FINANCIAL TIMES

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USA $3.00

Does Europe need a Musk for deregulation?
BIG READ, PAGE 15

Lessons from the great Guinness shortage
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Zelenskyy says Europe backing 'not sufficient' without US aid

- Kyiv seeks tight security guarantees
- Renewed push for Nato membership

HENRY FOY — BRUSSELS

European security guarantees without US involvement will not be "sufficient" to ensure the long-term protection of Ukraine from Russian aggression, Volodymyr Zelenskyy warned yesterday.

The Ukrainian president spoke after meeting EU and Nato leaders in Brussels to discuss future support for Kyiv in light of Donald Trump's impending return as US president, and his vows to stop military aid to Ukraine and force peace negotiations with Russia.

"I believe that only European guarantees won't be sufficient for Ukraine," Zelenskyy said. "It is impossible to discuss only with the Europeans because the only guarantee, currently or in the future, is Nato [membership]."

Zelenskyy has been pushing leaders to extend a formal invitation to Ukraine to join Nato, but the US and Germany have been deeply reluctant and Hungary is against it.

"It is very important for us to have both on board, the United States and the Europeans . . . a common decision," he said. "There should be a very comprehensive position . . . we must be assured of the security guarantees that will protect us tomorrow."

His comments came after the EU's chief diplomat warned western capitals to stop suggesting peace talks to Zelenskyy and instead ensure their promises of security guarantees to Kyiv were not "empty". Kaja Kallas, the EU's high representative on foreign affairs and the former Estonian prime minister, told the Financial Times: "There's no point pushing Zelenskyy to talk when Putin doesn't want to talk. We can't talk about peacekeepers when there's no peace. And why is there no peace? Because Russia does not want peace."

Officials briefed on talks between Zelenskyy and senior European leaders said there was a divergence of opinions on what Europe could continue to provide without US backing. Binding security guarantees from European capitals that would potentially involve them in a war with Russia if Ukraine was attacked again are unfeasible without a guarantee that the US would support those European armies, the officials added.

French President Emmanuel Macron has floated the idea of sending European troops to Ukraine to enforce a possible peace deal, but many other EU capitals are unclear whether such a peacekeeping force would be in addition to, or a substitute for, security guarantees.

Zelenskyy said he wanted discussions on the war with Trump. "He was not in this war because he was not the president, it is understandable. I want to share with him more details."

Trump's pledge to suspend US military aid to Ukraine has left EU capitals reeling over how they could support Kyiv without Washington's backing.

Kallas said: "Supporting Ukraine now is much cheaper than enduring the war later. Russia hasn't changed their goals. I mean, we need to be very honest with ourselves in this regard. What are we really doing right now?"

She added: "The big question is, what is the security guarantee? . . . If it is not troops, if it is not long-range weapons, what is it actually that protects you?"

Russia meddling 'impossible' page 2

Resolute Ex-husband of rape survivor Pelicot jailed for 20 years in case that shocked France

Clement Mahoudeau/AFP/Getty

A French court has found Dominique Pelicot guilty of repeatedly drugging and raping his ex-wife Gisèle, pictured leaving court yesterday, and inviting dozens of men to join in the abuse in their family home over decades.

Judges in Avignon yesterday sentenced 72-year-old Pelicot, who pleaded guilty to the crimes, to a maximum penalty of 20 years in prison.

They also convicted 50 other defendants and handed down sentences of three to 15 years, some shorter than prosecutors had requested. They were aged 22 to 70 and included a fireman, journalist, student and retirees.

The landmark trial shocked people around the world — not only because of the horrific nature of the crimes but also because of the steely determination of the woman at the centre of the case.

The mother of three demanded that the trial be open to the public and that grisly videos of the abuse taken by her now ex-husband be shown in court, in evidence that undermined the defendants' denials.

Despite the trauma, Pelicot confronted the men directly, attending every day of the three-month trial and declaring her desire to catalyse change in French society. "I've decided not to be ashamed. I've done nothing wrong," she testified in October. "They are the ones who must be ashamed."

Outside the court people held signs that read "Thank you Gisèle" and "We are all Gisèle". *Leila Abboud in Paris*

Briefing

▸ EY lands first Dax audit client since Wirecard crash
Biotech group Qiagen has hired the Big Four firm as its new group auditor. It is EY's first Dax-listed audit client since payment group Wirecard's failure despite a ban on winning auditing mandates from listed German companies.— PAGE 6

▸ Putin denies Syria defeat
Russia's president has denied that Moscow suffered a defeat in Syria, claiming that despite the implosion of Bashar al-Assad's regime the Kremlin had achieved its aims.— NEWS & ANALYSIS, PAGE 4

▸ Segantii not guilty plea
Simon Sadler, the founder of hedge fund Segantii Capital Management, has pleaded not guilty to insider dealing in one of Hong Kong's most high-profile financial criminal cases.— PAGE 6

▸ BoJ holds rates steady
The yen has weakened past ¥157 against the dollar after the Bank of Japan's governor said it needed "one more notch" of information before deciding on interest rates.
— PAGE 3; MARKETS INSIGHT, PAGE 11

▸ Israeli strikes on Yemen
Israeli warplanes have hit port and energy targets across Yemen, including its first strikes on the capital Sana'a, marking the third direct attack against Iran-backed Houthi militants this year.— PAGE 4

▸ Pyongyang steals $1.3bn
North Korean groups have stolen $1.34bn through cryptocurrency hacks this year, their highest level of such thefts on record, laying bare the regime's reliance on the revenue stream.— PAGE 8

▸ Soho House's mystery bid
Shares in the members' club have surged after announced it had received an offer to buy it at an 83 per cent premium to its current market value following years of stock price struggles.— PAGE 6

▸ Perplexity triples in value
The artificial intelligence-driven search engine has closed its fourth funding round this year, tripling its valuation to $9bn as it seeks to compete with offerings from Google and OpenAI.— PAGE 8

Anger at US health system leaves pity in short supply

The killing of health insurance boss Brian Thompson appalled America, but there is scant sympathy for the sector he worked for. Instead, his death has fuelled one of its thorniest debates: how to fix a healthcare system many see as broken. A survey last year found 18 per cent of insured adults had seen claims denied, yet industry profits are vast. Only new laws can hope to fix the system. However, one chief opines: 'I'm not sure the enthusiasm is really there.'

Medical insurers ▸ PAGE 9

Health tracking start-up Ōura looks 'beyond the ring' as valuation tops $5bn

TIM BRADSHAW — LONDON

Ōura, the maker of health-tracking smart rings popular with celebrities and business executives, has raised $200mn in new funding, doubling its valuation since 2022 to $5.2bn.

Founded in Finland in 2013, Ōura's latest deal is one of the largest for a private European tech company outside the artificial intelligence sector, which has absorbed a disproportionate share of venture capital funding this year.

Fidelity Management led Ōura's latest round with US-based glucose-monitoring group Dexcom, taking its total capital raised to more than $550mn, according to the company.

Celebrity aficionados of Ōura rings include Prince Harry, Gwyneth Paltrow and Jennifer Aniston, executives at IBM and Delta, as well as Silicon Valley founders such as Twitter's Jack Dorsey and Salesforce's Marc Benioff.

Its growing popularity has seen sales more than double this year to about $500mn, with total rings sold surpassing 2.5mn.

Ōura said the funds would allow it to expand its products into new categories, invest in AI and fuel international expansion as well as acquisitions.

Tom Hale, Ōura chief executive, said the new capital would help the company go "beyond the ring", potentially into regulated medical applications.

"Our position has been that we want to be clinical grade in a consumer package," he said.

"At some point we might cross over that Rubicon. Having some extra capital on the balance sheet is a way you might approach that."

Ōura had its beginning on Kickstarter, the crowdfunding site, in 2016. While Kickstarter also helped launch Oculus, the virtual-reality headset maker that was acquired by Facebook for $2bn in 2014, many other crowdfunded consumer electronics start-ups from the mid-2010s have folded or been acquired.

Hale attributes Ōura's ability to keep raising venture capital to its subscription-based business model, which "gives us a gross margin that looks more like a software company than a hardware company".

Its rings, which cost upwards of $349 for the latest Ōura 4 model plus a $5.99-a-month subscription, track the wearer's sleep, heart rate, body temperature and activity.

Ōura's early focus on sleep tracking helped it hit "a particular sweet spot with a particular customer set", Hale said — including many of its investors.

World Markets

STOCK MARKETS

	Dec 19	Prev	%chg
S&P 500	5904.58	5872.16	0.55
Nasdaq Composite	19539.35	19392.69	0.76
Dow Jones Ind	42516.33	42326.87	0.45
FTSEurofirst 300	2013.66	2044.90	-1.53
Euro Stoxx 50	4881.49	4957.28	-1.53
FTSE 100	8105.32	8199.11	-1.14
FTSE All-Share	4428.91	4478.99	-1.12
CAC 40	7294.37	7384.62	-1.22
Xetra Dax	19969.86	20242.57	-1.35
Nikkei	38813.58	39081.71	-0.69
Hang Seng	19752.51	19864.55	-0.56
MSCI World $	3720.41	3812.07	-2.40
MSCI EM $	1095.31	1093.20	0.19
MSCI ACWI $	845.44	864.02	-2.15
FT Wilshire 2500	7573.11	7817.64	-3.13
FT Wilshire 5000	58910.10	60824.90	-3.15

CURRENCIES

Pair	Dec 19	Prev	Pair	Dec 19	Prev
$/€	1.038	1.047	€/$	0.964	0.955
$/£	1.255	1.269	£/$	0.797	0.788
£/€	0.827	0.825	€/£	1.209	1.212
¥/$	157.695	154.050	¥/€	163.672	161.321
¥/£	197.868	195.497	£ index	84.788	84.783
SFr/€	0.932	0.935	SFr/£	1.127	1.133

CRYPTO

	Dec 19	Prev	%chg
Bitcoin ($)	100471.00	100773.00	-0.30
Ethereum	3606.00	3655.77	-1.36

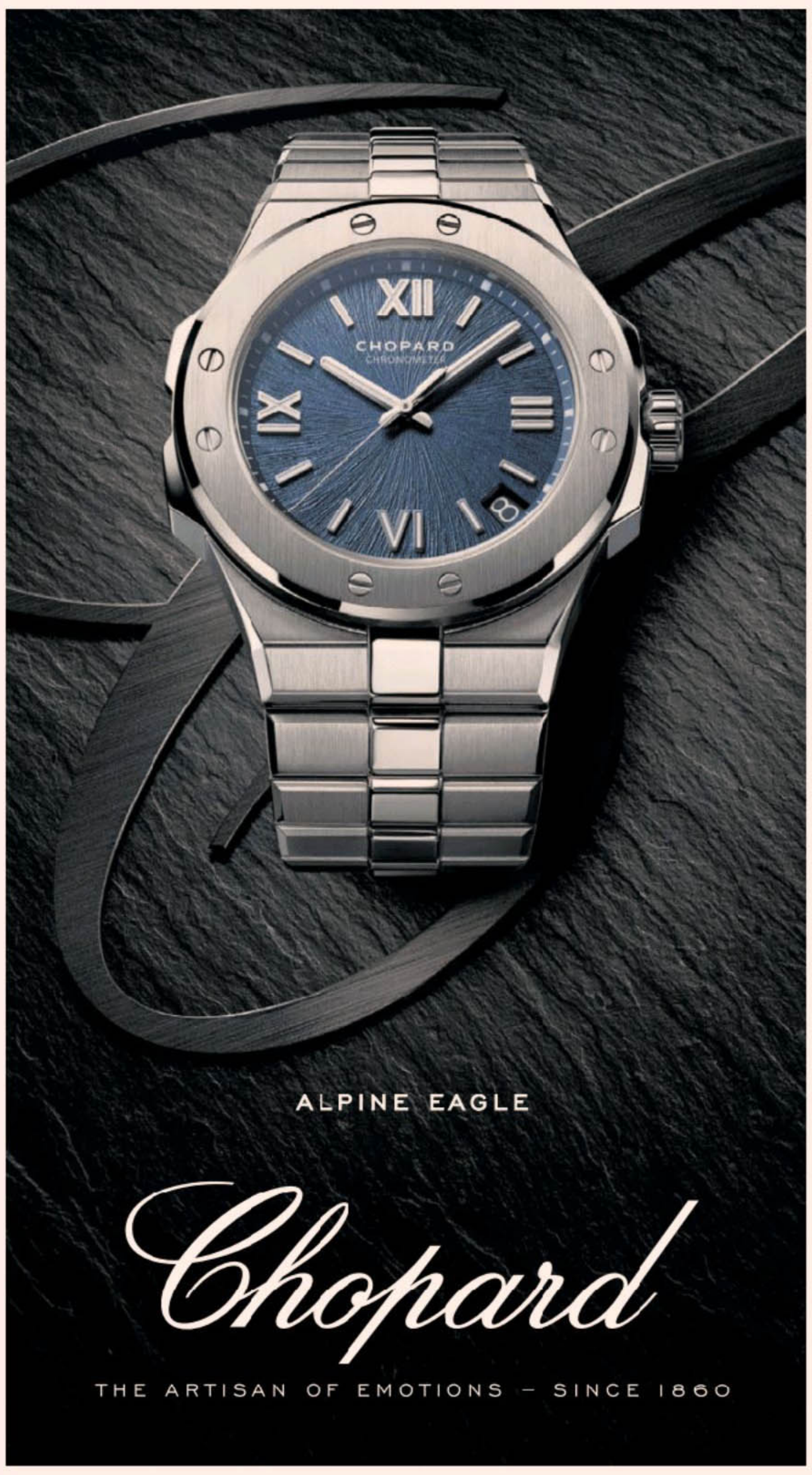
COMMODITIES

	Dec 19	Prev	%chg
Oil WTI $	69.40	70.02	-0.89
Oil Brent $	72.78	73.39	-0.83
Gold $	2635.65	2636.35	-0.03

GOVERNMENT BONDS

Yield (%)	Dec 19	Prev	Chg
US 2 yr	4.30	4.23	0.07
US 10 yr	4.56	4.40	0.16
US 30 yr	4.75	4.60	0.15
UK 2 yr	4.42	4.46	-0.04
UK 10 yr	4.67	4.65	0.02
UK 30 yr	5.11	5.06	0.05
JPN 2 yr	0.60	0.59	0.02
JPN 10 yr	1.08	1.06	0.02
JPN 30 yr	2.27	2.27	0.00
GER 2 yr	2.04	2.03	0.01
GER 10 yr	2.30	2.24	0.06
GER 30 yr	2.53	2.47	0.06

Prices are latest for edition
Data provided by Morningstar



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Climate change

Biden sets tougher targets in last green push

President aims to spur global action by upgrading greenhouse gas goals

AIME WILLIAMS — WASHINGTON
ATTRACTA MOONEY — LONDON

The US has unveiled stronger greenhouse gas emissions targets in the final weeks of Joe Biden's presidency in an effort to galvanise international and state efforts on climate change despite Donald Trump's impending return to the White House.

The upgraded targets are required by the UN before February as part of the 2015 Paris Agreement, from which Trump is expected once again to withdraw when he takes office next month.

The US's new goal commits to a reduction of greenhouse gas emissions of between 61 per cent and 66 per cent by 2035 from 2005 levels, with the goal of becoming net zero by 2050, alongside a cut in methane emissions by 35 per cent over the same period.

This compares with a previous target for a cut in all emissions of 50 per cent to 52 per cent by 2030, which the US is already short of reaching.

While Trump's withdrawal of the US from the Paris accord signed by almost 200 countries in his first term came as a blow to the UN process, no other country followed his lead. The action he took to unwind federal environmental rules and spur the fossil fuel industry was countered or reversed by Biden.

John Podesta, Biden's top climate diplomat, said reaching the new climate target would rely on mayors, governors and business executives to "show how many Americans still care about the future of our planet". Despite Biden's exit from office, he said, US officials were "confident in America's ability to rally around this new climate goal".

"While the US federal government under president Trump may put climate action on the back burner, the work to contain climate change is going to continue in the US with commitment and passion and belief," Podesta said.

> US officials are 'confident in America's ability to rally around this new climate goal'

The Biden administration also granted the state of California permission on Wednesday to enforce its pollution rules for cars and trucks, against a Trump promise to dismantle the state's plans to phase out new petrol engine vehicle sales by 2035.

The approval, which involves a waiver from federal rules, gives California more power to oppose in court any Trump attempt at a reversal.

Podesta said he was encouraging China to submit a target for 2035 that would cut all greenhouse gases from across its economy by about 30 per cent from peak emissions. China has pledged to hit peak emissions by 2030 but its big push into renewable energy and a slowdown in heavily polluting industrial activity this year are expected to have put the world's biggest polluter well ahead of this goal.

Under the next step in the UN accord, countries have a February deadline to file their so-called nationally determined contributions, or climate plans outlining how they will cut emissions by 2035. But US officials made a push to set out the fresh climate plan before Trump comes to power, carrying out an analysis of what could be achieved based on action from states, cities and private companies.

Few other countries have set out their new climate targets for 2035. The UK has been among those to lead the way, saying it would aim to cut its emissions by at least 81 per cent by 2035 from 1990 levels — though it has yet to submit full details of how it will achieve this.

As the host nation for next year's UN climate summit, Brazil has committed to reducing emissions by 59 to 67 per cent by 2035 from 2005 levels, while the previous UN summit host, the United Arab Emirates, set a target of a 47 per cent reduction in emissions by 2035, compared with 2019 levels.

Bucharest. Elections threat

Russian meddling 'nearly impossible' to prove

Romanian president urges close EU co-ordination to combat foreign interference

VALENTINA POP — BUCHAREST

Summit talks: Klaus Iohannis with Kaja Kallas, left, the EU's chief diplomat, and European parliament president Roberta Metsola in Brussels yesterday
Johanna Geron/Reuters

EU countries are at risk of Russian election meddling that can be "nearly impossible" to prove, Romania's president has warned, weeks after Bucharest cancelled its presidential vote over alleged foreign interference.

Klaus Iohannis said he would tell his EU counterparts at a summit yesterday that foreign interference posed a threat to all European democracies. Germany is holding a snap general election in February.

"All countries are exposed to this risk," Iohannis said on the eve of the summit, urging colleagues to develop joint "measures and procedures . . . to combat foreign interference and hybrid attacks from Russia".

Călin Georgescu, an ultranationalist who admires Russia's President Vladimir Putin and is hostile to the EU and Nato, topped the first round of the presidential vote on November 24 after benefiting from what Romanian authorities said was an illegal social media campaign orchestrated by Moscow.

Iohannis pointed to how Georgescu's posts on TikTok were boosted by "accounts from Russia", and highlighted "co-ordinated cyber attacks on servers used to count the votes".

Such actions, he said, "cannot be carried out by individual actors or by a group or a party. They are so broad and complex that only state actors can do that . . . And here it was Russia."

He explained that Russia's involvement was very hard to prove because "they hide perfectly in cyber space", using servers in many different locations around the world. "Don't imagine that these attacks are signed 'from the east, with love'."

The Kremlin has denied allegations of meddling in Romania's election or any other European vote.

Sorin Ioniță, president of Expert Forum, a Bucharest-based think-tank, said the vote cancellation over alleged Russian meddling had made EU countries "jumpy". "Romania is a case study. Everyone is worried, [asking] 'how did this happen, what should we do differently?' The first test will be Germany, the stakes are huge there and they will throw everything they tested here," Ioniță said.

"The question we don't have a real answer to is how big the Kremlin's involvement really is, how much money they spent."

Iohannis has come under pressure to resign over the apparent failure of Romanian authorities to act in time and avoid the decision by the Constitutional Court to annul the entire vote.

His term was due to expire on December 21 but he has said he will stay in office until a successor is elected and sworn in. The collapse of coalition talks also affects the calendar of the next presidential election, which was supposed to be held in spring, at a date that will be set by the new government.

"The interference was so subtle and complex that a lot of what happened was only found out after the first round of presidential elections," Iohannis said.

He insisted the country was "stable and solid" after Fitch on Wednesday lowered Romania's outlook from stable to negative. The rating agency cited the country's "high political uncertainty" for the downgrade.

Georgescu has denied having had any links to Russia and described the annulled vote as a "coup". He had declared having spent zero funds on his election campaign, which was carried out mostly on social media, with a network of 25,000 TikTok accounts, many of which had been dormant for years, backing his campaign.

The European Commission has launched an investigation into the Chinese-owned platform for a potential failure to tackle foreign interference during Romania's election. TikTok said it acted "robustly" to curb online disinformation.

> 'They hide perfectly in cyber space. Don't imagine these attacks are signed "from the east, with love"'

Georgescu's supporters are calling for protests this weekend, when Romania marks 35 years since the violent unrest that toppled communist dictator Nicolae Ceaușescu.

Liberal opposition leader Elena Lasconi, who also qualified for the cancelled run-off, called on Iohannis to resign. "If he has any honour left, Klaus Iohannis should resign and the head of the Romanian senate would become interim president," she said.

Lasconi also called for the heads of secret services and the electoral authority to be sacked and a parliamentary committee set up to investigate.

"How can we expect when we hold the next presidential election that we won't have the same result? And that they won't get annulled again?"

Spending bill

US shutdown looms as new president seeks to raise debt ceiling

ALEX ROGERS — WASHINGTON
COLBY SMITH — NEW YORK

The US Congress is racing to pass a short-term spending bill by the end of today after Donald Trump, Elon Musk and JD Vance convinced Republicans to ditch bipartisan legislation aimed at averting a government shutdown.

Trump demanded yesterday that lawmakers raise the government's debt ceiling rather than pass the "unacceptable" legislation. His eleventh-hour intervention, which came after Musk, his billionaire adviser, criticised the bill in a series of social media posts on Wednesday, increases the likelihood that thousands of federal workers could have their pay suspended.

The collapse of the bill also puts the leadership of Republican Speaker Mike Johnson in doubt, with far-right members such as Marjorie Taylor Greene musing that Musk could replace him as Speaker.

The quip underscores Johnson's vulnerability. Asked yesterday by NBC News whether he still had confidence in the Speaker, Trump said: "We'll see."

Referring to the spending bill, a three-month stop gap that Johnson had agreed with Democrats in the House, Trump said: "What they had yesterday was unacceptable. In many ways it was unacceptable. It's a Democrat trap."

The legislation would have averted a government shutdown by maintaining current levels of spending until March 14, when Republicans will have control of Congress after last month's election victory. It also contained unrelated provisions, including a pay increase for members of Congress and easing the path for the Washington Commanders football team to move its stadium from Maryland to Washington DC.

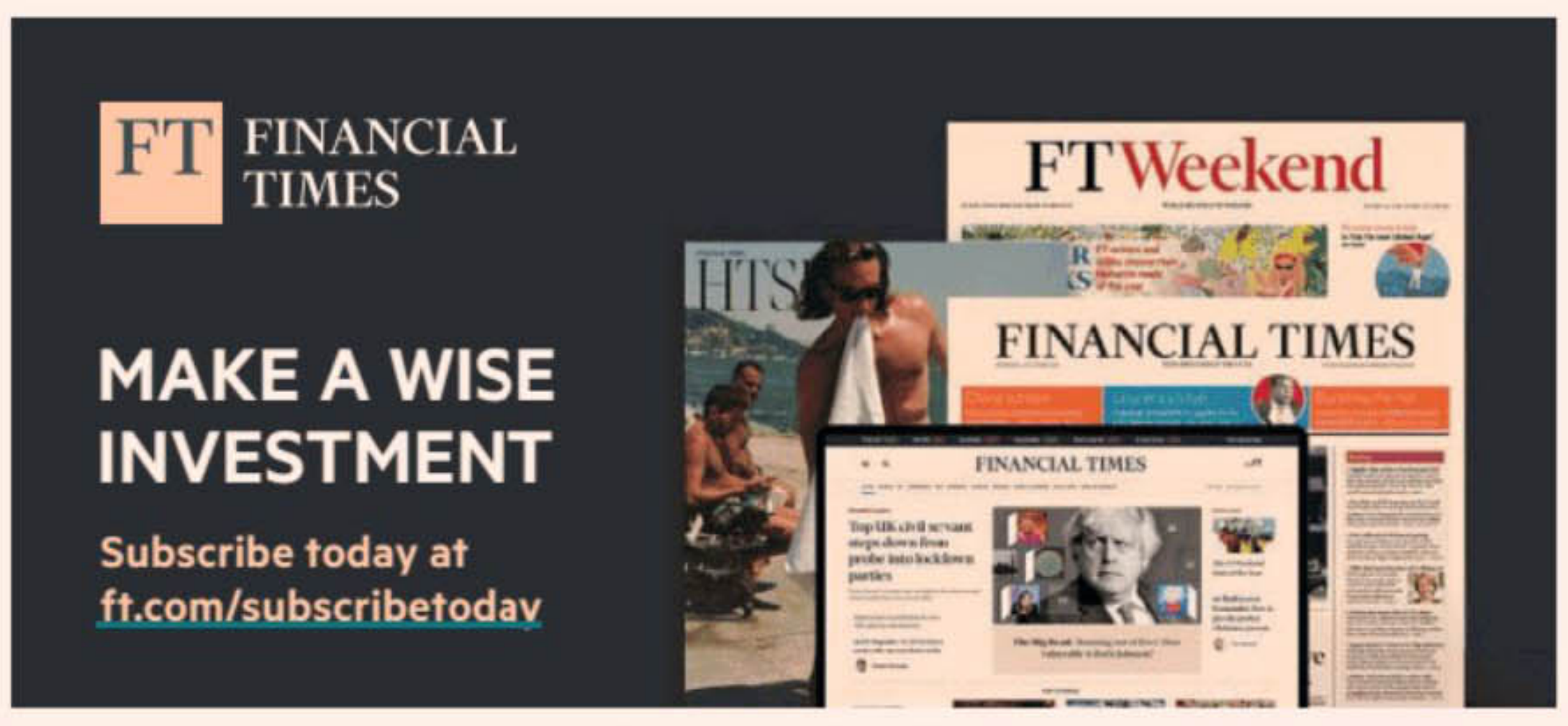
Although Congress could pass a short-term bill to maintain current levels of government funding, Trump has threatened Republican members that he would field primary challengers against them in the next election if they voted to support the measure without raising the debt ceiling.

"There won't be anything approved unless the debt ceiling is done with," Trump told ABC News. "If we don't get it, then we're going to have a shutdown, but it'll be a Biden shutdown, because shutdowns only inure to the person who's president."

The debt ceiling is a perennial problem for lawmakers, who suspended the cap on borrowing until January 1 in a deal reached last year. To borrow beyond that limit, the Treasury department can use what it calls "extraordinary measures" to cover new expenditures without breaching the cap.

This can buy the government time before having to worry about a potential default — a disastrous outcome for the world's largest economy and most important financial system.

Trump and vice-president-elect Vance killed the 1,500-page bill after claiming, among other things, it would "make it easier to hide the records of the corrupt January 6 committee", which investigated the former president's role in inciting the attack on the Capitol in 2021. Musk argued it would be better to have a government shutdown than to pass Johnson's legislation.



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US proceedings

Prosecutor disqualified from Georgia case against Trump

JESSICA DYE — NEW YORK

A Georgia prosecutor and her office should be removed from a criminal case against Donald Trump over alleged interference in the 2020 election, an appeals court ruled yesterday, the latest legal victory for the US president-elect.

The Georgia court of appeals agreed with Trump and other co-defendants — including former Trump lawyer Rudy Giuliani — that Fani Willis had created a significant appearance of impropriety due to her personal relationship with Nathan Wade, an outside attorney hired to help the prosecution.

"While we recognise that an appearance of impropriety generally is not enough to support disqualification, this is the rare case in which disqualification is mandated and no other remedy will suffice to restore public confidence in the integrity of these proceedings," the court wrote in its decision.

While the decision stopped short of ordering the case be dismissed, it deals a blow to one of the most complex indictments brought against Trump since he left the White House in 2020.

Willis in August 2023 brought the racketeering case against Trump and 18 others alleging a scheme to subvert Joe Biden's 2020 election victory in Georgia.

But Michael Roman, a co-defendant and former Trump campaign official, asked the judge to disqualify Willis due to what he described as an "improper, clandestine personal relationship" with Wade, from which she allegedly benefited in the form of gifts.

The trial judge declined to disqualify Willis or to dismiss the indictment, although, he wrote, "an odour of mendacity remains". Defendants who appealed against the order alleged the prosecution was tainted by a "significant appearance of impropriety".

The appeals court agreed. Georgia state officials would need to assign another prosecutor — further delaying any efforts to pursue the case. Willis did not immediately respond to a request for comment.

Olympics

IOC told to revamp business model or risk losing sponsors

JOSH NOBLE — LONDON

The International Olympic Committee must shake up its business model or risk losing relevance with sponsors and sports fans, several candidates in the race to lead the organisation have said.

Ideas floated by the seven people in the running to replace Thomas Bach as IOC president include partnering with private equity on a new investment fund, loosening the rigid approach to sponsorship and embracing viewers' shift to streaming platforms. The IOC posted the candidates' manifestos on its website yesterday.

The seven, including a Jordanian prince, Zimbabwe's sports minister and Lord Sebastian Coe, the British head of World Athletics, will make their pitches in Lausanne at the end of January before IOC members choose the body's next leader at Athens in March.

The election follows the Paris Olympics this summer, which drew record audiences after two pandemic-hit editions of the world's most-watched sporting event. The 2021-24 period culminating in the Paris Games generated revenue for the IOC of $7.6bn, matching the amount brought in from the previous cycle ending with the delayed Tokyo Games.

But the IOC's long-standing business model built on television rights and sponsorship is also coming under pressure from a rapidly changing media landscape and changing priorities from big corporate partners. Three Japanese companies left the IOC's highest sponsorship tier this summer.

The IOC tightly controls the display of sponsors during Games, with no visible advertising allowed on or around the field of play. However, Samsung and LVMH were both allowed to promote their products on the medals podium during the Paris Games.

Coe, who chaired the London 2012 Games, said commercial partners wanted to see "modernisation" on the business side of the Olympics. "This is a changed landscape," he told reporters last week.

Trump promise to overhaul policy influences Fed thinking on rate cuts

Central bank recalibrates its outlook to prepare for president-elect's protectionist programme

COLBY SMITH — WASHINGTON

Donald Trump is still weeks away from taking the oath of office but the president-elect's vow to enact a sweeping policy overhaul is already looming large over the Federal Reserve.

The Fed trimmed interest rates by a quarter of a percentage point on Wednesday in its third consecutive reduction, but officials' projections for half as many rate cuts next year as they had forecast in September triggered big market swings.

Fed chair Jay Powell said that while the more cautious outlook for rate cuts was prompted by signs that progress on getting inflation down to the central bank's 2 per cent target had stalled, some officials had also begun to include assumptions about Trump's policies in their forecasts.

"Pretty much every prong of [Trump's] policy looks like it's going to threaten their mandate," said Julia Coronado, a former Fed economist who now runs MacroPolicy Perspectives, referring to the central bank's aims to keep inflation low and stable and maintain a healthy labour market.

Coronado added that the Fed's message was clear: "We are not in Trump 1.0 any more. This is Trump 2.0, we have above-target inflation and we need to get ahead of this."

Trump's threats to impose tariffs, carry out mass deportations and slash taxes and regulations could have wide-ranging economic implications, said investors and analysts. Some economists are concerned that the overhaul will lead to higher inflation, lower growth and more volatility.

Economists acknowledged the groundwork for a shift to a more gradual pace of rate cuts next year was already taking shape before Trump's election win in early November. Inflation readings in September and October came in higher than anticipated, supplanting fears about the labour market's health that had bubbled over the summer.

The Fed's preferred inflation measure, the core personal consumption expenditures price index, rose at an annual rate of 2.8 per cent in October and is forecast to have accelerated to 2.9 per cent in November, according to a FactSet survey of economists.

Powell noted these shifts on Wednesday and also made clear that after December's cut, the Fed had entered a "new phase" in which it needed to be much more "cautious" about its actions, given interest rates were now closer to officials' best estimates of a "neutral" level that neither slows nor accelerates growth.

While the Fed's policy settings were still "meaningfully restrictive", Powell made clear that more cuts would depend on further progress on inflation.

But Powell also signalled a marked shift in the way the Fed was considering the changes that Trump has vowed to enact, diverging from his stance in the aftermath of November's election that the Fed would not "speculate" or "assume" anything about what the next administration would do.

Donald Trump with Jay Powell at the White House in 2017. On Wednesday, the Fed chair signalled a shift in the way the Fed is weighing changes coming next year
Olivier Douliery/Bloomberg

This was most visible in the revised set of officials' economic projections published by the central bank alongside the rate decision. Rather than a full percentage point worth of reductions for next year, which was forecast in September, most officials projected only half a point. They also scaled back their estimates for 2026 and 2027.

Fed's preferred inflation measure has stalled above 2% target

Core PCE price index (annual % change)

Source: FactSet

Officials also raised their median forecasts for inflation. The "central tendency" for the core PCE price index — which excludes the three highest and three lowest estimates — jumped to a range of 2.5 to 2.7 per cent. That is up from 2.1 to 2.3 per cent in September.

The scale of adjustments cascaded through financial markets on Wednesday, sending the S&P 500 index down nearly 3 per cent, pushing the dollar to a two-year high and elevating yields on US government debt. Asian equities came under pressure early yesterday.

Dean Maki, chief economist at hedge fund Point72, called the Fed's shift "striking" and rooted in speculation about Trump. "It's hard to see why they would have expected so much higher inflation if they are not incorporating things like tariffs into the forecasts."

Speaking to reporters on Wednesday, Powell acknowledged that some officials had taken a "very preliminary step" to incorporate "highly conditional estimates of economic effects of policies into their forecasts at this meeting".

Asked directly about how the Fed was thinking about its policy response to tariffs, the chair said the committee was "discussing pathways" and working to better understand how such policies would affect the economy.

> 'This is Trump 2.0, we have above-target inflation and we need to get ahead of this'
>
> Julia Coronado, former Fed economist

"It puts us in position, when we finally do see what the actual policies are, to make a more careful, thoughtful assessment of what might be the appropriate policy response," he said.

A cut at the Fed's next meeting, in January, is "absolutely off the table", said Ellen Zentner, chief economic strategist for Morgan Stanley Wealth Management, citing the inclusion of language in the policy statement that has been used in the past to signal a prolonged pause.

Derek Tang, an economist at research group LHMeyer, expects the Fed to hold off on additional cuts until June and eventually deliver a total of three for the year. That forecast hinges on inflation expectations staying in check.

Tang said he was also worried about the labour market weakening more than expected should Trump's policies dent growth. "People may be underweighting the scenario where the labour market does weaken and the Fed is now caught between higher inflation but also trying to stop the economy from entering a recession," said Tang. "It's a double whammy."

See Markets Insight

Trade

American tariff threat adds to fears over China's slow growth

THOMAS HALE — SHANGHAI
JOE LEAHY — BEIJING

Economists warn that China's export growth could weaken or even contract next year if Donald Trump imposes tariffs, as the incoming US administration threatens to hamstring a crucial source of expansion for Beijing.

Chinese exports have risen about 5.4 per cent in dollar terms from January to November year on year to $3.2tn, bolstering overall GDP growth at a time when authorities have struggled to restore confidence during a drawn-out property slowdown.

But economists widely expect a deceleration in 2025 because of the tariffs, which many say will increase the need for Beijing to strengthen support for the economy. Exports "were a big part of economic growth in 2024", said Robin Xing, chief China economist at Morgan Stanley. "I think that contribution will definitely narrow."

Trump last month pledged to raise tariffs on Chinese goods by 10 per cent — despite earlier threats of 60 per cent — but no official decision has been made ahead of his January inauguration.

While forecasts of their potential impact vary, Goldman Sachs expects Chinese exports to decline 0.9 per cent in US dollar terms next year. Capital Economics also forecasts an outright decline, while UBS and Nomura have projected zero growth in exports. Other banks, including Morgan Stanley and ING, show exports still rising but at a much slower rate than in 2024.

Diminishing export growth would come at a critical moment for the Chinese economy. President Xi Jinping shifted emphasis towards domestic demand at an annual Central Economic Work Conference last week, in a sign of renewed urgency to boost growth.

Economic data on Monday showed unexpected weakness in retail sales. Beijing already introduced measures in late September to support stock market prices and a local government refinancing package last month.

A spokesperson for the National Bureau of Statistics said on Monday that the external environment had become "more complex". Beijing is under pressure to reach its official annual economic growth target of about 5 per cent, which Xi said this month he was "fully confident" of reaching.

Goldman Sachs estimated that exports will contribute nearly three-quarters of overall GDP growth in 2024, forecast at 4.9 per cent. They expect that to fall to 4.5 per cent next year as a result of a loss of export growth.

Economists have based their estimates for export and GDP growth on a range of tariff scenarios. But Larry Hu, chief China economist at Macquarie, said it was "almost impossible" to forecast exports, given uncertainties over the size and timing of tariffs.

Additional reporting by Haohsiang Ko in Hong Kong

Trade. Discount goods

EU presses for new powers to curb import dumping

Brussels worries some states will bow to Beijing rather than agree on countermeasures

ANDY BOUNDS — BRUSSELS
SAM FLEMING — LONDON

Brussels fears divisions between member states will hamper its ability to combat a potential flood of cheap goods from China — dumped by Beijing in response to the prospect of higher US tariffs — with sanctions of its own.

President-elect Donald Trump's threat to tax Chinese imports by up to 60 per cent during his second term has raised concerns that Beijing will seek to regain the market share lost in the US by dumping more goods in other markets — including the EU.

A flood of discounted Chinese goods would leave domestic manufacturers struggling to compete, raising the prospect of retaliatory action from the EU.

But policymakers are worried that the traditional trade measures it has at its disposal would be too slow to deploy and would rely on a strong consensus from member states, some of which may prefer to bow to Beijing than Brussels.

"With China, we have seen how easily the EU fragments when others exert pressure," said one EU lawmaker, who declined to be named.

They noted Germany and four other states voted against tariffs on Chinese electric vehicles in October after Beijing threatened access to its car market. China then slapped its own anti-dumping duties on cognac, hitting France, which backed the measures.

With the EU's export-dependent economy heavily exposed to a global trade war — and the likes of the US and China able to impose tariffs and subsidies almost instantaneously — some officials fear the bloc's commitment to following World Trade Organization rules will lead them struggling to protect their manufacturing industry.

They are pushing for more EU powers to respond. "Our efforts must also include strengthening our [defensive] tools," said Sabine Weyand, the European Commission's top trade official, this month. "[We] will only be able to maintain our commitment to openness if we are able to effectively defend the single market."

The discussions, which are at an early stage, come after commission vice-president Stéphane Séjourné warned in a Financial Times interview that the bloc could not be the outlet for global "overcapacities", warning it would lead to a "short-term economic crisis".

Trump, who is able to impose tariffs using executive powers once he returns to office on January 20, vowed in late November to charge an additional 10 per cent on Chinese products, alongside new 25 per cent levies on Canada and Mexico. He threatened levies of up to 60 per cent on China during the campaign.

"The more that trade barriers go up in one part of the world to Chinese goods, the more Chinese exporters will direct them to other markets," said Mark Williams, chief Asia economist at Capital Economics. "The EU tends to follow the rule book quite closely, which constrains what it can do."

Ignacio García Bercero, a former senior commission trade official, told the FT that the EU could use existing "safeguard measures", which enable Brussels to introduce tariffs or quotas quickly when there are surges in imports.

> 'With China, we have seen how easily the EU fragments when others exert pressure'

Once the commission proposes tariffs, member states vote to approve them. But if four or more member states comprising at least 35 per cent of the population vote no, they do not apply.

The EU can also launch investigations if it feels sectors are being harmed by underpriced products. But a recent probe into Beijing subsidising its electric vehicle producers took more than a year as officials built mountains of evidence.

In a sign of how fractious the introduction of restrictions on Beijing could prove, the EU executive had to initiate the EV anti-subsidy case as no state or company dared file a complaint.

A renminbi devaluation could intensify the effects of China dumping cheap products on EU markets.

Ju Wang, head of Greater China FX and rates strategy for BNP Paribas, expected the People's Bank of China to allow the dollar to strengthen up to Rmb7.7 per dollar under a 60 per cent tariff scenario, and within a range of Rmb7.4-7.5 under a 20 to 25 per cent tariff scenario. Ju added that the PBoC would act only when US tariffs were made official, "to avoid the move being viewed as a trigger for a currency war".

The commission has already stocked its arsenal with new weapons since Trump's first four-year term.

They include an anti-coercion instrument, which allows it to quickly retaliate against countries introducing export restrictions or import embargoes. The commission can also penalise companies receiving subsidies that "distort" the internal market and take action against countries that do not open up their public procurement markets.

It has also opted to backdate any tariffs to the day the investigation was opened, preventing an import surge to dodge them. But Weyand said Brussels needed a new "doctrine" on how to use these powers to create predictability.

Additional reporting by Thomas Hale in Shanghai

See FT Big Read and Opinion

Japan

Yen plunges after BoJ sticks to status quo, citing uncertainty

LEO LEWIS — TOKYO

The yen weakened past ¥157 against the dollar yesterday after Bank of Japan governor Kazuo Ueda said the central bank needed "one more notch" of information before committing to its next interest rate rise, as uncertainty swirled around Japanese wage growth and Donald Trump's impending presidency.

Ueda's comments at a press conference followed the BoJ's announcement that it was holding short-term interest rates at 0.25 per cent.

That decision had been widely forecast but many economists had expected a firm indication of a rate rise at the BoJ's next meeting in January.

The absence of such a signal sent the yen tumbling against the US dollar, from about ¥155 at the start of his press conference to more than ¥156.6 by the time it ended.

The Japanese currency later fell past ¥157.1, its lowest level since July.

Ueda said the central bank was seeking greater clarity on Japanese wage growth as well as how Trump's fiscal, trade and immigration policies would affect global financial markets. But such insights would take some time to emerge, he said.

"Needless to say, [on] both Japan's wage outlook and the impact of Trump's policies, [it will] take a long time to grasp the entire picture," said Ueda, noting that Japan's underlying inflation was also "very moderate".

