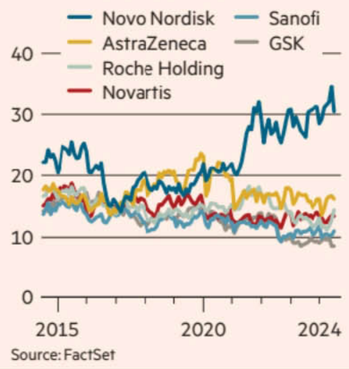
Chief Paul Hudson has prepared the market for lower earnings as he boosts research to address concerns the group is too dependent on Dupixent. Investors are encouraged: Sanofi is expecting 12 phase late-stage data readouts in 2024-25. The shares have gained 6 per cent in the year to date, but more positive trial results will be needed to drive further improvement.

Roche raised its earnings forecast after newer medicines such as eye treatment Vabysmo helped lift first-half sales 5 per cent, excluding currency effects. But Roche has suffered late-stage failures, notably in Alzheimer's treatments. Boss Thomas Schinecker will showcase its wares in September. One easier win might be a focus on cost-cutting: Citi expects cost efficiencies to be announced.

Schinecker is pursuing obesity drugs after acquiring early-stage assets via a $3.1bn deal for Carmot. The Swiss group's market value rose more than $16.5bn in a day in July when it released top-line results from a trial into its anti-obesity pill, though it was early-stage. Still, Roche has only gained 5.5 per cent in the past 12 months.

The also-rans must run harder to be worthy of a podium place.

European pharma groups lag far behind Novo Nordisk
Price/2025 estimated earnings ratio



Source: FactSet

Spotify finally breaks into profit but users could still tune out

Spotify is a great product. After 18 years, the music streaming pioneer is finally showing that it could be a great business too.

The Swedish company dominates audio streaming, with 626mn monthly active users worldwide. But profitability had long been elusive. Until now. Spotify last week posted its second consecutive quarter of profit. Net income was €274mn compared with a loss of €302mn in the year-ago period. It could manage its first full-year profit.

The stock has more than doubled over the past 12 months. The excitement is understandable. The €1.3bn in forecast net income this year is a nice change of pace from about €4bn in net losses the company has racked up over the previous eight years.

Even so, at 41 times forward earnings, the stock looks rich. Spotify faces limits on how fast it can increase profits.

The company has embarked on aggressive cost-cutting. It announced three rounds of lay-offs last year, including plans to cut nearly a fifth of its workforce back in December. It has dialled back its podcasting ambitions after spending heavily to expand.

Spotify on track for first profitable year



Source: S&P Global Market Intelligence

The moves have helped bring operating expenses down 16 per cent year on year during the second quarter to €846mn. Gross margins rose more than 500 basis points to 29.2 per cent.

This cannot be repeated every year. Its biggest cost centre remains song royalties and fees to artists. Cost of revenue — a proxy for these payments — rose 12 per cent to €2.7bn during the second quarter. Recent changes to the way Spotify pays out royalties have already prompted outcries and a lawsuit.

The good news is that Spotify's price increases are paying off. The company has raised prices for its premium subscribers twice in the past 12 months. Users have shrugged it off.

Spotify ended the second quarter with 626mn monthly active users, a 14 per cent increase from the year-ago period. Within this, the number of paid subscribers was up 12 per cent to 246mn. The remaining users are on free accounts that are supported by advertising.

Spotify faces a delicate balancing act. Results from Universal Music Group suggest Spotify has extended its lead over Apple and Amazon. But its premium subscriptions now cost more than those of rivals, giving it less room to increase prices further.

There is talk of a new ultra-premium tier for diehard audiophiles. It could also do more to boost ad revenues. But it will be tougher to keep singing the profit song without users tuning out.

Short sellers' place in markets will be tested by charges against Left

Andrew Left would not be the first middle-aged finance guy to quit grinding so hard. The short seller behind Citron has been charged with 17 counts of securities fraud by the US Department of Justice, which it says were worth $16mn of profits. He faces a civil complaint from the Securities and Exchange Commission.

Left's biggest score was a decade ago, when he accused Canadian pharma company Valeant, backed by Bill Ackman, of accounting irregularities. The allegations were confirmed.