The BoJ final monetary policy meeting of 2024 was further complicated by the US Federal Reserve's move on Wednesday to cut rates by a quarter of a percentage point while signalling a slower pace of rate cuts next year.

The Japanese central bank policy board's decision was not unanimous, with Naoki Tamura, a former executive at Sumitomo Mitsui bank, calling for interest rates to rise to 0.5 per cent, arguing that "risks to prices had become more skewed to the upside".

The two-day meeting also included an extensive review of Japan's monetary policy history over the 25 years since the economy fell into deflation.

The BoJ ended its eight-year experiment with negative interest rates in March before raising rates to 0.25 per cent in July, a move that roiled currency and equity markets.

Yesterday, Ueda said that the BoJ would not rule out unconventional monetary policies in the future.

"In kicking the can further down the road, the risk is that the market begins to doubt the BoJ's broader commitment to policy normalisation," said Benjamin Shatil, senior Japan economist at JPMorgan.

Press conference

Putin denies defeat in Damascus withdrawal

President says anti-terror ambitions were achieved despite removal of Assad

POLINA IVANOVA AND DARIA MOSOLOVA
LONDON

Vladimir Putin has denied that Moscow suffered a defeat in Syria, claiming that despite the implosion of Bashar al-Assad's regime the Kremlin had achieved its aims in the country.

During a marathon annual press conference, the Russian president played down Moscow's role in Syria, dismissing the importance of the military support it had provided to Assad's regime.

"I assure you this is not the case," Putin said when asked whether Assad fleeing to Moscow this month represented a setback. "We came to Syria 10 years ago to prevent a terrorist enclave from being established there . . . Overall, we achieved our goals."

Russia scrambled to evacuate hundreds of troops and embassy staff from Damascus after Syrian rebel forces swept through the country in a matter of days. The future of its two major military bases in Syria is now uncertain.

Russia began a large-scale, costly intervention in Syria's civil war in 2015, deploying thousands of troops and extensive air support to turn the course of the conflict in Assad's favour.

But yesterday, Putin claimed that Russia had "never fought" in Syria and had no troops on the ground there, despite manning two large and strategically important military bases at Hmeimim and Tartus. As 350 armed rebels advanced on Aleppo, "the ground component was made up of Syrian forces and — as we all know, no secrets here — some so-called pro-Iranian military formations", Putin said.

These troops simply abandoned their positions, he said, adding that Russia had also evacuated 4,000 pro-Iranian fighters to Tehran via its Hmeimim base. He did not mention the Russian air strikes against rebel positions that failed to halt their advance.

Russia is now negotiating with the rebel forces about the fate of its two military bases. Recent satellite images of Hmeimim have revealed movements of equipment there consistent with a retrenchment of Russian forces.

"We maintain contact with all groupings in Syria and all countries in the region. They all say that it would be better if we kept our bases there," Putin said, but added that more conversations were needed to reach a mutually beneficial arrangement between Russia and the new rulers of Syria.

Losing the Hmeimim and Tartus bases would both dent Moscow's image as a global powerbroker and present a serious strategic problem.

The two sites are important logistics hubs for Russia's other activities in the Mediterranean and its operations across Africa.

Putin said he had not yet met Assad in Moscow but that he intended to do so.

He also said he was ready to meet US president-elect Donald Trump. "I haven't spoken with him for more than four years. I am ready to do so at any point," Putin said.

He denied that such a conversation would happen at a time when Russia was weakened by its decision to launch a full-scale invasion of Ukraine in February 2022, saying that in his view, Russia had become "much stronger over the past two to three years".

Syria. Terrorism

US strikes Isis targets to quell resurgence

Washington fears jihadi group will take advantage of power vacuum after Assad downfall

ANDREW ENGLAND
MIDDLE EAST EDITOR

High alert: US soldiers on patrol in north-east Syria. Below, the al-Hol camp in the region, where Isis prisoners are held
Delil Souleiman/AFP/Getty

The US has stepped up its battle against Isis in Syria as it seeks to prevent the group exploiting a power vacuum after rebels toppled the Assad regime.

In the past two weeks, US forces have struck more than 75 Isis targets during two waves of attacks targeting jihadi leaders and camps in the fractured Arab state. They have killed at least 12 militants and bombed areas previously controlled by regime forces and Russia, one of ousted President Bashar al-Assad's main foreign backers.

General Michael Kurilla, the head of the US's Central Command, also visited north-eastern Syria to meet American troops and the Syrian Democratic Forces, Washington's main local ally.

The flurry of military activity, which began hours after Assad fled to Moscow as rebels seized Damascus on December 8, underscores US concerns Isis will use the power vacuum to reconstitute.

"The single biggest risk I see is that Isis comes back because Isis wants to take advantage of any vacuum or instability in Syria following a civil war," said US national security adviser Jake Sullivan. "I will not sugar-coat it. This is a real threat — the threat of jihadism and terrorism returning in Syria, because of what's happened."

Syria was once part of Isis's self-proclaimed "caliphate" and is home to several thousand jihadi fighters, prisons for captured militants and camps that house more than 40,000 Isis-related individuals and family members.

International coalitions have weakened Isis since the jihadis launched a blitz across Iraq and Syria a decade ago and seized a swath of land about the size of Britain. The group was driven from its remaining strongholds in 2019 and now operates in a network of cells and in offshoots across Asia and Africa.

Centcom estimated in July there were 2,500 Isis fighters across Syria and Iraq. In Syria, they have largely been restricted to pockets of central and eastern desert between territory that was controlled by the former regime and the US-backed SDF, which is dominated by Kurdish militants.

But the group has been more active this year. Centcom said the jihadis had claimed 153 attacks in the first half of the year and were "on pace to more than double" the total number from 2023, indicating that "Isis is attempting to reconstitute".

Charles Lister at the Middle East Institute said in a report the "reality is far worse" than Centcom suggested, as Isis claims only a fraction of its attacks. He added that Isis had conducted more complex attacks this year, including co-ordinated ambushes, assassinations and assaults on oil and gas facilities.

The battle against Isis now risks becoming more complex and precarious after Hayat Tahrir al-Sham led the rebel offensive that toppled Assad, with an alphabet soup of local factions and foreign powers seeing a window to pursue their own interests.

Turkey, the most influential foreign actor in post-Assad Syria, has said its "strategic goal" is to eliminate the Kurdish militant movement that dominates the SDF. Ankara has thousands of troops in northern Syria to counter Kurdish militants and backs rebels under the umbrella of the Syrian National Army. The SNA, which co-ordinated with HTS during its offensive, has attacked SDF territory.

This leaves the US, which has about 900 troops in Syria, trying to keep the peace between a Nato ally and the Syrian force it has armed to fight jihadis.

Experts say a significant risk would be if the Turkish-backed rebels attacked the SDF in Hasakah in north-eastern Syria, where the Kurdish-led group runs detention facilities for about 9,000 Isis prisoners. In September, Kurilla described the prisons as "a literal and figurative Isis army in detention".

> 'I will not sugar-coat it. This is a real threat – the threat of jihadism and terrorism returning in Syria'
>
> Jake Sullivan, US national security adviser

Preventing breakouts from prisons holding Isis fighters was "probably one of the most important things going forward to make sure everything is stable", said Aaron Zelin, an expert on jihadism at The Washington Institute think-tank.

Experts said it would be in the interests of HTS to support the campaign against Isis. HTS leader Abu Mohammed al-Jolani briefly fought with Isis in Iraq more than a decade ago but has since spent years opposing the group.

Experts say HTS's efforts to gain western backing mean it is also more likely to want a deal with the SDF. "HTS wants legitimacy, and the easiest way to gain it is to say we can fight terrorism together," said Jerome Drevon, at the Crisis Group think-tank.

As for president-elect Donald Trump, who this month said the US "should have nothing to do" with Syria, Daniel Byman, a director at the Center for Strategic and International Studies, said Trump had been "all over the map" on this issue. "He's been seemingly supportive of a greater Turkish role but . . . he had four years to pull the US out of Syria and he didn't."

Additional reporting by Felicia Schwartz

Sanctions hope

Syria's largest refinery stops operations after Iranian oil flow ceases

SARAH DADOUCH — BANIYAS

Syria's largest oil refinery has halted operations after ceasing to receive the crude from Iran that made up the vast majority of the country's input, its general manager told the Financial Times.

Baniyas oil refinery, which processes between 90,000 and 100,000 barrels of crude a day, produced its last batch of petrol last Friday, said Ibrahim Mousallem, following the fall of Iran-backed leader Bashar al-Assad. "We are only doing maintenance that takes a short amount of time so we are ready for when crude oil is made available," he added.

Mousallem said members of Syria's new leadership — staffed by figures from the Salvation Government that ruled a rebel enclave in north-west Syria for years — told him they expected a removal of sanctions on the country, allowing Syria to import oil from non-Iranian sources and enabling the refinery to purchase parts for its equipment.

"They said, God willing, the sanctions will be lifted and you will be able to purchase spare parts," he said. He added that "there is a decent amount [of fuel] in storage" and "the situation is stable".

The interim government was put in place by Hayat Tahrir al-Sham (HTS), an Islamist group designated as a terrorist body by the US, EU, UN and others. Despite the designation, western governments have already begun engaging with the Islamist group's leaders. Separately, the Syrian state is also subject to wide-ranging western sanctions.

Oil shortages are a big challenge for the interim government as it tries to keep basic services running and start to revive the war-ravaged economy.

US secretary of state Antony Blinken on Saturday said a shortage of fuel was one of the "immediate needs that I think have to be addressed . . . so the lights can be turned on, so the stores can be opened, so people can get around".

Iran propped up Assad's military forces and the economy for years, extending a line of credit to the Syrian state to buy Iranian oil and bypass US sanctions on the Syrian government.

But following Assad's ousting, the leadership must secure new deals to supply an already beleaguered nation with crucial oil and gas, especially as winter deepens. Syria has one other refinery, with less capacity, in Homs.

In recent years under Assad, Syria imported 90 per cent of its crude from Iran, the remaining 10 per cent coming from oilfields in Syria, Mousallem said.

The new government said it was exploring importing crude oil and its derivatives, Mousallem said. He said gas stations had initially been told to use up their reserves to ensure the flow of fuel did not stop during the transition period, but those reserves had already been replenished.

Syria is experiencing an acute electricity shortage, mainly because of a lack of fuel for power plants. The exception has been Idlib, the stronghold of HTS, which receives power from Turkey. An official in the interim government has said power lines from Turkey are being extended to the city of Aleppo.

Baniyas refinery had been adding to its store of oil products since 2020, Mousallem said, in anticipation of a maintenance project requiring a two-month pause in operations.

'Genocide' accusation

Rights group condemns curbs on Gaza water

JAMES SHOTTER — JERUSALEM

Israeli authorities have deliberately deprived Palestinian civilians in Gaza of water, causing thousands of deaths and committing the crime of extermination as well as "acts of genocide", a Human Rights Watch report says.

The publication comes amid international alarm over the humanitarian situation in Gaza, where Israel has been waging a devastating offensive since Hamas's shock attack on October 7 last year.

In its report, HRW listed what it said were intentional actions by Israel — ranging from destroying infrastructure to blocking water-related aid — that had deprived most of Gaza's 2.3mn citizens of access to the water needed to meet their most basic needs.

"For more than a year the Israeli government has deliberately denied Palestinians in Gaza the bare minimum [of water] they need to survive," said Tirana Hassan, executive director at Human Rights Watch.

"This isn't just negligence; it is a calculated policy of deprivation that has led to the deaths of thousands from dehydration."

In response, Israel accused HRW of "blood libels" and "anti-Israel propaganda", and said it had facilitated "the continuous flow of water and humanitarian aid into Gaza", despite attacks from Hamas. It added that it had facilitated the delivery of 1.2mn tonnes of humanitarian supplies to Gaza and would continue to "ensure humanitarian aid enters Gaza, in full compliance with international law".

> 'This is a calculated policy of deprivation that has led to the deaths of thousands from dehydration'

The 184-page report said that in addition to cutting off, and then limiting, water supplies from Israel to Gaza, Israel had rendered most of the enclave's own water and sanitation infrastructure "useless" by severing electricity and fuel supplies.

Israeli forces also deliberately destroyed or damaged Gaza's water and sanitation infrastructure, the report said, including four of its six wastewater treatment plants. It cited another case in which an Israeli soldier posted a video of himself and other soldiers blowing up a reservoir.

"In several cases, Human Rights Watch found evidence that Israeli ground forces were in control of the areas at the times they destroyed water, sanitation and hygiene infrastructure," HRW said. "This evidence indicates that the destruction was not incidental to attacks on military objects, but rather, deliberate."

HRW said Israeli authorities had exacerbated the problem by restricting supplies of materials needed to repair Gaza's water infrastructure.

HRW said the precise number of deaths in the territory caused by water-borne diseases, dehydration and starvation was not being recorded.

But it said interviews with healthcare professionals and epidemiologists indicated it was "likely" that "thousands of people have died" in addition to those killed directly by fighting.

Retaliatory attacks

Israel hits Yemen's capital in raids on Houthis

NERI ZILBER — TEL AVIV

Israeli warplanes have hit port and energy targets across Yemen, including its first strikes on the capital, Sana'a, marking the third direct attack by Israel against Iran-backed Houthi militants this year.

The Israeli military said it had launched "precise strikes" against targets that "contributed to [the Houthis'] military actions", including port facilities on the Red Sea coast at Hodeida, As-Salif and Ras Isa, as well as energy installations in Sana'a. Nine people were killed in the strikes, according to reports from Houthi-controlled media.

The strikes early yesterday came shortly after the Houthis, who control Yemen, launched ballistic missiles at the country that were intercepted by Israel's air defences. Residents of central Israel were woken by air raid sirens, and a school outside Tel Aviv was severely damaged by what authorities said were probably missile fragments.

Israeli defence minister Israel Katz issued a direct threat to the group's leaders yesterday, saying "Israel's long hand will reach you too". He added: "Whoever raises a hand against the state of Israel — his hand will be cut off. Whoever harms us will be harmed sevenfold."

The Houthis began firing on merchant shipping in the Red Sea and launching drones and missiles at Israel after Hamas's October 7 2023 attack, saying they were acting in solidarity with the Palestinians. Their assaults severely disrupted shipping.

Together with Hamas, Lebanese militants Hizbollah and Shia militias in Iraq and Syria, the Houthis formed an Iran-led "axis of resistance" whose capabilities have been severely degraded by Israel in recent months.

The Haziz power station in southern Sana'a was hit by the Israeli strikes

A naval task force, led by US and UK forces, has attempted to protect merchant vessels in the region. On Monday, it launched air strikes on what the US military said was a Houthi "command and control facility" in Sana'a.

The Houthis have launched "hundreds" of missiles and armed drones at Israel, according to the Israeli military.

The Houthis have vowed to maintain attacks on both Israel and international shipping until the war in Gaza ends.

General Yahya Sare'e, the Houthis' military spokesperson, yesterday claimed they had launched two "hypersonic ballistic missiles" on Israeli targets, calling it a "natural and legitimate response" to air strikes on Yemen.

"The Israeli aggression will not deter Yemen and the Yemenis from performing their religious and moral duty in responding to [Israel's] massacres in the Gaza Strip," the spokesman said in a statement.

Additional reporting by Ahmed Al Omran

FTWeekend

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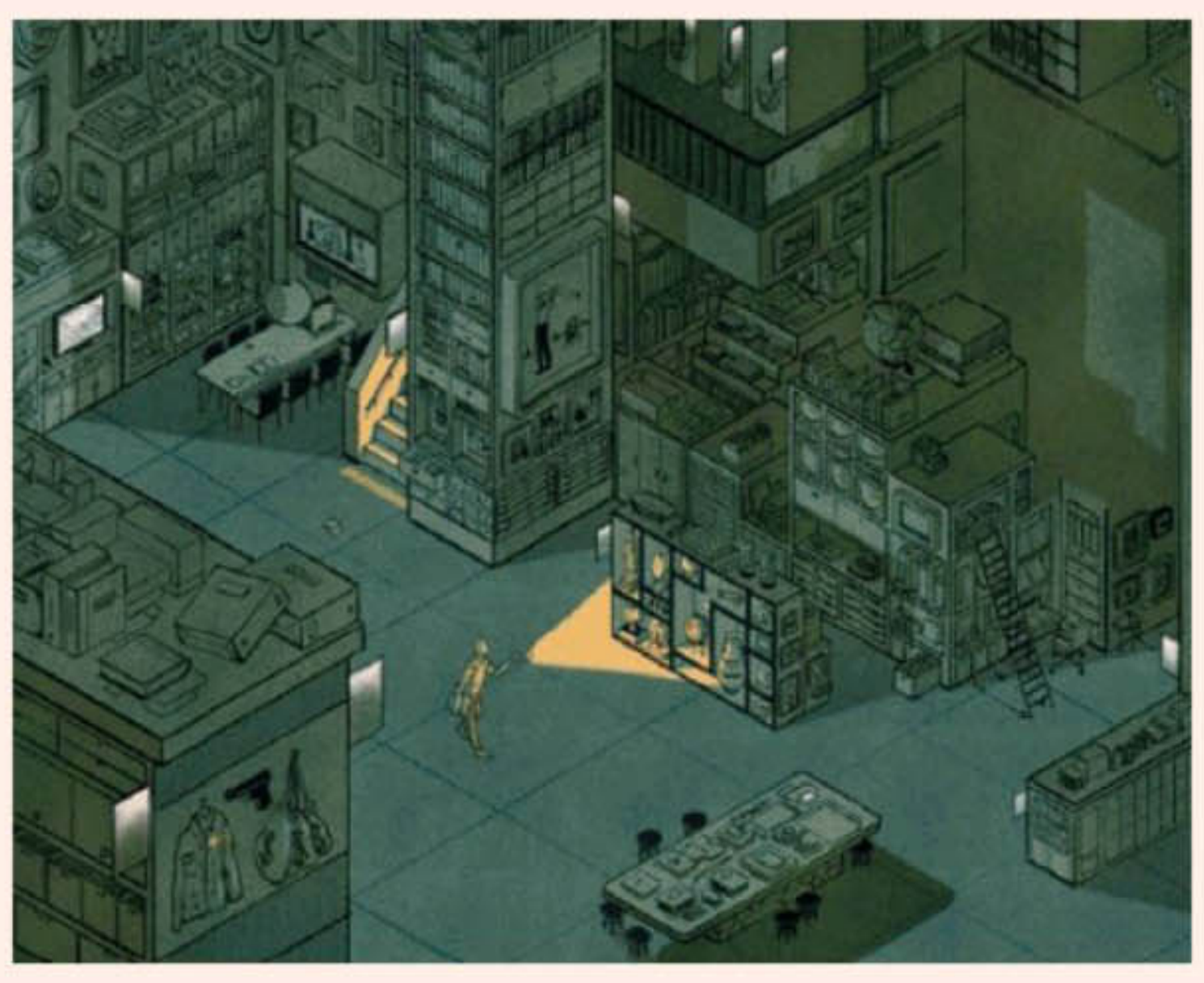

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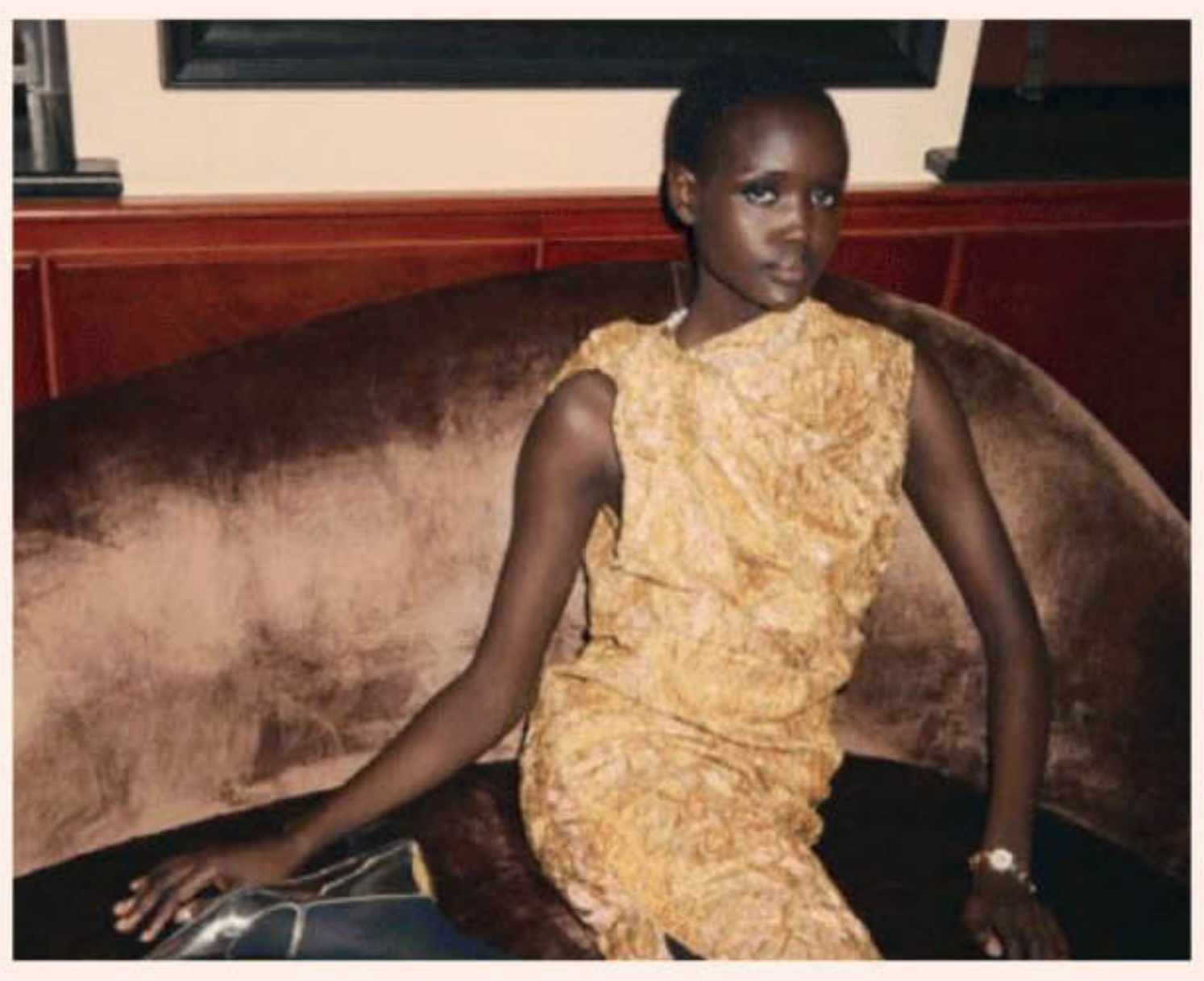

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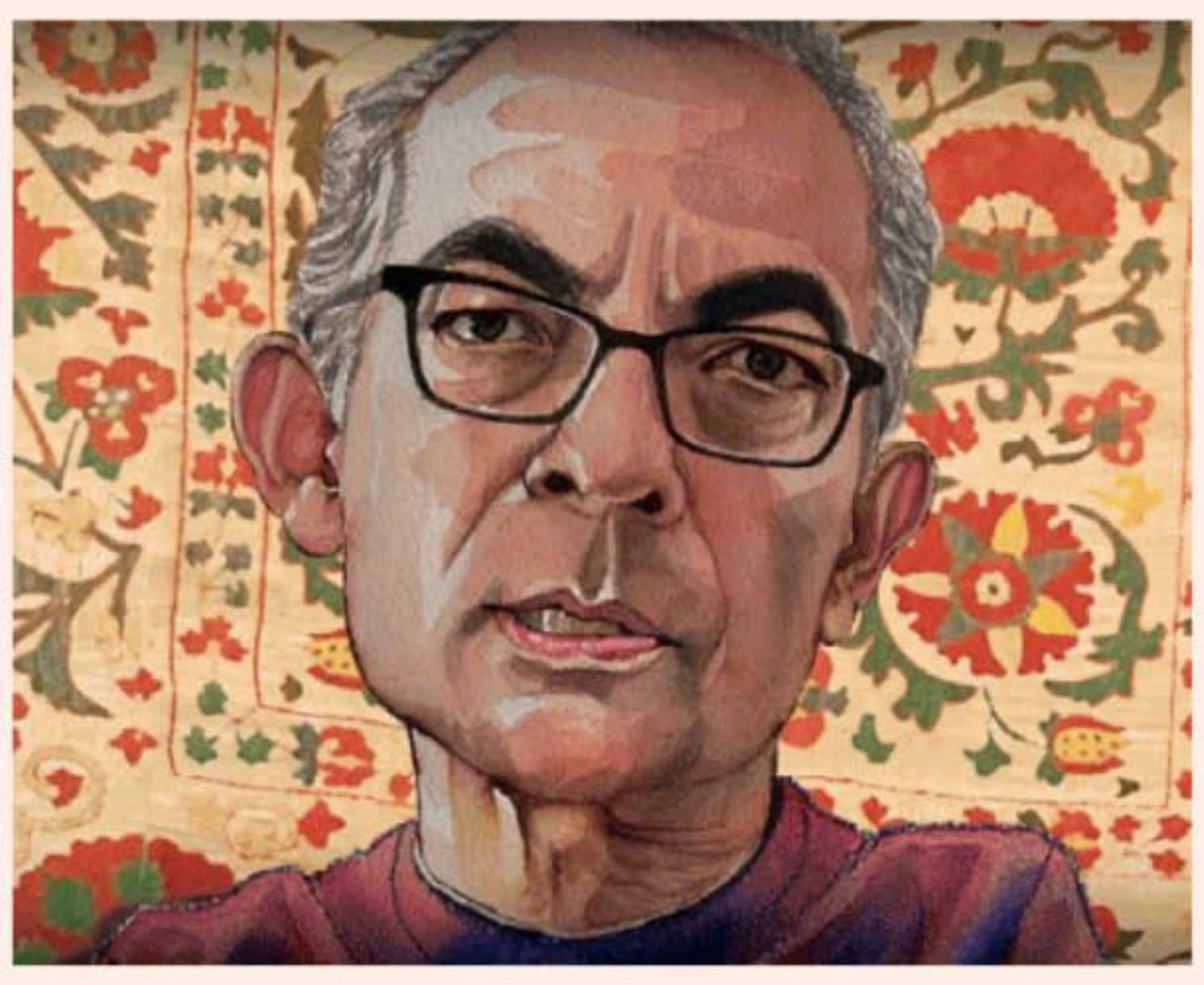

Lunch with the FT: Economist Abhijit Banerjee

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Bumpy road Honda-Nissan merger hinges on deal terms, Renault's position, differing cultures and a possible rival bidder ➔ COMPANIES

Companies & Markets

EY wins first new Dax audit client since Wirecard case

- Scandal led to two-year German ban
- Qiagen incorporated in Netherlands

OLAF STORBECK — FRANKFURT

EY has signed up its first new Dax-listed audit client since the collapse of payments group Wirecard despite a ban on winning auditing mandates from listed German companies.

Qiagen, a biotech group listed in New York and Frankfurt, has hired the Big Four firm as its group auditor from January, when it will replace KPMG, which has held the mandate for a decade.

EY took on the mandate months after accepting a two-year ban on taking on new listed audit clients in Germany following alleged violations of its professional duties in its audits of Wirecard, which collapsed in 2020 in one of Europe's biggest accounting scandals.

> German audit watchdog Apas said the ban on EY was 'not affected' by the firm's new client

The mandate from Qiagen, which has €2bn in annual revenues and a market capitalisation of €10bn, highlights the limitations of national audit regulation in Europe. While Qiagen's European operational headquarters is in the German town of Hilden near Düsseldorf and it is one of 40 members of Germany's blue-chip Dax index, it is incorporated in the Netherlands, with its legal headquarters in Venlo.

"We are a Dutch incorporated company with global shares listed in the US on the NYSE and also in Germany," Qiagen said in a statement.

The German audit watchdog Apas said the ban on EY was "not affected" by the firm's new client as it was only in charge of German auditors and audits of German-based listed companies.

The Wirecard fraud plunged EY Germany, which had issued unqualified audits for it for almost a decade, into crisis. Despite whistleblower complaints and press criticisms, the firm missed that €1.9bn in corporate cash and half of Wirecard's revenue were fake.

After a multiyear investigation, Apas concluded that EY's audits had been "at the very least" negligent and in some cases grossly negligent, the Financial Times previously reported. However, it did not establish whether the firm had acted with criminal intent.

Qiagen said in its statement that it had "conducted a thorough review of the small group of global audit firms" that could work for it, given the requirement to meet both US and EU standards.

It added that shareholders "voted 99.9 per cent in favour" of EY at Qiagen's annual meeting in June. It formally mandated EY's Dutch division Ernst & Young Accountants LLP but it also signed an engagement letter with the Big Four firm's German unit.

After the Wirecard scandal, EY lost high-profile German audit clients Commerzbank, Deutsche Telekom, DWS and state-owned lender KfW, and did not win any new mandates even before the ban formally began this year.

The firm has overhauled its German legal structure to separate audit and consulting services, leading to allegations from former Wirecard shareholders that it will be harder if not impossible to enforce damage claims over its allegedly flawed audits. Former investors and Wirecard's administrator are suing EY for billions of euros in damages in long-running lawsuits.

People familiar with the matter said that EY was pitching for high-profile audit mandates in Germany available from 2026, including pharma and agrochemicals group Bayer, retailer Metro and holiday operator Tui.

EY declined to comment.

Welcome guest Members' club Soho House gains ground after offer from mystery bidder

Room for growth: the operator of 45 members' clubs yesterday reported a rise in sales after recent openings

ERI SUGIURA — LONDON

Soho House shares surged yesterday after the members' club announced it had received an offer to buy it at a premium to its current market value, following years of stock price struggles.

The offer, at $9 a share, represents an 83 per cent premium to Wednesday's closing price of $4.91. It is supported by Soho House's controlling shareholder, US retail billionaire Ron Burkle and his Yucaipa investment vehicle, the group said yesterday.

The offer is well below Soho House's initial listing price of $14 a share when it went public in 2021. The stock was up 57 per cent at $7.69 in early afternoon trading in New York.

It is also contingent on significant shareholders — including Burkle and Yucaipa — maintaining their equity interests through a rollover arrangement, the group added. Soho House did not disclose the identity of the bidder, but said it was a "new third-party consortium".

Soho House revealed in May it had received a take-private offer and rejected it, saying it did not reflect the value of the company.

The latest offer was "the result of a thorough strategic review undertaken by Yucaipa and its financial advisers to enhance shareholder value, as Yucaipa believes the inherent value of [Soho House] is not reflected in its current share price," the company said in a statement.

The board had formed an independent special committee to evaluate the offer, it said, adding that no assurances could be given that its assessment would result in any change in strategy.

The potential deal follows a retreat in the shares since the company, which operates 45 members' clubs worldwide with more than 267,000 members, went public. Wednesday's closing price was down 64 per cent from its listing price.

Soho House was in turmoil this year after New York-based short seller GlassHouse published a report in February criticising its "broken business model and terrible accounting", relying on expanding into less affluent cities and failing to turn a profit in its 28-year history. The members' club countered that an independent review of its accounting practices had "shown no material issues".

Soho House yesterday reported revenues of $333.4mn for the three months to September 29, up 14 per cent year on year. It posted a net profit of $0.2mn, compared with a $49.3mn loss a year ago.

Andrew Carnie, chief executive, said the company was seeing "significant demand" for recent openings, such as in São Paulo, Mexico City and Portland, Oregon.

Segantii's Sadler pleads not guilty to inside dealing

KAYE WIGGINS AND CHAN HO-HIM
HONG KONG

Simon Sadler, founder of hedge fund Segantii Capital Management, pleaded not guilty to insider dealing yesterday in one of Hong Kong's most high-profile financial criminal cases.

His former colleague Daniel La Rocca and the hedge fund itself also pleaded not guilty. They are charged with trading on inside information in relation to retailer Esprit's securities in 2017.

If convicted, Sadler and La Rocca could face a maximum prison sentence of seven years.

District judge Kwok Wai-kin set the trial date for May 4 2026, allocating 25 days for proceedings. A pretrial review hearing is expected to be held on December 4 next year.

A lawyer for the prosecution said they expected to call four witnesses to support their case, including one market expert.

Sadler and La Rocca did not speak during the hearing. The judge extended the defendants' bail until the pretrial hearing next December.

Sadler, 55, who is from Blackpool in north-west England, founded Segantii in 2007 and built it into one of Asia's most well-known hedge funds, with $6bn under management at its peak and offices in Hong Kong, New York and London.

He is the owner of Blackpool Football Club, which he bought in 2019. The team plays in the third tier of the English football league.

The fund has started winding down operations and returning capital to investors after Hong Kong's Securities and Futures Commission announced its criminal investigation in May.

Segantii was one of the most powerful participants in the market for block trades, a lucrative corner of the finance sector in which banks arrange to offload large chunks of shares privately. Such sales can depress a company's stock price.

The hedge fund was a prolific buyer of blocks and had built strong relationships with Wall Street's biggest banks. But in 2022 the Financial Times reported that Bank of America and Citigroup had suspended equity trading with Segantii due to concerns about its bets on block sales.

Segantii has previously said it "intends to defend itself vigorously against the charge".

Huge bets on backing AI point to shift in venture capital industry

BUSINESS INSIGHT
TECHNOLOGY
Richard Waters

Depending on where you sit in the investment world, the venture capital business is either in rude health or facing something of an existential crisis.

Like many people in tech these days, start-up investors have backed AI to the hilt. The latest evidence this week was Databricks, a provider of software to gather and analyse large volumes of data, raising another $10bn in one of the largest private investment rounds.

The willingness to put up large amounts that would once have required Wall Street involvement shows how some of the biggest venture investors are navigating the AI boom with a distinct swagger.

But doubling down on AI has coincided with severe indigestion for start-up investing at large. The industry has barely begun to work its way through an immense overhang of investments from venture's ZIRP era — the period, ending in 2021, when a zero-interest rate policy brought a flood of capital into tech start-ups.

This has left around $2.5tn trapped in private unicorns, companies with a valuation of $1bn or more. At least, that's the combined value these companies claimed after their last fundraisings, according to PitchBook. When it comes to trying to cash in these chips through IPOs or the M&A market, the returns are likely to be a lot less. How much of the venture business will be left after the eventual reckoning is hard to tell.

Consider the scale of the bet on AI. Databricks set out to raise $3bn-$4bn but chief executive Ali Ghodsi said investors had offered $19bn (he decided to split the difference roughly).

Given the overwhelming demand, the company's latest valuation doesn't look outlandish. At $52bn before the new cash, it was up from $43bn 15 months before and roughly equivalent to 17 times the company's annualised revenue run-rate — hardly outrageous for a business growing at 60 per cent a year.

Private financing rounds of $1bn or more were once a rarity. It took the huge ambition of SoftBank's Vision Fund and a handful of specialist late-stage investment firms to break the mould. Now investors such as Thrive Capital, which led the Databricks round, pride themselves on putting up $1bn single-handed.

> The boom in private backing for AI comes against the backdrop of a broader collapse in venture investing

Over the past two years, AI model builders OpenAI, Anthropic and Elon Musk's xAI have raised nearly $40bn. Other sizeable investment rounds this week alone included $500mn for Perplexity, an AI-powered search engine, and $333mn for Vultr, part of a new band of companies running specialised cloud data centres to support AI.

What makes this boom in private backing for AI all the more remarkable is that it comes against the backdrop of a broader collapse in venture investing. Compared with the boom year of 2021, before the interest rate cycle turned, the amount of venture capital invested two years later had plummeted 55 per cent to $161bn, according to PitchBook. In the first nine months of this year, fewer than half as many investors completed deals as in all of 2021.

Fewer, bigger funds pumping ever-larger amounts into an increasingly narrow range of companies, almost all of them in AI: it's a long way from the model on which venture was founded, of spreading small amounts of investment seed corn widely in the hopes that the occasional big hit would make up for many misses.

But VC's concept of itself has changed. In many ways, private capital markets for tech now rival Wall Street. Rates of return will necessarily fall as much larger amounts of capital are put to work in more mature companies, though the successful investors will no doubt point out that they stand to make better returns than similar-sized funds investing in other asset classes.

For many other venture investors, the situation has become little short of critical. After a brief boom in 2021, IPOs and sales to strategic buyers have fallen off a cliff. With less cash being returned, many of the investors that back VC funds are unwilling to put up more. Many start-ups that achieved unicorn status during the boom would rather cut costs and conserve cash than return to raise more money at a lower valuation. It will take time for this to work through the system, but the reality — that may ZIRP valuations are no longer supportable — will be unavoidable.

Investors in the latest giant AI fundings will be hoping to escape a similar fate. Companies such as Databricks, which says it will turn cash flow positive this quarter, already look ready for an IPO. That could make 2025 a pivotal year for VC's latest investment fad.

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Technology

North Korea steals $1.3bn in crypto hacks

Pyongyang-linked groups account for two-thirds of digital asset thefts

OWEN WALKER IN SINGAPORE

North Korean groups have stolen $1.34bn through cryptocurrency hacks this year, their highest level of such thefts on record, underlining the importance of this revenue stream for Pyongyang.

The total value of the thefts by North Korean-affiliated groups, across 47 incidents so far in 2024, is more than double the amount they took last year, according to data from Chainalysis, a blockchain research group.

It means the country now accounts for two-thirds of cryptocurrency hacks globally.

North Korean operatives have emerged as "the world's leading bank robbers" in recent years, according to US officials, after developing an army of highly trained hackers over decades to target western institutions.

A UN panel of experts that monitors the implementation of international sanctions has identified that North Korea uses the money raised by criminal cyber operations to help fund its illicit ballistic missile and nuclear programmes. The US has estimated that as much as a third of North Korea's missile programme is funded by cyber crime.

"North Korea has long sought to evade international sanctions to support its weapons of mass destruction and ballistic missiles programmes," said Andrew Fierman, head of national security intelligence at Chainalysis.

"Historically North Korea has done so through a variety of techniques, including evasive shipping tactics, overseas workers and the use of shell companies. Stealing cryptocurrency has become another mechanism in their toolkit to fund the regime."

'Stealing cryptocurrency has become another mechanism in their toolkit to fund the regime'

Among the more daring heists attributed to North Korean hackers was the theft of 4,500 bitcoin with a value of $305mn from Japanese crypto exchange DMM Bitcoin in May.

Chainalysis traced much of the stolen bitcoin through a web of intermediaries before it eventually ended up at a Cambodian crypto exchange. DMM Bitcoin announced this month it would close down after the hack and transfer its customers' accounts to other exchanges.

The total value of stolen cryptocurrency rose 21 per cent to $2.2bn this year, according to Chainalysis's data, while the number of recorded hacks hit an all-time high of 303.

The thefts come as bitcoin has soared this year to more than $100,000, boosted by Donald Trump's US presidential election victory in November.

However, Chainalysis's data also shows that North Korea's hacking activity slowed in the second half of the year after the leaders of North Korea and Russia, Kim Jong Un and Vladimir Putin, signed a strategic partnership in June to deepen trade and military links between the two countries. The agreement has led to North Korean troops fighting alongside Russians in Ukraine.

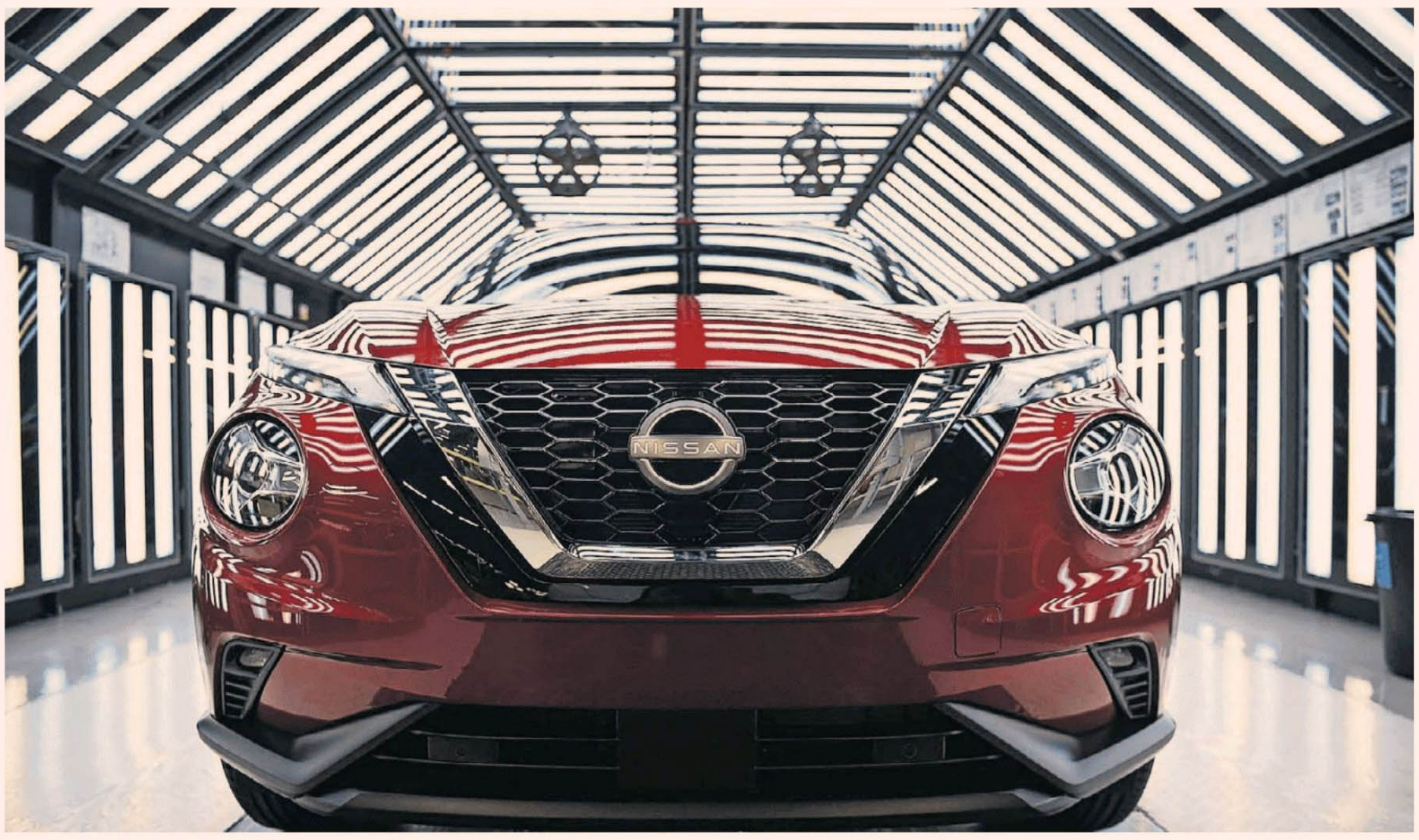
Analysts suggest that as North Korea has received more support from Russia it is becoming less reliant on cyber crime. Since the agreement was signed, the average daily crypto loss attributed to North Korean groups has halved.

"It may be possible that the hermit kingdom has had less reliance on its cyber criminal activity in the second half of the year," said Fierman.

See Markets

Roadblocks Obstacles in way of Honda-Nissan merger

HARRY DEMPSEY, LEO LEWIS, PETER CAMPBELL, IAN JOHNSTON AND KATHRIN HILLE



Honda and Nissan are in talks to merge Japan's second-largest and third-largest carmakers, aiming to create a global giant with the scale to compete against Tesla and Chinese rivals.

But the history of automaker mergers is littered with smouldering wrecks. Honda and Nissan must overcome hurdles that have scuppered other combinations, from differences in corporate culture to political issues.

Here are five challenges ahead.

Can they agree on deal terms?

Nissan insists that "no decisions have been made". But one option could be to create a holding company with equity stakes in the individual carmakers.

Even were an early-stage agreement signed as soon as next week — a possibility, according to Japanese media reports — it might not have much detail, though it could include a clause to stop other bidders stepping in.

There is little doubt that Honda will be taking over Nissan. Honda is financially stronger, with a market capitalisation four times the size of Nissan's. Honda produces much-desired hybrids and is supported by a purring motorcycle business.

But its stock has fallen 5 per cent in the past two days as Nissan's jumped 30 per cent, suggesting investors may need convincing on the merits of a deal. "The value negotiation is going to be a big hurdle," said one Tokyo-based banker.

In the global car race, Honda has fallen far behind in electric vehicles and self-driving sensors. A partnership with Sony struck in 2022 was intended to plug the gap in self-driving technology and in-car entertainment. Nissan may provide an answer.

Spreading the costs of these technologies across an enlarged business will also help.

Will Renault ties be an obstacle?

Renault's relationship with Nissan has become more positive but also more modest since a 2023 agreement to scale back its then-43 per cent stake in the Japanese group, according to a person familiar with the company.

A key question is how quickly Renault intends to sell down its holding. Nissan has the right to make a first offer to buy back the shares ahead of others — but is bleeding cash.

Renault sold a third tranche back to Nissan in September, trimming its stake. As part of the agreement, it would retain 15 per cent voting rights for several years, said two people familiar with the company.

Renault would want guarantees on technology projects with Nissan, said one of the people. The company declined to comment on the potential Nissan-Honda tie-up but said it viewed the Japanese carmakers' collaboration on EVs positively. "It's in our interests that Nissan does better," said one of the people.

"Co-operating with a more technologically advanced company [like Honda] is not necessarily a bad thing for Renault," said Stephen Reitman, an analyst at Bernstein.

Can corporate cultures be bridged?

Typically, a carmaker's best engineers get to work on its sports car as a reward. At Honda, its stars are given the Civic, a modest family sedan. This approach distinguishes Honda from competitors — and is another challenge to a meaningful tie-up with Nissan.

Automakers are no strangers to joint programmes, often working together on engines or vans. But full combinations are different, requiring the melding of distinctive cultures entrenched over decades.

A Nissan Juke on the production line in Sunderland. Below, Honda's booth at this year's Beijing International Automotive Exhibition — Andy Buchanan/AFP via Getty Images; Fu Tian/China News Service/VCG via Getty Images

Honda has had a "go it alone" culture, but that attitude has loosened under chief executive Toshihiro Mibe, said James Hong, analyst at Macquarie.

A separate question is who would lead such a business.

Former chief executive Carlos Ghosn straddled Renault and Nissan, but his leadership ultimately failed to bridge the gap between the rival businesses.

Nissan CEO Makoto Uchida, who has taken a pay cut because of the company's underperformance, would be likely to leave in such a combination, said people close to the business. However, an appointee from Honda would irk Nissan.

Is this the only way to save Nissan?

Nissan released disastrous financial results in November, announcing a plan that included 9,000 job losses and cutting production by 20 per cent.

But some analysts questioned whether Nissan could turn itself round. "I didn't see any way out of their predicament without some sort of external help," said Julie Boote, analyst at Pelham Smithers.

The Japanese government has long believed that the neatest solution would be for Honda to lead a merger and create a rival to Toyota. Efforts to broker a deal picked up in 2020 but met resistance from both sides.

One issue is how quickly Renault aims to sell down its holding. Nissan has rights to a first offer on the stock but is bleeding cash

While the powerful Ministry of Economy, Trade and Industry would certainly support a tie-up, it cannot order two private companies to combine.

Japanese media reports said takeover interest in Nissan from Taiwan's Foxconn, Apple's biggest contract manufacturer, which has EV ambitions, had spurred the two Japanese giants to get serious about coming together.

How fast could benefits be realised?

Nissan and Honda share a big footprint in Japan and North America, which could enable cuts to headcount and factories. Research and engineering are likely areas for job losses.

Nissan was a trailblazer in EVs. Its Leaf car was the first mass-market battery model on the market. Although this lead has largely been squandered, the company has technology to help Honda.

Mitsubishi Motors, in which Nissan has a 26.7 per cent stake, also has plug-in hybrid technology, where vehicles can drive a limited distance using battery power alone.

In carmaking, models were traditionally developed over roughly five to seven years and then manufactured for 14. But Chinese rivals can develop cars in as little as 18 months.

Still, if a deal closed tomorrow, a new Honda featuring Nissan's battery technology or Mitsubishi's hybrid system might not be on the market until the end of the decade.

Technology

Perplexity valued at $9bn in new funding round for AI search engine

CRISTINA CRIDDLE AND GEORGE HAMMOND — SAN FRANCISCO

Perplexity, an artificial intelligence-driven search engine, has closed its fourth funding round this year, tripling its valuation to $9bn as it seeks to compete with offerings from Google and OpenAI.

The $500mn round was led by Institutional Venture Partners, with involvement from Nvidia, New Enterprise Associates, B Capital and T Rowe Price, according to multiple people with knowledge of the deal.

Previous investors have included SoftBank's Vision Fund 2, Nvidia and Amazon founder Jeff Bezos, as well as several prominent names from the AI industry such as OpenAI co-founder Andrej Karpathy and Meta's chief AI scientist Yann LeCun.

The San Francisco-based group has grown rapidly this year, with its product receiving hundreds of millions of queries a month. It has 15mn monthly active users with most of that traffic coming from the US.

The new funding will help Perplexity compete with west coast rivals in an increasingly fierce fight for engineers. "The talent war for AI is like no other time before," according to Ali Ghodsi, co-founder and chief executive of Databricks, the AI and data analytics company that announced a $10bn fundraising round on Tuesday.

The group has grown rapidly, with its product receiving hundreds of millions of queries a month

Perplexity is seeking to capitalise and improve on the search advertising system pioneered by Google, in which marketers bid to have a sponsored link placed against search queries. It is in talks with major brands to pilot advertising on its platform.

In a sign of growing competition in the space, AI companies have recently targeted the search market by linking up chatbots to the internet. This week, OpenAI rolled out web searching for its popular ChatGPT product.

Google and Microsoft, which are leaders in the $300bn digital advertising world, have also recently incorporated large language models, which power AI chatbots and make results more conversational, into their search offerings.

The latest round has pushed Perplexity's valuation higher by nine-fold since the start of the year, in another sign of how hot start-ups developing new AI tools can draw in hundreds of millions or even billions of dollars in investment.

After OpenAI's $6.6bn fundraising in October one person close to the company said Perplexity was inundated with unsolicited interest from new investors. Run by former Google intern Aravind Srinivas, Perplexity raised $250mn this summer, on top of previous funding rounds in January and April.

Perplexity makes money through subscriptions. It says its annualised revenues — a projection of full-year revenues based on extrapolating the most recent month's sales — have grown from $5mn in January to $35mn in August.

The spate of deals for lossmaking AI start-ups has stoked concern that rising valuations in the sector show all the hallmarks of a bubble. But even those who argue most AI valuations are increasingly detached from reality are willing to stake bets on companies they believe could be winners.

Perplexity and T Rowe Price declined to comment. IVP, B Capital, NEA and Nvidia did not immediately respond to a request for comment.

Utilities

South African electricity provider Eskom faces 'existential' crisis as municipalities fail to pay bills

ROB ROSE — JOHANNESBURG

South Africa's government has warned that power utility Eskom is facing an "existential" crisis after the amount of unpaid bills owed by municipalities surged to a record R95bn ($5.2bn).

The comment by Kgosientsho Ramokgopa, minister for electricity, overshadowed financial results that showed the company's losses had narrowed and that it was on course for its first annual profit since 2017, while it celebrated 260 days without rolling power cuts.

Eskom, which provides 90 per cent of South Africa's electricity, has had to implement rolling blackouts, known locally as "load shedding", sparking public anger that contributed to the ruling African National Congress losing its absolute majority in elections this year.

Ramokgopa said that Eskom's progress could be undermined by a 28 per cent jump in the amount owed by municipalities since March, threatening the utility's financial capacity and ability to improve its infrastructure.

"This is an existential problem facing Eskom," he said yesterday. "This is not an Eskom problem; it's a sovereign problem, because someone much later has to pay for this."

Outstanding municipal debt for power has jumped from R74.4bn at the end of March to R95bn currently, and is forecast to hit R110bn by the end of the first quarter, Ramokgopa said.

Money owed by the city of Johannesburg, South Africa's economic powerhouse, jumped by almost 400 per cent.

Dan Marokane, Eskom's chief executive, blamed South Africa's weak economy, which left many residents unable to pay for services, and mismanagement at municipalities for the payment crisis, which has also led to water boards not being paid by some councils.

"In some of those municipalities, there is a lack of strong leadership in terms of doing what's right," he said. "The money for electricity has been collected from residents, but has been used by those municipal officials for other purposes."

Eskom, Africa's largest power utility with annual revenues of R295bn, has racked up steep losses in recent years as a number of its ageing power stations broke down, reducing electricity sales and forcing it to burn expensive diesel to keep the lights on.

'This is not an Eskom problem; it's a sovereign problem, because someone later has to pay for this'

Eskom yesterday reported a R55bn loss after tax for the year to March, which included a one-off charge of R36bn from unbundling its transmission unit. While chair Mteto Nyati said this was an "exceptionally poor performance", the pre-tax loss fell to R25.5bn, from R34.6bn.

Marokane said halting of blackouts had dramatically improved the company's fortunes, so much so that the utility was now expecting to make a profit of more than R10bn in the year ending in March.

Nyati said this year that the utility had been able to reverse the power cuts, by focusing on maintenance of its six worst power plants and overhauling their management. But the suspension of the blackouts came too late to help the ANC retain its parliamentary majority, with its share of the vote collapsing to 40.2 per cent in May's elections, forcing it to form a coalition with nine other parties.

Eskom's problems extended beyond its fragile power plants as the utility, a source of public contracts worth billions of rands, became a breeding ground for corruption during former president Jacob Zuma's time in office.

McKinsey this month pleaded guilty in a US court to bribing officials at Eskom, and paid a $122mn fine. Marokane said 304 arrests had been made in relation to corruption at Eskom, with 17 people convicted so far.

Discontent leaves little pity for US medical insurers after CEO killing

Death of UnitedHealthcare boss highlights problems of a system that many consider broken

OLIVER BARNES AND OLIVER ROEDER
NEW YORK

Advocates protest against denials of coverage at UnitedHealth's insurance division in Minnetonka, Minnesota — David Berding/Getty Images

In an email to UnitedHealth Group's 440,000 employees last week, chief executive Andrew Witty highlighted messages from a breast cancer survivor and five other patients praising the insurer in the aftermath of the assassination of one of its top executives.

Since Brian Thompson, who ran the Minnesota-based group's vast UnitedHealthcare insurance unit, was shot dead in midtown Manhattan this month, however, sympathy for the country's largest health insurer, which covers about 50mn Americans, has been in short supply.

The actions of the alleged gunman — 26-year-old Luigi Mangione, an Ivy League graduate who suffered from a lower back condition and griped in a manifesto about how companies such as UnitedHealth "abuse our country for immense profit" — has intensified one of America's thorniest national debates: how to fix a healthcare system many see as broken.

Mangione, who has been charged by New York prosecutors with murder, is expected to plead not guilty, his attorney has said.

The sweeping discontent towards the US healthcare system is no surprise, according to Mark Bertolini, the former chief executive of health insurance company Aetna, who now runs start-up Oscar Health. "What happened to Brian is unconscionable but the anger from patients is justified," he said.

The problem, Bertolini said, results from "the war between healthcare providers and the insurance companies" about what treatments are covered and who bears the cost.

Patients are "caught right in the middle" of a complex, bureaucratic system where medical bills and out-of-pocket expenses not covered by insurance are rising but people feel worse about the provision and quality of care, he added.

Healthcare spending per US resident is $12,000 a year, at least 50 per cent higher than any other rich country, yet it ranks 60th in the world for life expectancy, according to the Peterson-KFF Health System Tracker.

A version of that statistic was cited by Mangione in a handwritten missive he was carrying when arrested in Pennsylvania. UnitedHealth said that Mangione was never a member of one of its insurance plans.

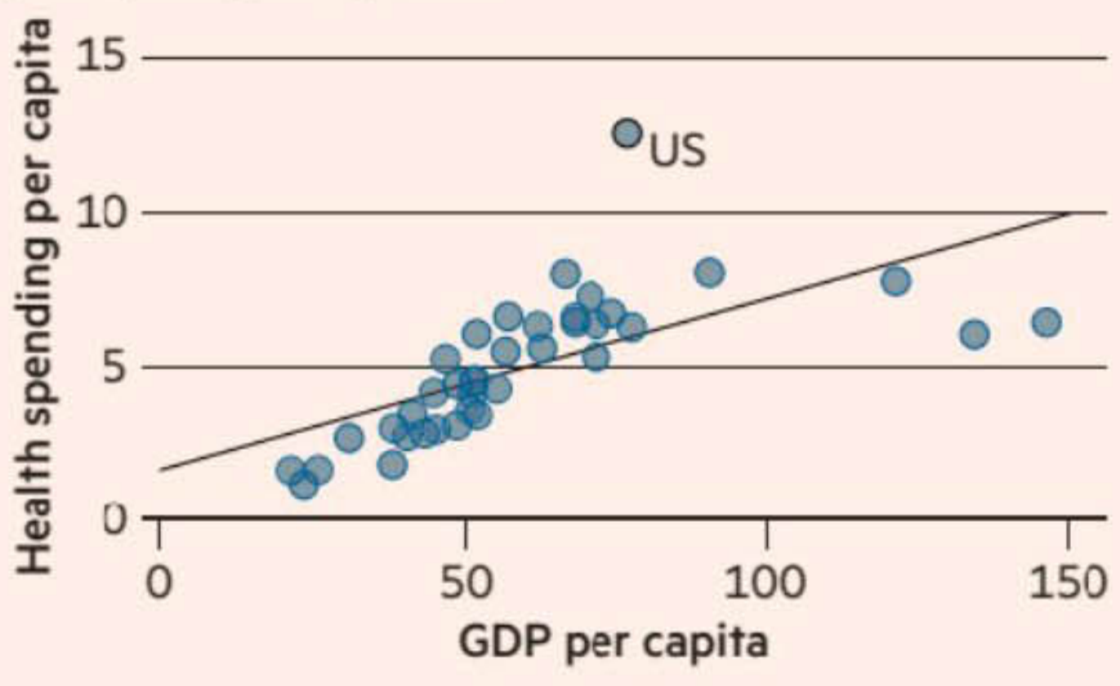
Insurers themselves are just one part of the sprawling US healthcare landscape. Around three-fifths of Americans get coverage through their job, in which their employer subsidises part of the insurance premium, according to Kaiser Family Foundation. Others rely on federal or state programmes, such as Medicare for the elderly and Medicaid for low-income individuals.

The largest recent shake-up to US health insurance came with the enactment of the Affordable Care Act, widely known as Obamacare, in 2010, which expanded Medicaid coverage. It also created government-run health insurance marketplaces and restricted insurers from denying coverage based on pre-existing conditions. The legislation has meant that tens of millions of previously uninsured Americans are estimated now to have insurance.

Employers or the government play a key role in choosing which treatments to allow or restrict on different plans. However, insurers face the unpopular task of enforcing these policies by managing claims and determining eligibility for tests and treatments.

The US spends much more on healthcare than other high-income nations

GDP per capita and health consumption spending per capita ($'000), 2022



Current prices and purchasing power parities adjusted
Source: Peterson-KFF Health System Tracker

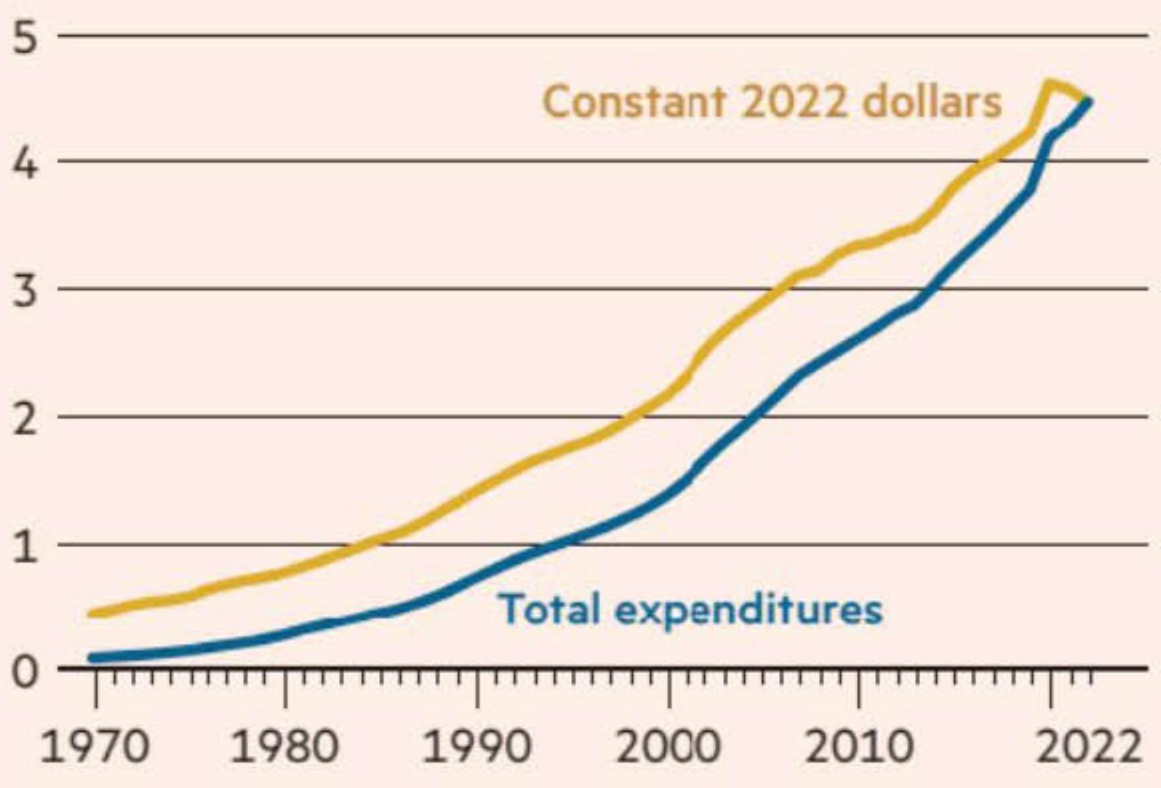
More than 20mn Americans have medical debt

Share of US adults with medical debt, by amount they owe, 2021 (%)

Source: Peterson-KFF Health System Tracker

Total national health expenditures

$tn



Source: Peterson-KFF Health System Tracker

A KFF survey published last year found that 18 per cent of insured US adults had claims denied in the past year. Nearly three-quarters of 210 healthcare staff surveyed for an Experian Health report, released in September, said claim denials were on the rise.

More than 20mn Americans owe some medical debt, according to an analysis by KFF — in total they owe $220bn. Of those with debt, about 14mn people owe more than $1,000 and about 3mn people owe more than $10,000.

Joseph Betancourt, a primary care doctor at Massachusetts General Hospital who also serves as president of the Commonwealth Fund, a healthcare non-profit, said all too often he orders an MRI scan for a patient but the insurer tells him a cheaper CT scan or an X-ray is preferable. Outright denials of complex procedures occur less often but are even more controversial, he added.

While Betancourt understood the need to prevent use of unnecessary and pricey tests, medicines or procedures to control costs he said increasingly insurers were "overstepping the mark and interceding in clinical decisions".

Another of the biggest US health insurers — Anthem Blue Cross Blue Shield — last week reversed plans to limit coverage for anaesthesia care for surgery that carried on beyond a certain time limit in three states, including New York. The group said in a statement that there has been "significant widespread misinformation" about the policy and as a result it had decided not to proceed.

"The part that makes this acutely painful for patients and providers is when these insurers are for profit, and they are making choices around cutting costs, yet at the same time generating incredible profits for shareholders," said Betancourt.

UnitedHealth Group, which generates around three-quarters of its revenues from its insurance unit, reported record net profits of $23.1bn last year. UnitedHealth's profits have taken a hit this year due to changes to certain Medicare plans, but in 2025 they are projected to rise to $26.1bn, according to analysts' consensus estimates.

According to a recent Pew Research Center survey, Americans view the affordability of healthcare as the second-biggest problem facing the country — behind only inflation, and ahead of issues such as illegal immigration and gun violence. In a column for the New York Times, UnitedHealth's Witty acknowledged that "the reasons behind coverage decisions are not well understood", adding: "We share some of the responsibility for that". UnitedHealth said it approved 90 per cent of claims upon submissions and only 0.5 per cent were reviewed due to medical reasons.

> 'It'll be interesting to see how long this firestorm takes to blow over . . . and when it does if anybody changes anything'

Matt Eyles, a healthcare industry veteran who previously led AHIP, an industry body for health insurers, said the sector bore the brunt of the criticism as it was "faceless" in contrast with a hospital "that you drive past on your way to work, where you or your friends or family had to go to the emergency room".

Given the discontent expressed in the past week, Dan Mendelson, chief executive of Morgan Health, a division of JPMorgan investing in innovations to employer-sponsored healthcare, said that "it was striking to see how in the [November] electoral cycle healthcare didn't really come up". "The only way of changing anything is with major legislation — and I'm not sure the enthusiasm is really there," added Mendelson.

"It'll be interesting to see how long this firestorm takes to blow over . . . and when it does if anybody changes anything," said Bertolini.

Pharmaceuticals

Cancer drug developer gains $140mn cash boost

HANNAH KUCHLER — LONDON

Ottimo Pharma, which is developing a new cancer drug, has completed one of the largest early-stage biotech fundraisings of 2024 as its boss seeks to replicate his success in leading oncology group Seagen to a $43bn sale.

The London- and Boston-based group has raised $140mn in a series A round and is led by David Epstein, who was chief executive of Seagen until it was sold to Pfizer last year.

Ottimo is developing an antibody treatment that Epstein hopes could replace the market leaders in cancer care by being more effective and producing fewer side effects. The new class of cancer drugs could be worth up to $100bn a year at its peak, he said.

Epstein said he believed the market for the new type of drug could "easily" be double the size of the market for so-called anti-PD-1 medicines such as Merck's Keytruda, which stop cancers hiding from the body's immune system.

The start-up is developing Jankistomig, that combines an anti-PD-1 with an anti-VEGF, which tackles another protein on tumours to slow their growth. Epstein thinks it will become the "new backbone immunotherapy to be used across cancer types", eventually replacing existing treatments.

"It's pretty clear that if you can get substantial increases in survival, the older drugs will be used less and less over time," he told the Financial Times.

> Ottimo's series A round is being led by US healthcare investors including OrbiMed and Avoro

"The market currently is about $50bn for anti-PD-1s. If people are staying on [the drug] for twice as long, and you're going to do tumour types like [hard-to-treat] triple negative breast cancer . . . I think they [will] call it a $100bn market one day."

Ottimo's drug will now be tested in a large early-stage trial to find the right dose and combinations with other medicines. It will then go through late-stage trials and the regulatory process.

The drug candidate was discovered by Jonny Finlay, a serial biotech entrepreneur based in Scotland, who then co-founded Ottimo with European venture capital firm Medicxi.

Epstein saw the potential for the new class of drugs when biotechs Summit Therapeutics and Akeso reported trial results in September, showing their drug ivonescimab cut the risk of disease progression or death by 49 per cent compared with lung cancer patients treated with Keytruda.

Germany's BioNTech has also shown interest in the new treatment, signing a $950mn deal to buy Chinese company Biotheus for its similar medicine.

Ottimo's series A round is being led by US healthcare investors OrbiMed, Avoro Capital Advisors, Avoro Ventures and Samsara BioCapital. Epstein said the round was heavily oversubscribed.

Ottimo has fewer than 10 staff. The company will work with outsourcers to run its clinical trials and so only plans to expand to up to 25 staff next year.

But Epstein said the company was already getting inbound interest from large drugmakers. "Many big pharma companies that currently have oncology franchises are trying to figure out how to play in this space," he said.

Financials. Mergers & acquisitions

Investment bankers expect Trump's return to fuel further round of megadeals

Advisers hope for softening of regulatory scrutiny after this year's activity exceeds $3tn

IVAN LEVINGSTON — LONDON
MARIA HEETER — NEW YORK

Dealmakers are betting that a revival in megamergers will gather pace under Donald Trump's presidency, after a rebound in larger deals helped push the value of takeovers back over the $3tn mark this year.

The value of mergers and acquisitions globally is up 11 per cent so far this year, an improvement from the doldrums of 2022 when dealmaking fell short of the $3tn threshold for the first time in a decade.

The value of so-called megadeals, worth more than $5bn, was up 19 per cent year to date, boosting the figures, even as the total number of deals fell by a fifth to a nine-year low, according to data from the London Stock Exchange Group.

"Especially for large-deal M&A, it's mostly about CEO and board confidence levels and — putting your politics aside for a minute — there is a lot of optimism among CEOs for their businesses with the new administration," said Tony Kim, co-president of investment banking at the boutique Centerview Partners.

"I don't think you can make a call on [it being] a gangbuster year in 2025 but certainly there are a lot of signs that point to that," he added.

Dealmakers hope that Trump's return to the White House will mean less regulatory scrutiny of big mergers, after the sceptical stance taken by watchdogs during Joe Biden's administration.

"There's an expectation that the regulatory framework will be less burdensome," said Anu Aiyengar, global head of advisory and M&A for JPMorgan Chase.

The largest mooted deal this year was the proposed $47bn purchase of Japan's Seven & i, the company that owns 7-Eleven, by Canadian retailer Alimentation Couche-Tard. No deal has been reached, with the Japanese group also receiving a rival buyout offer from members of the founding family.

Other top transactions include US lender Capital One's agreement to buy rival Discover Financial for $35.3bn and the consumer giant Mars's deal to acquire the Pringles and Pop-Tarts maker Kellanova for $35.9bn.

While activity slowed in the final three months of the year compared with the third quarter, a flurry of deals followed the US election in November.

"The rumours of the demise of the M&A market were, to a degree, exaggerated," said Stephan Feldgoise, global co-head of M&A for Goldman Sachs. "There's been a notable increase in activity since the election."

The largest mooted deal this year was the proposed $47bn purchase of Japan's Seven & i, which owns 7-Eleven, by Alimentation Couche-Tard
Akio Kon/Bloomberg

The US has accounted for 46 per cent of global activity this year, though dealmaking there was up just 8 per cent. Asia Pacific M&A was down 2 per cent, though activity in Japan jumped 45 per cent to a 19-year high.

The UK again proved a popular place to buy, given beaten down valuations for London-listed stocks, with deals involving a UK target company up 46 per cent. Europe bounced back, with M&A in the region rising 20 per cent.

Some of the largest European deals this year were the result of corporate streamlining, such as the sale of Deutsche Bahn's logistics unit Schenker to Danish group DSV for €14.3bn and private equity group Clayton Dubilier & Rice's purchase of a controlling stake in Sanofi's consumer healthcare business at a €16bn valuation.

Jan Weber, who leads M&A for Morgan Stanley across Europe, the Middle East and Africa, said he expected the region's dealmakers to continue pursuing long-discussed transactions in the new year.

"[These ideas] have been on the shelf for some time and now they're being dusted off again," he said.

Private equity-backed takeovers rose 25 per cent to $670bn. But the industry faces a multitrillion-dollar backlog of investments to be sold.

Higher interest rates weighed on deal volumes and there is still a "gap on value between buyer and seller expectations," said Raphael Bejarano, co-head of global investment banking at Jefferies.

Global investment banking fees are up 12 per cent so far this year to $111bn, above the 10-year average. Goldman Sachs retained its billing as the top global financial adviser for M&A transactions. Morgan Stanley edged out JPMorgan for the second-place ranking.

Asset management. Digital tokens

Hedge funds reap rewards of Trump-fuelled crypto boom

In the black: funds employing crypto strategies posted gains of 46 per cent last month following Donald Trump's election victory

FT montage/AFP/Getty Images

Rally pushes bitcoin above $100,000 on hope of more 'collaborative' environment

AMELIA POLLARD — NEW YORK
HARRIET AGNEW — LONDON

A clutch of cryptocurrency-focused hedge funds has made a windfall in recent weeks as Donald Trump's election win fuelled a powerful rally that propelled bitcoin above the $100,000 milestone.

Funds employing crypto strategies posted gains of 46 per cent in November, bringing their year-to-date returns to 76 per cent, according to data provider Hedge Fund Research. The returns have outpaced the broader industry, with the average hedge fund gaining 10 per cent in the first 11 months of this year, HFR said.

Brevan Howard Asset Management and Galaxy Digital, the cryptocurrency investment manager founded by billionaire Mike Novogratz, have been among the biggest winners from the recent surge in digital assets.

Crypto funds' outsized gains come after Trump's election victory in November added a fresh jolt of enthusiasm to this year's rally in bitcoin, the biggest cryptocurrency, which has sent smaller tokens zooming higher.

Bitcoin has soared 130 per cent this year to around $100,000, helping push the market value of major crypto tokens up by $1.8tn to $3.5tn, according to the FT Wiltshire Digital Assets Dashboard.

The crypto market pulled back from recent highs this week after the Federal Reserve said it would cut rates less than expected next year, hitting risky assets.

Investors are betting that Trump's crypto-friendly nominees for top government jobs will mark a contrast to Joe Biden's administration, which has generally taken a more sceptical approach.

"Trump's election is great news for digital assets because it's going to bring more clarity on the regulatory side," said Damien Miller, managing partner at macro hedge fund MP Alpha Capital. "There will be an environment that is more friendly and collaborative towards bitcoin and blockchain."

Brevan Howard's main crypto fund gained 33 per cent in November, and is now up 51 per cent in the first 11 months of the year, according to investors. Brevan Howard, which has $35bn in assets, is one of the biggest hedge fund managers to have a devoted crypto business, which it launched in 2021.

Galaxy's hedge fund strategy gained 43 per cent in November, and is up 90 per cent in 2024, according to investors. The New York-based group has more than doubled its assets under management in the past two years, to $4.8bn, in part by buying up assets from bankrupt crypto companies.

Galaxy and Brevan Howard declined to comment on their performance.

The recent surge in digital assets marks a staggering reversal in fortunes for a sector that was mired in a deep crisis beginning in 2022. Bitcoin hit a low of around $15,500 when Sam Bankman-Fried's FTX exchange collapsed in November 2022. Galaxy, which has sought to position itself as a full-service crypto financial services firm, posted a $1bn net loss that year.

The cryptocurrency industry received a fillip in January 2024 when the US Securities and Exchange Commission approved 11 exchange traded bitcoin funds, opening the door to cryptocurrencies for new institutional and retail investors. BlackRock, the world's biggest asset manager, last week said it sees a "case for including bitcoin in multi-asset portfolios".

NextGen Digital Venture, a $120mn crypto equity fund, is up 330 per cent from its launch in March 2023 to the end of November, according to investors. It has benefited from positions in some bitcoin ETFs, as well as cryptocurrency exchange platform Coinbase and software provider turned bitcoin investor MicroStrategy.

"After the bitcoin ETF was approved we felt that crypto stocks would become another opportunity for institutional investors because they already had access to bitcoin," said Jason Huang, founding partner of NextGen Digital Venture.

Coinbase is up almost 60 per cent since the end of 2023, while MicroStrategy is up more than 400 per cent.

Some macro hedge funds — which trade macroeconomic trends in currencies, commodities, bonds and stocks — have also boosted exposure to digital assets in anticipation of a favourable market environment. MP Alpha Capital's $20mn global macro hedge fund is up more than 30 per cent this year, according to investors.

"We've had a good run on digital assets: bitcoin, ethereum and bitcoin miners," said Miller, referring to firms that complete complex calculations in exchange for tokens. "Over the past 18 months, our whole thesis was around the institutional adoption of digital assets and the macro backdrop of looser monetary policy, a weaker dollar and a liquidity rich environment."

Trump has signalled that crypto regulation is among his most pressing priorities, and has named venture capitalist and Elon Musk confidant David Sacks as the White House's cryptocurrency tsar.

A change in leadership at the SEC, the top American securities regulator, has also been welcomed by crypto enthusiasts. Gary Gensler, the current chair who branded crypto a "wild west" rife with unlawfulness and investor risk, will step down when Trump takes office.

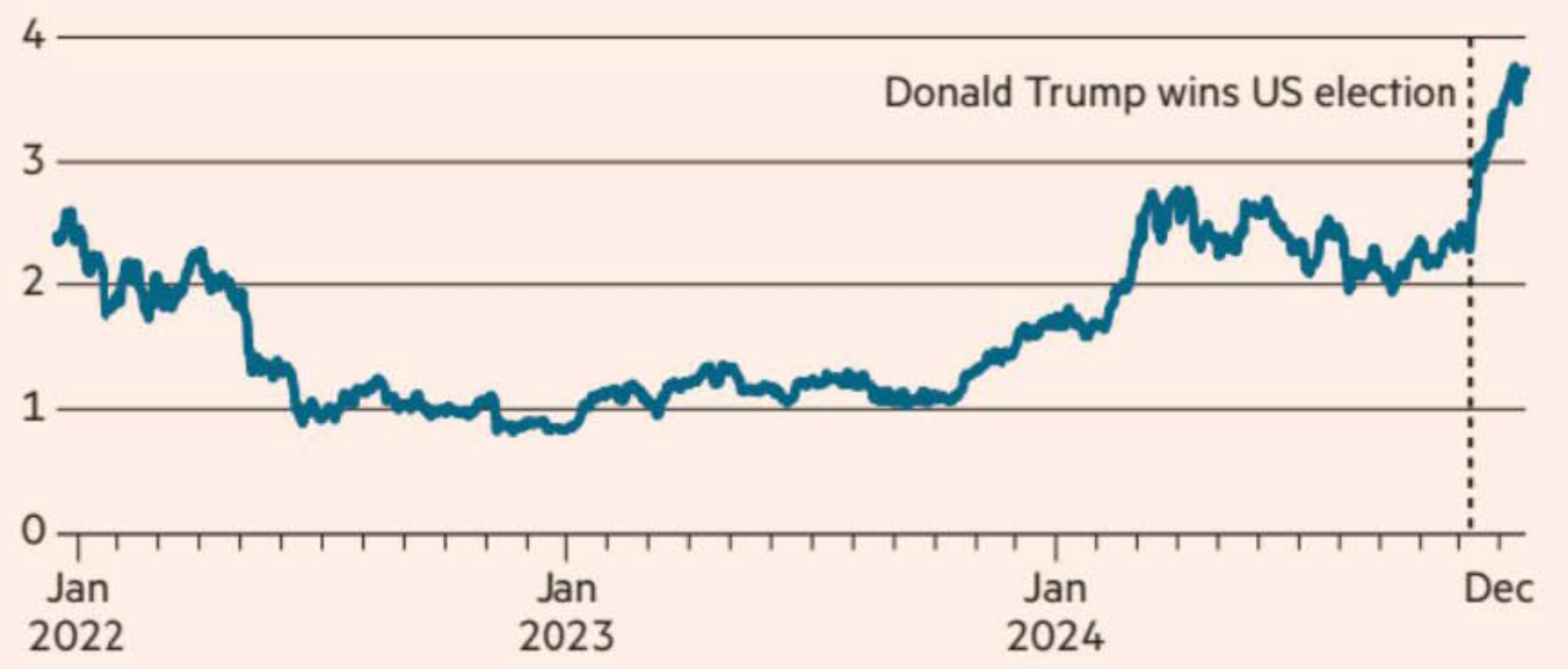
Gensler had refused to craft rules catered to digital assets, arguing that many tokens are securities and that existing securities law is sufficient guidance. He will be replaced by cryptocurrency advocate Paul Atkins.

Still, several managers warned the surge in bitcoin should cause investors to pause and take stock. Huang at NextGen said that while he is long-term bullish on bitcoin and crypto, "no asset rises in a straight line without volatility."

'Trump's election is great news for digital assets because it's going to bring more clarity on the regulatory side'

The global digital assets market is worth nearly $4tn

Total circulating value ($tn)



Source: CCData via FT Digital Assets Dashboard

Equities

Rio pressed by activist to relinquish its London listing

ROBERT WRIGHT AND RACHEL REES

Activist investor Palliser Capital is seeking to force Rio Tinto to conduct an "independent, comprehensive and transparent" review into abandoning its primary London listing by submitting a resolution on the issue for the company's next annual meeting.

Palliser has been campaigning since May for the miner — one of the biggest constituents of FTSE 100 index — to follow rival BHP by unifying its corporate structure in Australia.

Palliser has argued that the group's current dual-listed structure, and its primary London listing, have deprived shareholders of $50bn in value. It is calling for Rio Tinto to become a single Australian-domiciled holding company with a primary listing on Australia's stock exchange.

A departure by Rio Tinto, which has a market capitalisation in London of about £60bn, would be a further blow to a London market that has been suffering a dearth of listings and a wave of departures through takeovers or company moves to other trading venues.

London-based Palliser, which holds around $250mn of both Rio Tinto's London and ASX-listed shares, has submitted a resolution along with 100 other shareholders demanding the review, meaning it has enough support to be on the agenda for the meeting in April. However, under the dual listing, 77 per cent of the company is held through London-listed Rio Tinto, and only 23 per cent through its Australian-listed entity, making it less likely that the activists will succeed.

Palliser wants Rio Tinto to follow rival BHP by unifying its corporate structure in Australia

The activists met chief executive Jakob Stausholm on December 4.

In a letter to board members published yesterday, Palliser said it had set out an "irrefutable" case to abandon the dual-listed company structure and that management's support for the status quo was "flawed and unconvincing".

"Despite us demonstrating the overwhelming empirical evidence in favour of unification, management has remained adamant that there is no value case for this step whatsoever," Palliser wrote.

Palliser has argued that all shareholders would benefit from a move to a single ASX listing because the Australian shares enjoy a higher valuation than the London-listed equity.

It has also said a single listing would allow the company to conduct acquisitions by paying in shares instead of cash, as it has done for every deal since it adopted the dual-listing structure.

Rio Tinto has repeatedly said that unifying its listing would cost "mid-single digit billions of dollars" in tax. The company has also said that it had conducted an internal review and concluded that such a move would destroy value.

Rio Tinto declined to comment on Palliser's letter.

See Lex

Commodities

US expansion of LNG exports would hit consumers and climate, energy department finds

MYLES MCCORMICK — AUSTIN
JAMIE SMYTH — NEW YORK

The future of America's natural gas export boom has been thrown into doubt after a federal government report found that unbridled expansion would hurt US consumers and global climate goals.

A long-awaited Department of Energy study released this week said the industry's continued rapid growth risked driving up domestic fuel prices, increasing greenhouse gas emissions and supporting China.

The findings could open the door to legal challenges that would hinder liquefied natural gas export growth from the world's biggest supplier even as Donald Trump takes office with a pledge to ship US gas to the world in pursuit of "American energy dominance".

"The main takeaway is that a business as usual approach is neither sustainable nor advisable," energy secretary Jennifer Granholm said.

"Increasing exports unconstrained would surely generate more wealth for the LNG industry. But American consumers and communities, and our climate, would pay the price."

The US LNG industry has grown exponentially since its establishment less than a decade ago, turbocharged in recent years by European demand for American molecules following Russia's full-scale invasion of Ukraine.

A surge in shipments from the US was crucial to European consumers during the energy crisis that unfolded across the continent following Russia's invasion, as soaring prices damaged European industry.

Last year, the US overtook Australia to become the world's biggest LNG exporter, shipping 11.9bn cubic feet a day — enough to satisfy the combined gas needs of Germany and France. The industry has ambitious plans to double exports by the end of the decade.

But President Joe Biden halted the licensing of new export terminals in January this year while his administration assessed the costs and benefits of the boom, prompting a backlash from the oil and gas industry.

The report released on Tuesday forecast that increased shipments could push up wholesale domestic natural gas prices by more than 30 per cent by 2050, increasing annual household energy bills by more than $122.

The study is likely to be disregarded by Trump, who has vowed to restart licensing on the first day of his second administration. The oil and gas industry argues that LNG exports benefit the climate by replacing dirtier coal in power generation.

But the study found that additional US LNG exports would displace more renewables than coal globally and that direct emissions from the industry would reach 1.5 gigatonnes annually by 2050 — about a quarter of total current US emissions. The American Petroleum Institute, Washington's powerful oil lobby group, disputed the report's findings, saying Americans enjoyed low natural gas prices and the "politically motivated pause" on LNG permits should end.