But, according to US authorities, his campaigns have featured situations where he quickly bought or sold stock after disclosing a position to capture immediate profits when he indicated he was planning to be in those trades for longer. The immediate moves in those stocks came because he had credibility from his Valeant takedown.

Critics call short sellers manipulators — some want a ban on this practice of betting against groups. But shorts are a form of accountability when regulators, whistleblowers and lawyers are not enough. Left will rely on these defences, and claim the government has no set standards that define how short sellers should ply their trade.

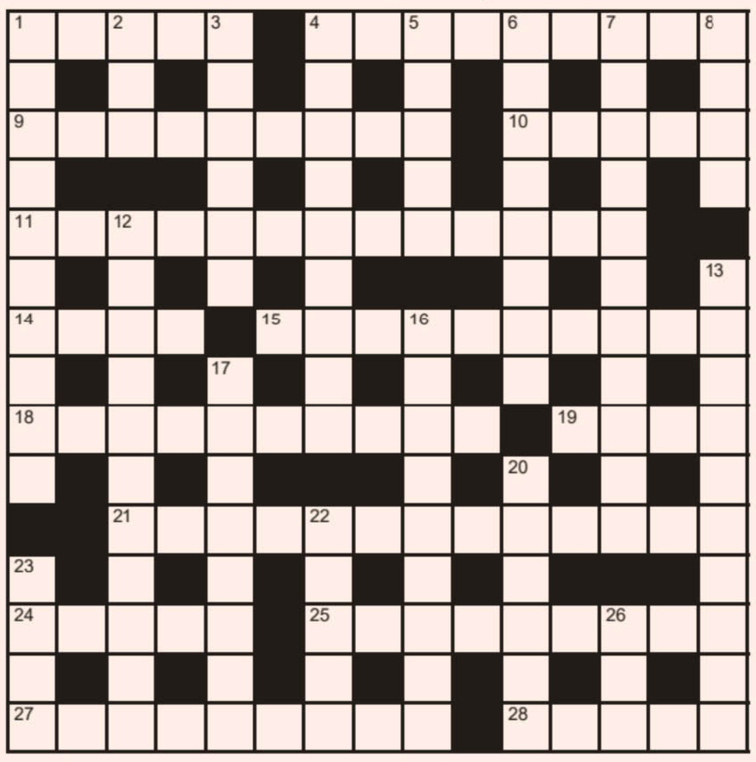
The Feds believe they have a straightforward case. Left published price targets for positions but allegedly exited trades far more quickly — often within minutes of a report — than he led the public to believe. He went on news programmes and made disclosures on his positions that allegedly were untrue at the time.

It often takes months or years for the short seller to be vindicated. Sometimes a short seller can be correct about the company but the stock never reacts commensurately. Short sellers' profits are bounded as a stock can only go to zero. Yet their potential losses are theoretically infinite: to cover their positions, they must buy back the stock at the market price.

Many short sellers have thrown in the towel in a bull market. The worst outcome may be that there are funds that do not want to do the hard work any more but still want to be on TV and are trying to squeeze out profits.

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CROSSWORD No 17,801 by SOLOMON



ACROSS

1 Money made on the radio (5)
4 Broken device and odd parts from Fiesta getting replaced (9)
9 Stroke ram, then run away (9)
10 Looks at anthology including *Lord of the Flies* (5)
11 Officer and doctor clean my patient's face before examination (5,8)
14 Argument caused by fellow on the buzzer? (4)
15 One's strong attachment may lead to explosive relationship (6,4)
18 Evil set I turned on? (10)
19 Put my fingers on thick cloth (4)
21 Granola mixed with cut bananas put on the counter, generating compliments (13)
24 Hollowed-out pumpkin contains fresh seafood (5)
25 Soldier and newspaper's crossword setter dismissed for perverted acts (9)
27 View of Whitehorse, perhaps, from crumbling tops of the Yukon ice-caps (9)
28 Dash alongside part of garden to obtain plant (5)

DOWN

1 Relax in this B&B with distressed blue decking and spa (6,4)
2 Wolf in ovine attire (3)
3 Locomotive stops on elevated railway (6)
4 Trumpet-bearing host also did dances, going around very loudly (9)
5 Breakfast that's French? Yes (3-2)
6 Cut fee for actors? (8)
7 Smart and fashionable Swiss apple-slicer held up by one sophisticated bloke (11)
8 Unconfined joy, in almost every direction, for ages (4)
12 Sewing ruffle on pram? (11)
13 Axed plane tree's top is 1d (10)
16 Those given money and time consider lying down (9)
17 Decreasing speed initially results in late times (8)
20 Insult sportsman that goes down easily (6)
22 Music from part 3 of Horace Silver's *Goin' Both Ways* (5)
23 Impressive record by 10cc regularly skipped (4)
26 Pack in 2 seconds (3)*

Solution 17,800

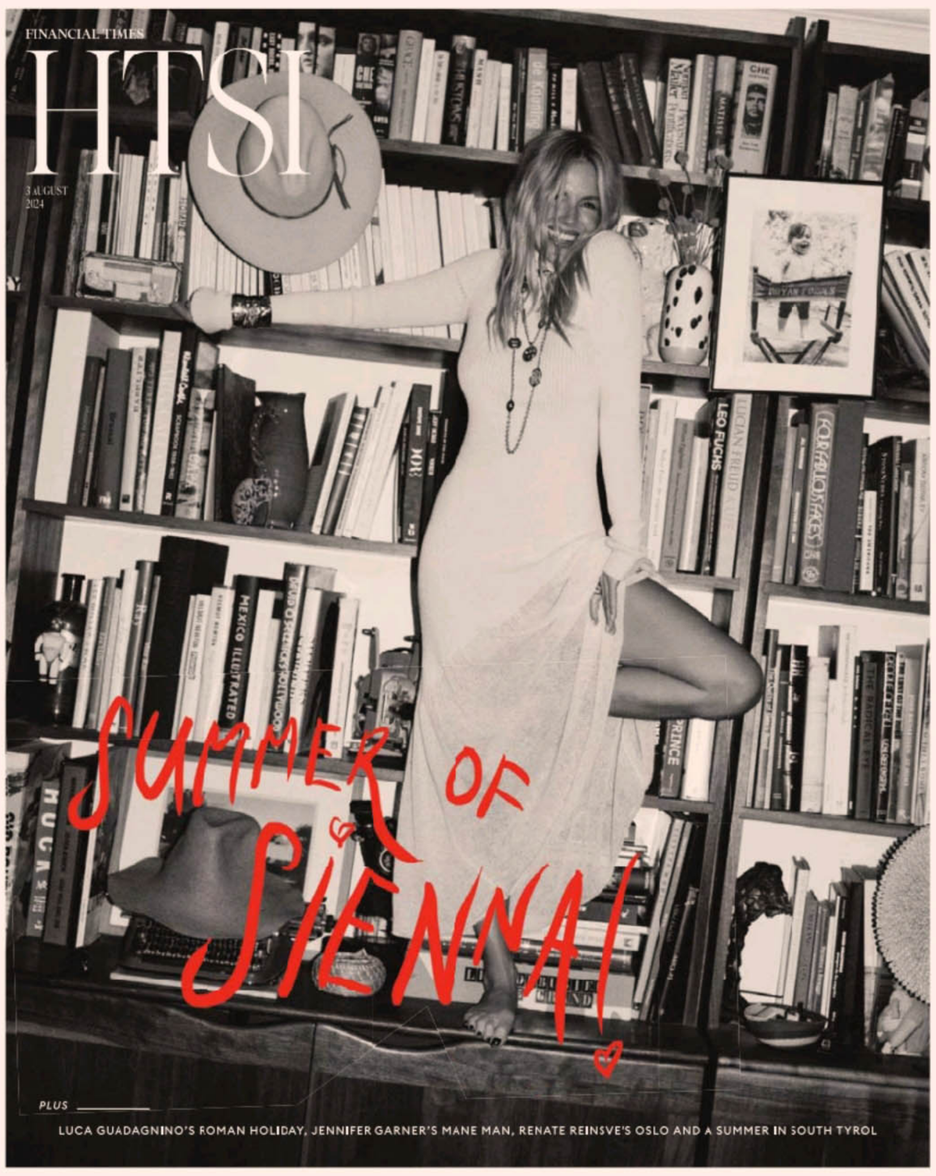
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