Green groups said the study reinforced their position that the industry's rapid growth would hurt the environment.

"This study confirms that Donald Trump's plans to supercharge LNG exports will come at the expense of consumers and the climate," said Raena Garcia, senior energy campaigner at Friends of the Earth.

Some have said that the findings could be used as the basis for future legal challenges that might stall more development.

Moneen Nasmith, senior attorney at Earthjustice, said that the next administration "should be taking these findings seriously and prevent further expansion of export volumes" and that "failure to do so will raise serious questions about the legality of any future approvals".

A senior department of energy official declined to say whether the report would provide grounds for legal challenges but emphasised that all the information contained in the study would be publicly available, including to those seeking to object to projects via the courts.

The report also said expanding American LNG exports could undermine, rather than boost, domestic energy security.

Granholm said growing LNG exports would no longer just support close allies such as Europe and Japan but would aid China, a geopolitical rival.

"China's LNG imports are expected to be the highest of any country through 2050," she said.

Daniel Yergin, a Pulitzer Prize-winning energy historian and author of *The New Map*, disputed any suggestion that boosting LNG exports would undermine the US and its allies' energy security.

"At this point, LNG is part of Nato's arsenal. [Vladimir] Putin was convinced he could use the energy weapon and undermine the coalition in Europe. It failed because of LNG."

In the dock: an LNG tanker tied up at a liquefaction plant in Texas. A US energy department study judges the expansion of exports of the fuel contrary to the national interest

Mark Felix/Bloomberg

COMPANIES & MARKETS

The day in the markets

What you need to know

- **US stocks return to form following hawkish Federal Reserve meeting**
- **European and Asian markets close in the red after Fed inflation forecasts**
- **Dollar climbs against basket of peers, building on previous day's big advance**

S&P 500 steadies after big decline

Source: LSEG

US stocks rebounded yesterday, shaking off some of the gloom from a hawkish Federal Reserve meeting the previous day that had sent equities reeling around the world.

The S&P 500 was 0.8 per cent higher by midday on Wall Street, though below earlier levels that had pushed it up more than 1 per cent. The US's main equities barometer slid nearly 3 per cent on Wednesday, in its biggest fall since August.

"Every dip is a buying opportunity right now," said Steve Sosnick, chief global strategist at Interactive Brokers. "You could argue the selling was overdone, but to see the market bounce . . . just tells you traders are programmed to buy the dip regardless of the reason."

The tech-heavy Nasdaq Composite gained 1 per cent after dropping 3.6 per cent on Wednesday. Six of the Magnificent Seven tech behemoths — Apple, Microsoft, Alphabet, Amazon, Meta and Nvidia — advanced. However, Tesla, which has been boosted in part by co-founder Elon Musk's warm relations with president-elect Donald Trump, slipped 1 per cent after sinking 8 per cent in the previous session.

"We've been so focused on Trump [in recent weeks] but right now it seems to almost be back to a Jay Powell type stock market," said Jeff Weniger, head of equity strategy at WisdomTree, referring to the chair of the Fed.

In bond markets, the yield on the benchmark 10-year Treasury rose another 0.05 percentage points to 4.55 per cent, its highest in more than six months, after climbing markedly on Wednesday. The dollar gained a further 0.2 per cent against a basket of peers yesterday, after soaring to the highest level since November 2022 in the previous session.

The Fed on Wednesday reduced interest rates by a quarter-point but unsettled investors after raising its 2025 inflation forecasts and cutting back on its projections for further rate cuts. It was the central bank's final meeting before Trump takes office next month.

The Fed's hawkish outlook ricocheted into markets in Europe and Asia yesterday. Europe's benchmark Stoxx 600 dropped 1.5 per cent and the UK's FTSE 100 fell 1.1 per cent. Earlier, markets in India, Japan, South Korea and Hong Kong also closed in the red.

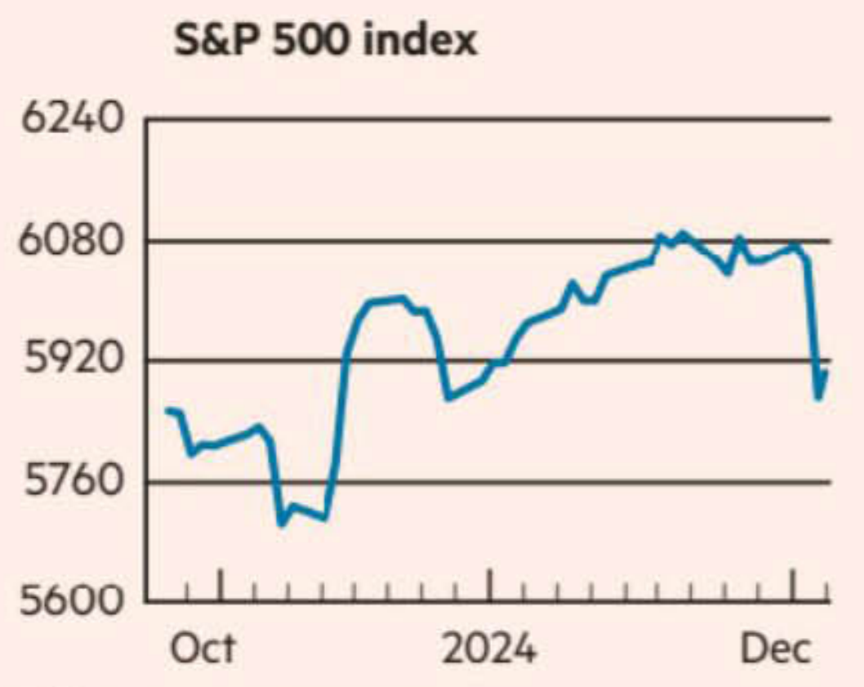
Emerging market stocks were also hit, with MSCI's broad EM index sliding 1.1 per cent. **Jennifer Hughes, Ian Smith and Arjun Neil Alim**

Markets update

	US	Eurozone	Japan	UK	China	Brazil
Stocks	**S&P 500**	**Eurofirst 300**	**Nikkei 225**	**FTSE100**	**Shanghai Comp**	**Bovespa**
Level	5904.59	2013.66	38813.58	8105.32	3370.03	121463.66
% change on day	0.55	-1.53	-0.69	-1.14	-0.36	0.57
Currency	**$ index (DXY)**	**$ per €**	**Yen per $**	**$ per £**	**Rmb per $**	**Real per $**
Level	107.934	1.038	157.695	1.255	7.299	6.138
% change on day	-0.086	-0.860	2.366	-1.103	0.186	-0.767
Govt. bonds	**10-year Treasury**	**10-year Bund**	**10-year JGB**	**10-year Gilt**	**10-year bond**	**10-year bond**
Yield	4.562	2.302	1.081	4.672	1.737	14.638
Basis point change on day	16.090	5.900	1.940	2.400	-1.300	40.300
World index, Commods	**FTSE All-World**	**Oil - Brent**	**Oil - WTI**	**Gold**	**Silver**	**Metals (LMEX)**
Level	554.93	72.78	69.40	2635.65	30.36	3971.20
% change on day	-0.23	-0.83	-0.89	-0.03	0.15	0.03

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	Darden Restaurants	14.62	Hugo Boss	5.02	Severn Trent	0.94
	Accenture	6.87	Saipem	3.13	Imperial Brands	0.55
	Epam Systems	4.28	Cap Gemini	1.91	Hikma Pharmaceuticals	0.36
	Carmax	3.91	Casino Guichard	1.04	Diageo	0.28
	Palantir	3.24	Thales	0.98	Admiral	0.19
Downs	Lamb Weston Holdings	-20.28	Telecom Italia	-6.75	Pershing Square Holdings Ltd	-3.76
	Micron Technology	-18.19	Vivendi	-6.16	Mondi	-3.66
	Vertex Pharmaceuticals	-11.93	Infineon Tech	-4.56	Ashtead	-3.41
	Cintas	-8.76	Novo Nordisk	-4.03	Marks And Spencer	-3.40
	Lam Research	-6.17	Asml Holding	-3.97	British Land	-3.35

Prices taken at 17:00 GMT

Based on the constituents of the FTSE Eurofirst 300 Eurozone

All data provided by Morningstar unless otherwise noted.

A new year's resolution for central bankers

Richard Barwell

Markets Insight

It is getting towards the time when many start thinking of new year's resolutions. Here is a suggestion for people who set interest rates: publish your estimates of where you expect rates to settle in the medium run.

Policymakers are often asked about the location of that so-called neutral rate, but they rarely give a precise answer. At present, the default response is that rates are currently above neutral, but it is very hard to know by how much.

Many policymakers are reticent about providing point estimates of what they consider a highly uncertain, unobservable model-based concept. Nonetheless, the arguments for talking more about neutral rates are compelling.

The neutral rate is the level of the policy rate that is required to keep demand rising in line with supply in the medium run. It is not a fixed number. The neutral level will move to offset any shock that can persistently and significantly affect spending in the economy.

Your estimate of neutral is, therefore, a good summary statistic of your medium-term forecast for spending and the forces that shape it: changes in the fiscal stance, economic uncertainty, overseas demand for exports and so on.

The location of the neutral rate is a key ingredient in the policy debate. So policymakers should have an insatiable demand for estimates of neutral. You need to know whether the current policy rate is "tight" (above neutral) or "loose" (below) — ie, is policy suppressing or stimulating spending? — and by how much, if you want to accurately estimate the impact of the policy rate on the economy.

The decision to publish an estimate of neutral will focus minds and resources within central banks on refining that estimate, to the benefit of the policy debate. Talking about the location of neutral should help policymakers in their pursuit of economic stability too.

Expectations of the future path of rates influence broad monetary and financial conditions — such as the level of fixed-rate mortgages or the value of the currency — which in turn shape the path of spending in the economy. Providing quantitative estimates of neutral could help to anchor those expectations of the policy rate in the right place, damping the volatility of broad monetary and financial conditions and ultimately stabilising spending.

> Publishing an estimate of the neutral rate would focus minds and resources within policymaking

Otherwise, policymakers can find themselves inadvertently validating the current market view on neutral in the current set-up. Central bank forecasts are typically conditioned on the assumption that rates follow the path expected by investors. If those forecasts show growth close to trend at the end of the forecast horizon — as they often do — then investors can infer that the central bank shares the market's view on the location of neutral. Policymakers might wish to reflect on whether they want to send that signal.

Neutral rate estimates will often turn out to be wrong. That is not an excuse not to publish them. Central bank reputations are based on getting the big decisions right, not the accuracy of the estimates they publish. Transparency over the inputs to decision-making can even help preserve reputations when mistakes are made. Some central banks have crossed the Rubicon on this. If you can publish an estimate of the "output gap" between the levels of demand and unobservable supply, you can publish an estimate of the neutral rate too.

There is a reasonable concern about the spurious accuracy of point estimates but communicating the uncertainty around any estimate would be pretty straightforward too. Each policymaker could suggest an estimate of the location of neutral and their uncertainty around that number, which could be aggregated into a coherent joint communication on the subject.

Refusal to publish an estimate of neutral could start to compromise the communication of policy. As interest rates continue to fall it will become harder to claim that policy rates are still above neutral if policymakers remain silent on the location of the latter. Policymakers may feel they have to stop talking about whether policy is restrictive or not, which would be a retrograde step.

There is a compelling argument to publish just on transparency grounds. The norm is to disclose all key judgments that inform the policy decision and that clearly includes the location of neutral. More central banks are publishing views on the location of neutral. The sky has not fallen.

The ultimate new year's resolution would be to publish the likely path of the policy rate back to neutral. A good place to start is with an estimate of where interest rates are likely to settle in the medium run.

Richard Barwell is head of macro research at BNP Paribas Asset Management

Asset management

UK financial watchdog plans to simplify disclosure rules for investment products

MARTIN ARNOLD — LONDON

EU disclosure rules that often "confuse" investors in many types of products will be replaced under proposals by the UK financial watchdog.

The Financial Conduct Authority said yesterday it would make "significant changes" to the rules on information for investors in various kinds of financial products, such as index tracker funds, closed-end investment funds and contracts for difference.

The changes, which were welcomed by the City of London, are part of the watchdog's review of the many laws it inherited from the EU and can now change because of Brexit.

The FCA said the changes would replace an "overly prescriptive" disclosure regime with "a more flexible, simpler approach", adding that it wanted investors to be given "information that is accurate, understandable and broadly comparable".

"We are taking the opportunity to create a more flexible and proportionate product information framework that will address concerns with the current rules," said Simon Walls, FCA executive director of markets.

Jonathan Lipkin, director of policy, strategy and innovation at the Investment Association trade body, said the proposals were "an important opportunity to create a disclosure framework based on simplicity, flexibility and digital innovation".

Some investors see the rules as an opportunity to tackle a brewing crisis in the UK's investment trust sector, which is suffering from wide discounts that are partly blamed on the way their costs have to be disclosed.

Christian Pittard, head of investment trusts at City fund manager Abrdn, said the FCA's consultation "has much riding on it and no time to lose". He said 22 closed-end funds had left the sector this year and "talk of an existential crisis . . . is not an overstatement".

Closed-end funds, which include the UK's £265bn investment trust industry, do not allow investors to redeem their money at their net asset value, which can create divergence between their share price and underlying asset values.

The FCA said its new rules would apply to Consumer Composite Investments, covering any products "where the returns are dependent on the performance of, or changes in, the value of indirect investments".

It said such investment products were owned by 12.6mn people in the UK, almost a quarter of all British adults.

However, there are concerns in the investment trust sector that the FCA has not gone far enough. Richard Stone, chief executive of the Association of Investment Companies, said the watchdog had "missed the chance for more radical reform" by continuing to require funds to report the underlying costs of other funds that they invest in.

The watchdog has invited feedback until March and it plans to issue final rules next year.

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 $
0.55%	0.76%	0.45%	-1.14%	-1.53%	-0.69%	-0.56%	-0.23%	-0.860%	-1.103%	2.366%	0.242%	0.04%	-0.03%

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

Country	Index	Latest	Previous
Argentina	Merval	2422886.79	2521016.63
Australia	All Ordinaries	8415.00	8558.60
	S&P/ASX 200	8168.20	8309.40
	S&P/ASX 200 Res	5114.30	5212.30
Austria	ATX	3588.48	3602.14
Belgium	BEL 20	4204.57	4251.38
	BEL Mid	9350.75	9512.02
Brazil	IBovespa	121463.66	120771.88
Canada	S&P/TSX 60	1465.46	1474.15
	S&P/TSX Comp	24420.98	24557.00
	S&P/TSX Div Net & Min	1822.18	1895.20
Chile	S&P/CLX IGPA Gen	33483.60	33755.44
China	FTSE A200	10356.67	10375.12
	FTSE B35	9000.71	8988.96
	Shanghai A	3532.54	3545.30
	Shanghai B	272.62	271.87
	Shanghai Comp	3370.03	3382.21
	Shenzhen A	2126.46	2118.78
	Shenzhen B	1221.60	1226.72
Colombia	COLCAP	1261.61	1260.21
Croatia	CROBEX	2013.05	2011.29

Country	Index	Latest	Previous
Cyprus	CSE M&P Gen	68.46	68.68
Czech Republic	PX	1762.33	1754.20
Denmark	OMXC Copenahgen 20	2327.49	2394.95
Egypt	EGX 30	30520.71	30503.07
Estonia	OMX Tallinn	1734.61	1742.96
Finland	OMX Helsinki General	9335.97	9435.53
France	CAC 40	7294.37	7384.62
	SBF 120	5521.78	5500.84
Germany	M-DAX	25428.36	25847.51
	TecDAX	3432.85	3504.98
	XETRA Dax	19969.86	20242.57
Greece	Athens Gen	1456.28	1455.67
	FTSE/ASE 20	3546.39	3543.23
Hong Kong	Hang Seng	19752.51	19864.55
	HS China Enterprise	7152.13	7180.79
	HSCC Red Chip	3688.76	3714.38
Hungary	Bux	78665.14	79243.31
India	BSE Sensex	79218.05	80182.20
	Nifty 500	22752.15	22934.40
Indonesia	Jakarta Comp	6977.24	7107.88
Ireland	ISEQ Overall	9703.47	9728.61
Israel	Tel Aviv 125	2423.34	2410.22

Country	Index	Latest	Previous
Italy	FTSE Italia All-Share	35957.18	36609.40
	FTSE Italia Mid Cap	47066.81	47341.48
	FTSE MIB	33787.00	34400.99
Japan	2nd Section	7228.27	7239.06
	Nikkei 225	38813.58	39081.71
	S&P Topix 150	2388.33	2395.53
	Topix	2713.83	2719.87
Jordan	Amman SE	2408.69	2397.75
Kenya	NSE 20	1880.62	1888.29
Kuwait	KSX Market Index	6633.44	6603.51
Latvia	OMX Riga	865.49	864.67
Lithuania	OMX Vilnius	1068.74	1064.40
Luxembourg	LuxX	1291.42	1309.58
Malaysia	FTSE Bursa KLCI	1600.09	1599.58
Mexico	IPC	49573.31	49968.44
Morocco	MASI	14724.00	14769.95
Netherlands	AEX	878.83	892.66
	AEX All Share	1152.24	1172.91
New Zealand	NZX 50	12754.15	12865.55
Nigeria	SE All Share	97343.42	98255.72
Norway	Oslo All Share	1614.42	1619.46
Pakistan	KSE 100	106274.98	111070.29

Country	Index	Latest	Previous
Philippines	Manila Comp	6395.60	6469.08
Poland	Wig	79828.35	80225.59
Portugal	PSI 20	6291.11	6294.53
	PSI General	4113.33	4133.47
Romania	BET Index	16424.38	16760.96
Russia	Micex Index	2436.57	2445.30
	RTX	1245.71	1212.57
Saudi Arabia	TADAWUL All Share Index	11892.44	11961.05
Singapore	FTSE Straits Times	3762.88	3779.62
Slovakia	SAX	296.32	295.04
Slovenia	SBI TOP	-	-
South Africa	FTSE/JSE All Share	84465.35	85599.84
	FTSE/JSE Res 20	52772.33	53674.45
	FTSE/JSE Top 40	75920.25	77018.68
South Korea	Kospi	2435.33	2484.43
	Kospi 200	322.38	329.72
Spain	IBEX 35	11439.90	11617.90
Sri Lanka	CSE All Share	14654.26	14614.30
Sweden	OMX Stockholm 30	2481.10	2537.63
	OMX Stockholm AS	949.69	972.66
Switzerland	SMI Index	11414.34	11638.91

Country	Index	Latest	Previous
Taiwan	Weighted Stock Index	22932.25	23168.67
Thailand	Bangkok SET	1377.53	1398.95
Turkey	BIST 100	9765.12	9765.12
UAE	Abu Dhabi General Index	9222.93	9251.11
UK	FT 30	2861.90	2839.40
	FTSE 100	8105.32	8199.11
	FTSE 4Good UK	7381.14	7459.28
	FTSE All Share	4428.91	4478.99
	FTSE techMARK 100	6379.40	6473.51
USA	DJ Composite	13385.14	13328.43
	DJ Industrial	42516.33	42326.87
	DJ Transport	15948.72	15949.73
	DJ Utilities	976.03	965.04
	Nasdaq 100	21281.97	21209.32
	Nasdaq Cmp	19539.35	19392.69
	NYSE Comp	19022.17	18986.96
	S&P 500	5904.59	5872.16
	Wilshire 5000	42053.18	41446.59
Venezuela	IBC	104625.95	103830.62
Vietnam	VNI	1490.13	1507.99

Country	Index	Latest	Previous
Cross-Border	DJ Global Titans ($)	721.88	718.87
	Euro Stoxx 50 (Eur)	4881.49	4957.28
	Euronext 100 ID	1441.02	1460.65
	FTSE 4Good Global ($)	14603.18	14620.73
	FTSE All World ($)	554.93	556.23
	FTSE E300	2013.66	2044.90
	FTSE Eurotop 100	3971.21	4036.52
	FTSE Global 100 ($)	4061.48	4043.27
	FTSE Gold Min ($)	2075.66	2142.50
	FTSE Latibex Top (Eur)	4443.00	4432.20
	FTSE Multinationals ($)	3985.98	4085.71
	FTSE World ($)	1023.13	1022.25
	FTSEurofirst 100 (Eur)	5467.73	5547.41
	FTSEurofirst 80 (Eur)	6531.57	6630.92
	MSCI ACWI Fr ($)	845.44	864.02
	MSCI All World ($)	3723.41	3812.07
	MSCI Europe (Eur)	2037.30	2037.74
	MSCI Pacific ($)	3083.19	3103.48
	S&P Euro (Eur)	2124.77	2156.22
	S&P Europe 350 (Eur)	2059.47	2091.16
	S&P Global 1200 ($)	4065.45	4066.76
	Stoxx 50 (Eur)	4313.97	4390.87

(c) Closed. (u) Unavaliable. † Correction. ♥ Subject to offical 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	160.7	438.18	-1.95
Nvidia	73.4	130.22	1.31
Apple	32.9	249.89	1.84
Micron Technology	31.8	85.01	-18.90
Palantir	24.5	73.83	2.32
Broadcom	23.0	221.76	-1.86
Amazon.com	21.0	224.19	3.67
Meta Platforms	18.3	604.41	7.22
Microsoft	16.8	440.85	3.46
Alphabet	14.5	190.42	2.02

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Darden Restaurants	183.24	23.37	14.62
Accenture	371.48	23.87	6.87
Epam Systems	249.34	10.23	4.28
Carmax	84.60	3.18	3.91
Palantir	73.83	2.32	3.24
Downs			
Lamb Weston Holdings	62.38	-15.88	-20.28
Micron Technology	85.01	-18.90	-18.19
Vertex Pharmaceuticals	394.12	-53.38	-11.93
Cintas	186.48	-17.91	-8.76
Lam Research	70.56	-4.54	-6.17

Based on the constituents of the S&P500

LONDON

ACTIVE STOCKS	stock traded m's	close price	Day's change
Shell	285.6	2405.50	-13.50
Bp	200.4	379.05	-4.35
Hsbc Holdings	170.8	765.10	-2.80
Astrazeneca	168.8	10244.00	-108.00
Diageo	136.5	2525.50	7.00
Rio Tinto	124.2	4693.00	-64.00
Unilever	120.7	4581.00	-27.00
Barclays	116.5	260.25	-6.80
British American Tobacco	114.1	2894.00	-56.00
Gsk	103.8	1322.00	-12.00

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Serco	150.40	11.70	8.44
Integrafin Holdings	352.00	11.50	3.38
Just	164.40	3.80	2.37
Mitchells & Butlers	245.50	5.50	2.29
Metro Bank Holdings	96.40	2.10	2.23
Downs			
Wizz Air Holdings	1407.00	-95.00	-6.32
Amigo Holdings	0.40	-0.03	-5.88
Ceres Power Holdings	166.50	-9.00	-5.13
Baillie Gifford Us Growth Trust	278.00	-12.50	-4.30
Dr. Martens	73.20	-3.20	-4.19

Based on the constituents of the FTSE 350 index

EURO MARKETS

ACTIVE STOCKS	stock traded m's	close price	Day's change
Asml Holding	374.5	688.80	-28.50
Nestle N	232.0	79.45	-0.06
Novartis N	222.9	93.41	-1.06
Roche Gs	218.6	263.55	-10.09
Sap Se O.n.	191.1	237.30	-3.00
Ubs N	172.3	25.85	-0.95
Unicredit	155.8	37.81	-0.89
Novo Nordisk B A/s	151.8	99.25	-4.17
Zurich Insurance N	145.9	575.82	-12.02
Intesa Sanpaolo	128.4	3.86	-0.04

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Capgemini	157.10	2.95	1.91
Mercedes-benz Grp Na O.n.	53.81	0.32	0.60
Ing Groep N.v.	14.90	0.07	0.49
Volkswagen Ag Vzo O.n.	88.00	0.36	0.41
Pernod Ricard	108.15	0.15	0.14
Downs			
Stmicroelectronics	23.66	-1.46	-5.81
Abb Ltd N	52.32	-2.96	-5.36
Partners N	1306.50	-57.95	-4.25
Novo Nordisk B A/s	99.25	-4.17	-4.03
Asml Holding	688.80	-28.50	-3.97

Based on the constituents of the FTSEurofirst 300 Eurozone index

TOKYO

ACTIVE STOCKS	stock traded m's	close price	Day's change
Ihi	1913.9	8604.00	404.00
Disco	1599.1	42520.00	-840.00
Advantest	1542.7	8690.00	-70.00
Nissan Motor Co.,	1455.5	444.80	27.20
Mitsubishi Heavy Industries,	1432.7	2296.50	39.50
Kawasaki Heavy Industries,	1360.1	6570.00	206.00
Fujikura	1063.4	6244.00	-4.00
Lasertec	968.9	15200.00	-500.00
Softbank .	939.4	9025.00	-409.00
Mitsubishi Ufj Fin	859.1	1834.50	22.00

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Nissan Motor Co.,	444.80	27.20	6.51
Ihi	8604.00	404.00	4.93
Kawasaki Heavy Industries,	6570.00	206.00	3.24
Kawasaki Kisen Kaisha,	2142.50	50.00	2.39
Sumitomo Mitsui Fin	3744.00	85.00	2.32
Downs			
Rakuten	917.30	-79.50	-7.98
Nitori Holdings Co.,	18675.00	-1065.00	-5.40
Softbank .	9025.00	-409.00	-4.34
Tokyo Electric Power	444.30	-18.00	-3.89
Mitsubishi Motors	460.00	-18.20	-3.74

Based on the constituents of the Nikkei 225 index

UK MARKET WINNERS AND LOSERS

FTSE 100	Dec 19 price(p)	%Chg week	%Chg ytd
Winners			
Int Consolidated Airlines S.a.	302.00	3.5	94.1
Rolls-royce Holdings	579.60	0.7	92.5
London Stock Exchange	11450.00	0.7	23.5
Hsbc Holdings	765.10	0.5	20.4
Next	9782.00	0.1	19.9
Haleon	380.60	0.0	18.3
Sage	1305.50	-0.1	11.4
Hargreaves Lansdown	1094.50	-0.1	49.2
Reckitt Benckiser	4820.00	-0.4	-11.2
Smith (ds)	537.00	-0.4	74.7
Pearson	1265.50	-0.4	31.2
Beazley	812.00	-0.4	55.6
Losers			
Entain	713.60	-13.0	-28.2
Endeavour Mining	1421.00	-8.4	-19.1
Bunzl	3256.00	-7.9	2.1
Anglo American	2338.00	-7.3	19.9
Fresnillo	631.50	-7.1	6.2
Antofagasta	1586.00	-6.8	5.6
Glencore	354.10	-6.3	-24.8
Rio Tinto	4693.00	-6.1	-19.5
Spirax	6955.00	-5.8	-34.1
Convatec	222.20	-5.6	9.0
Persimmon	1207.00	-5.5	-13.1
Segro	682.00	-5.3	-23.0

FTSE 250	Dec 19 price(p)	%Chg week	%Chg ytd
Winners			
Goodwin	7460.00	11.3	29.5
Serco	150.40	5.2	-7.2
Metro Bank Holdings	96.40	4.8	160.5
Trustpilot	307.00	4.8	106.7
Raspberry Pi Holdings	508.00	4.1	-
3i Infrastructure	320.00	3.1	-0.5
Just	164.40	3.0	89.3
Pphe Hotel	1345.00	2.7	12.1
Chrysalis Investments	100.60	2.4	29.5
Ncc	144.40	2.4	12.1
Caledonia Investments	3505.00	2.2	-1.4
Hilton Food	924.00	2.0	15.2
Losers			
Amigo Holdings	0.40	-11.1	112.0
Hollywood Bowl	301.00	-10.9	-2.1
Chemring	321.50	-10.9	-8.3
Integrafin Holdings	352.00	-10.0	16.1
Wizz Air Holdings	1407.00	-9.3	-36.0
Pets At Home	208.60	-8.9	-34.4
Int Workplace	151.60	-8.6	-19.9
Essentra	131.20	-8.4	-22.6
Osb	393.00	-8.1	-15.9
Genus	1516.00	-7.9	-30.1
Pagegroup	335.60	-6.7	-31.0
Safestore Holdings	646.00	-6.6	-26.9

FTSE SmallCap	Dec 19 price(p)	%Chg week	%Chg ytd
Winners			
Capricorn Energy	285.50	9.2	32.1
Ricardo	428.00	7.3	-12.7
Lindsell Train Investment Trust	786.00	5.2	-9.7
Enquest	11.30	5.0	-25.1
Invesco Bond Income Plus	173.00	4.2	1.2
Treatt	486.00	4.1	-3.4
Galliford Try Holdings	382.00	3.8	69.3
Petra Diamonds	29.00	3.6	-58.6
Xp Power	1288.00	3.0	-5.0
Majedie Investments	257.00	2.8	15.4
Vpc Specialty Lending Investments	30.40	2.7	-54.1
Sabre Insurance	140.40	2.6	-7.3
Losers			
Abrdn Property Income Trust	6.31	-89.6	-88.0
Videndum	162.00	-40.9	-48.9
Tullow Oil	21.00	-19.2	-46.1
Capita	14.26	-17.1	-35.7
Diversified Energy	1183.00	-9.6	6.1
Newriver Reit	72.70	-9.5	-10.7
Zotefoams	300.00	-9.1	-10.4
De La Rue	102.00	-8.9	18.2
Speedy Hire	27.90	-8.7	-15.2
Synthomer	160.00	-8.6	-15.7
Record	54.40	-8.4	-23.4
Hostelworld	129.00	-8.2	5.5

Industry Sectors	Dec 19 price(p)	%Chg week	%Chg ytd
Winners			
General Financial	17768.58	0.1	21.3
Health Care Equip.& Services	10692.12	-0.7	-0.9
Banks	4837.36	-0.8	31.3
General Retailers	4640.03	-1.1	23.2
Nonlife Insurance	3913.14	-1.1	16.4
Aerospace & Defense	11687.52	-1.3	36.2
Food & Drug Retailers	4463.47	-1.4	11.1
Software & Computer Services	2651.33	-1.5	9.6
Beverages	20791.89	-1.5	-7.8
Electronic & Electrical Equip.	10080.29	-1.7	1.3
Automobiles & Parts	1128.75	-1.9	-29.1
Travel & Leisure	9168.26	-2.1	21.7
Losers			
Mining	10197.24	-7.9	2.5
Industrial Metals	5796.68	-6.5	-15.0
Real Estate Investment Trusts	1963.00	-4.5	-18.3
Electricity	9898.05	-4.4	-10.5
Industrial Engineering	12422.24	-4.3	-12.6
Industrial Transportation	3770.59	-4.2	-5.5
Oil & Gas Producers	7659.88	-4.2	-10.8
General Industrials	7389.68	-4.0	8.8
Life Insurance	5408.12	-3.5	-13.4
Chemicals	7020.60	-3.5	-26.8
Support Services	10568.18	-3.5	-0.1
Household Goods	10918.29	-3.4	-16.7

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

CURRENCIES

Dec 19	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	1022.2427	0.4971	1060.9901	-8.9791	1282.6615	-13.9865
Australia	Australian Dollar	1.5991	0.0132	1.6597	-0.0011	2.0065	-0.0061
Bahrain	Bahrainin Dinar	0.3773	0.0001	0.3915	-0.0035	0.4734	-0.0053
Bolivia	Bolivian Boliviano	6.9100	-	7.1719	-0.0642	8.6703	-0.0988
Brazil	Brazilian Real	6.1376	-0.0474	6.3702	-0.1067	7.7011	-0.1480
Canada	Canadian Dollar	1.4369	0.0044	1.4913	-0.0087	1.8029	-0.0150
Chile	Chilean Peso	994.7550	4.9850	1032.4606	-4.0238	1248.1713	-7.8981
China	Chinese Yuan	7.2992	0.0136	7.5758	-0.0536	9.1586	-0.0872
Colombia	Colombian Peso	4403.3400	39.6150	4570.2461	0.5639	5525.1030	-12.6916
Costa Rica	Costa Rican Colon	504.4900	1.3950	523.6123	-3.2274	633.0100	-5.4435
Czech Republic	Czech Koruna	24.2317	0.2358	25.1501	0.0217	30.4047	-0.0473
Denmark	Danish Krone	7.1883	0.0637	7.4607	0.0000	9.0195	-0.0219
Egypt	Egyptian Pound	50.9182	0.0753	52.8482	-0.3943	63.8897	-0.6325
Hong Kong	Hong Kong Dollar	7.7722	0.0008	8.0667	-0.0714	9.7521	-0.1101
Hungary	Hungarian Forint	400.1108	6.4897	415.2767	3.0778	502.0400	2.5145
India	Indian Rupee	85.0838	0.1262	88.3088	-0.6585	106.7590	-1.0564

Dec 19	Currency	DOLLAR Closing Mid	DOLLAR Day's Change	EURO Closing Mid	EURO Day's Change	POUND Closing Mid	POUND Day's Change
Indonesia	Indonesian Rupiah	16290.0000	200.0000	16907.4856	58.0588	20439.9495	20.8682
Israel	Israeli Shekel	3.6490	0.0629	3.7873	0.0319	4.5785	0.0276
Japan	Japanese Yen	157.6950	3.6450	163.6723	2.3516	197.8682	2.3708
..One Month		157.6944	3.6437	163.6719	2.3507	197.8673	2.3691
..Three Month		157.6933	3.6416	163.6712	2.3493	197.8659	2.3662
..One Year		157.6888	3.6328	163.6691	2.3452	197.8673	2.3617
Kenya	Kenyan Shilling	129.2500	-	134.1491	-1.2011	162.1767	-1.8482
Kuwait	Kuwaiti Dinar	0.3083	0.0007	0.3200	-0.0022	0.3868	-0.0036
Malaysia	Malaysian Ringgit	4.5055	0.0355	4.6763	-0.0047	5.6533	-0.0194
Mexico	Mexican Peso	20.4965	0.3470	21.2734	0.1729	25.7180	0.1473
New Zealand	New Zealand Dollar	1.7701	0.0220	1.8372	0.0066	2.2210	0.0026
Nigeria	Nigerian Naira	1540.0000	2.5000	1598.3727	-11.6931	1932.3190	-18.8480
Norway	Norwegian Krone	11.4009	0.1575	11.8330	0.0589	14.3053	0.0368
Pakistan	Pakistani Rupee	278.3000	0.1000	288.8488	-2.4815	349.1976	-3.8526
Peru	Peruvian Nuevo Sol	3.7371	0.0005	3.8788	-0.0342	4.6891	-0.0528
Philippines	Philippine Peso	58.9975	0.0075	61.2338	-0.5404	74.0273	-0.8341

Dec 19	Currency	DOLLAR Closing Mid	DOLLAR Day's Change	EURO Closing Mid	EURO Day's Change	POUND Closing Mid	POUND Day's Change
Poland	Polish Zloty	4.0991	0.0271	4.2545	-0.0097	5.1434	-0.0242
Romania	Romanian Leu	4.7946	0.0451	4.9763	0.0027	6.0160	-0.0113
Russia	Russian Ruble	104.0000	-0.4250	107.9420	-1.4115	130.4942	-2.0265
Saudi Arabia	Saudi Riyal	3.7593	0.0018	3.9018	-0.0330	4.7170	-0.0515
Singapore	Singapore Dollar	1.3608	0.0079	1.4123	-0.0044	1.7074	-0.0094
South Africa	South African Rand	18.4000	0.3262	19.0974	0.1707	23.0874	0.1509
South Korea	South Korean Won	1451.8500	15.9500	1506.8815	3.2109	1821.7123	-0.5192
Sweden	Swedish Krona	11.0179	0.0501	11.4355	-0.0500	13.8247	-0.0940
Switzerland	Swiss Franc	0.8978	0.0049	0.9319	-0.0032	1.1266	-0.0066
Taiwan	New Taiwan Dollar	32.7200	0.2410	33.9602	-0.0517	41.0555	-0.1620
Thailand	Thai Baht	34.5450	0.2925	35.8544	-0.0147	43.3454	-0.1228
Tunisia	Tunisian Dinar	3.1893	0.0213	3.3102	-0.0073	4.0018	-0.0186
Turkey	Turkish Lira	35.0980	0.0798	36.4284	-0.2426	44.0393	-0.4007
United Arab Emirates	UAE Dirham	3.6730	-	3.8122	-0.0341	4.6087	-0.0525
United Kingdom	Pound Sterling	0.7970	0.0090	0.8272	0.0020	-	-
..One Month		0.7969	0.0090	0.8270	0.0020	-	-

Dec 19	Currency	DOLLAR Closing Mid	DOLLAR Day's Change	EURO Closing Mid	EURO Day's Change	POUND Closing Mid	POUND Day's Change
..Three Month		0.7969	0.0090	0.8268	0.0020	-	-
..One Year		0.7967	0.0091	0.8253	0.0020	-	-
United States	United States Dollar	-	-	1.0379	-0.0093	1.2548	-0.0143
..One Month		-	-	1.0378	-0.2311	1.2547	-0.0143
..Three Month		-	-	1.0375	-0.2312	1.2547	-0.0143
..One Year		-	-	1.0358	-0.2312	1.2545	-0.0142
Vietnam	Vietnamese Dong	25462.5000	7.5000	26427.6899	-228.7407	31949.1880	-354.6229
European Union	Euro	0.9635	0.0085	-	-	1.2089	-0.0029
..One Month		0.9633	0.0086	-	-	1.2088	-0.0029
..Three Month		0.9631	0.0085	-	-	1.2085	-0.0029
..One Year		0.9613	0.0085	-	-	1.2071	-0.0029

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 Dec 19	Day's chge%	Euro Index	£ Strlg Dec 18	£ Strlg Dec 17	Year ago	Div yield%	Cover	P/E ratio	X/D adj	Total Return
FTSE 100 (100)	8105.32	-1.14	7640.88	8199.11	8195.20	7638.03	3.66	2.02	13.52	296.01	8987.29
FTSE 250 (250)	20399.38	-0.98	19230.48	20601.99	20542.86	19315.98	3.33	2.20	13.66	645.76	18146.20
FTSE 250 ex Inv Co (166)	21344.49	-0.89	20121.43	21537.12	21474.53	20117.68	3.42	1.73	16.93	688.76	19407.57
FTSE 350 (350)	4471.69	-1.12	4215.45	4522.45	4518.85	4216.54	3.62	2.04	13.54	160.24	9825.04
FTSE 350 ex Investment Trusts (263)	4411.66	-1.11	4158.87	4461.09	4458.07	4160.62	3.67	1.94	14.03	160.52	5015.11
FTSE 350 Higher Yield (124)	3747.90	-1.02	3533.14	3786.67	3780.35	3557.46	5.17	1.98	9.76	193.49	9588.33
FTSE 350 Lower Yield (226)	4766.93	-1.22	4493.78	4825.87	4826.26	4463.44	2.06	2.19	22.18	94.33	6127.36
FTSE SmallCap (200)	6756.81	-0.88	6369.64	6817.10	6822.31	6290.18	4.34	1.31	17.64	251.89	12252.37
FTSE SmallCap ex Inv Co (102)	5774.33	-0.87	5443.45	5824.73	5836.89	5225.11	4.58	0.22	98.25	214.75	10884.40
FTSE All-Share (550)	4428.91	-1.12	4175.12	4478.99	4475.55	4175.13	3.63	2.03	13.60	158.81	9826.32
FTSE All-Share ex Inv Co (365)	4334.72	-1.11	4086.33	4383.18	4380.33	4086.29	3.68	1.92	14.15	157.73	5002.95
FTSE All-Share ex Multinationals (497)	1202.26	-1.23	939.87	1217.29	1214.56	1119.90	3.79	2.32	11.41	43.53	2771.61
FTSE Fledgling (54)	11292.54	0.08	10645.46	11283.94	11238.00	10833.03	2.98	-1.34	-25.05	331.74	26037.46
FTSE Fledgling ex Inv Co (22)	17336.48	0.13	16343.08	17314.55	17192.93	16555.82	2.99	0.47	71.41	511.03	38719.31
FTSE All-Small (254)	4689.05	-0.85	4420.37	4729.32	4732.15	4368.35	4.29	1.24	18.74	173.38	10899.44
FTSE All-Small ex Inv Co (124)	4348.39	-0.84	4099.22	4385.18	4393.27	3938.80	4.54	0.23	97.27	160.92	10375.79
FTSE AIM All-Share (604)	711.78	-1.06	671.00	719.42	722.04	745.39	2.18	1.53	29.99	13.95	869.15
FTSE All-Share Technology (15)	2793.19	-1.23	2416.26	2827.92	2815.08	2509.74	1.71	1.91	30.58	43.45	4189.35
FTSE All-Share Telecommunications (6)	1270.35	-0.47	1098.92	1276.32	1279.41	1190.43	6.61	1.40	10.81	77.66	2249.00
FTSE All-Share Health Care (10)	13743.57	-0.99	11888.90	13880.34	14003.94	13883.84	2.72	1.46	25.24	373.44	13367.29
FTSE All-Share Financials (250)	5724.86	-0.98	4952.30	5781.39	5751.77	4786.29	4.11	2.51	9.67	232.16	6984.15
FTSE All-Share Real Estate (45)	746.31	-2.32	675.37	764.06	763.34	858.62	4.93	0.36	56.59	36.60	861.90
FTSE All-Share Consumer Discretionary (74)	5909.86	-1.47	5112.33	5998.13	5970.74	5364.87	2.27	0.84	52.65	124.48	6560.63
FTSE All-Share Consumer Staples (25)	18946.68	-0.69	16389.86	19077.71	19148.99	17065.70	4.18	1.59	15.01	787.01	19026.60
FTSE All-Share Industrials (82)	8424.05	-1.60	7287.24	8560.95	8513.75	7497.99	1.87	2.40	22.21	163.79	10182.65
FTSE All-Share Basic Materials (20)	6856.29	-2.05	5931.05	6999.95	7048.43	7975.42	4.43	2.29	9.87	302.01	10337.17
FTSE All-Share Energy (15)	7916.73	-0.72	6848.38	7974.33	7941.16	8759.89	5.07	2.55	7.74	401.92	10510.87
FTSE All-Share Utilities (8)	8536.39	-0.36	7384.42	8567.30	8635.40	9108.48	4.56	2.38	9.24	391.40	14320.90
FTSE All-Share Software and Computer Services (13)	3036.02	-1.23	2626.31	3073.80	3060.34	2725.42	1.70	1.97	29.88	46.59	4815.37
FTSE All-Share Technology Hardware and Equipment (2)	2909.09	-1.16	2516.51	2943.19	2898.92	3787.43	2.57	-0.63	-61.63	171.93	4086.20
FTSE All-Share Telecommunications Equipment (1)	398.57	-0.39	344.78	400.13	395.66	261.54	0.00	0.00	98.92	0.00	591.23
FTSE All-Share Telecommunications Service Providers (5)	1968.95	-0.47	1703.24	1978.25	1984.05	1866.13	6.86	1.39	10.46	124.91	3188.74
FTSE All-Share Health Care Providers (1)	11335.28	-0.88	9805.60	11436.03	11360.47	11209.33	1.16	2.62	33.04	105.80	10645.79
FTSE All-Share Medical Equipment and Services (2)	5034.55	-1.12	4355.14	5091.75	5080.77	5430.67	2.76	0.65	56.11	138.75	5121.23
FTSE All-Share Pharmaceuticals and Biotechnology (7)	19694.33	-0.98	17036.61	19888.95	20078.10	19827.49	2.72	1.50	24.54	535.81	17251.77
FTSE All-Share Banks (11)	4771.48	-0.95	4127.58	4817.09	4758.58	3524.37	5.19	2.62	7.34	245.47	4781.32
FTSE All-Share Finance and Credit Services (8)	15189.77	-0.37	13139.94	15246.19	15330.28	12496.35	1.43	1.51	46.50	216.46	21194.32
FTSE All-Share Investment Banking and Brokerage Services (34)	11994.14	-1.28	10375.55	12149.34	12123.17	9618.42	3.64	2.21	12.42	433.85	18568.02
FTSE All-Share Closed End Investments (185)	12270.97	-1.31	10615.02	12433.72	12402.21	11565.20	2.93	4.00	8.55	342.35	8153.66
FTSE All-Share Life Insurance (6)	5506.99	-0.82	4763.83	5552.32	5568.99	6210.45	6.27	0.62	25.53	345.10	7509.80
FTSE All-Share Nonlife Insurance (6)	4412.20	-0.05	3816.78	4414.23	4438.64	3786.39	3.09	2.11	15.32	116.50	9897.28
FTSE All-Share Real Estate Investment and Services (9)	2340.93	-1.79	2025.03	2383.62	2396.70	2171.57	1.99	0.92	54.49	42.80	7317.17
FTSE All-Share Real Estate Investment Trusts (36)	1779.14	-2.43	1539.05	1823.48	1819.37	2133.56	5.54	0.32	57.04	99.31	2987.31
FTSE All-Share Automobiles and Parts (3)	1134.54	-0.42	981.43	1139.28	1131.75	1513.50	4.34	-1.37	-16.78	47.25	1243.73
FTSE All-Share Consumer Services (1)	4360.02	-1.05	3771.65	4406.18	4404.53	3435.27	1.67	1.71	34.97	72.89	5747.89
FTSE All-Share Household Goods and Home Construction (10)	9081.45	-1.69	7855.93	9237.64	9226.40	10720.93	3.96	1.68	15.01	351.42	8959.64
FTSE All-Share Leisure Goods (2)	36593.73	-1.07	31655.47	36988.43	36997.63	26794.10	3.14	1.22	26.21	1148.24	44509.68
FTSE All-Share Personal Goods (3)	13261.50	-1.18	11471.88	13419.69	13427.49	19243.19	4.52	0.65	34.18	431.57	11115.10
FTSE All-Share Media (10)	13264.55	-1.94	11474.53	13527.53	13442.71	11276.85	2.18	-0.99	-46.28	287.41	9795.98
FTSE All-Share Retailers (21)	2345.55	-1.08	2029.02	2371.09	2355.76	2473.25	3.01	2.11	15.77	65.83	3227.13
FTSE All-Share Travel and Leisure (24)	8988.08	-1.20	7775.15	9097.39	9044.72	7376.96	1.33	2.73	27.57	93.97	9493.46
FTSE All-Share Beverages (5)	20880.55	0.21	18062.76	20835.95	20957.34	22450.63	3.10	1.55	20.84	627.81	17666.20
FTSE All-Share Food Producers (9)	7909.03	-1.03	6841.72	7991.09	7944.16	7473.96	2.54	2.75	14.31	196.02	8077.38
FTSE All-Share Tobacco (2)	34144.24	-1.24	29536.53	34571.89	34480.38	26415.73	7.51	1.64	8.14	2554.23	38551.33
FTSE All-Share Construction and Materials (15)	12543.03	-0.63	10850.37	12622.91	12569.68	9552.54	2.97	2.26	14.89	376.77	16354.12
FTSE All-Share Aerospace and Defense (8)	12241.39	-0.92	10589.44	12354.75	12244.71	8751.68	1.13	4.05	21.81	139.27	15386.94
FTSE All-Share Electronic and Electrical Equipment (11)	11790.61	-2.12	10199.49	12046.38	11928.86	11542.93	1.60	2.29	27.27	189.22	12064.81
FTSE All-Share General Industrials (7)	5944.12	-1.85	5141.98	6056.46	6068.98	5454.72	3.03	1.49	22.14	200.65	8427.21
FTSE All-Share Industrial Engineering (6)	13410.34	-1.64	11600.64	13633.68	13596.08	15301.42	2.37	1.84	22.87	319.15	18794.16
FTSE All-Share Industrial Support Services (27)	10208.11	-1.92	8830.54	10407.70	10396.19	10130.24	2.17	1.43	32.20	224.64	12270.21
FTSE All-Share Industrial Transportation (8)	5724.26	-2.75	4951.78	5886.08	5813.21	5940.31	1.90	4.18	12.61	105.88	6209.46
FTSE All-Share Industrial Materials (1)	15002.80	-2.60	493.04	15402.87	16253.03	17453.26	2.43	2.80	14.71	364.07	19645.69
FTSE All-Share Industrial Metals and Mining (8)	6251.29	-2.14	5407.69	6387.86	6433.20	7241.22	4.51	2.41	9.19	282.14	10677.81
FTSE All-Share Precious Metals and Mining (4)	9692.79	-1.46	8384.76	9836.13	9856.11	9580.93	3.02	1.45	22.87	276.70	7270.49
FTSE All-Share Chemicals (7)	7737.42	-1.19	6693.27	7830.93	7880.22	10381.23	3.98	0.79	31.74	307.19	8238.99
FTSE All-Share Oil, Gas and Coal (14)	7691.68	-0.72	6653.70	7747.31	7715.32	8510.91	5.07	2.55	7.72	390.84	10591.38
FTSE Sector Indices											
Non Financials (300)	**5157.19**	**-1.17**	**4861.67**	**5218.18**	**5222.38**	**5060.51**	**3.46**	**1.82**	**15.94**	**176.21**	**10017.47**

Hourly movements	8.00	9.00	10.00	11.00	12.00	13.00	14.00	15.00	16.00	High/day	Low/day
FTSE 100	8346.75	8346.27	8341.27	8359.65	8345.95	8336.98	8331.93	8356.28	8354.92	8365.15	8326.83
FTSE 250	20434.41	20439.13	20429.32	20430.92	20434.39	20407.98	20379.30	20419.95	20447.74	20491.99	20378.45
FTSE SmallCap	6630.05	6633.65	6631.83	6633.16	6641.41	6635.72	6632.59	6632.47	6639.74	6647.90	6624.73
FTSE All-Share	4536.91	4538.92	4536.30	4544.82	4538.74	4533.75	4530.53	4542.93	4543.24	4547.23	4528.35

Time of FTSE 100 Day's high:14:14:00 Day's Low12:51:45 FTSE 100 2010/11 High: 8313.67(07/05/2024) Low: 7446.29(17/01/2024)
Time of FTSE All-Share Day's high:14:14:00 Day's Low12:52:00 FTSE 100 2010/11 High: 4522.99(07/05/2024) Low: 4072.19(17/01/2024)
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FT 30 INDEX

	May 08	May 07	May 06	May 03	May 02	Yr Ago	High	Low
FT 30	2861.90	2839.40	2813.00	2788.60	2775.30	0.00	2857.50	2639.70
FT 30 Div Yield	-	-	-	-	-	0.00	3.93	2.74
P/E Ratio net	-	-	-	-	-	0.00	19.44	14.26

FT 30 hourly changes

8	9	10	11	12	13	14	15	16	High	Low
2839.4	2850	2849	2853.9	2850.2	2848.9	2845.9	2856.8	2857.3	2861.9	2839.4

FT30 constituents and recent additions/deletions can be found at www.ft.com/ft30

FT WILSHIRE 5000 INDEX SERIES

	Dec 18		Dec 18
FT Wilshire 5000	58910.10	FT Wilshire Mid Cap	6712.71
FT Wilshire 2500	7573.11	FT Wilshire Small Cap	6291.48
FT Wilshire Mega Cap	7972.80	FT Wilshire Micro Cap	5403.10
FT Wilshire Large Cap	7755.52		

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FTSE SECTORS: LEADERS & LAGGARDS

Year to date percentage changes

Leisure Goods	38.33	Technology	7.25	Health Care	-2.96
Industrial Transport	37.42	Consumer Goods	7.13	Mobile Telecomms	-3.62
Aerospace & Defense	36.16	Food & Drug Retailer	7.02	Gas Water & Multi	-5.18
Banks	31.38	Software & Comp Serv	6.92	Utilities	-6.40
Tobacco	30.34	Food Producers	5.38	Beverages	-7.54
Construct & Material	27.25	FTSE SmallCap Index	5.16	Industrial Eng	-8.01
Financial Services	22.22	FTSE 100 Index	4.81	Health Care Eq & Srv	-8.89
Travel & Leisure	21.41	FTSE All{HY-}Share Index	4.65	Electricity	-10.23
Fixed Line Telecomms	16.91	Equity Invest Instr	3.99	Oil & Gas Producers	-10.46
Personal Goods	16.85	FTSE 250 Index	3.60	Oil & Gas	-10.73
Nonlife Insurance	16.24	Telecommunications	3.42	Life Insurance	-13.32
Media	16.13	Real Est Invest & Se	2.78	Household Goods & Ho	-13.43
Financials	13.68	General Retailers	1.15	Mining	-14.39
Consumer Services	13.54	NON FINANCIALS Index	0.79	Basic Materials	-15.08
Tech Hardware & Eq	11.51	Industrial Transport	32.39	Real Est Invest & Tr	-17.72
Industrials	11.16	Electronic & Elec Eq	-0.08	Chemicals	-25.38
Industrial Metals &	7.59	Support Services	-1.41	Automobiles & Parts	-28.94
		Pharmace & Biotech	-2.62	Oil Equipment & Serv	-46.66

FTSE GLOBAL EQUITY INDEX SERIES

Dec 18 Regions & countries	No of stocks	US $ indices	Day %	Mth %	YTD %	Total retn	YTD %	Gr Div Yield	Dec 18 Sectors	No of stocks	US $ indices	Day %	Mth %	YTD %	Total retn	YTD %	Gr Div Yield
FTSE Global All Cap	10084	936.00	-2.1	-0.1	15.1	1566.03	17.4	1.8	Basic Materials	415	561.61	-1.5	-4.9	-12.1	1106.92	-9.5	3.3
FTSE Global Large Cap	1837	867.78	-2.0	0.7	17.7	1496.02	19.9	1.8	Chemicals	198	747.90	-1.4	-4.1	-11.2	1395.46	-9.3	2.6
FTSE Global Mid Cap	2409	1093.61	-2.4	-2.6	8.9	1726.34	11.3	2.2	Forestry & Paper	17	241.03	-2.1	-3.1	-8.5	527.32	-5.2	3.7
FTSE Global Small Cap	5838	1122.00	-2.8	-1.7	7.3	1684.95	9.2	1.9	Industrial Metals & Mining	115	477.72	-2.0	-7.4	-17.5	985.79	-14.7	3.7
FTSE All-World	4245	556.23	-2.1	0.0	16.0	985.79	18.3	1.8	Mining	85	874.06	-1.5	-4.6	-10.2	1859.24	-6.7	3.9
FTSE World	2545	1022.25	-2.2	-0.1	16.3	2430.12	18.5	1.8	Industrials	851	644.50	-1.7	-2.0	12.0	1069.49	13.9	1.7
FTSE Global All Cap ex UNITED KINGDOM In	9823	993.32	-2.2	-0.2	15.5	1627.92	17.6	1.8	Construction & Materials	155	774.11	-1.5	-2.8	7.4	1356.80	9.3	1.7
FTSE Global All Cap ex USA	8400	574.75	-0.3	0.7	4.4	1087.53	7.4	2.9	Aerospace & Defense	41	1210.98	-1.4	-0.6	16.2	1947.27	17.7	1.3
FTSE Global All Cap ex JAPAN	8665	982.71	-2.2	-0.2	15.8	1658.03	18.0	1.8	General Industrials	75	363.60	-2.0	-3.2	23.7	672.55	26.1	1.7
FTSE Global All Cap ex Eurozone	9463	998.81	-2.3	-0.3	16.3	1631.63	18.4	1.7	Electronic & Electrical Equipment	184	787.33	-1.2	0.1	16.5	1166.23	18.1	1.3
FTSE Developed	2018	941.60	-2.3	-0.1	16.5	1583.16	18.7	1.7	Industrial Engineering	172	1303.44	-1.8	-1.4	10.4	2158.11	12.3	1.8
FTSE Developed All Cap	5535	969.08	-2.4	-0.3	15.7	1605.01	17.8	1.8	Industrial Transportation	140	933.84	-1.3	-4.0	-6.3	1615.68	-3.9	2.8
FTSE Developed Large Cap	700	908.19	-2.2	0.6	18.3	1552.96	20.4	1.7	Support Services	83	679.40	-2.4	-2.4	14.5	1043.01	16.1	1.3
FTSE Developed Europe Large Cap	190	453.43	-0.1	1.6	2.4	959.29	5.7	3.1	Consumer Goods	562	626.43	-2.2	4.5	5.7	1109.25	8.3	2.4
FTSE Developed Europe Mid Cap	330	673.98	-0.1	0.7	1.5	1236.34	4.9	3.3	Automobiles & Parts	135	770.01	-4.3	13.7	25.3	1306.75	28.2	1.6
FTSE Dev Europe Small Cap	714	870.88	0.3	0.2	-2.6	1532.79	0.4	3.3	Beverages	72	683.78	-1.1	-0.5	-8.6	1225.62	-6.2	2.9
FTSE North America Large Cap	188	1308.93	-2.9	0.5	25.3	2028.29	27.0	1.2	Food Producers	133	615.74	-1.5	-2.4	-11.8	1121.22	-9.2	3.2
FTSE North America Mid Cap	407	1398.04	-3.3	-3.9	12.5	2018.40	14.5	1.8	Household Goods & Home Construction	58	635.50	-1.0	-2.3	8.2	1125.20	10.7	2.3
FTSE North America Small Cap	1248	1383.60	-4.0	-3.0	10.7	1903.78	12.3	1.4	Leisure Goods	54	316.56	-2.0	6.9	13.7	460.74	15.1	1.1
FTSE North America	595	824.81	-3.0	-0.4	22.8	1308.55	24.5	1.3	Personal Goods	100	895.72	-0.9	4.7	-6.7	1435.21	-4.9	2.0
FTSE Developed ex North America	1423	305.29	-0.2	0.9	1.8	622.29	4.8	3.0	Tobacco	10	1157.90	-0.8	-2.8	27.5	3745.08	33.8	5.7
FTSE Japan Large Cap	147	467.94	-0.7	1.5	6.2	721.03	8.4	2.2	Health Care	346	753.92	-1.0	-1.5	1.1	1246.56	2.8	1.8
FTSE Japan Mid Cap	343	502.21	-0.4	1.6	1.4	871.32	3.9	2.6	Health Care Equipment & Services	127	1411.24	-0.8	-5.1	-0.3	1760.13	0.6	1.1
FTSE Global wi JAPAN Small Cap	924	665.63	-0.5	2.4	0.1	1021.44	2.8	2.8	Pharmaceuticals & Biotechnology	219	516.06	-1.2	1.0	2.0	926.48	4.3	2.3
FTSE Japan	495	188.59	-0.6	1.5	5.2	325.71	7.5	2.3	Consumer Services	410	772.21	-2.4	1.8	21.8	1130.24	23.2	1.0
FTSE Asia Pacific Large Cap ex Japan	1106	773.39	0.2	0.7	10.1	1494.58	13.0	2.5	Food & Drug Retailers	60	300.45	-0.2	-3.3	-5.1	503.19	-2.7	2.6
FTSE Asia Pacific Mid Cap ex Japan	1027	1116.52	0.2	0.1	4.3	2074.19	6.9	2.9	General Retailers	133	1470.05	-2.8	3.2	28.6	2048.36	29.7	0.7
FTSE Asia Pacific Small Cap ex Japan	2635	627.87	0.0	2.3	3.8	1125.16	5.9	2.1	Media	74	462.90	-2.2	0.9	26.9	682.59	28.4	1.1
FTSE Asia Pacific Ex Japan	2133	616.91	0.2	0.6	9.4	1266.66	12.3	2.6	Travel & Leisure	143	584.11	-2.1	-0.5	9.9	877.65	11.5	1.4
FTSE Emerging All Cap	4548	829.59	0.0	1.3	10.5	1537.69	13.6	2.7	Telecommunication	75	147.32	-1.1	-1.6	10.6	379.79	15.4	4.1
FTSE Emerging Large Cap	1137	764.22	0.1	1.3	12.4	1426.02	15.6	2.7	Fixed Line Telecommuniations	27	106.20	-1.1	-2.2	5.6	321.81	11.4	5.1
FTSE Emerging Mid Cap	1091	1186.51	-0.1	0.4	2.4	2212.67	5.3	3.1	Mobile Telecommunications	43	181.23	-1.2	-1.4	13.1	397.92	17.4	3.6
FTSE Emerging Small Cap	2320	912.95	-0.2	2.7	5.1	1606.98	7.7	2.3	Utilities	215	346.63	-1.6	-5.1	8.3	872.11	12.0	3.4
FTSE Emerging Europe	169	154.33	-0.7	3.0	10.2	349.55	14.1	3.2	Electricity	157	399.34	-1.7	-5.3	11.1	984.68	14.6	3.1
FTSE Latin America All Cap	241	617.47	-2.3	-8.6	-29.5	1392.14	-25.3	7.5	Gas Water & Multiutilities	59	326.90	-1.4	-4.6	1.6	861.83	5.9	4.1
FTSE Middle East and Africa All Cap	350	787.70	0.2	2.6	7.5	1553.44	11.5	3.4	Financials	843	341.69	-1.9	-2.8	17.5	703.23	21.2	2.9
FTSE Global wi UNITED KINGDOM All Cap In	261	371.44	-0.1	1.4	6.5	819.54	10.3	3.5	Banks	280	262.01	-1.4	-2.0	19.7	617.25	25.2	4.1
FTSE Global wi USA All Cap	1684	1406.31	-3.1	-0.6	22.1	2100.53	23.7	1.3	Nonlife Insurance	73	509.13	-1.5	-3.3	23.3	901.06	26.7	2.5
FTSE Europe All Cap	1463	509.38	-0.1	1.3	1.9	1034.35	5.2	3.2	Life Insurance	49	245.27	-1.0	-4.0	9.7	513.22	14.3	3.9
FTSE Eurozone All Cap	621	504.02	0.0	1.6	1.7	1015.00	5.0	3.2	Financial Services	213	623.57	-2.6	-2.6	22.4	979.46	24.2	1.3
FTSE EDHEC-Risk Efficient All-World	4245	560.34	-2.0	-2.4	8.2	929.72	10.8	2.4	Technology	383	928.25	-2.6	3.7	33.6	1232.67	34.5	0.7
FTSE EDHEC-Risk Efficient Developed Europe	520	366.39	-0.1	0.2	0.9	689.22	4.3	3.4	Software & Computer Services	175	1329.64	-3.4	4.4	26.9	1528.70	27.7	0.6
Oil & Gas	139	395.42	-1.7	-9.0	-3.2	884.64	0.8	4.3	Technology Hardware & Equipment	207	867.02	-1.9	3.0	40.5	1245.19	41.7	0.8
Oil & Gas Producers	87	383.95	-1.5	-9.5	-7.1	884.61	-3.2	4.6	Alternative Energy	25	126.55	-0.9	1.5	2.4	182.88	2.7	0.3
Oil Equipment & Services	27	321.86	-2.7	-8.8	14.5	653.77	19.4	4.0	Real Estate Investment & Services	133	258.32	-1.3	0.0	0.7	530.69	3.3	2.5
									Real Estate Investment Trusts	100	455.16	-3.2	-6.0	-1.9	1158.88	1.7	4.0

The FTSE Global Equity Series, launched in 2003, contains the FTSE Global Small Cap Indices and broader FTSE Global All Cap Indices (large/mid/small cap) as well as the enhanced FTSE All-World index Series (large/mid cap) - please see https://research.ftserussell.com/Products/indices/Home/indexfiltergeis?indexName=GEISAC&currency=USD&rtn=CAP&segment=global-developed–emerging. The trade names Fundamental Index® and RAFI® are registered trademarks and the patented and patent-pending proprietary intellectual property of Research Affiliates, LLC (US Patent Nos. 7,620,577; 7,747,502; 7,778,905; 7,792,719; Patent Pending Publ. Nos. US-2006-0149645-A1, US-2007-0055598-A1, US-2008-0288416-A1, US-2010-0063942-A1, WO 2005/076812, WO 2007/078399 A2, WO 2008/118372, EPN 1733352, and HK1099110). "EDHEC™" is a trade mark of EDHEC Business School As of January 2nd 2006, FTSE is basing its sector indices on the Industrial Classification Benchmark - please see www.ftse.com/icb. For constituent changes and other information about FTSE, please see www.ftse.com. © FTSE International Limited. 2013. All Rights reserved. "FTSE®" is a trade mark of the London Stock Exchange Group companies and is used by FTSE International Limited under licence.

FTSE 100 SUMMARY

FTSE 100	Closing Price	Day's Change	FTSE 100	Closing Price	Day's Change
3I Group PLC	3558	-74.00	International Consolidated Airlines Group S.A.	302.00	-0.80
Admiral Group PLC	2614	5.00	Intertek Group PLC	4682	-38.00
Airtel Africa PLC	104.30	-3.00	Jd Sports Fashion PLC	97.10	-0.28
Anglo American PLC	2338	-77.00	Kingfisher PLC	249.50	-4.40
Antofagasta PLC	1586	-52.00	Land Securities Group PLC	559.50	-16.50
Ashtead Group PLC	4990	-176.00	Legal & General Group PLC	223.60	-2.20
Associated British Foods PLC	2055	-35.00	Lloyds Banking Group PLC	54.30	-0.52
Astrazeneca PLC	10244	-108.00	London Stock Exchange Group PLC	11450	-45.00
Auto Trader Group PLC	792.60	-9.20	Londonmetric Property PLC	175.60	-5.70
Aviva PLC	458.60	-5.30	M&G PLC	193.75	-1.30
B&M European Value Retail S.A.	355.00	-1.80	Marks And Spencer Group PLC	378.20	-13.30
Bae Systems PLC	1166	-7.50	Melrose Industries PLC	548.40	-5.20
Barclays PLC	260.25	-6.80	Mondi PLC	1145.5	-43.50
Barratt Redrow PLC	430.00	-7.80	National Grid PLC	921.60	-4.60
Beazley PLC	812.00	-6.50	Natwest Group PLC	400.00	-3.60
Berkeley Group Holdings (The) PLC	3918	-56.00	Next PLC	9782	-118.00
BP PLC	379.05	-4.35	Pearson PLC	1265.5	-13.00
British American Tobacco PLC	2894	-56.00	Pershing Square Holdings LTD	3732	-146.00
British Land Company PLC	351.60	-12.20	Persimmon PLC	1207	-15.00
Bt Group PLC	146.40	-0.75	Phoenix Group Holdings PLC	501.00	-4.00
Bunzl PLC	3256	-68.00	Prudential PLC	629.80	-4.80
Centrica PLC	125.90	-0.35	Reckitt Benckiser Group PLC	4820	-3.00
Coca-Cola Hbc AG	2692	-10.00	Relx PLC	3654	-76.00
Compass Group PLC	2645	-28.00	Rentokil Initial PLC	391.60	-10.90
Convatec Group PLC	222.20	-6.60	Rightmove PLC	654.20	-17.00
Croda International PLC	3332	-38.00	Rio Tinto PLC	4693	-64.00
Dcc PLC	5190	-110.00	Rolls-Royce Holdings PLC	579.60	-7.20
Diageo PLC	2525.5	7.00	Sage Group PLC	1305.5	-17.50
Diploma PLC	4288	-82.00	Sainsbury (J) PLC	271.40	-3.80
Easyjet PLC	573.40	-7.60	Schroders PLC	311.60	-3.60
Endeavour Mining PLC	1421	-18.00	Scottish Mortgage Investment Trust PLC	939.80	-17.20
Entain PLC	713.60	-18.40	Segro PLC	682.00	-13.80
Experian PLC	3510	-99.00	Severn Trent PLC	2574	24.00
F&C Investment Trust PLC	1104	-20.00	Shell PLC	2405.5	-13.50
Frasers Group PLC	609.50	-0.50	Smith & Nephew PLC	977.20	-3.40
Fresnillo PLC	631.50	-17.00	Smith (Ds) PLC	537.00	-7.00
Glaxosmithkline PLC	1322	-12.00	Smiths Group PLC	1731	-16.00
Glencore PLC	354.10	-8.20	Spirax-Sarco Engineering PLC	6955	-100.00
Haleon PLC	380.60	-3.30	Sse PLC	1598	-14.50
Halma PLC	2733	-76.00	Standard Chartered PLC	983.60	-16.90
Hargreaves Lansdown PLC	1094.5	-0.50	Taylor Wimpey PLC	121.70	-3.30
Hikma Pharmaceuticals PLC	1935	7.00	Tesco PLC	368.50	-4.40
Hiscox LTD	1106	2.00	Unilever PLC	4581	-27.00
Howden Joinery Group PLC	787.50	-10.50	Unite Group PLC	793.00	-21.00
HSBC Holdings PLC	765.10	-2.80	United Utilities Group PLC	1064	0.50
Imi PLC	1820	-32.00	Vistry Group PLC	646.00	-6.50
Imperial Brands PLC	2572	14.00	Vodafone Group PLC	67.06	-0.18
Informa PLC	804.60	-23.40	Weir Group PLC	2204	-36.00
Intercontinental Hotels Group PLC	9868	-182.00	Whitbread PLC	2897	-14.00
Intermediate Capital Group PLC	2076	-58.00	Wpp PLC	841.40	-12.80

UK STOCK MARKET TRADING DATA

	Dec 19	Dec 18	Dec 17	Dec 16	Dec 13	Yr Ago
Order Book Turnover (m)	2491.92	70.93	29.80	45.80	45.80	45.80
Order Book Bargains	726741.00	641287.00	579380.00	388941.00	388941.00	388941.00
Order Book Shares Traded (m)	1577.00	3150.00	3536.00	1127.00	1127.00	1127.00
Total Equity Turnover (£m)	9037.08	6425.14	4834.49	2634.44	2634.44	2634.44
Total Mkt Bargains	1409154.00	1305960.00	1308296.00	808787.00	808787.00	808787.00
Total Shares Traded (m)	6847.00	12561.00	9564.00	5924.00	5924.00	5924.00

† Excluding intra-market and overseas turnover. *UK only total at 6pm. ‡ UK plus intra-market turnover. (u) Unavaliable. (c) Market closed.

All data provided by Morningstar unless otherwise noted. All elements listed are indicative and believed accurate at the time of publication. No offer is made by Morningstar or the FT. The FT does not warrant nor guarantee that the information is reliable or complete. The FT does not accept responsibility and will not be liable for any loss arising from the reliance on or use of the listed information.
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UK RIGHTS OFFERS

Issue price	Amount paid up	Latest renun. date	High	Low	Stock	closing price p	+or-

There are currently no rights offers by any companies listed on the LSE.

UK COMPANY RESULTS

Company		Turnover		Pre-tax		EPS(p)		Div(p)		Pay day	Total	
Eckoh	Int	**16.803**	18.772	**0.840**	1.548	**0.090**	0.430	**0.00000**	0.00000	-	**0.816**	0.740
FH Group	Int	**18.153**	26.889	**6.100L**	0.822	**34.900L**	4.900	**1.25000**	1.25000	Feb 14	**6.720**	6.550
Insig AI	Int	**0.166**	0.882	**1.433L**	1.682L	**1.560L**	1.740L	**0.00000**	0.00000	-	**0.000**	0.000
Jaywing	Int	**9.452**	11.107	**2.436L**	1.396L	**2.720L**	1.810L	**0.00000**	0.00000	-	**0.000**	0.000
Jupiter Green Investment Trust	Int			**1.191**	5.593L	**5.950**	27.370L	**0.00000**	0.00000	-	**0.000**	0.000
Triple Point Energy Transition	Int			**6.674L**	1.598L	**6.680L**	1.600L	**0.00000**	1.37500	-	**1.367**	2.750
Vela Technologies	Int	**0.000**	0.000	**2.736L**	0.502	**0.016L**	0.003	**0.00000**	0.00000	-	**0.000**	0.000

Figures in £m. Earnings shown basic. Figures in light text are for corresponding period year earlier.
For more information on dividend payments visit www.ft.com/marketsdata

UK RECENT EQUITY ISSUES

Issue date	Issue price(p)	Sector	Stock code	Stock	Close price(p)	+/-	High	Low	Mkt Cap (£m)

§Placing price. *Introduction. ‡When issued. Annual report/prospectus available at www.ft.com/ir
For a full explanation of all the other symbols please refer to London Share Service notes.

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$)							
Anz group holdings	28.61	-0.75	32.80	25.42	6.34	12.23	53284.8
Bhp group	39.68	-0.59	50.84	38.28	6.09	16.08	125903.58
Commonwealth bk.of aus.	155.99	-3.74	161.37	109.94	3.09	26.15	163243.94
Csl	278.79	-3.45	313.55	265.14	1.40	32.23	84417.48
Goodman group	36.00	-0.83	39.43	23.88	0.88	-653.15	43035.12
Macquarie group	224.01	-3.05	240.63	178.00	3.26	23.72	53391.79
National aus.bank	37.20	-0.79	40.27	30.23	4.65	16.29	71486.28
Rio tinto	117.40	-1.09	136.82	105.11	5.73	11.23	27253.32
Wesfarmers	73.22	-0.98	77.20	55.53	2.81	30.60	51937.85
Westpac banking	32.05	-0.80	34.00	22.52	4.59	17.27	68896.12
Belgium (€)							
Anheuser-busch inbev	48.39	-0.54	62.16	47.73	1.64	16.78	90262.84
Brazil (R$)							
Itau unibanco holding pn♦	31.41	0.44	37.79	30.87	4.28	7.62	24799.48
Petroleo brasileiro on	39.90	-0.48	44.77	35.47	19.47	5.28	48383.17
Vale on	53.90	-0.91	78.20	53.84	12.37	3.93	39861.61
Canada (C$)							
Agnico eagle mines	111.10	-1.14	123.86	60.17	1.94	41.74	38806.28
Alimentation couche tard	78.90	-1.05	87.27	71.31	0.87	20.08	52058.3
Bank of montreal	139.12	0.78	147.54	109.02	4.41	15.76	70648.28
Bk.of nova scotia	77.03	-0.13	80.14	60.68	5.59	13.28	66749.32
Brookfield a	80.30	0.26	87.65	50.48	0.53	98.77	92027.46
Brookfield a (nys)	56.14	0.68	62.44	37.77	0.53	99.22	92445.49
Canadian imp.bk.com.	92.16	-0.38	95.50	59.53	3.94	13.13	60586.63
Canadian national ry.	145.00	-1.40	181.34	144.19	2.28	17.25	63488.94
Canadian natural res.♦	42.73	-0.61	56.50	40.02	4.89	12.08	61917.94
Canadian pacific kansas city	102.67	-2.76	123.37	101.76	0.74	27.23	66695.88
Constellation software	4504.99	37.87	4879.19	3148.7	0.13	103.02	66442.31
Enbridge	58.63	0.14	61.99	45.05	6.16	20.04	88866.78
Manulife financial	43.18	0.28	46.42	28.06	3.69	17.63	52326.17
Royal bank of canada	172.62	-0.39	180.45	127.60	3.25	15.05	170003.94
Shopify subd.vtg.shs.'a'	152.60	-5.76	171.84	72.36	-	108.08	128903.33
Suncor energy	49.63	-0.69	58.28	41.88	4.53	8.18	43458.73
Tc energy	65.09	-0.03	70.32	48.12	6.05	18.87	47019.95
Thomson reuters	235.60	-1.83	243.42	187.40	1.25	32.08	73772.24
Toronto-dominion bank	74.36	-0.44	87.99	73.22	5.49	16.94	90580.24
Waste connections	251.80	-0.40	273.51	194.49	0.61	51.47	45224.13
China (HK$)							
Agricultural bk.of chin.'h'	4.19	-0.01	4.27	2.79	5.69	5.54	16571.3
Bank of china 'h'	3.80	-0.02	3.99	2.79	6.56	4.96	40885.44
Bank of comms.'h'	5.98	-0.02	6.33	4.31	6.63	5.02	26938.48
Byd 'h'	268.60	-1.20	320.80	167.70	1.22	22.25	37946.1
Cgn power 'h'	2.82	-0.06	3.65	1.92	3.53	12.33	4050.5
China citic bank 'h'♦	4.97	-0.03	5.47	3.50	6.94	4.10	9516.55
China con.bank 'h'	6.26	-0.02	6.35	4.30	6.75	4.65	193641.73
China life insurance 'h'♦	14.54	-0.22	20.60	8.19	3.13	4.53	13920.8
China merchants bank 'h'	38.50	0.30	47.35	24.70	5.42	6.63	22741.4
China ptl.& chm.'h'	4.29	-0.01	5.47	3.64	3.63	8.20	13433.52
China shenhua en.co.'h'	33.20	-0.15	40.70	25.05	7.24	11.07	14427.45
China telecom 'h'	4.89	0.04	5.00	3.42	5.11	13.16	8731.25
Ind&coml.boc.'h'	4.82	-0.04	4.97	3.51	6.70	4.75	53826.19
Petrochina 'h'	5.80	-0.03	8.60	4.79	8.22	6.14	15745.05
Pg.an insurance (grp)co.'h'	45.70	-0.25	59.80	29.55	5.50	6.82	43791.53
Postal savings boc 'h'	4.53	0.01	5.39	3.35	6.24	5.27	11573.17
Zijin mining group 'h'	14.36	-0.10	20.10	10.70	2.54	12.57	11065.1
Denmark (kr)							
Novo nordisk 'b'	743.20	-28.40	1033.2	678.00	1.30	36.09	350508.55
Finland (€)							
Nordea bank (hel)	10.47	-0.15	11.79	9.69	8.84	7.33	38022.78
France (€)							
Airbus	156.52	-2.34	172.78	124.72	1.15	37.75	128955.38
Axa	33.78	-0.02	36.66	29.04	6.02	10.19	77492.78
Bnp paribas	57.81	-0.82	73.08	53.08	8.16	6.87	67850.05
Christian dior	586.00	-7.00	832.50	529.50	2.27	17.76	109880.49
Credit agricole	13.07	-0.05	15.93	12.12	8.23	6.29	41252.83
Danone	64.44	0.12	67.90	56.14	3.35	40.47	45351.56
Dassault systemes	33.28	-0.59	47.18	31.04	0.70	38.89	46189.83
Engie	14.82	-0.02	16.64	13.07	9.90	7.15	37433.64
Essilorluxottica	231.90	-2.60	237.90	172.82	1.76	44.71	109407.42
Hermes intl.	2295	-17.00	2436	1788.8	0.67	52.76	251465.31
L'air liquide	155.50	-2.76	179.47	150.62	1.92	28.78	93243.22
L'oreal	339.35	-2.65	461.85	316.30	2.00	27.26	187359.67
Lvmh	627.50	-9.00	886.40	565.40	2.12	21.91	325734.75
Safran	211.20	-2.90	228.60	156.68	1.07	52.62	93524.77
Saint gobain	85.40	-2.50	91.14	61.27	2.52	14.67	44317.25
Sanofi	91.50	-0.30	106.14	84.93	4.14	25.27	120204.44
Schneider electric	240.65	-7.50	253.80	171.10	1.49	32.62	143985.59
Totalenergies	51.93	-0.27	70.11	50.80	5.81	8.12	129106.59
Vinci	98.48	-0.76	120.62	96.26	4.69	12.00	60172.39
Germany (€)							
Adidas	236.10	-5.10	245.40	163.14	0.30	110.20	44108.86
Allianz	296.90	-0.70	304.70	238.30	4.76	12.59	118998.72
Basf	42.69	-0.71	54.93	40.18	8.01	77.16	39541.36
Bmw	77.28	-0.72	115.35	65.26	7.96	4.56	48285.58
Bmw pref.	71.20	-0.65	106.00	61.35	8.67	4.20	4389.91
Deutsche boerse	224.60	0.20	225.80	175.90	1.70	22.26	43895.23
Deutsche post	33.52	-0.19	46.00	33.16	5.66	11.94	41748.66
Deutsche telekom	29.24	-0.26	30.78	20.73	2.70	28.53	151330.64
Dr.ing.hc.f.porsche pref.	58.78	-0.26	96.56	55.58	3.95	13.37	27789.15
Infineon technologies	31.88	-1.82	38.81	27.80	1.13	19.20	43210.83
Mercedes-benz group n	53.47	-0.47	77.45	50.75	9.97	5.01	59372.49
Merck kgaa	138.45	-2.45	177.00	137.50	1.63	22.40	18571.83
Muenchener ruck.	502.00	-5.40	526.00	373.70	3.06	11.07	69692.85
Sap	237.05	-3.25	243.40	134.42	0.93	101.58	302255.3
Siemens	189.44	-5.28	196.70	150.68	2.54	18.54	157296.46
Siemens healthineers	52.48	-0.84	58.14	47.31	1.86	30.84	61441.28
Volkswagen	89.20	-1.00	152.50	81.50	10.15	3.63	27319.73
Volkswagen pref.	87.32	-0.32	128.60	78.86	10.37	3.55	18688.36
Hong kong ()							
Aia group	54.60	-0.55	74.60	45.25	2.92	16.41	76092.87
China mobile	75.50	-0.15	79.00	61.15	6.24	11.25	199959.71
Cnooc	18.12	-0.04	23.90	12.24	7.33	5.83	103840.45
Hsbc holdings	-	-	-	-	-	-	-
Meituan	158.40	-1.70	217.00	61.10	-	42.87	112134.63
Tencent holdings	415.20	9.20	482.40	260.20	0.79	24.55	495087.8
Xiaomi	30.80	-	32.15	11.84	-	39.20	81075.64
India (Rs)							
Adani enterprises	2419.35	-38.05	3743.9	2025	0.05	54.77	32819.04
Axis bank	1108.9	-13.35	1339.65	995.70	0.09	13.00	40334.77
Bajaj finance	6918.55	-155.90	7830	6187.8	0.49	29.31	50330.6
Bharti airtel	1600.3	-1.60	1779	960.00	0.47	81.48	114489.79
Hcl technologies	1934.25	-26.10	1980	1235	2.65	32.85	61691.05
Hdfc bank	1793.5	-17.20	1880	1363.55	1.07	20.04	161147.99
Hindustan unilever	2359.85	0.65	3035	2172.05	1.69	56.84	65167.35
Icici bank	1286.9	-27.25	1362.35	970.15	0.74	20.49	106739.39
Infosys	1946.2	-32.95	2006.45	1358.35	1.87	31.76	94978.21
Itc	466.55	-3.95	528.50	399.35	2.80	29.92	68602.04
Kotak mahindra bank	1762.1	-17.90	1942	1543.85	0.11	16.92	41175.24
Larsen & toubro	3716.35	-41.80	3963.5	3175.05	0.72	39.87	60063.96
Life insurance corporation of india	905.05	-1.40	1222	746.30	0.78	13.51	67280.08
Maruti suzuki india	10955.35	-47.10	13680	9737.65	1.08	25.87	40482.35
Ntpc	337.40	-4.35	448.45	293.20	2.46	18.04	38452.13
Oil & natural gas	241.85	-2.30	345.00	200.95	4.29	6.75	35759.32
Reliance industries	1230.45	-22.80	1608.8	1217.25	0.39	25.81	195700.17
State bank of india	832.80	-5.35	912.00	600.65	1.67	10.81	87354.18
Sun pharm.industries	1823.3	22.25	1960.35	1208.55	0.70	41.64	51416.5
Tata consultancy svs.	4271.9	-75.95	4592.25	3591.5	1.25	34.38	181657.59
Tata motors	744.05	-11.65	1179	696.25	0.68	8.34	32191.11
Indonesia (Rp)							
Amman mineral internasional	8950	100.00	15000	6150	-	46.19	39842.96
Bank central asia	9675	-125.00	10950	8775	2.81	22.20	72483.36
Bank mandiri	5675	-150.00	7550	5525	6.28	9.07	32189.39
Bank rakyat indonesia	4090	-60.00	6450	4050	7.85	10.04	37671.4
Barito renewables energy	8825	-150.00	12200	3930	0.06	707.79	72477.35
Chandra asri pacific	7325	-275.00	11225	3210	0.07	-459.45	38900.78
Ireland ()							
Aon class a	353.40	0.82	395.33	268.06	0.68	32.34	76428.5
Crh public limited	93.63	-0.08	104.23	65.74	2.15	19.65	63606.97
Johnson controls intl.	79.17	0.35	87.16	51.71	1.86	33.51	52425.22
Trane technologies♦	379.58	1.13	422.00	233.76	0.81	37.19	85414.56
Italy (€)							
Enel	6.80	-0.12	7.39	5.66	6.75	12.76	71764.46
Eni	12.78	-0.11	15.82	12.28	7.48	16.50	43573.66
Generali	27.08	-0.23	28.31	19.07	4.84	11.69	44110.82
Intesa sanpaolo	3.85	-0.05	4.14	2.61	7.87	8.28	71197.77
Stellantis	12.36	-0.38	27.35	11.27	12.85	2.77	38788.48
Unicredit	37.60	-1.11	44.19	24.02	4.92	6.31	63874.84
Japan (¥)							
Canon	5094	70.00	5162	3594	2.77	17.67	43084.37
Chugai pharm.	6702	-111.00	7869	4572	1.18	31.92	71359.55
Daiichi sankyo	4352	9.00	6257	3805	0.89	40.76	53733.43
Denso	2056	-27.50	2993.5	1864	3.11	17.47	37952.86
Fast retailing	52720	230.00	55310	33950	0.64	44.20	106386.44
Hitachi	3945	-21.00	4147	1966.6	0.94	30.07	115991.43
Honda motor	1220	-24.50	1959.5	1213.5	5.42	5.34	40848.46
Hoya	20215	75.00	21935	15870	0.56	37.91	44652.13
Itochu	7500	-123.00	8245	5671	2.21	13.10	75377.6
Japan tobacco	4158	4.00	4622	3453	4.61	15.16	52734.7
Kddi	4961	12.00	5083	4120	2.92	15.92	68954.3
Keyence	64460	40.00	77400	52430	0.52	39.86	99414.48
Mitsubishi	2500	-5.00	3775	2196.33	2.90	10.86	63768.54
Mitsubishi heavy inds.	2296.5	39.50	2485	772.80	0.90	33.60	49130.16
Mitsubishi ufj fin.gp.	1834.5	22.00	1869	1164	2.17	15.03	140386.34
Mitsui	3177	6.00	4182.5	2401	2.77	8.71	59821.11
Mizuho finl.gp.	3857	78.00	3957	2253.5	2.65	13.89	62106.52
Murata manufacturing	2420.5	-47.00	3816	2362.5	2.09	23.80	30130.61
Nintendo	9410	145.00	9587	6520	2.32	21.58	77495.62
Nippon telg. & tel.	155.20	0.30	192.90	142.50	3.40	9.94	89117.81
Oriental land	3355	51.00	5765	3210	0.40	44.95	38305.04
Recruit holdings	10885	-195.00	11895	5622	0.22	47.18	113881.41
Shin-etsu chemical	5123	-78.00	6926	5013	2.02	19.10	64486.08
Softbank	197.40	0.10	210.50	170.20	4.51	18.86	59691.4
Softbank group	9025	-409.00	12180	5946	0.50	-50.06	84128.9
Softbank p-1 pref.	3860	11.00	3930	3654	-	-	-
Sony group	3260	-31.00	3479	2210	2.54	4.19	127133.93
Sumitomo mitsui finl.gp.	3744	85.00	3888	2184.33	2.34	14.05	93176.35
Takeda pharmaceutical	4095	-2.00	4494	3852	4.84	21.82	41313.23
Tokio marine holdings	5520	68.00	6679	3417	2.31	15.17	69238.47
Tokyo electron	23450	-335.00	40860	20450	1.73	29.00	70134.04
Toyota motor	2724	-2.50	3891	2183	2.68	7.60	272840.24
Mexico (Mex$)							
America movil b	14.67	0.04	17.21	14.49	3.20	25.26	43702.47
Walmart de mexico 'v'	58.06	-	73.50	51.58	1.89	19.37	49419.85
Neitherlands ()							
Adyen	1447	-56.40	1596	957.40	-	53.27	47255.42
Asml holding	690.80	-26.50	1021.8	605.70	0.90	38.91	285666.48
Heineken	69.16	-0.40	97.50	68.12	2.57	35.75	41178.92
Ing groep	14.93	0.10	17.24	11.90	7.61	7.20	50000.44
Prosus	39.71	-0.21	41.78	23.76	0.18	15.78	102539.51
Universal music group	24.23	-0.70	29.49	19.93	2.15	28.52	46060.5
Wolters kluwer	160.25	-3.50	164.60	126.60	1.33	36.48	39621.49
Norway (Kr)							
Equinor	255.10	3.60	337.90	247.25	5.37	7.31	62489.68
Saudi Arabia (SR)							
Acwa power	377.60	-8.20	500.80	229.54	0.12	145.71	73581.62
Al rajhi bank	89.90	-2.40	96.00	75.70	2.54	21.83	95656.12
Saudi arabian mining	49.75	-0.45	57.40	39.00	-	71.63	48856.38
Saudi arabian oil	29.00	0.55	33.75	26.80	4.23	16.20	1866836.4
Saudi basic industries	66.50	-0.90	89.00	66.50	5.09	106.13	53068.38
Saudi telecom	40.10	-0.25	46.50	36.10	3.97	14.61	53334.4
The saudi national bank	33.00	-0.45	44.35	31.90	5.27	10.15	52669.38
Singapore (S$)							
Dbs group holdings	43.40	0.03	44.95	28.56	4.37	11.75	90712.61
Oversea-chinese bkg.	16.68	-0.15	17.00	12.41	4.90	10.27	55152.31
United overseas bank	36.54	0.09	37.42	27.33	4.64	11.03	44885.23
SLOVAKIA ()							
Tatra banka	21000	-	22600	20000	9.45	8.38	1332.93
South Korea (KRW)							
Hyundai motor	212000	-4500.00	299500	179800	6.86	4.00	30579.08
Lg energy solution	372000	-9500.00	444000	311000	-	-494.87	59956.61
Samsung biologics	958000	-22000.00	1113000	704000	-	63.32	46964.01
Samsung electronics	53100	-1800.00	88800	49900	2.85	12.40	218339.01
Sk hynix	175000	-8500.00	248500	129000	0.72	46.24	87750.4
Spain (€)							
Banco santander	4.40	-0.11	4.93	3.62	4.02	5.90	70734.77
Bbv.argentaria	9.37	-0.19	11.28	7.97	5.90	5.82	56072.79
Caixabank	5.16	0.00	5.91	3.70	7.64	7.26	38909.78
Iberdrola	12.98	-0.19	14.26	10.42	4.29	12.88	85739.19
Inditex	49.41	-0.89	56.34	37.13	1.99	26.83	159830.8
Sweden (SKr)							
Atlas copco a	171.40	-5.70	206.40	161.40	1.51	28.62	52232.14
Atlas copco b	151.70	-4.35	178.45	139.45	1.71	25.33	21490.92
Eqt	297.30	-25.20	369.90	249.20	1.14	99.86	33489.73
Investor a	290.00	-5.90	315.00	223.20	1.65	4.26	32815.82
Investor b	290.35	-5.85	316.80	224.50	1.65	4.27	48012.72
Volvo a	271.20	-5.80	323.60	248.00	2.81	10.49	10953.07
Volvo b	269.90	-5.70	321.10	243.70	2.83	10.44	38911.89
Switzerland (SFr)							
Abb ltd n	48.73	-2.79	52.48	35.15	1.66	27.76	100983.2
Alcon (swx) ord shs	75.76	-0.86	85.34	62.24	0.31	38.29	42164.36
Givaudan 'n'	3907	-54.00	4690	3287	1.73	35.35	40180.01
Holcim	86.98	-2.10	92.76	63.02	3.19	16.45	56103.2
Lonza group	528.20	-12.40	589.40	339.00	0.75	66.99	42490.25
Nestle 'n'	74.20	0.10	100.70	73.56	4.01	17.52	216521.7
Novartis 'r'	87.04	-1.00	102.72	83.63	3.62	18.09	212297.78
Richemont n	134.85	-2.20	151.10	104.10	1.84	21.21	80740.6
Roche holding	246.70	-8.30	288.20	212.90	3.86	18.79	193041.4
Roche holdings 'b'	261.00	-9.80	312.00	229.40	3.65	19.88	31014.48
Sika	218.60	-4.50	287.60	217.10	1.50	28.81	39071.98
Swiss re	129.10	-0.50	134.30	94.18	4.69	12.50	45652.28
Ubs group	26.89	-0.93	29.57	22.53	2.44	22.46	93095.54
Zurich insurance group	538.20	-9.60	564.00	428.20	4.73	17.98	87730.32
Taiwan (NT$)							
Hon hai precn.ind.	181.00	-3.50	234.50	98.50	2.99	16.63	76845.84
Mediatek	1420	-	1500	879.00	3.88	22.28	69510.9
Taiwan semicon.mfg.♦	1070	-15.00	1100	574.00	1.22	29.60	848044.71
United Arab Emirates (Dhs)							
Abu dhabi nat.energy co.	3.06	0.02	3.50	2.53	43.54	43.53	93670.1
Adnoc gas	3.48	0.10	301.00	2.87	4.49	14.98	66755.25
Emirates telecom.	16.30	-0.02	20.12	15.00	4.93	12.78	38594.37
International holdings	402.50	0.60	418.00	399.40	-	32.05	240375.67
United Kingdom (p)							
3i group	3558	-74.00	3779	2269	1.58	8.97	43456.08
Astrazeneca	10244	-108.00	13388	9461	2.23	31.43	199272.86
Bae systems	1166	-7.50	1417	1055	2.57	19.43	44167.05
Barclays	260.25	-6.80	273.25	138.40	3.15	9.29	47081.56
Bp	379.05	-4.35	541.00	365.20	6.05	11.15	75916.98
British american tobacco♦	2894	-56.00	3010	2252	8.06	-4.65	80250.84
Compass group	2645	-28.00	2786	2069	1.63	33.79	56328.49
Diageo	2525.5	7.00	3056	2275	3.23	18.47	70511.86
Experian	3510	-99.00	3978.56	3002	1.25	34.06	40506.91
Glaxosmithkline♦	1322	-12.00	1823.5	1282.5	4.54	21.78	68758.53
Glencore	354.10	-8.20	506.72	3.95	6.46	-111.92	54208.74
Haleon	380.60	-3.30	400.65	308.37	1.58	32.25	43235.14
Hsbc holdings	765.10	-2.80	769.50	572.90	5.99	8.41	172451.21
Lloyds banking group	54.30	-0.52	64.67	41.00	5.34	7.87	41295.17
London stock exchange group	11450	-45.00	11667.63	8648.31	0.97	82.90	76352.18
National grid	921.60	-4.60	1062	645.00	5.68	16.80	56502.23
Relx	3654	-76.00	3796.7	3045	1.61	36.50	85089.89
Rio tinto	4693	-64.00	5910	4509	7.30	9.01	73778.97
Rolls-royce holdings	579.60	-7.20	599.80	290.70	-	20.95	61852.2
Shell (lon)	-	-	-	-	-	-	-
Unilever (uk)	4581	-27.00	5034	3680.5	3.18	20.54	142296.45
United States ()							
3m	126.02	0.49	141.34	75.65	3.27	14.02	68625.28
Abbott laboratories	112.19	0.26	121.64	99.71	1.80	36.45	194588.53
Abbvie	171.75	-1.27	207.32	151.29	3.34	63.97	303506.35
Accenture class a	370.43	22.82	387.51	278.69	1.33	33.92	249993.32
Adobe (nas)	445.97	4.66	638.25	433.97	-	39.55	196315.99
Advanced micro devices	121.14	-0.27	227.30	119.45	-	114.60	196579.09
Aflac	101.80	1.43	115.50	75.44	1.76	16.17	56552.79
Agilent techs.	133.50	0.49	155.35	124.16	0.68	28.41	38358.24
Agnico-eagle mns.(nys)	77.43	-0.33	89.00	44.37	1.93	41.80	38862.27
Air prds.& chems.	294.08	-1.24	337.00	212.24	2.38	25.74	65397.43
Airbnb a	128.96	1.42	170.10	110.38	-	17.68	55821.6
Alibaba group holding adr 1:8	84.64	-0.36	117.82	66.63	1.15	19.69	202272.53
Allstate ord shs	190.90	1.65	209.88	134.17	1.79	13.19	50549.66
Alphabet 'c'	192.48	2.33	202.88	131.55	0.19	27.29	1065184.32
Alphabet a	191.25	2.85	201.42	130.67	0.20	27.11	1117444.54
Altria group	53.09	-0.17	58.04	39.25	6.98	9.59	89969.15
Amazon.com	225.83	5.31	233.00	144.53	-	51.58	2374604.94
Amer.elec.pwr.	91.31	0.40	105.13	75.22	3.77	18.40	48587.88
American express	294.22	6.44	307.82	177.81	0.86	23.14	207261.78
American intl.gp.♦	71.58	1.58	80.83	65.78	2.05	13.74	44647.54
American tower	180.67	-4.18	243.56	170.46	3.40	46.54	84425.18
Ameriprise finl.	526.89	2.96	577.00	368.41	1.00	21.53	51115.52
Amgen	258.06	-0.72	346.85	253.30	3.22	35.23	138715.69
Amphenol 'a'♦	70.24	0.14	75.73	47.03	0.66	43.03	84682.25
Analog devices	239.74	1.97	244.14	182.57	1.66	64.67	104093.3
Apollo global management	171.63	4.19	189.49	89.76	1.01	18.69	97108.25
Apple	251.13	3.08	254.23	164.08	0.37	44.15	3796036.63
Applied mats.	153.28	-2.17	255.89	148.05	0.81	18.78	134608.7
Arch cap.gp.	89.39	0.68	116.47	73.04	-	6.33	33631.13
Ares management a♦	171.66	2.44	185.06	112.83	1.97	89.14	34055.65
Arista networks	109.42	1.35	116.94	57.06	-	14.30	34460.72
Arthur j gallagher♦	279.62	1.13	316.72	218.63	0.79	57.05	69849.82
At&t	22.58	0.10	24.03	15.94	4.60	19.62	162018.03
Atlassian 'a'	252.25	2.06	287.97	135.29	-	-177.40	40726.39
Autodesk	292.81	-0.03	326.62	195.32	-	61.42	62953.08
Automatic data proc.	292.18	3.68	309.63	227.12	1.79	33.37	119050.76
Autozone	3228.92	-9.60	3416.71	2510	-	22.61	54582.6
Bank of america♦	43.72	0.22	48.08	31.27	2.10	16.93	335419.93
Bank of new york mellon	76.71	0.89	82.72	50.87	2.11	18.35	55774.18
Becton dickinson	223.79	-0.30	249.89	218.75	1.67	45.18	64702.64
Berkshire hathaway 'a'	678304.89	7567.19	741971.4	538260.01	-	9.77	374408.7
Berkshire hathaway 'b'	452.18	5.59	491.67	353.63	-	9.77	600690.3
Blackrock	1022.02	1.72	1082.45	745.55	1.96	25.56	158289.36
Blackstone	171.34	-0.36	200.96	114.88	1.85	62.94	123707.94
Block a	88.68	1.38	99.26	55.00	-	82.72	49638.63
Boeing	178.75	6.13	267.54	137.03	-	-31.93	110500.32
Booking holdings♦	4993.14	49.79	5337.24	3180	0.49	36.11	165256.52
Boston scientific	88.48	0.45	91.93	54.95	-	78.17	130404.26
Bristol myers squibb	56.22	-0.62	61.08	39.35	3.99	-16.79	114024.09
Broadcom	220.24	-3.38	251.88	104.15	0.90	182.11	1028647.68
Cadence design sys.	302.71	1.47	328.99	241.29	-	85.16	83022.15
Capital one finl.	176.19	1.75	198.30	123.23	1.27	17.79	67218.31
Carrier global	67.27	0.24	83.32	53.13	1.05	42.30	60356.48
Caterpillar	363.10	-0.72	418.50	270.94	1.42	16.68	175341.79
Cencora	225.16	-1.83	253.27	199.75	0.89	24.60	43518.96
Centene	58.85	-0.64	81.42	55.03	-	10.87	29711.31
Charles schwab	74.43	0.46	83.35	59.67	1.33	31.24	132465.23
Charter comms.cl.a	353.25	-5.01	415.27	236.08	-	11.83	50230.65
Cheniere en.	203.53	-3.12	228.10	152.31	0.80	13.83	45665.02
Chevron	141.71	-2.38	167.11	135.37	4.40	14.13	254656.83
Chipotle mexn.grill	61.62	0.28	69.26	44.08	-	61.17	83.96
Chubb	274.51	2.94	302.05	216.91	1.21	12.03	110654.43
Cigna	272.49	-9.92	370.83	262.03	1.86	27.61	75794.64
Cintas	184.82	-19.57	228.12	138.39	0.72	48.92	74537.65
Cisco systems	57.77	0.24	60.23	44.50	2.67	23.28	230083.94
Citigroup	69.00	0.88	73.38	49.17	3.05	19.20	130497.27
Cme group	239.97	2.89	249.02	190.70	4.03	26.65	86475.36
Coca cola	62.78	-0.08	73.53	57.47	2.85	27.85	270421.97
Coinbase global a	280.83	0.97	349.75	114.51	-	50.34	57544.89
Colgate-palm.	93.01	0.26	109.30	76.96	1.97	28.57	75990.19
Comcast a	37.46	-0.40	45.82	36.43	3.05	10.79	142988.4
Conocophillips	95.55	-0.30	135.18	95.55	2.86	12.12	109969.69
Constellation brands 'a'	228.11	-0.20	274.87	224.76	1.59	76.33	41410.27
Constellation energy	227.83	2.07	288.75	109.44	0.55	26.85	71257.61
Copart	58.80	-0.17	64.38	46.21	-	42.99	56655.47
Costco wholesale	950.73	-4.01	1008.25	643.10	0.43	60.77	425674.04
Crowdstrike holdings a	355.44	6.26	398.33	200.81	-	527.32	83119.26
Crown castle	91.82	-1.08	120.92	91.69	6.38	34.81	39904.81
Csx	31.83	-0.25	40.12	31.69	1.38	18.10	61381.58
Cummins	353.52	2.83	387.90	226.53	1.89	25.49	48495.84
Cvs health	43.79	-1.49	83.25	43.60	5.76	7.85	55105.67
D r horton	138.11	-3.67	199.85	133.02	0.83	9.36	44355.12
Danaher	227.71	-0.59	281.70	222.53	0.54	45.93	164469.27
Deere	425.43	-0.57	469.39	340.20	1.32	14.85	115536.27
Dell technologies c	113.16	0.49	179.70	72.31	1.41	21.33	40436.28
Digital realty tst.♦	178.37	1.41	198.00	130.00	2.56	155.02	59167.58
Dominion energy♦	53.20	0.57	61.97	43.53	4.69	20.99	44688.51
Doordash a	168.52	3.13	181.78	93.38	-	-418.96	65551.11
Duke energy	107.28	1.52	121.25	90.09	3.79	18.51	82871.91
Eaton	336.54	1.42	379.99	231.84	1.02	38.27	132998.63
Ecolab	236.64	-1.02	262.61	193.46	0.90	35.48	67007.41
Edwards lifesciences	73.03	0.22	96.12	58.93	-	28.97	43073.09
Elevance health♦	363.00	-3.26	567.26	362.21	1.64	14.13	84187.98
Eli lilly	753.91	-10.81	972.53	567.02	0.62	86.85	715693.85
Emerson electric	123.00	0.62	134.85	91.99	1.69	41.86	70052.36
Energy transfer (nys) units	18.21	0.01	20.02	13.60	6.84	15.42	62349.52
Enterprise prds.ptns.lp.	30.70	0.25	34.63	26.02	6.56	11.80	66544.55
Eog res.	118.39	-1.24	139.67	108.94	2.91	9.21	66588.5
Equinix reit	931.87	5.49	994.03	684.14	1.71	89.83	89914.45
Exxon mobil	105.84	-0.59	126.34	95.77	3.36	14.09	465154.83
Fair isaac	2067.28	16.18	2402.52	1105.65	-	109.44	50333.93
Fedex	274.46	1.30	313.84	234.45	1.79	17.76	67057.02
Ferguson enterprises	176.03	-1.45	225.63	174.34	1.73	21.13	35196.43
Ferrari	423.08	0.25	498.23	331.30	0.60	51.10	78163.14
Fidelity natl.info.svs.♦	80.77	0.43	91.98	58.24	1.85	89.02	43482.88
Fiserv	204.70	2.94	223.23	131.41	-	42.24	116458.23
Ford motor	9.74	0.05	14.85	9.49	5.77	11.83	37999.95
Fortinet	94.81	1.45	100.59	54.57	-	56.52	72667.38
Freeport-mcmoran	38.31	-0.40	55.24	36.26	1.55	29.02	55048.7
Ge aerospace	164.70	4.75	194.80	123.22	0.52	34.73	178259.13
Ge vernova	331.02	14.50	357.09	115.00	-	63.95	91412.04
General dynamics	258.94	-3.33	316.90	247.36	2.02	21.10	71200.37
General motors	50.80	0.81	61.24	34.32	0.83	5.80	55859.47
Gilead sciences	90.73	0.04	98.90	62.07	3.33	111.47	113073.7
Goldman sachs gp.♦	559.52	9.27	612.73	372.07	1.88	17.53	175638.82
Hca healthcare♦	299.13	-0.03	417.14	263.22	0.81	14.36	75767.5
Hess	128.29	-1.42	163.98	123.79	1.35	15.05	39528.49
Hilton worldwide hdg.♦	245.93	3.40	259.01	177.33	0.23	56.18	59952.77
Home depot	390.12	-3.70	439.37	323.77	2.17	26.84	387530.62
Honeywell intl.	226.71	-0.15	242.77	189.75	1.78	27.99	147417.58
Humana	232.37	-7.49	475.00	213.31	1.43	21.68	27979.38
Illinois tool works	259.58	-1.65	279.13	232.77	2.05	24.03	76653.97
Intel	19.31	0.01	51.28	18.51	2.42	-5.52	83284.03
Interactive brokers group a	176.59	2.80	193.42	80.83	0.31	28.15	19226.39
Intercontinental ex.♦	149.29	-0.31	167.99	122.31	1.11	37.91	85718.81
International bus.mchs.	223.76	3.59	239.35	157.89	2.78	34.87	206893.98
Intuit	648.89	-0.92	714.78	557.29	0.54	63.69	181635.2
Intuitive surgical	529.29	2.82	556.23	320.68	-	90.97	188522.22
Iqvia holdings	190.14	-0.83	261.73	187.62	-	26.71	34510.41
Jd com adr 1:2	36.40	-0.04	47.82	20.82	2.03	13.44	57407.03
Johnson & johnson	143.96	-0.79	168.85	143.13	3.16	25.44	346601.4
Jp morgan chase & co.	233.90	3.53	254.31	164.30	1.84	13.90	658508.12
Kenvue	21.43	-0.08	24.46	17.67	3.71	37.88	41086.83
Keurig dr pepper	32.43	-0.10	38.28	28.62	2.52	20.88	43989.79
Kimberly-clark	131.66	1.29	149.31	117.67	3.44	18.23	43906.68
Kinder morgan	26.01	0.18	28.81	16.47	4.10	24.60	57773.75
Kkr and co. ord. shs.	145.16	2.20	163.68	78.95	0.46	34.65	128935.31
Kla	633.11	2.34	896.32	542.41	0.86	30.93	84684.65
Kraft heinz♦	30.33	0.03	38.96	30.05	4.93	29.21	36674.27
L3harris technologies	211.82	-1.60	265.74	200.18	2.04	35.79	40175.55
Lam research	71.75	-3.46	113.00	68.87	10.69	2.65	92313.22
Lennar 'a'	138.40	-7.54	193.80	135.21	1.29	9.63	33049.71
Linde (nys)	421.99	-0.29	487.49	396.07	1.21	34.23	200931.49
Lockheed martin♦	479.75	-3.19	618.95	413.92	2.46	18.56	113717.67
Lowe's companies	245.93	-3.88	287.01	210.42	1.77	20.79	138864.38
Marathon petroleum	131.56	-3.50	221.11	131.56	2.43	6.95	42281.93
Marriott intl.'a'	280.22	2.57	295.45	204.55	0.77	31.37	77872.05
Marsh & mclennan	210.88	0.99	235.50	184.28	1.35	27.80	103567.71
Marvell technology	109.35	4.07	126.15	53.19	0.21	-100.84	94616.23
Mastercard	525.47	5.51	537.13	416.53	0.45	42.46	478581.01
Mcdonalds	291.20	0.32	317.90	243.53	2.23	25.69	208676.07
Mckesson♦	571.87	0.84	637.51	444.51	0.43	25.75	72586.84
Medtronic	80.23	0.20	92.68	75.96	3.37	27.65	102877.78
Mercadolibre	1683.2	-33.18	2161.73	1324.99	-	61.44	85333.82
Merck & company	98.91	0.57	134.63	94.48	3.05	18.45	250193.61
Meta platforms a	605.29	8.10	638.40	340.01	0.23	30.54	1319521.83
Metlife	80.19	1.40	89.05	64.61	2.48	17.39	55525.54
Microchip tech.	57.12	0.98	100.57	55.91	3.04	22.93	30674.02
Micron technology	86.97	-16.93	157.54	78.63	0.50	130.13	96838.32
Microsoft	442.09	4.70	468.35	366.50	0.66	37.74	3286849.27
Mondelez international cl a	59.88	-0.14	77.20	59.33	2.73	22.70	80071.19
Monolithic pwr.sys.	598.96	0.89	959.64	546.71	0.75	71.84	29217.27
Monster beverage	50.86	-0.69	61.23	43.32	-	32.02	49457.49
Moody's	465.18	-4.91	503.95	360.05	0.67	45.46	84290.62
Morgan stanley	121.98	0.94	136.24	83.09	2.66	19.82	196514.12
Motorola solutions	466.09	3.41	507.82	307.09	0.81	54.98	77893.24
Mplx	46.27	-0.14	51.94	36.27	6.87	11.67	47140.44
Msci	602.25	4.35	642.45	439.95	0.96	42.30	47199.11
Nasdaq♦	77.93	0.46	83.77	54.90	1.10	50.19	44790.86
Netease adr 1:5	92.12	0.72	114.50	75.85	2.75	15.20	59367.55
Netflix	905.27	15.72	941.75	461.86	-	54.71	386965.01
Newmont♦	37.11	-0.53	58.72	29.42	2.90	-18.11	42247.9
Nextera energy	70.39	-0.13	86.10	53.95	2.77	23.10	144750.32
Nike 'b'	76.90	-0.01	123.39	70.75	1.84	23.08	92386.4
Norfolk southern	232.99	-4.81	277.60	206.71	2.17	23.36	52711.58
Northrop grumman	465.99	-1.67	555.57	418.60	1.58	30.71	67892.83
Nu holdings a	10.39	-0.02	16.15	8.06	-	33.33	38495.7
Nvidia	133.05	4.14	152.89	47.32	0.02	63.85	3258394.5
Nxp semiconductors	210.32	0.03	296.08	201.58	1.80	21.47	53454
O reilly automotive	1219.88	-5.26	1283.97	914.50	-	30.93	70424.52
Occidental ptl.	45.60	-0.42	71.19	45.58	1.74	11.90	42788.44
Old dominion fgt.lines	191.28	-0.49	233.26	165.49	0.48	33.00	40837.81
Oneok	97.82	0.18	118.07	67.05	3.75	22.15	57141.98
Oracle	169.97	4.56	198.31	101.74	0.90	45.88	475398.61
Paccar	107.40	-0.38	125.50	90.04	0.99	12.84	56309.88
Palantir technologies a	75.88	4.37	80.91	15.66	-	405.58	162553.29
Palo alto networks	190.02	1.26	207.24	130.05	-	26.72	62345.69
Parker-hannifin	641.31	-2.49	712.42	440.00	0.91	30.90	82549.7
Paychex	138.62	2.76	150.71	114.72	2.58	30.96	49887.26
Paypal holdings	86.80	1.35	93.66	55.77	-	22.20	87020.37
Pepsico	152.93	-1.51	183.41	152.13	3.21	24.11	209811.42
Pfizer	25.69	-0.21	31.54	24.48	6.08	36.61	145556.64
Pg&e	19.66	0.46	21.72	15.94	0.15	16.92	51403.49
Philip morris intl.	122.91	-1.64	134.15	87.82	4.00	20.86	191104.57
Phillips 66	109.72	-2.14	174.08	109.69	3.75	14.98	45313.18
Pnc finl.svs.gp.	192.23	0.27	216.26	139.69	3.04	17.37	76273.68
Procter & gamble	168.58	-0.51	180.43	143.13	2.16	31.07	397001.16
Progressive ohio	240.01	-0.28	270.62	154.38	0.45	18.65	140597.69
Prologis reit	102.40	-1.52	135.76	101.11	3.43	33.07	94835.69
Prudential finl.	116.12	1.53	130.55	100.81	4.15	11.05	41338.72
Public storage♦	293.93	-5.95	369.99	256.31	3.82	32.60	51492.25
Qualcomm	151.66	-1.40	230.63	135.85	2.13	19.54	168488.71
Quanta services	322.19	1.57	350.19	197.46	0.10	63.66	47558.24
Realty income	52.81	-0.01	64.88	50.65	5.80	49.26	46215.52
Regeneron pharms.	704.81	-9.82	1211.2	693.00	-	18.64	76169.96
Republic svs 'a'	204.42	0.96	220.58	161.19	1.00	34.96	64012.99
Roper technologies	524.63	-2.10	580.09	508.22	0.40	41.33	56255.09
Ross stores	147.93	-0.67	163.60	127.53	0.93	24.42	48806.43
Royal caribbean group	229.01	-0.52	258.70	113.10	0.16	24.53	61575.12
Rtx	115.84	1.39	128.70	80.92	1.97	35.69	154184.94
S&p global	488.80	-1.34	533.29	407.69	0.69	46.12	151673.09
Salesforce	339.71	2.48	369.00	212.00	0.23	60.58	325102.47
Schlumberger♦	36.86	-0.47	55.69	36.52	2.73	12.67	52052.01
Sempra	85.78	0.69	95.77	66.40	2.81	18.47	54332.99
Servicenow	1068.06	7.07	1157.9	637.99	-	177.84	220019.33
Sherwin-williams	343.55	-5.12	400.42	282.09	0.75	36.54	86522.94
Simon property group♦	171.62	0.11	186.00	135.15	4.48	21.97	55992.85
Southern	82.18	0.68	94.45	65.80	3.23	20.48	90043.33
Southern copper	92.47	-0.49	128.27	75.45	2.38	25.83	72638.9
Spotify technology	453.72	5.07	506.47	185.37	-	187.06	90314.81
Starbucks	89.96	0.06	103.32	71.55	2.47	25.39	101996.65
Stryker	357.21	-1.97	398.20	288.15	0.84	40.93	136172.18
Synopsys	498.05	3.62	629.38	457.52	-	52.57	76507.33
T-mobile us	219.79	-0.90	248.15	153.84	1.11	26.79	255063.36
Target	131.14	0.44	181.86	120.21	3.28	13.87	60087.62
Te connectivity	144.91	0.13	159.98	128.52	1.66	13.07	43351.58
Tesla	433.97	-6.16	488.54	138.80	-	127.10	1393069.91
Texas instruments	186.04	1.04	220.39	155.46	2.61	36.97	169708.78
Thermo fisher scientific	515.93	-0.26	627.88	493.30	0.28	34.58	197341.45
Thomson reuters (nys)	163.90	-0.53	176.03	140.33	1.25	32.06	73740.84
Tjx	121.38	0.14	128.00	89.52	1.10	30.08	136444.68
Trade desk cl.a	128.42	0.49	141.53	61.48	-	253.69	57746.5
Transdigm group	1251.89	12.89	1451.32	972.08	-	46.64	70394.05
Travelers cos.♦	237.77	1.74	269.56	182.59	1.61	13.05	53978.3
Truist financial	43.05	-0.06	49.06	34.23	4.52	-9.47	57149.76
Uber technologies	60.74	-0.49	87.00	54.84	-	31.99	127900.78
Union pacific	225.30	0.76	258.66	218.55	2.18	22.14	136589.62
United parcel ser.'b'	122.39	-1.43	162.20	122.36	5.27	20.11	89512.34
United rentals	720.22	-3.93	896.98	533.70	0.83	20.14	47262.73
Unitedhealth group	486.25	-13.47	630.73	436.38	1.53	33.80	447488.26
Us bancorp	47.92	0.31	53.98	37.81	4.04	15.32	74748.92
Valero energy♦	118.06	-3.68	184.79	117.96	3.35	11.10	37376.05
Verizon communications	40.14	-0.10	45.36	37.15	6.73	18.57	168960.09
Vertex pharms.	386.13	-61.38	519.88	377.85	-	-196.46	99438.5
Visa 'a'	315.22	5.44	321.62	252.70	0.63	34.00	545132.51
Walmart♦	93.49	-0.06	96.18	51.21	0.83	49.85	751041.28
Walt disney	112.42	1.07	123.74	83.91	0.26	43.39	203585.98
Waste management	205.94	0.51	230.39	175.62	1.34	33.61	82657.22
Wells fargo & co	69.37	0.61	78.13	46.12	1.96	15.42	230966.77
Welltower	125.77	0.18	140.75	85.40	1.86	85.64	78315.66
Williams♦	52.38	0.37	60.36	32.65	3.50	22.75	63851.84
Workday class a	266.50	-2.44	311.28	199.81	-	47.04	57029.93
Ww grainger	1089.93	-1.41	1227.66	800.97	0.67	31.57	53079.53
Zoetis a	163.57	-3.45	200.53	144.80	0.96	32.87	73794.81

Closing prices and highs & lows are in traded currency (with variations for that country indicated by stock), market capitalisation is in USD. Highs & lows are based on intraday trading over a rolling 52 week period.

♦ ex-dividend

■ ex-capital redistribution

price at time of suspension

FT 500: TOP 20

	Close price	Prev price	Day change	Day change %	Week change	Week change %	Month change %
Broadcom	221.76	223.62	-1.86	-0.83	44.09	23.5	34.50
Boeing	174.21	172.62	1.59	0.92	18.69	13.2	19.71
Tesla	438.13	440.13	-1.95	-0.44	50.91	12.6	26.73
Alphabet a	190.42	188.40	2.02	1.07	13.69	9.0	6.85
Alphabet 'c'	191.83	190.15	1.73	0.91	13.66	8.7	6.78
Mediatek	1420.00	1420.00	0.00	0.00	70.00	5.2	14.52
Barito renewables energy	8825.00	8075.00	150.00	1.67	575.00	6.1	32.21
Centene	58.95	59.49	-0.54	-0.91	2.73	3.9	1.94
China telecom 'h'	4.89	4.85	0.04	0.82	0.12	3.4	8.22
Nintendo	9410.00	9265.00	145.00	1.57	162.00	3.4	14.62
Apple	249.83	248.05	1.84	0.74	5.21	2.9	9.54
Accenture class a	371.43	347.61	23.87	6.87	-15.09	2.4	4.69
Taiwan semicon.mnfg.	1070.00	1085.00	-15.00	-1.38	40.00	2.4	4.39
Bank of comms.'h'	5.98	6.00	-0.02	-0.33	0.15	2.2	0.84
Volkswagen pref.	88.00	87.64	0.36	0.41	1.54	2.2	2.21
Walmart de mexico 'v'	58.23	58.06	0.22	0.38	0.94	2.0	8.31
China mobile	75.50	75.65	-0.15	-0.20	1.55	1.9	6.70
Canon	5094.00	5024.00	70.00	1.39	24.00	1.9	2.27
Sk hynix	175000.00	183500.00	-8500.00	-4.63	11700.00	1.9	6.87
Cgn power 'h'	2.82	2.88	-0.06	-2.08	0.11	1.8	0.36

Based on the FT Global 500 companies in local currency

FT 500: BOTTOM 20

	Close price	Prev price	Day change	Day change %	Week change	Week change %	Month change %
Palo alto networks	189.81	188.76	1.05	0.56	-217.14	-53.2	-1.89
Adobe (nas)	443.00	441.31	1.69	0.38	-111.65	-19.9	-11.53
Ferguson enterprises	175.17	177.48	-2.31	-1.30	-39.45	-19.3	-12.96
Cvs health	44.80	45.28	-0.48	-1.06	-10.01	-19.0	-19.53
Coinbase global a	279.62	279.86	-0.24	-0.09	-63.76	-18.6	-13.74
Cintas	186.48	204.39	-17.91	-8.76	-19.32	-16.6	-14.46
United rentals	720.66	724.16	3.40	0.48	134.77	16.1	12.21
Micron technology	85.01	103.90	-18.90	-18.19	2.73	-16.0	-12.72
Humana	237.47	239.85	-2.38	-0.99	-41.88	-15.7	-14.41
Lennar 'a'	138.00	145.93	-7.93	-5.43	-17.52	-15.6	-18.07
Vertex pharms.	394.12	447.50	-53.38	-11.93	-14.60	-14.7	-12.08
Mercadolibre	1670.22	1716.38	-46.16	-2.69	-230.80	-14.2	-12.51
Cigna	272.89	282.41	-9.52	-3.37	-35.40	-14.1	-15.28
Phillips 66	110.80	111.86	-1.06	-0.95	-16.82	-13.9	-15.19
Advanced micro devices	119.80	121.41	-1.61	-1.33	-17.18	-13.6	-13.96
Nu holdings a	10.41	10.40	0.01	0.10	-1.63	-13.5	-22.70
Fair isaac	2054.62	2051.10	3.52	0.17	-320.73	-13.4	-10.06
D r horton	138.26	141.77	-3.52	-2.48	-16.74	-12.8	-14.78
Comcast a	37.87	37.86	0.01	0.03	-5.29	-12.2	-10.57
American tower	181.80	184.85	-3.05	-1.65	-22.25	-12.2	-9.49

Based on the FT Global 500 companies in local currency

BONDS: HIGH YIELD & EMERGING MARKET

Dec 19	Red date	Coupon	Ratings S*	Ratings M*	Ratings F*	Bid price	Bid yield	Day's chge yield	Mth's chge yield	Spread vs US
High Yield US$										
Petrobras Global Fin BV (PGF)	05/26	8.00	BB-	Ba1	BB	104.01	5.78	0.11	0.50	1.38
High Yield Euro										
Turkiye	02/26	10.00	-	-	B	75.02	39.48	0.11	1.15	35.08
Emerging US$										
Turkey	03/21	5.00	-	WR	NR	-	-	-	-	-
Turkey	09/21	9.00	-	-	NR	-	-	-	-	-
Poland	04/26	3.00	A-	A2	A-	98.29	4.62	-0.02	0.05	0.22
Mexico	05/26	11.00	BBB	Baa2	BBB-	108.33	5.27	0.20	0.38	-
Brazil	01/27	10.00	-	Ba2	BB	95.43	15.76	0.43	1.81	11.37
Brazil	01/27	10.00	-	Ba2	BB	95.43	15.76	0.43	1.81	11.37
Peru	08/27	4.00	BBB	Baa1	BBB	97.71	5.05	-0.04	0.03	0.65
Peru	08/27	4.00	BBB	Baa1	BBB	97.71	5.05	-0.04	0.03	0.65
Colombia	03/28	11.00	BB+	Baa2	BB+	115.00	6.60	0.00	-0.06	-
Emerging Euro										
Brazil	01/27	10.00	-	Ba2	BB	95.43	15.76	0.43	1.81	11.37
Bulgaria	03/27	2.00	-	Baa1	BBB	99.60	2.81	0.00	-0.02	-1.59
Mexico	11/47	8.00	-	Baa2	BBB-	78.12	10.54	0.01	0.10	-
Mexico	11/47	8.00	-	Baa2	BBB-	78.12	10.54	0.01	0.10	-

Interactive Data Pricing and Reference Data LLC, an ICE Data Services company. US $ denominated bonds NY close; all other London close. *S - Standard & Poor's, M - Moody's, F - Fitch.

BONDS: GLOBAL INVESTMENT GRADE

Dec 19	Red date	Coupon	Ratings S*	Ratings M*	Ratings F*	Bid price	Bid yield	Day's chge yield	Mth's chge yield	Spread vs US
US$										
Morgan Stanley	01/28	4.00	A-	A1	A+	96.10	5.39	0.13	0.20	-
Truist Financial Corporation	01/28	6.00	A-	A3	A	99.48	6.19	0.13	0.21	-
Nicor Gas Company	02/28	6.00	A	Aa3	AA-	103.38	5.40	0.13	0.31	-
National Rural Utilities Cooperative Fin Corporation	02/28	3.00	A-	A2	A	93.28	5.32	0.13	0.09	0.92
Washington Gas Light Company	03/28	6.00	A	WR	A	102.04	6.14	0.13	0.31	
Barclays Bank plc	01/29	4.00	A+	A1	A+	95.53	5.74	0.13	0.24	-
Euro										
HSBC Holdings plc	06/28	3.00	-	Baa1	A-	100.05	3.10	0.01	0.07	-1.29
Spain	10/46	2.00	-	Baa1	A-	92.19	3.41	0.03	0.13	-
Belgium	06/47	1.00	-	NR	AA-	73.33	3.30	0.02	0.18	-
France	05/48	2.00	-	Aa2	AA-	76.79	3.46	0.02	0.15	-
Yen										
Japan	03/55	1.00	-	A1	A	81.09	2.27	-0.02	-0.01	-
£ Sterling										
National GridElectricity Transmission plc	07/28	6.00	-	Baa1	A-	102.31	5.76	0.02	0.10	-
Anglian Water Services Financing Plc	01/29	6.00	-	A3	A-	102.47	5.92	0.02	0.19	-

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INTEREST RATES: OFFICIAL

Dec 19	Rate	Current	Since	Last
US	Fed Funds	4.75-5.00	18-09-2024	5.25-5.50
US	Prime	8.50	26-01-2023	8.25
US	Discount	5.50	01-08-2023	5.25
Euro	Repo	4.00	14-09-2023	3.438
UK	Repo	5.25	03-08-2023	5.00
Japan	O'night Call	0.00-0.10	01-02-2016	0.00
Switzerland	Libor Target	-1.25--0.25	15-01-2015	-0.75--0.25

INTEREST RATES: MARKET

Dec 19 (Libor: Dec 18)	Over night	Change Day	Change Week	Change Month	One month	Three month	Six month	One year
US$ Libor	5.06157	0.010	0.000	0.002	4.96018	4.85372	4.68213	6.04143
Euro Libor	-0.64957	-0.064	0.000	0.001	-0.61943	-0.58057	-0.55600	-0.48571
Swiss Fr Libor	-0.77860	0.009	0.000	-0.002	-0.77540	-0.75300	-0.70280	-0.55320
Yen Libor	-0.09217	-0.001	0.000	0.000	-0.06005	-0.02617	0.07165	0.04867
Euro Euribor				-0.013	2.76200	2.85200	2.65200	2.47400
Sterling CDs				0.000	0.50000	0.63000	0.78500	
US$ CDs				-0.030	4.38000	4.41000	4.40000	
Euro CDs				0.010	2.90000	2.82000	2.62000	

Dec 19	Short term		7 Days notice		One month		Three month		Six month		One year	
Euro	2.66	2.96	2.77	3.07	2.75	3.05	2.67	2.97	2.47	2.77	2.27	2.57
Sterling	0.45	0.55			0.45	0.55	0.58	0.68	0.71	0.86	0.90	1.05
US Dollar	4.07	4.27	4.25	4.45	4.28	4.48	4.31	4.51	4.30	4.50	4.32	4.52
Japanese Yen	-0.30	-0.10	-0.30	-0.10	-0.25	0.05	-0.15	0.05	-0.05	0.15	0.00	0.20

Libor rates come from ICE (see www.theice.com) and are fixed at 11am UK time. Other data sources: US $, Euro & CDs: Tullett Prebon; SDR, US Discount: IMF; EONIA: ECB; Swiss Libor: SNB; EURONIA, RONIA & SONIA: WMBA.

BOND INDICES

	Index	Day's change	Month's change	Year change	Return 1 month	Return 1 year
Markit IBoxx						
ABF Pan-Asia unhedged	221.01	-0.02	-0.57	2.64	0.75	4.45
Corporates(£)	361.54	-0.13	-0.63	1.98	0.56	3.20
Corporates(€)	235.42	-0.06	-0.02	4.96	0.93	5.51
Eurozone Sov(€)	227.86	-0.10	-0.73	2.47	1.00	3.00
Gilts(£)	268.56	-0.21	-2.40	-3.86	-0.58	-2.94
Overall(£)	285.45	-0.19	-1.94	-2.38	-0.30	-1.40
Overall(€)	225.66	-0.09	-0.49	3.10	0.92	3.63
FTSE						
Sterling Corporate (£)	-	-	-	-	-	-
Euro Corporate (€)	104.47	-0.05	-	-	0.54	-1.73
Euro Emerging Mkts (€)	746.79	-12.71	-	-	2.23	-1.21
Eurozone Govt Bond	110.04	-0.19	-	-	-0.34	-0.64

CREDIT INDICES	Index	Day's change	Week's change	Month's change	Series high	Series low
Markit iTraxx						
Crossover 5Y	309.67	11.21	16.40	8.87	319.34	287.38
Europe 5Y	56.60	2.49	3.21	0.73	60.20	52.53
Japan 5Y	51.71	0.89	-0.45	-0.80	53.42	50.38
Senior Financials 5Y	62.87	2.19	3.31	1.92	68.89	58.25
Markit CDX						
Emerging Markets 5Y	166.26	7.95	13.95	7.00	172.68	152.31
Nth Amer High Yld 5Y	313.97	17.08	23.20	8.73	336.78	289.36
Nth Amer Inv Grade 5Y	50.39	2.63	3.57	1.41	54.33	46.82

Websites: markit.com, ftse.com. All indices shown are unhedged. Currencies are shown in brackets after the index names.

VOLATILITY INDICES

	Dec 19	Day Chng	Prev	52 wk high	52 wk low
VIX	22.31	-5.31	27.62	65.73	10.62
VXD	19.97	-1.65	21.62	40.91	1.31
VXN	24.50	-3.13	27.63	40.12	6.48
VDAX	16.48	2.98	13.50	93.30	-

† CBOE. VIX: S&P 500 index Options Volatility, VXD: DJIA Index Options Volatility, VXN: NASDAQ Index Options Volatility. ‡ Deutsche Borse. VDAX: DAX Index Options Volatility.

BONDS: BENCHMARK GOVERNMENT

	Red Date	Coupon	Bid Price	Bid Yield	Day chg yield	Wk chg yield	Month chg yld	Year chg yld
Australia	-	-	-	-	-	-	-	-
	05/32	1.25	81.64	4.15	-0.02	0.10	-0.06	0.14
	02/50	1.00	91.60	2.36	0.00	0.16	0.11	0.65
Austria	02/29	0.50	92.95	2.29	0.01	0.11	0.10	-0.15
	02/47	1.50	77.44	2.89	0.02	0.11	0.11	-0.02
Belgium	06/27	0.80	96.66	2.18	0.01	0.13	0.10	-0.20
	06/47	1.60	73.33	3.30	0.02	0.14	0.18	0.18
Canada	03/25	1.25	99.62	3.22	-0.02	0.00	-0.23	-1.13
	06/30	1.25	90.85	3.09	0.09	0.15	0.10	-0.14
	12/48	2.75	91.39	3.27	0.05	0.07	0.10	0.26
Denmark	11/29	0.50	93.95	1.80	0.03	0.13	0.12	-0.37
	11/52	0.25	60.39	2.15	0.03	0.12	0.11	-0.20
Finland	-	-	-	-	-	-	-	-
	09/29	0.50	91.84	2.34	0.02	0.13	0.11	-0.09
France	05/28	0.75	94.61	2.41	0.00	0.13	0.06	0.06
	05/48	2.00	76.79	3.46	0.02	0.13	0.15	0.43
Germany	08/29	0.00	91.32	1.97	0.01	0.11	0.13	-0.01
	08/50	0.00	54.02	2.43	0.02	0.10	0.15	0.19
Greece	-	-	-	-	-	-	-	-
	01/28	3.75	104.66	2.18	0.00	0.13	0.05	-0.51
Ireland	-	-	-	-	-	-	-	-
	05/26	1.00	98.41	2.16	0.01	0.09	0.06	-0.36
	02/45	2.00	88.56	2.75	0.01	0.08	0.10	-0.16
Italy	02/25	0.35	99.79	2.18	-0.33	-0.30	-0.43	-1.11
	05/30	0.40	95.95	1.18	-0.01	0.20	0.13	-0.40
	03/48	3.45	93.93	3.85	0.03	0.18	0.09	-0.29
Japan	04/25	0.05	99.86	0.47	-0.01	-0.02	-0.08	0.37
	12/29	0.10	96.97	0.72	-0.02	-0.01	0.00	0.37
	12/49	0.40	67.38	2.08	0.00	0.01	-0.01	0.48
Netherlands	07/27	0.75	96.78	2.05	0.00	0.08	0.08	-0.23
	01/47	2.75	102.56	2.60	0.02	0.10	0.14	0.08
New Zealand	05/31	1.50	85.00	4.20	-0.03	0.07	0.02	-0.29
	09/40	2.50	122.23	2.96	0.00	0.09	0.12	0.22
Norway	08/30	1.38	88.06	3.75	0.04	0.22	0.29	0.53
Poland	-	-	-	-	-	-	-	-
	07/27	2.50	93.68	5.16	-0.05	0.11	0.28	0.37
	04/47	4.00	78.00	5.78	0.08	0.10	0.28	0.32
Portugal	04/27	4.13	104.75	2.00	0.00	0.12	0.10	-0.42
Spain	-	-	-	-	-	-	-	-
	10/29	0.60	91.53	2.47	0.01	0.14	0.10	-0.25
	10/46	2.90	92.19	3.41	0.03	0.17	0.13	-0.15
Sweden	06/30	0.13	120.88	0.51	0.01	0.13	0.24	-0.14
	03/39	3.50	113.97	2.34	0.03	0.11	0.19	0.07
Switzerland	04/28	4.00	112.83	0.10	0.01	-0.08	-0.01	-0.64
	06/29	0.00	99.42	0.13	0.01	-0.06	0.00	-0.55
United Kingdom	-	-	-	-	-	-	-	-
	07/27	1.25	92.72	4.24	0.00	0.20	0.21	0.52
	07/47	1.50	53.07	4.99	0.02	0.18	0.28	0.82
United States	-	-	-	-	-	-	-	-
	03/25	0.50	98.95	4.29	0.01	-0.05	-0.15	-0.50
	02/30	1.50	86.77	4.40	0.13	0.24	0.26	0.42
	02/50	0.25	59.53	2.40	0.07	0.17	0.23	0.49

Interactive Data Pricing and Reference Data LLC, an ICE Data Services company.

GILTS: UK CASH MARKET

Dec 19	Price £	Red Yield	Change in Yield Day	Change in Yield Week	Change in Yield Month	Change in Yield Year	52 Week High	52 Week Low	Amnt £m
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Tr 2pc '25	98.17	4.64	-1.07	2.88	1.75	11.00	98.21	96.11	40.34
Tr 0.125pc '26	95.89	3.94	-1.01	3.96	-1.01	0.51	95.98	92.12	39.68
Tr 1.25pc '27	92.79	4.22	-0.47	4.98	0.72	15.93	93.88	90.75	41.41
Tr 0.875pc '29	85.53	4.19	-0.24	5.54	1.70	17.70	102.33	83.97	44.07
Tr 1pc '32	79.46	4.39	0.46	5.78	2.57	22.63	83.39	78.61	36.33
Tr 4.25pc '36	96.26	4.68	0.86	5.64	3.77	22.83	106.09	96.26	32.01
Tr 4.5pc '42	94.17	5.00	1.21	5.04	4.60	21.95	106.98	94.17	28.65
Tr 3.75pc '52	79.96	5.11	1.19	4.29	5.36	24.03	95.61	79.96	25.37
Tr 4pc '60	82.90	5.04	1.20	3.92	5.00	24.75	101.27	82.90	25.39

Gilts benchmarks & non-rump undated stocks. Closing mid-price in pounds per £100 nominal of stock.

GILTS: UK FTSE ACTUARIES INDICES

Price Indices **Fixed Coupon**	Dec 19	Day's chg %	Total Return	Return 1 month	Return 1 year	Yield
1 Up to 5 Years	83.31	0.06	2494.94	0.27	3.03	4.27
2 5 - 10 Years	143.99	-0.15	3208.32	-0.48	-1.52	4.45
3 10 - 15 Years	146.94	-0.43	3601.48	-1.44	-4.20	4.75
4 5 - 15 Years	143.38	-0.24	3300.05	-0.79	-2.41	4.58
5 Over 15 Years	180.81	-0.96	3351.24	-3.37	-10.53	5.01
7 All stocks	128.02	-0.33	3019.26	-1.12	-2.91	4.80

Index Linked	Dec 19	Day's chg %	Month chg %	Year's chg %	Total Return	Return 1 month	Return 1 year
1 Up to 5 Years	340.72	0.20	0.16	1.18	2937.47	0.16	2.12
2 Over 5 years	478.86	-0.49	-3.84	-11.96	3699.58	-3.84	-11.33
3 5-15 years	448.14	0.07	-1.24	-4.75	3697.24	-1.24	-3.73
4 Over 15 years	497.02	-0.90	-5.67	-16.60	3711.39	-5.67	-16.20
5 All stocks	468.80	-0.36	-3.11	-9.53	3698.89	-3.11	-8.84

Yield Indices	Dec 19	Dec 18	Yr ago		Dec 19	Dec 18	Yr ago
5 Yrs	4.28	4.28	3.54	20 Yrs	5.00	4.95	4.10
10 Yrs	4.60	4.56	3.70	45 Yrs	4.89	4.83	3.92
15 Yrs	4.87	4.82	3.98				

Real yield	inflation 0% Dec 19	Dur yrs	Previous	Yr ago	inflation 5% Dec 19	Dur yrs	Previous	Yr ago
Up to 5 yrs	0.68	3.08	0.74	0.37	0.49	3.08	0.55	0.10
Over 5 yrs	1.62	18.00	1.59	0.72	1.58	18.06	1.55	0.70
5-15 yrs	1.20	9.39	1.21	0.32	1.09	9.41	1.10	0.24
Over 15 yrs	1.74	23.87	1.70	0.81	1.72	23.89	1.68	0.81
All stocks	1.59	15.30	1.56	0.71	1.54	15.37	1.51	0.68

See FTSE website for more details www.ftse.com/products/indices/gilts

COMMODITIES

www.ft.com/commodities

Energy		Price*	Change	Agricultural & Cattle Futures		Price*	Change
Crude Oil†	Feb	70.05	0.03	Corn♦	Mar	436.50	-0.75
Brent Crude Oil‡		72.78	-0.61	Wheat♦	Mar	532.50	-8.75
RBOB Gasoline†	Jan	1.94	0.00	Soybeans♦	Jan	953.75	2.00
Natural Gas†	Jan	3.50	0.12	Soybeans Meal♦	Jan	278.80	-0.70
Base Metals (♠ LME 3 Months)				Cocoa (ICE Liffe)✤	Mar	9629.00	-297.00
Aluminium		2512.00	-19.00	Cocoa (ICE US)♥	Mar	12373.00	-192.00
Aluminium Alloy		2400.00	800.00	Coffee(Robusta)✤	Jan	5063.00	-88.00
Copper		8910.00	-135.00	Coffee (Arabica)♥	Mar	338.15	5.50
Lead		1962.00	-21.00	White Sugar✤		510.90	-0.70
Nickel		15195.00	-385.00	Sugar 11♥		19.58	-0.07
Tin		28520.00	-510.00	Cotton♥	Mar	68.32	0.24
Zinc		2986.50	-14.50	Orange Juice♥	Jan	535.15	-0.25
Precious Metals (PM London Fix)				Live Cattle♣	Dec	191.50	-0.75
Gold		2635.65	-0.70	Feeder Cattle♣	May	134.88	-
Silver (US cents)		3035.50	4.50	Lean Hogs♣	Feb	83.70	0.50
Platinum		930.00	-2.00				
Palladium		929.00	-5.00		Dec 18	% Chg Month	% Chg Year
Bulk Commodities							
Iron Ore		104.73	-0.85	S&P GSCI Spt	535.22	-0.76	-2.03
Baltic Dry Index		976.00	-52.00	DJ UBS Spot	96.37	-1.57	-3.22
Richards Bay ICE Futures		107.50	-0.05	TR/CC CRB TR	343.51	1.32	22.21
				LEBA EUA Carbon	58.91	-1.98	129.94
				LEBA UK Power	1048.00	-37.43	-39.60

Sources: † NYMEX, ‡ ECX/ICE, ♦ CBOT, ✤ ICE Liffe, ♥ ICE Futures, ♣ CME, ♠ LME/London Metal Exchange.* Latest prices, $ unless otherwise stated.

BONDS: INDEX-LINKED

	Price Dec 18	Yield Dec 18	Yield Prev	Month return	Value stock	Market	No of stocks
Can 4.25%' 26	105.88	1.188	1.161	0.30	5.25	73123.36	8
Fr 0.10%' 26	99.43	0.579	0.596	-0.07	12.74	272113.49	18
Swe 0.12%' 26	130.59	1.040	1.035	-0.24	33.71	207778.49	6
UK 0.125%' 26	99.10	0.848	0.812	-0.14	13.45	525401.50	32
	-	-	-	-	-	-	-
UK 2.00%' 35	238.06	1.217	1.186	-3.07	9.08	525401.50	32
US 0.625%' 26	98.45	2.089	1.993	0.12	42.13	1673159.84	48
US 3.625%' 28	104.89	2.093	1.966	-0.60	16.77	1673159.84	48

Representative stocks from each major market Source: Merill Lynch Global Bond Indices † Local currencies. ‡ Total market value. In line with market convention, for UK Gilts inflation factor is applied to price, for other markets it is applied to par amount.

BONDS: TEN YEAR GOVT SPREADS

	Bid Yield	Spread vs Bund	Spread vs T-Bonds		Bid Yield	Spread vs Bund	Spread vs T-Bonds
Australia	4.15	2.18	-0.24	Netherlands	2.05	0.08	-2.34
Austria	2.29	0.32	-2.10	New Zealand	4.20	2.23	-0.20
Canada	3.09	1.12	-1.31	Norway	3.75	1.78	-0.64
Denmark	1.80	-0.17	-2.60	Portugal	2.00	0.03	-2.40
Finland	2.34	0.37	-2.05	Spain	2.47	0.50	-1.93
Germany	1.97	0.00	-2.43	Sweden	0.51	-1.46	-3.89
Italy	1.18	-0.79	-3.22	Switzerland	0.13	-1.84	-4.27
Japan	0.72	-1.25	-3.68	United States	4.40	2.43	0.00

Interactive Data Pricing and Reference Data LLC, an ICE Data Services company.

Data provided by Morningstar | www.morningstar.co.uk

Vivid stories of past, present and an eerie future

From a stirring second world war epic to a heartfelt Iranian gem, Danny Leigh picks 10 films of 2024 to catch up on

Léa Seydoux and George MacKay in the time-leaping movie 'The Beast'

The Beast

Do you remember the future? In *The Beast*, Léa Seydoux and George MacKay work in French and English, and across time. Director Bertrand Bonello takes a pinch of inspiration from Henry James's novella *The Beast in the Jungle*, then jumps into eerie science fiction.

The movie spans 1910, 2014 and a chilly point two decades from now. Thematic rhymes abound: love and loneliness, premonitions and QR codes. But the real common thread is the ache of nostalgia — for the past *and* things to come that never were.

On Amazon Prime Video, Apple TV+ and others

Blitz

Steve McQueen could have made this list twice. In the documentary *Occupied City*, he matched images of modern Amsterdam to the story of the city under Nazi control. All four remarkable hours of that film are more than worth your time too.

But *Blitz* is a London movie to the bones, a panorama of the capital ablaze in 1941, radiating out from a single Stepney family. The visual daring is stunning, and yet the film also feels timeless — as stirring as any landmark in British war cinema, even as it upends the clichés of the genre.

On Apple TV+

La Chimera

Excavating the past is a theme in more than one of the year's best films. In the singular *La Chimera*, even the look of Alice Rohrwacher's movie feels archaeological: a vintage grain just right for the setting in 1980s Tuscany.

Josh O'Connor stars, working in Italian as an English ne'er-do-well fallen in with ragbag "tombaroli" (tomb raiders) to steal buried Etruscan artefacts. The mood is anarchic but shadowed with sadness — and surprises.

On Amazon Prime Video, Apple TV+ and others

Dahomey

La Chimera is a tale of treasures being stolen. In *Dahomey*, director Mati Diop focuses on relics long spirited away from home — until now. At the simplest level, the documentary tracks 26 African artworks looted by France in the 19th century, but now being returned to Benin.

Early scenes coolly observe giant iroko wood statues still in Paris, being packed for their journey. Inside the film, though, an explosion of ideas is about to begin around the legacy of colonialism. The rest is a movie of rare and restless intelligence.

On MUBI, Apple TV+ and others

Furiosa: A Mad Max Saga

"What the hell am I watching?" is a great question for any film to make us ask. You may find it comes up in *Furiosa*, a wired and wilful action blockbuster. The short answer is the origin story of the post-apocalyptic heroine from George Miller's last virtuoso *Mad Max* movie, *Fury Road* — one built around the otherworldly star presence of Anya Taylor-Joy.

Like Francis Ford Coppola's quickly infamous *Megalopolis*, the movie marches to no tune but its own. But while Coppola sprawled, Miller and Taylor-Joy keep things taut and kinetic — their movie brutal but a rush.

On Amazon Prime Video, Apple TV+ and others

Hit Man

We've all seen too many movies about assassins, and *Hit Man* knows it. Instead, Richard Linklater gives us a hugely enjoyable Russian doll. The promise is a true-ish story inside which lies a screwball lark. Inside *that*, though, is a chewy meditation on how much of the world we (mis)understand from movies.

Glen Powell stars as the New Orleans philosophy professor gone undercover with the cops to impersonate a hired killer. The comedy is nimble; Powell's chemistry with co-star Adria Arjona pops. And the sting in the tail? We even get something to think about.

On Netflix

My Favourite Cake

Telling the truth in a hardline regime is always heroic. *My Favourite Cake* does it in the form of a gentle comic drama. The story might not seem subversive: a wry portrait of a 70-year-old Tehran widow who trains her romantic gaze on a surprised elderly taxi driver.

And yet within Iran, the morality police saw the film as criminal on account of such scenes as women at home going without a hijab.

It was enough for directors Maryam Moghaddam and Behtash Sanaeeha to face interrogations and the confiscation of their passports. But to watch the film isn't just a small act of solidarity — it is also a pleasure.

On Amazon Prime Video, Apple TV+ and others

No Other Land

No Other Land is a film about a place: Masafer Yatta, a string of Palestinian villages in the West Bank whose homes and schools are often torn down by the Israeli military. But this intense and gripping documentary is also about people: the villagers, of course, and two of the four co-directors, Basel Adra and Yuval Abraham. Adra too is from Masafer Yatta. For him, the film comes after years already spent recording tanks, bulldozers and the violence of soldiers.

Meanwhile, Abraham is an Israeli journalist whose friendship with Adra gives this deeply human film greater dimension still.

On Amazon Prime Video, Apple TV+ and others

Robot Dreams

The charming animation *Robot Dreams* is suitable for all ages. Younger kids will surely giggle. Adults, though, may find themselves with a lump in their throat, albeit having first enjoyed a nostalgic high from the colourful backdrop of 1980s New York.

But here the breakdancers, punks and Coney Island day-trippers are cartoon animals, like the melancholy dog at the heart of the movie, who buys a mail-order robot as a pal. From that simple beginning, Pablo Berger's movie spins endless invention and emotional complexity — and all without a word of dialogue.

On Amazon Prime Video, Apple TV+ and others

The Vourdalak

Christmas Eve in Britain isn't the same without a ghost story — but Adrien Beau's vampire yarn *The Vourdalak* will make a fine alternative. The story is an old one, based on an 1839 Russian novel, with a prim French courtier stranded in rural eastern Europe with a strange local family. What follows is a richly gamy gothic horror. The ratio of creeping unease and surrealist comedy is perfectly judged — just right to make sure you wake up on Christmas morning still shuddering.

On Amazon Prime Video, Apple TV+ and others

Saoirse Ronan and Elliott Heffernan in 'Blitz'

Intoxicated by McCartney's life force

POP

Paul McCartney
O2 Arena, London
★★★★★

Ludovic Hunter-Tilney

The end is nigh for Paul McCartney's Got Back tour. It began in 2022 in Spokane, Washington, which connoisseurs of sentimentality will know as the birthplace of Father's Day. After a long and winding road that has taken in four continents and a headline appearance at the Glastonbury Festival, the last two of the tour's 59 dates have brought Macca "back home", in his words, to London's O2 Arena.

A sense of occasion gripped the venue for the first of the two nights. "The Long and Winding Road" did not feature, as it happens, but there was no cavilling about the scope of the setlist. It consisted of 36 songs, the oldest dating back to The Quarrymen's skiffle in 1958, the most recent from 2018's *Egypt Station*. He performed for two hours and 40 minutes, which followed an earlier soundcheck involving a 50-minute set of mostly different material. It is scarcely conceivable, but McCartney is 82. Will we see him mount a show on this scale again?

It opened with the sound of the steepling orchestral swell from The Beatles' "A Day in the Life" and screened animation of his familiar Höfner bass guitar in the guise of a rocket about to lift off. Then Macca took to the stage with the actual bass guitar, with hand on chin and head cocked, as if to say: hmm, are you all here to see lil' ol' me? A countdown to his band and boom, he was up and running with a sprightly hit that is 60 years old, The Beatles' "Can't Buy Me Love".

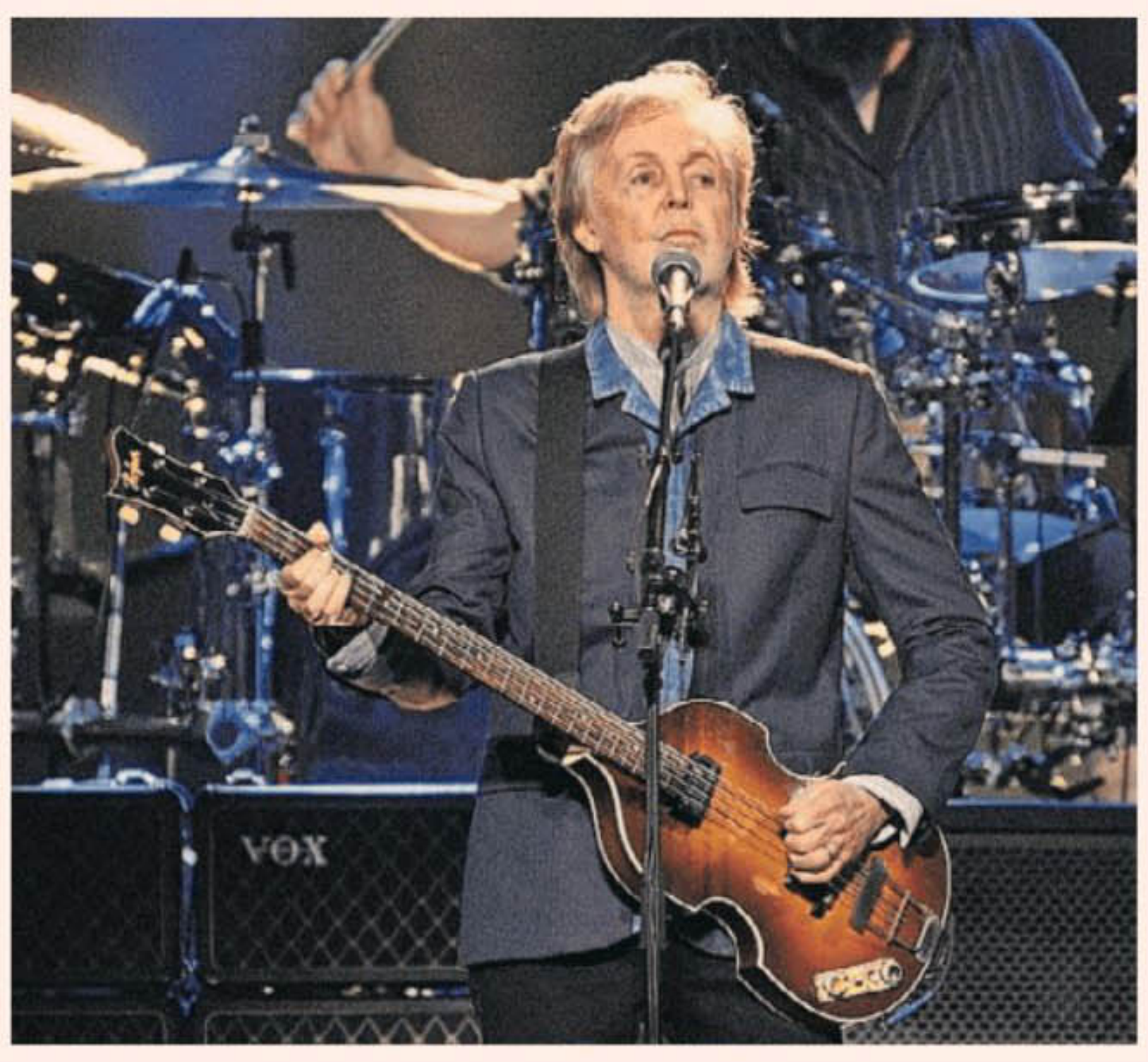
The song cast McCartney as an impecunious suitor with empty pockets and a big heart. In reality, the Got Back tour grossed almost $200mn during its 2022 and 2023 legs alone. Money may not buy love but it could gain access to the soundcheck earlier, witnessed by VIP ticket holders. However, McCartney's attachment to the stage transcends material reward. One of the greatest figures in the history of pop remains motivated by an artistic life force that was intoxicatingly captured by this big, punchy, entertaining arena spectacle.

Most of the material was drawn from The Beatles and Wings. The latter's ebullient 1970s rock set the tone for the first part of the set, epitomised by the curlicue of guitar riffs decorating "Junior's Farm". Beatles classics such as "Drive My Car" were beefed up as though given a Wings makeover. Both lighting and sound quality were dynamic. McCartney was accompanied by guitarists Rusty Anderson and Brian Ray. Paul "Wix" Wickens was on keyboards. Abe Laboriel Jr drove songs forward on drums. A brass trio, Hot City Horns, also featured.

The yuletide schmaltz of "Wonderful Christmastime", complete with fake blizzard and children's choir, made a seasonal appearance. The set otherwise followed a well-worn, effective groove. There was a ukulele-led "Something" in tribute to George Harrison and a duet with a screened John Lennon for "I've Got a Feeling". "Live and Let Die" had more pyrotechnics than New Year's Eve. Macca delivered his between-song patter in the appealing manner of one who will never grow tired of it.

His voice was crumbly but did not flag. He rationed the unsteady high notes and kept the yowls to a pragmatic minimum. It was the singing of an older, more fallible McCartney — but still unmistakably him. The highlights were sentimental gut punches. One was a solo "Blackbird", played on a raised platform against a backdrop showing the night sky and wintry branches. The other was the mass singalong to "Hey Jude". In keeping with its message of making a sad song better, Macca's last words to us, uttered amid an explosion of red, white and blue confetti, were consoling: "See you next time."

paulmccartney.com



Paul McCartney on stage at the O2 Arena, where he performed 36 songs over two hours and 40 minutes
Getty Images

FT BIG READ. BUSINESS REGULATION

With promises of greater deregulation in the US, Brussels faces criticism that its ambitious green and digital agendas punish companies. Is there a way to balance its goals and still be open to business?

By Paola Tamma and Alice Hancock

Europe wraps itself in a web of new rules

Having spent her first term as European Commission president driving the EU's ambitious green agenda, Ursula von der Leyen looks set to spend the next five years rowing it back — with a promise to tackle onerous reporting requirements

FT montage/Bloomberg

The rules were meant to give certainty. To ensure Europe's car industry hit the EU's ambitious green goals, in 2021 lawmakers in Brussels set strict emission standards and an effective ban on new combustion engines by 2035.

Since then, "quite a lot has happened," says Benjamin Krieger, secretary-general of the European automotive parts industry body Clepa. "There's conflict, there was a pandemic."

Energy costs have shot up, demand for electric vehicles has dropped and cheaper Chinese cars are flooding the market. The automotive parts sector has suffered 30,000 net jobs losses in the year to November.

Inflexible EU rules set up Europe's car industry for failure, critics say. Since the regulations do not allow for plug-in hybrids or fuel-based range extenders that allow battery vehicles to go for longer, "many [companies] started to throw away the combustion engines business and put everything on e-mobility", says Matthias Zink, chief executive of automotive technologies at car parts manufacturer Schaeffler.

The car rules, which the industry and several EU governments are now pushing to loosen, are just one piece of a legislative outpouring from the previous European Commission's mandate that ended with elections in June. The EU executive proposed hundreds of laws governing the green transition, the financial industry, and the digital world.

Now, conservative and far-right lawmakers across Europe accuse the bloc's ambitious green and digital agendas of punishing citizens and businesses.

"The complexity of the current regulatory framework and the excessive reporting obligations are one of the biggest barriers to innovation and growth within Europe," the centre-right European People's party, the EU's biggest political group, wrote in a recent paper on the car industry.

Having spent her first term as European Commission president driving the EU's ambitious green agenda, Ursula von der Leyen looks set to spend the next five years rowing it back.

The slump of EU industry is not the only precipitating factor. The US President-elect Donald Trump has promised his own deregulation drive, appointing the billionaire entrepreneur Elon Musk as co-head of a new Department of Government Efficiency.

Diplomats and officials in Brussels fear that Musk will prompt a race to the bottom on regulation. European companies, meanwhile, say they are so entangled in red tape that they will fall even further behind their US rivals.

"Do we need an Elon Musk for deregulation here in Europe? Well, I would leave the choice of personnel to those who are to take these decisions," Krieger says. "But even the European Commission themselves, and Ursula von der Leyen, have said that there is merit in thinking about reducing the bureaucratic burden on industries."

The US is also challenging Europe's right to enforce its ambitious rules. For example, Trump's vice-president JD Vance recently linked US support for the Nato military alliance to more benign EU enforcement of its platform moderation rules, which have pitted Musk's X against Brussels.

"It is definitely a very strong point of challenge for the whole European Union," says Czech transport minister Martin Kupka. "It will be necessary to follow and to monitor all steps on the side of the United States of America."

For years, the EU has traded on the so-called "Brussels effect": leveraging its power as the largest single market in the world to try and raise global standards. But that reputation is wearing thin as the administrative burden of complying with its rules takes its toll on companies in and outside the bloc.

Between 2019 and 2024, the EU produced 13,942 legal acts. By contrast, over a similar period, the US produced just 3,725 pieces of legislation and passed 2,202 resolutions.

"We created the legal framework and the targets during the last mandate," says Stéphane Séjourné, the EU's executive vice-president tasked with Europe's industrial revival. The challenge is to make those systems "a global standard".

But critics argue that this is leading to a loss of competitiveness, especially if the US opts for even less and looser legislation. "Between getting stuck on the rules and the excess of ambitious targets, we are compromising the ability to be protagonists," says Emanuele Orsini, president of Italy's business lobby Confindustria. "Nobody will follow Europe's example."

> 'The complexity of the regulatory framework and the excessive reporting obligations are one of the biggest barriers to innovation and growth'

The EU's climate and environmental policies are the biggest source of frustration. Since June, member states and EU lawmakers have already agreed to postpone a landmark law to cut deforestation following complaints from trading partners, including Indonesia and Brazil, about too much bureaucracy. Even the Biden administration — much friendlier to Europe than Trump and Musk — warned Brussels in May that the deforestation law posed "critical challenges" to US businesses.

Another part of the EU's climate law that has come under attack is its administratively complex carbon border tax, which requires importers to account for the emissions embedded in products they bring in. Then there are several directives that ask companies to account for and act on social and environmental abuses in their supply chains.

While those rules will initially only be compulsory for EU companies that have a turnover of above €150mn, but small and sometimes micro enterprises are forced to adopt the same standards in order to keep their clients.

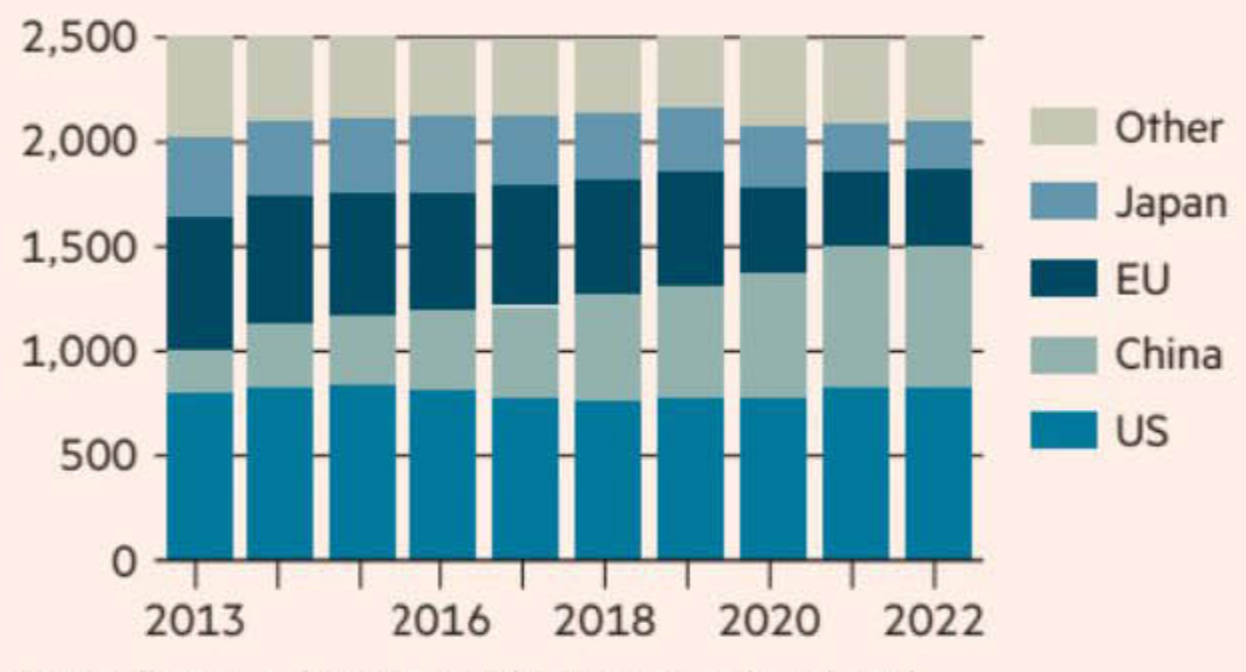
Michel Ceyssens, the owner of a small soap and cosmeticsmanufacturer based in Belgium, says his family-owned business has already received a request from the Belgian supermarket chain Delhaize to report on their environmental impact. "We don't need to do it," he adds. "But if one of your major customers demands it, it's clear that you have to."

Ceyssens has invested in solar panels, electrified the company's fleet, switched to LED lights and paid $1,350 to report the information to Delhaize. He has also spent €450 on consultancy fees.

The commission has sought to simplify things by trialling a simplified version of the reporting system for smaller businesses. But even green-minded entrepreneurs find it difficult to comply.

Among the top 2,500 global companies by R&D spend, there are now far fewer from the EU compared with 2013

Composition of top 2,500 global companies (number of companies)



Source: European Commission R&D Investment Scoreboard

"It's totally not user-friendly," says Max Arnold, who owns a printing business in Potsdam, Germany and volunteered to test it. Without the help of expensive consultancies, it takes months to understand, he adds.

The reporting directive is "a total disaster", agrees Stefan Borgas, chief executive of the FTSE 250 specialised refractory manufacturer RHI Magnesita. "It was put in place in order to tackle CO_2 emission reporting and it has ended up to be this massive monster."

Because of regulations like this, it makes it harder to get projects off the ground in Europe, says Borgas. "The speed is gone, also the readiness of anyone to invest is so low . . . it's so uncertain," he adds. "This is not a very good business environment."

The German government this month wrote to Brussels seeking to roll back some of the reporting requirements, which they say pose "unreasonable administrative burdens" to companies, according to a letter seen by the FT.

Von der Leyen is responding to the discontent with a promise to tackle the onerous reporting requirements in a new "omnibus" legislation due in February. One suggestion to combat deregulatory pressure from the US is to show that the cost of compliance with EU rules is less than the practice of having to put money aside for any litigation costs in the US, according to people with knowledge of the discussions.

The goal of the omnibus is to "ensure consistency and alignment across different pieces of legislation . . . because there are certain inconsistencies," says Valdis Dombrovskis, the EU commissioner in charge of steering its new simplification drive.

"There are groups which are very much in favour of simplification, if not the deregulation, and others which are more cautious. So we need to find the right balance," he adds. "We are not moving away from our policy targets . . . but rather looking [at] how to [make this] less of a burden and less cost for the economy, in terms specifically of reporting requirements."

Posting about his new position in the US government, the American entrepreneur Vivek Ramaswamy — appointed alongside Musk to lead the new Doge — says "the only right answer is a massive downsizing".

One of the solutions proposed by the pair is for the government not to enforce environmental rules. "This would liberate individuals and businesses from illicit regulations never passed by Congress and stimulate the US economy," they wrote in an op-ed last month in the Wall Street Journal.

The US Environmental Protection Agency is likely to be one of the first targets, having come into conflict several times with Musk over permits and restrictions for his many businesses. But it is not the only area that the SpaceX founder has in his crosshairs. Musk has often clashed with the Securities and Exchange Commission, the US agency that polices market manipulation, which is currently investigating his purchase of X, formerly Twitter.

Trump's return is also expected to lead to an even looser approach to regulating US banks and other financial market actors, widening an already large gap with those in the EU that are subject to tighter standards.

Following the 2008 financial crisis, the EU implemented international banking standards — the Basel framework — across all lenders, while the US only applies that framework to a subset of international banks. This has given EU industry less liquidity, according to some critics.

"The EU's prudential regulation — not replicated elsewhere — limits the EU capital available to finance innovation," wrote Mario Draghi, former European Central Bank president, in a report on European competitiveness.

The final phase of the framework, known as Basel III Endgame, will come into effect in the bloc from January 1 2025. But it is likely to be substantively watered down by the incoming US administration, leaving the EU, UK and other lenders at a disadvantage.

This "will make the strength of the US financial system even more competitive," says Karel Lannoo, CEO of CEPS, a Brussels-based think-tank.

While the EU has postponed parts of the new requirements related to investment banking by a year, a more substantial rethink is likely if the US fundamentally rewrites or rejects the rules.

"This is not a race to the bottom where I would participate," said Maria Luís Albuquerque, the EU's financial regulation commissioner, in October.

As a result, European banks are pushing regulators to review their own implementation of Basel III, and prudential requirements more widely.

"The EU's regulatory approach has been on one hand successful [in preventing financial crises]. On the other hand, it has gone too far," says Wim Mijs, CEO of the European Banking Federation.

"There is a need for more simple, less restrictive rules without giving up financial stability."

> 'There's so many tools that help new companies to come here, grow and get support. It's a much more nuanced story'

Calls for deregulation in Europe could also extend to nascent technologies such as artificial intelligence and Big Tech.

The EU's Digital Services Act and the upcoming AI Act have been accused of smothering sectors that are barely in existence in Europe, which has a fraction of the investments, patents and global market share enjoyed by the US.

EU rules "create the risk of European companies being excluded from early AI innovations because of uncertainty of regulatory frameworks as well as higher burdens for EU researchers and innovators to develop homegrown AI," Draghi wrote in his report.

"While smart regulation is essential to build long-term trust, it is the fragmentation and complexity of regulations that could create additional burdens for start-ups," says Audrey Herblin-Stoop, head of public affairs at the French-based start-up Mistral AI.

But others argue that EU regulation in the field of AI is carefully designed to avoid stifling innovation.

"The legislation in Europe is very smart in the way that the framework is proposed, because it is not a flat-out regulation for everybody . . . There is a lot of inbuilt flexibility . . . [to suit] the pace of AI," says Sandra Wachter, professor of technology and regulation at the University of Oxford.

There are others who argue that Europe's approach could be an area of opportunity. Christian Ehler, a German MEP, says that the uncertainty over the fate of current US President Joe Biden's landmark decarbonisation bill, the Inflation Reduction Act, could encourage investors to look to the EU instead.

"The Trump administration's economic agenda will bring about significant uncertainty for clean tech companies and investors in the US," he says. "The EU, firmly committed to climate neutrality by 2050, stands to benefit."

Oxford's Wachter agrees. "There's so many tools that help new companies to come here, grow and get support. It's a much more nuanced story than saying [EU regulation] is going to completely wipe out newcomers," she adds.

This is the moment for the EU to either "quit or double down", warns the EU's Séjourné. "Either we win at the end of the five years and we will consider that Europe was a pioneer, or we will not be able to make our industries competitive in an international environment that has closed off," he says.

"That's why we don't have the right to make mistakes during this mandate."

Additional reporting and data visualisation by Janina Conboye

The FT View

FINANCIAL TIMES
'Without fear and without favour'

Sudan's unfolding humanitarian crisis

Outside powers hold the key to ending the deadly forgotten conflict

Some conflicts, like those in Ukraine and Gaza, command global attention. Others, like the one in Sudan, go practically unnoticed. Yet the stakes in Sudan, both in terms of human suffering and geopolitical impact, are catastrophically high.

Close to a quarter of Sudan's people have fled their homes, 3mn of them into fragile neighbouring states. Another 25mn Sudanese face acute hunger. With farming disrupted and the economy in ruins, the prospect of 1980s-style famine looms.

Media access is almost non-existent, so the world has been shielded from the sight of children starving to death in refugee camps, such as Zamzam in northern Darfur. Meanwhile, warring factions play god with people's lives, blocking food and medical aid from areas not under their control, although thanks to diplomacy that situation may have improved marginally in recent months.

It should go without saying that no human life is worth more than any other, whether Sudan is a cause célèbre or not. More must be done to negotiate access for humanitarian aid. Inadequate efforts to raise international funds should be stepped up. The UK recently said it was doubling its contribution for the year to £113mn. It is a small, if welcome, start.

The war is often portrayed as a struggle between two generals, with fighters from the Sudanese Armed Forces, the de facto government, on one side and those of the paramilitary Rapid Support Forces on the other. If only it were that simple.

The UAE, Russia, Egypt, Saudi Arabia, Iran and others have infiltrated the conflict, jockeying for gold, influence and territorial control, particularly over Port Sudan on the Red Sea coast. This is a new kind of middle-power war fought by proxy in which civilians, only a few years ago so hopeful after the fall of dictator Omar al-Bashir, are the victims.

Inside Sudan, power has splintered. The RSF is under the control of Mohamed Hamdan Dagalo, a former camel trader known as Hemeti, but his modus operandi is to unleash terror as he did in Darfur 20 years ago.

The Sudanese Armed Forces, led by General Abdel Fattah al-Burhan, is a looser coalition. Islamists have edged close to Burhan, seeing the war as a potential path back to the power they enjoyed under Bashir's 30-year rule.

The threat of Islamists running Sudan is one reason the UAE is backing Hemeti, but he has even less legitimacy than Burhan. No military solution is possible. Sudan's only long-term hope for stability is a resumption of the aborted civilian transition begun in 2019.

Meanwhile, Sudan's war threatens to bleed into the broader crisis in the Sahel. That could complete a 6,000-kilometre "coup belt" beneath the Sahara where both jihadism and Russian influence are increasingly entrenched. Europe should be more active in trying to prevent that frightening outcome.

No side in the fighting, especially one that occupies a seat at the UN, can be allowed to use famine as a weapon of war

For all these reasons, Sudan's crisis should be urgently pushed up the political agenda. The first priority has to be to avert humanitarian disaster. No side, especially one that occupies a seat at the UN as the rump SAF government does, can be allowed to use famine as a weapon of war.

In the longer term, the tenuous threads to peace lead largely through the Middle East. The US has been coy about calling out the UAE's support for the RSF. It should be less so. Pressure should also be placed on Egypt, Saudi Arabia, Turkey and others to throttle Sudan's generals of the arms they need to pursue their ruinous war. This conflict started in Sudan. But the key to its end lies outside.

ft.com/opinion

Opinion Policy

America needs an infrastructure revolution

Ann Kiernan

Sadek Wahba

When Donald Trump began his first term as US president, one of his primary objectives was to invest in American infrastructure. However, his administration's attempts to develop a major infrastructure programme were stymied by internal challenges and later by the pandemic.

In 2021, the Biden administration passed the bipartisan $1.2tn Infrastructure Investment and Jobs Act. In the years since, capital has been allocated across various sectors in both red and blue states successfully upgrading roads, removing lead from water systems and improving bridges — although progress has been slower than anticipated.

The IIJA was a once-in-a-generation investment. However, the federal debt now exceeds 120 per cent of GDP and the deficit is over 6 per cent of GDP, making continued traditional infrastructure spending unsustainable.

There should be a pragmatic discussion about what mechanisms deliver the best outcomes

Historically, the private sector has played a pivotal role in filling infrastructure investment gaps. For the first 140 years of the American republic, essential infrastructure such as roads, water systems and railways were largely built and managed by private entities with government support. It was only during the Depression and second world war that roles were reversed. The government assumed control of public works with the private sector playing a secondary role — a model that is still with us today.

A second Trump administration has a unique opportunity to build on the IIJA and fundamentally alter the way US infrastructure is managed. The private sector should be encouraged to manage and operate infrastructure assets, with the government focusing on regulation of natural monopolies, like water systems and roads. By providing a stable, well-developed regulatory framework, the government can attract long-term capital to these assets, encouraging investment from US pension funds, domestic capital and foreign investors.

Consider the water sector. More than 90 per cent of US water systems are owned by local or regional governments. Managing these systems is a colossal challenge for federal and state governments, as well as agencies such as the Environmental Protection Agency. A regulatory framework at the federal and state levels that incentivises private aggregation of water utilities could create economies of scale and deliver significant benefits to consumers, driving economic growth and job creation. The National Infrastructure Advisory Council that advises the president has suggested exactly this in its latest report on the US water sector.

Airports offer another compelling example. In America, most airports are state- or locally owned and managed, unlike in Europe, where over 40 per cent have at least some private shareholders. By adopting a public-private partnership model for airports, the federal government would allow local governments to gain access to new capital, tax revenue from airport commerce and foster economic growth in airport-adjacent communities. For instance, San Juan's Luis Muñoz Marín International Airport, the only major airport that undertook a PPP in 2013, is projected to generate an estimated $2.6bn in economic benefits for the city over the life of the arrangement. The same model could be applied to the air traffic control system.

A truly visionary infrastructure plan must embrace the transformative potential of PPPs, using recent advances in the way such arrangements are structured to address reservations that state and municipal policymakers may have. This is an issue that transcends ideological divides. At its core there should be a pragmatic discussion about what mechanisms deliver the best outcomes.

In some instances, government-driven initiatives will prevail, while in others the private sector will prove more effective. As John Maynard Keynes once observed: "The line of demarcation between [public and private enterprise] is constantly changing in accordance with the practical needs of the day. As to where precisely this line should be drawn, no great question of principle is involved."

The Trump administration and Congress have a historic opportunity to build on the infrastructure milestones of the past four years and inaugurate a new era of innovation. By harnessing cutting-edge technology and unlocking the power of private capital, they can revolutionise the delivery of infrastructure and set the stage for transformative progress.

The writer is the author of 'Build: Investing in America's Infrastructure', a member of the president's National Infrastructure Advisory Council and chair of I Squared Capital

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Market for credit risk transfers is good for the financial system

William Cohan ("An old strategy is being reinvented by US banks", On Wall Street, FT Weekend, December 7) contends that credit risk transfers (CRTs) are a risk to the financial system. Nothing could be further from the truth.

CRTs enhance the stability of the financial system by removing risk from bank balance sheets and shifting it to private funds who are better able to bear it. This shifts risk from depositors with daily withdrawal rights and a taxpayer backstop to institutional investors with no run risk or government backstop.

CRTs contribute to a more efficient financial system by enabling banks to deploy capital more effectively and make credit more widely available. For banks and regulators, they provide a tool for transferring credit risk from their balance sheets to sophisticated investors. For investors, they offer returns for assuming credit risk associated with bank loans.

Regulators should, and do, support CRTs. This summer, Federal Reserve chair Jerome Powell told Congress that CRTs were looked at "carefully" and that "if it works to reduce the risk on a bank's balance sheet, that's something we should be OK with". Indeed, CRTs are subject to robust regulation and internal bank controls to ensure their stability, transparency and effectiveness.

Despite all the benefits to the financial system, Cohan cast aspersions on CRTs. He asserts that the private funds who assume the credit risk are incapable of "managing and absorbing" losses. This is simply not true. Funds deploy capital from institutional investors who agree to long commitment periods. This removes the liquidity risks present in the banks. The transactions are also structured to reduce risk, and often require cash deposits with a custodian to absorb losses.

Cohan mentions remarks from economists asserting that the Fed needs to "address the growing systemic vulnerabilities posed by" CRTs. However, as Powell said, the Fed closely reviews CRTs to ensure they remove risk from the banking system. In fact, not doing CRTs poses a greater risk by burdening banks with balance sheet risk that limits their ability to deploy capital.

Curtailing the use of CRTs, as Cohan argues, would increase the risk present in the banking system.

Using market-based finance to de-risk banks and enhance financial stability should be encouraged. Thankfully, regulators, banks, and market participants are embracing CRTs as a tool that makes the financial system more resilient.

Bryan Corbett
President and Chief Executive Officer, Managed Funds Association (MFA)
Washington, DC, US.

Why the solution to Syria deserves special attention

Gideon Rachman ("Netanyahu and Erdoğan vie for strongman title", Opinion, December 17) is right.

At the outset of his magisterial analysis 60 years ago (*The Struggle for Syria*, 1965), Patrick Seale wrote: "It is as a mirror of rival interests on an international scale that she [Syria] deserves special attention. Indeed, her internal affairs are almost meaningless unless related to the wider context, first of her Arab neighbours and then of other interested Powers."

It was again true during the recent civil war and still true today. But it is a mistake to think Turkey and Israel are in competition. They have quite different geographical and strategic concerns; Israel's is to secure the approaches to its illegal annexation of the Golan, Turkey's to continue to hound the Kurds, which it has never really left off doing since it turned on them in 1923.

Other powers, Arab and external, will now pile in to assert their own interests. Had Britain and France not double-crossed the Arab Revolt in 1918, Syria, properly stretching from Sinai to Turkey's Taurus Mountains, would have been a coherent political entity.

We don't know how it would have fared, but we can be sure it would have been much happier than under the mischief-making imperial carve-up, which left a mosaic of conflict-ridden entities.

All bets are off as to when this profound damage will ever be healed and the region can find the peace its people deserve. In the meantime it might be nice to have a little honesty from our own government about the catastrophe Britain inflicted a century ago.

David McDowall
London TW10, UK

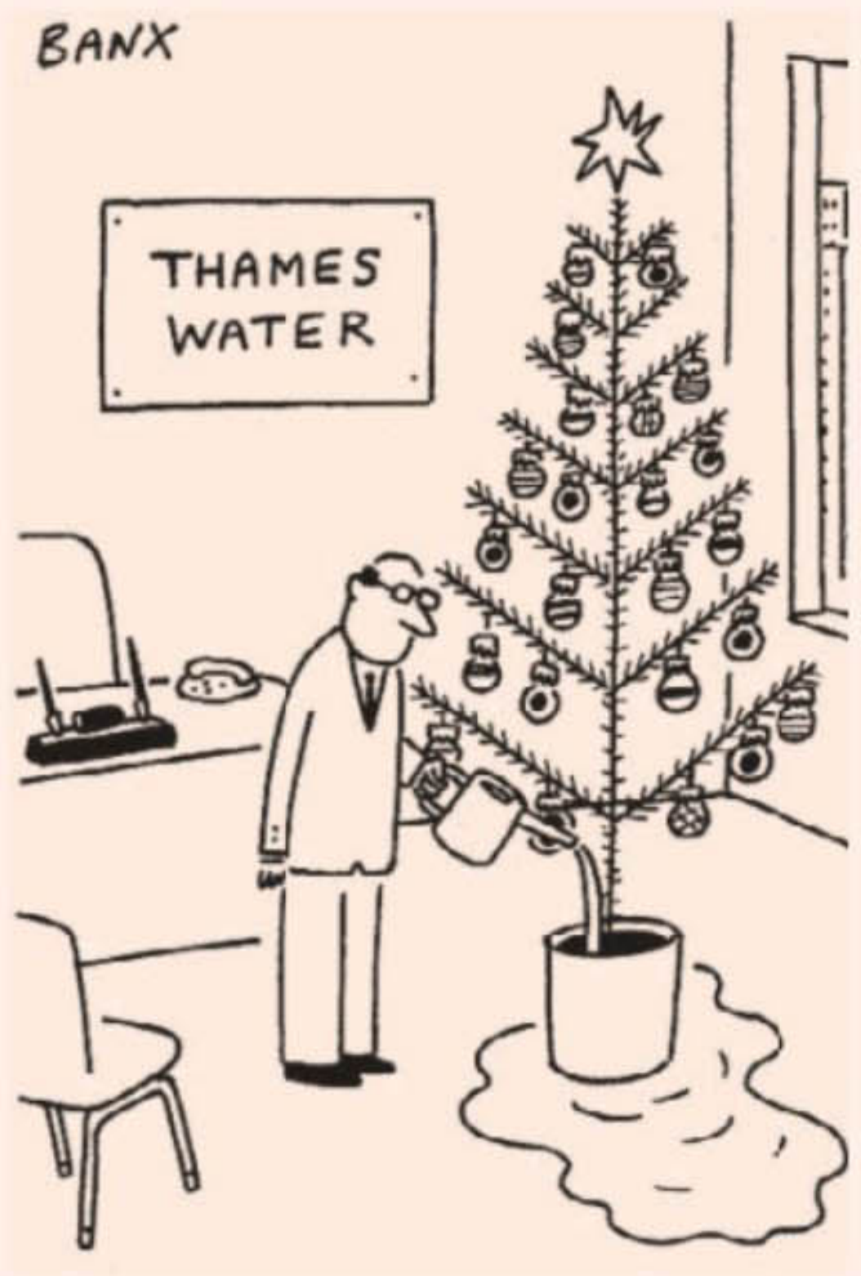
China's priority should be on domestic consumption

Alicia García-Herrero observes that Chinese policymakers see a weaker renminbi as a way to stimulate exports ("China would not want a sweeping Mar-a-Lago Accord", Opinion, December 18).

Before the 2008-2009 global financial crisis, a weaker currency increased China's exports. However, as Joe Leahy, Tina Hu, and Chan Ho-him's Big Read makes clear, China has since become a dominant exporter in 600 products ("Is China's exporting miracle set to end?", December 6). This is more than six times greater than for the US or Japan.

When Chinese exporters have a dominant market share in a product, it is difficult for importers to find substitutes. This causes the price elasticity of demand for goods, where China is dominant, to be lower. Thus a renminbi depreciation will do less to stimulate China's exports now than it did when China was an emerging exporter. Instead of pursuing export growth, China should seek to boost domestic consumption

Willem Thorbecke
Senior Fellow, Research Institute of Economy, Trade and Industry, Tokyo, Japan



The consternation you caused for dinosaur fans!

As a loyal FT reader, and life-long dinosaur fan, I wanted to bring to your attention a factual inaccuracy in John Gapper's article "Auction of dinosaur skeletons at Christie's stirs fresh controversy" (Opinion, December 11).

Gapper writes "the skeletons of a stegosaurus and an adult and young allosaurus date back about 150mn years and were excavated and reconstructed by the seller, the Swiss-German company Interprospekt. 'It's so exciting. This was my favourite dinosaur as a kid,' says James Hyslop, Christie's head of natural history, of the spiked-tail allosaurus pair."

This seems to be a factual mix-up. The reference to a "spiked-tail allosaurus pair" is incorrect, as allosaurus did not have spiked tails. The spiked tail belongs to the stegosaurus. This might cause some confusion among readers and consternation among enthusiasts such as myself.

One can hope these specimens will be placed in museums so that the public may be further informed.

Conor A Frydenborg
London W1, UK

The 'loaded gun' at the heart of UK-Colombia ties

For the past decade, the UK-Colombia bilateral investment treaty covered by Joe Daniels (Report, December 16) has given British corporations a loaded gun in the form of the investor-state dispute settlement (ISDS) mechanism.

Even the mere threat of an eyewatering lawsuit can pose a deterrent to necessary climate action — corporations have been allowed to hold Colombia to ransom for taking essential actions to protect its environment, economy and indigenous peoples.

But now, the tide is changing. Earlier this year the UK left the Energy Charter Treaty, citing the risks the agreement posed to the UK's own transition, in light of the access it gives companies to investment tribunals. It would be pure hypocrisy for the UK, then, to accept the reality of these risks, only to subject Colombia to these same tribunals.

The argument that these agreements are vital for encouraging investment has been comprehensively debunked. Indeed, Ecuador and South Africa's ministers claim they saw no fall in foreign direct investment when terminating similar investment treaties. These treaties are also distinct from trade agreements, and do not concern themselves with bilateral flows of goods and services. In other words, there is everything to gain, and very little to lose. If the UK government wants to truly live up to its claims of climate leadership, it must seize the opportunity to terminate this treaty once and for all.

Ahmed Hafezi
War on Want
Louise Winstanley
Director, ABColombia
Nick Dearden
Director, Global Justice Now
Tom Wills
Trade Justice Movement
For a full list of signatories go to www.ft.com/letters

Will this time be different?

I would add to John Hussman's "Forgotten history reveals new eras but same bubbles" (Markets Insight, December 11) that the cyclically adjusted price/earnings ratio — the Shiller P/E — today was 38.55, higher than the 27.70 achieved in the 1929 peak, and slightly lower than 1999's 43.21. Will "this time be different"? I doubt it. Which stocks will trigger the fall? Probably those which imply future dividends economically impossible to deliver.

Néstor Enrique Cruz
Falls Church, VA, US

Another trend detrimental to sustainable investing

In your Special Report "Investors weigh if meetings or selling out most influences green goals" (FT.com, December 9) you highlight the ongoing debate between divestment and engagement in sustainable investing.

However, the account overlooks a critical challenge: both approaches risk being undermined by political and commercial priorities, which can limit their potential for meaningful climate impact.

Passive investors relying on "engagement" often lack the leverage needed to enforce real change. While they may emphasise stewardship, their reliance on index mandates inherently limits their ability to impose costs on underperforming companies. Engagement also becomes less visible under "green-hushing", making it harder for the public to hold investors accountable for their commitments to environmental, social and governance standards.

Divestment often fails to achieve its intended goal of altering corporate behaviour. As the article points out, divestment increases firms' cost of equity but fails to incentivise them to improve their environmental performance.

The shift towards passive funds as the preferred avenue for sustainable investment signals another concerning trend. Cost-saving is being prioritised over impact, as investors increasingly value lower fees over measurable environmental outcomes. This raises serious doubts about the sincerity of their commitment to sustainability.

The idea of allowing retail investors to participate through proxy voting schemes, as seen with Vanguard and BlackRock, is a positive step but faces significant challenges. Without proper education, retail investors risk being misled by greenwashing narratives or defaulting to inaction.

Mohammad Reza Allahdadi
PhD Candidate in Sustainable Finance, Norwegian University of Life Sciences, Oslo, Norway

Yixing's pottery museum recalls the Gaudí crypt

Your photographs of the new Chinese pottery museum in Yixing, with its tile-clad building shaped like a sleeping dragon ("Fired with inspiration", Arts, FT Weekend, December 13), reminded me of Antoni Gaudí's crypt for his incomplete church at Santa Coloma, Barcelona. Not nearly so well known as his other Barcelona buildings but worth a trip to the suburbs.

Jane Swan
Delabole, Cornwall, UK

Opinion

The great Guinness shortage has lessons for Diageo

BUSINESS

John Gapper

When I visited my nearest hipster pub in east London this week, there was no sign of the great Guinness shortage. Despite stories of pubs having to ration the newly fashionable Irish stout, the barman filled a glass with the correct double pour, leaving a white head and bubbles suffusing the cold, dark liquid.

My Goodness, My Guinness, as the advertising posters by John Gilroy in the 1930s proclaimed. The marketing gods have smiled on this odd-drink-out among Diageo's brands as the UK drinks company continues to suffer a hangover from the Covid cocktail craze. Forget Johnnie Walker scotch and Smirnoff vodka, Guinness is where it's at.

Guinness is not a new product, although the zero-alcohol version launched in 2020 is also doing well. The stout invented by Arthur Guinness and brewed at St James's Gate in Dublin since the late 18th century, is the epitome of long-term success. From older regulars, it has spread to young men and women: sales have risen by about 20 per cent this year in Great Britain.

Diageo's spirits are at a low ebb, meanwhile. The company has shuffled its brand portfolio towards hard liquors such as the Casamigos tequila brand co-founded by George Clooney, which it bought for up to $1bn in 2017. This seemed like a good idea at the time, but Casamigos sales dropped by 20 per cent in the year to August, leading its share price down.

The resurgence of Guinness is remarkable, given that craft and imported beers have eroded sales of other familiar brands. Anheuser-Busch InBev's botched attempt to widen the appeal of Bud Light shows how tricky that can be. I thought that the political backlash to its marketing use of the transgender influencer Dylan Mulvaney would wear off, but I was wrong.

Guinness's success has a lesson for many companies: beware underestimating steady performers in favour of newer products. Guinness was one of two companies that merged to form Diageo in 1997 and, while it has kept faith with the stout, spirits have been at the heart of its strategy. It is easy to miss the potential of brands that have been around a long time.

Companies should beware underestimating steady performers in favour of newer products

This one is both traditional and peculiarly modern. Food and drink start-ups often labour to convey a sense of identity and provenance to consumers, but Guinness has both innately. While it spends heavily on marketing and has devised many ad campaigns, they all evoke the same truth. It is a distinctive product that has been brewed in the same style for centuries.

For a mass beer brand, Guinness is quite bespoke: it may not be a craft beer but there is craft to its delivery. It arrives at pubs in casks and must be stored and poured precisely to achieve the right combination of body, head and lacing on the glass. Woe betide sloppy pourers, for their failures are recorded derisively on Instagram and X accounts such as @shitlondonguinness.

It is perfectly adapted to social media because it is so recognisable: one knows from across a pub who is drinking Guinness, or maybe Murphy's stout. Beside Guinness, lagers and ales pale into insignificance. Little is as powerful in marketing as being identified with a colour, like Tiffany Blue (or FT pink).

More broadly, Guinness is a sociable brew. It is far more popular on draught than in cans, despite Diageo making a special device that reproduces the Guinness pour for home use. It was easy to mistake the popularity of spirits in the pandemic for permanent change, but Guinness has come back into its own as young drinkers spend more time in bars with friends.

Emotion and identity are weightier than portfolio strategy and it pays to keep faith in brands with long histories and consistent values, even if one sometimes has to be patient. Ivan Menezes, the former Diageo chief executive who led the push into premium spirits, often wore a Guinness harp pin. His heart was telling him something.

Other companies will envy Guinness's good fortune. Diageo is now investing heavily in the brand, putting £30mn into the St James's Gate brewery to raise output and another £200mn into a new brewery in County Kildare. But this will all take time and it remains in the rare, unsettling position for a brewer of not being able to satisfy demand.

That could be an expensive error, given that almost 300mn pints are expected to be served in British pubs in December, making this the busiest season of the year. But it will also enter the brand's mythology. Luxury companies try to engineer product scarcity to create a sense of mystique. Those who cannot find a pint of Guinness at Christmas may come to crave it more.

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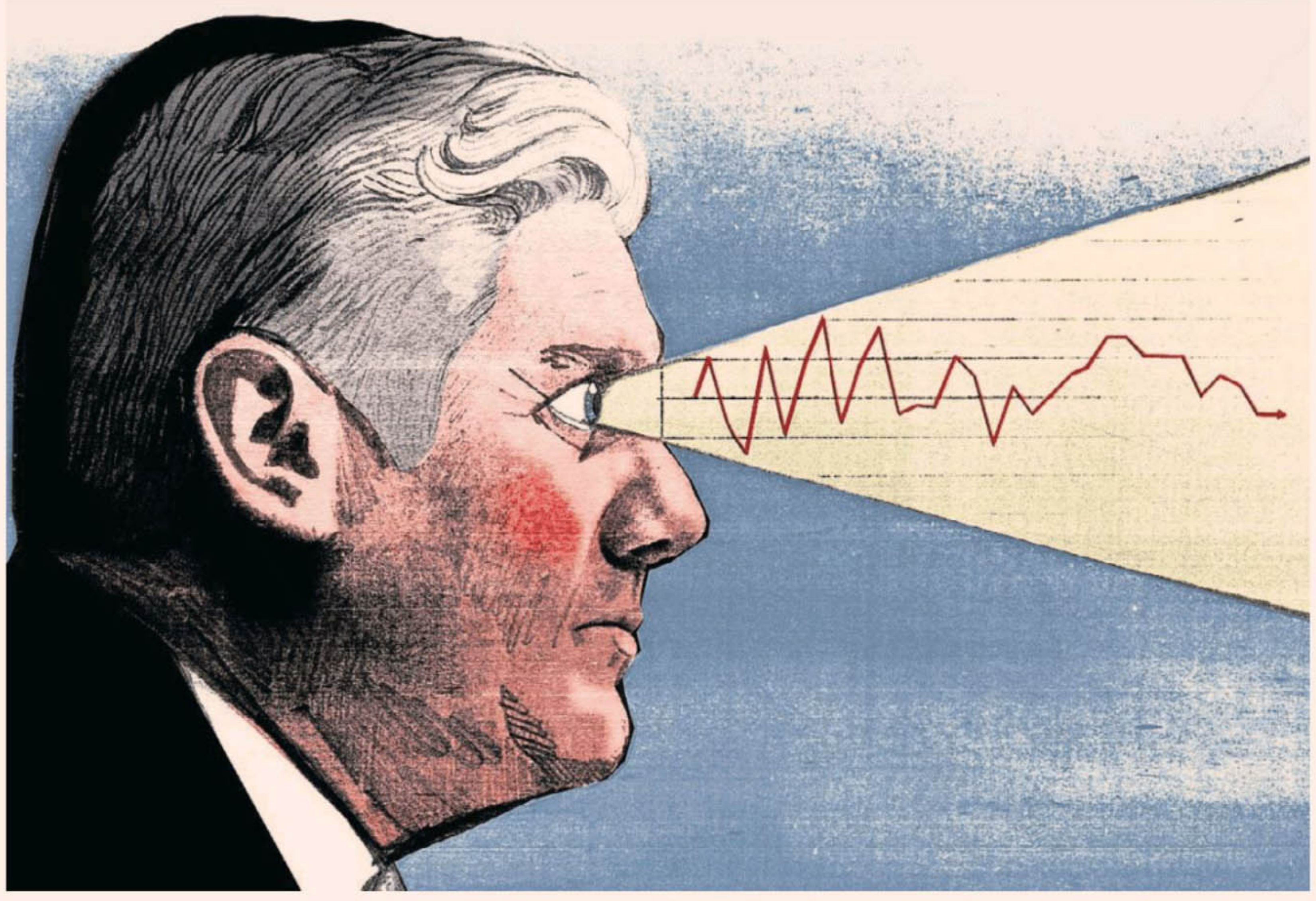
Starmer needs to live up to his Treasury title



Ellie Foreman-Peck

BRITAIN

Robert Shrimsley

Sooner or later every prime minister remembers that their formal title is first lord of the Treasury. No matter how harmonious the relationship with their chancellor, there is always a moment when a leader concludes that not everything can be left to Whitehall's economic ministry. For Sir Keir Starmer, that moment is overdue.

If there is one trend worth watching for next year, it is the first signs of friction between Starmer and his chancellor, Rachel Reeves. What is more, this is how it should be. The prime minister and the chancellor have different jobs. The latter is there to manage the public finances and economy; the former is supposed to see the wider picture and intervene when necessary.

To be clear, I am not suggesting a looming split between Starmer and Reeves, that he has lost confidence in her or is wavering on Labour's growth strategy. The two are strongly aligned and Reeves remains one of his most trusted and important allies. The fault lies with Starmer. In part, his approach reflects his entire leadership style. He believes in delegation and, colleagues say, visibly dislikes being called in to adjudicate between his ministers.

But "I have a woman who looks after this for me" is not a viable approach. For all they trust Reeves, those close to Starmer worry he devolves too much control to the Treasury. A number of senior Labour figures now regret the heavy political cost of the move to means test winter fuel payments for pensioners. They feel it shows that Number 10 has to be more active in sense-checking, not merely agreeing to, Treasury ideas. There were arguments for the move. It signalled to both markets and Labour MPs a readiness to take tough decisions. But the backlash has eroded support and confidence.

Given the central position of economic growth to his policy platform, Starmer's Downing Street is remarkably passive. The Treasury has filled the vacuum, as it always does. Part of the problem is the prime minister evinces little natural appetite for economic policy. He has shaken up his political operation but aside from Labour's long-standing and wide-ranging policy director, Rav Athwal, there is no significant economic adviser in Downing Street. His most important officials, the new cabinet secretary among them, are light on Treasury experience. No government wants the instability of rival camps in Number 10 and 11 but the prime minister needs to be able to challenge decisions. A good premier improves their chancellor.

Successful prime ministers have to provide a bit of grit in the machine. Even the closest partnerships — David Cameron and George Osborne are often cited — require a leader who can push back on Treasury orthodoxy and inject a bit of political nous into decisions. This will become even more necessary as the Treasury completes its two-year spending round. Ministers must be able to get a hearing from Number 10.

Greater political engagement and economic brainpower in Number 10 looks essential. Amid worrying data and unpopular tax rises, Labour is losing control of its growth narrative, Starmer's avowed central mission. While there is much to applaud in Labour's planning and pension reforms, they offer little short-term dividend. Reeves maintains that the first year was bound to be tough and that people must hold their nerve. One ally argues: "It's only been five months."

For all they trust Reeves, the prime minister's allies fear he devolves too much control to his chancellor

Yet confidence has been rattled not only by the winter fuel decision but by the rise in employer national insurance contributions, a tax on jobs and business. Meanwhile, the bulk of new investment is going into public services rather than sectors that might boost growth. This is all understandable given the inheritance, but it does not make for a strong story to sell to business and investors. Taxes are up. The Brexit realignment feels more like mood music. While Starmer voices frustration at financial and environmental regulators stymieing growth, he has increased the regulatory burden on employers.

There is no current prospect of a major rethink but key figures can see the need for more near-term measures to boost business confidence and persuade foreign investors to look again at the UK. Even friends are worrying. Sir John Kingman, the City grandee and ex-Treasury official, this week appointed to Labour's industrial strategy council, wrote last month that "we're going to need a bigger bazooka".

Labour does not feel able to cut taxes and its instincts are not deregulatory. A change of pace and emphasis will be needed if ministers are to lift the mood and lure foreign investors. Kingman's suggestions include far more ambitious steps to develop the Oxford-Cambridge arc, with greater commitments to laboratory space, homes and infrastructure. This would be a signal of a country investing in its strengths.

A "change of tone" is promised in the new year. Starmer, Reeves and others will do more to talk the country up. But it takes more than words to shift business sentiment.

This is not about undermining or breaking with Reeves but a more active use of the role of prime minister, cajoling, challenging, demanding more. Starmer is temperamentally suited to holding his nerve but sometimes a touch of impatience is needed. This issue more than any other will determine the fate of his government as well as of the country. Just occasionally that means a greater readiness to be the title he holds.

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Europe must decide on the banking union

Andrea Orcel

"Europe is disappearing." So said Ken Griffin, founder of Citadel Securities, earlier this month. "It's lethargic compared to the United States," he added. "Their economy is not growing. Their per capita numbers are horrific." When America's top financiers make that kind of assessment about our continent, it is time to wake up and respond.

It is now a little over two decades since the EU went through its greatest ever enlargement. In one sweep, it created a single market of some 450mn people, promoting stability, democracy and economic prosperity. The positive vision of that time is still possible but it is undoubtedly imperilled.

We are going through a period of EU disunity, with no sense of a common direction of travel. This is still more troubling when faced with the threat of falling even further behind the US as a result of President Donald Trump's potential tariffs. And I hardly need mention the gamut of geopolitical troubles that have hounded us in recent years.

As a continent, we are beginning to realise we need unity and far better economic growth to deal with all this. This is where the power of the single market becomes so obvious. We forget just how much it has driven the opportunity we enjoy today. We also fail to realise that this is still merely a fraction of what it could be and that it could disappear altogether.

Enrico Letta's and Mario Draghi's recent reports on the EU reminded us of what is at stake. Without pulling critical resources together and stepping up our structural growth, the EU cannot continue to deliver better living standards. We risk falling too far behind other blocs as centres of innovation and creativity. We may ultimately lose the freedoms and ideals we hold dear.

Our cherished single market is incomplete and needs work. We need to focus on an EU-wide strategy for growth. Yet we seemingly cannot agree on simple things such as having a capital markets or banking union to support investment and growth. If we did, many structural challenges could be overcome.

It is for Europe's politicians to push these reforms, and they would certainly have my backing. But as the CEO of a bank, I am focused on what businesses can do today. We already have the pillars of a banking union, which could be completed quickly. We have heard the calls to drive integration of Europe's banking system so we can have greater firepower to finance new infrastructure and business growth. Yet we have seen precious little action.

Are we willing to take the steps that our leaders have long called for or will we get cold feet?

I believe in the convergence of our banking system, and with it stronger banks for Europe. That is why UniCredit Group has made an investment in Commerzbank and an offer to buy Banco BPM. While these are decisions taken in the interest of our stakeholders, they put broader EU convergence and the future of the single market on the table.

They represent test cases that ask if we, as a bloc, are serious about greater integration. Are we willing to take the steps that our leaders have long called for or will we get cold feet? The answer will either help unlock Europe's growth, or confirm that real action to move the single market forward remains elusive.

With stronger pan-European reach comes economy of scale and EU-wide expertise. It means greater deployment of capital to businesses that need finance to grow and more options to raise money, including via capital markets. It means more ambitious, growing businesses can connect to trade flows and access new markets, especially within the EU. It means greater investment in products and services to help savers. And it means stronger, more resilient, more trustworthy banks.

Without convergence, we are witnessing a lag in investment, stymied wealth creation and a widening gap between us and other blocs. Young people will leave our continent in search of opportunities elsewhere. We risk our long-term prosperity and with it the strength to uphold our EU ideals.

This is not a call for more centralised decision-making. All EU states have their specialisms and deep expertise; we must not meddle or micromanage. However, we must pull towards a common goal of growth and long-term success and transform our agreed vision into action without excuses.

There is more to Europe's future competitiveness than banking and capital markets systems. But it is indicative of whether Europe is finally prepared to come together to end this period of low growth to the benefit of all. We now have the chance — and I believe, the duty — to scale up Europe's banking sector and with it our bloc's ambitions. If the genius of our single market remains unfulfilled, I fear Draghi's warning of a "slow agony" for Europe will come true.

The writer is chief executive of UniCredit

A good breakfast will get children back in schools and learning

Bridget Phillipson

Dallam Primary School lies on the northern edge of Warrington, a side of town with its fair share of social challenges. In years gone by, some children would arrive without having eaten breakfast, leaving them struggling to focus. That was until the school introduced a breakfast club. According to headteacher Amanda Downey, the club has become a cornerstone of the school's approach to both education and wellbeing, creating the calm and stable environment pupils need to thrive. Data shows that the club has boosted attendance, too.

There's an important lesson here because when it comes to education reform, the temptation is to focus solely on the learning — hire more teachers, update the curriculum, improve assessment, tighten accountability. We must and we will do all that. But to benefit fully, we need to make sure children are in school and ready to learn. Without that, we risk building our education system on sand.

Children need to be ready to learn. This is an important part of this government's "plan for change" and central to our mission to break down the barriers to opportunity, giving every child the best start in life. That's why we've set a milestone for this parliament of a record 75 per cent of five-year-olds reaching a good level of development by the time they reach primary school.

Just as important for transforming life chances is tackling the country's absence epidemic. One in five children is persistently absent from school, missing a day every other week. That so many children are missing from our classrooms shows the foundations for learning are rotten — and speaks to a wider crisis of belonging.

Free clubs aim to ensure that no child begins the day hungry, and foster a sense of belonging

Part of the solution lies in making schools the centre of their communities. Parents need to believe that their children belong in school, and children need to feel at home there.

That is where breakfast clubs come in. Our manifesto committed us to rolling out free breakfast clubs in every primary school, to make sure that no child begins the school day hungry. But this initiative is designed to deliver much more. I want schools to be places where children eat together, learn together and grow together. Breakfast clubs will help children develop key social skills — and lasting friendships. That sense of belonging is crucial for attendance and attainment, for all children to achieve and thrive — it's about the club, not just the breakfast.

It's also about families. Our new breakfast clubs will give parents 30 minutes of free childcare at the start of the day — a step towards ensuring all parents can balance work and family. Schools stand to benefit as well, giving staff a chance to build bonds with their pupils at the beginning of the day.

This task is urgent. From April, 750 schools will kick-start our programme, backed by a Budget that tripled investment in breakfast clubs to £33mn.

An evaluation for the Magic Breakfast charity, which provides free breakfasts across the school system, found that children aged five to seven gained the equivalent of two months' extra progress in maths, reading and writing. So it's great to see Magic Breakfast partnering on the Feed the Future seasonal appeal with the FT's Financial Literacy and Inclusion Campaign, which does an important job promoting a foundational understanding of finance.

We know that children from disadvantaged backgrounds are more likely to be absent. Breakfast clubs can get more of them back in school, with a nutritious start to the day, so they can concentrate and behave well. This will be even more valuable to the 4.3mn children living in poverty in the UK.

When children are happy, settled and ready to learn, they can focus on science, maths or English and make big strides towards top marks. These breakfast clubs can provide the platform for improved behaviour during lessons — after all, most of us know how difficult it is to behave when we're hungry.

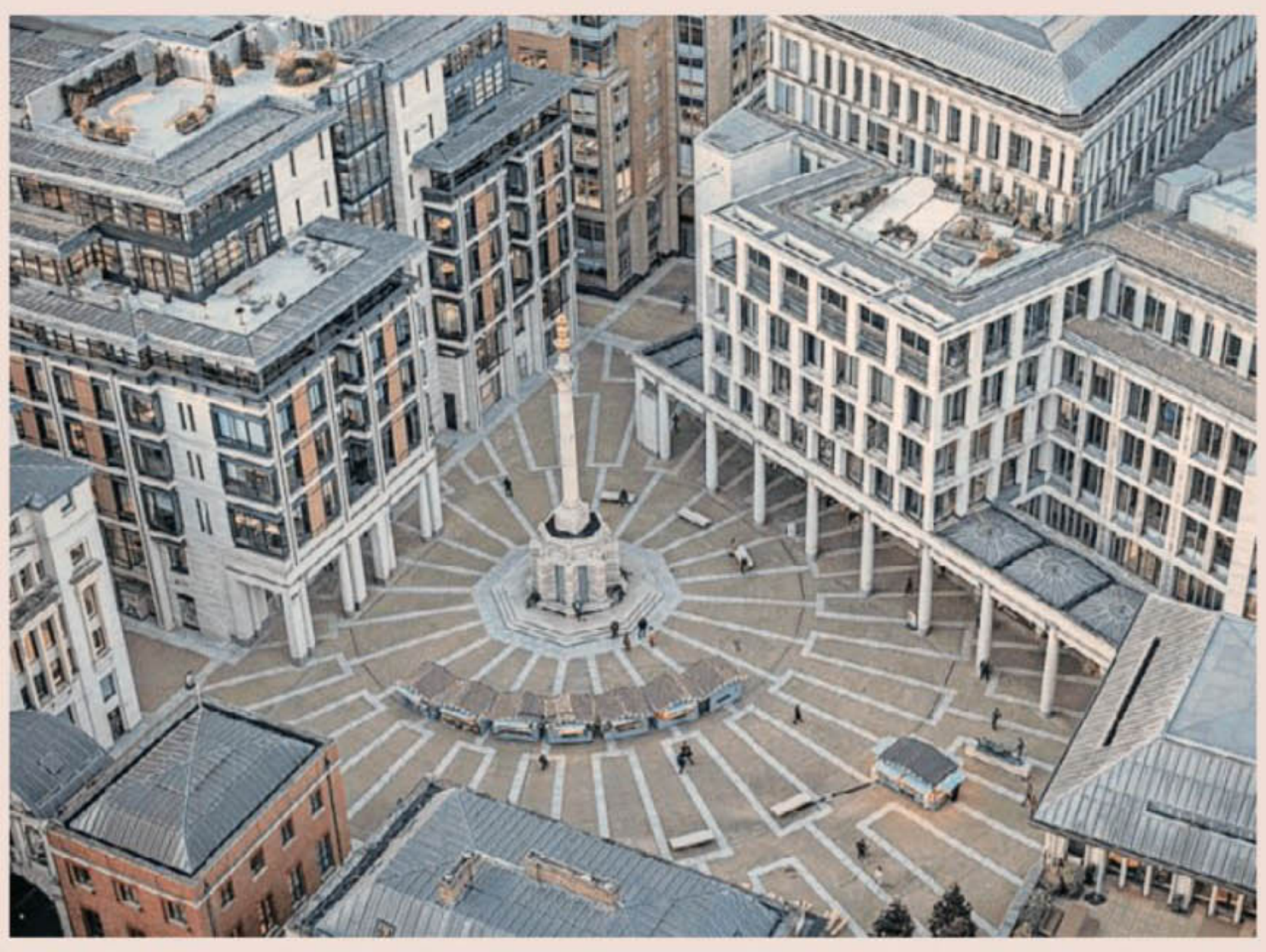
The writer is the UK's secretary of state for education

Lex.

Richard Waters
Big bets on AI point to shift by venture capital industry

BUSINESS INSIGHT

LSE's battle with New York is a question of liquidity

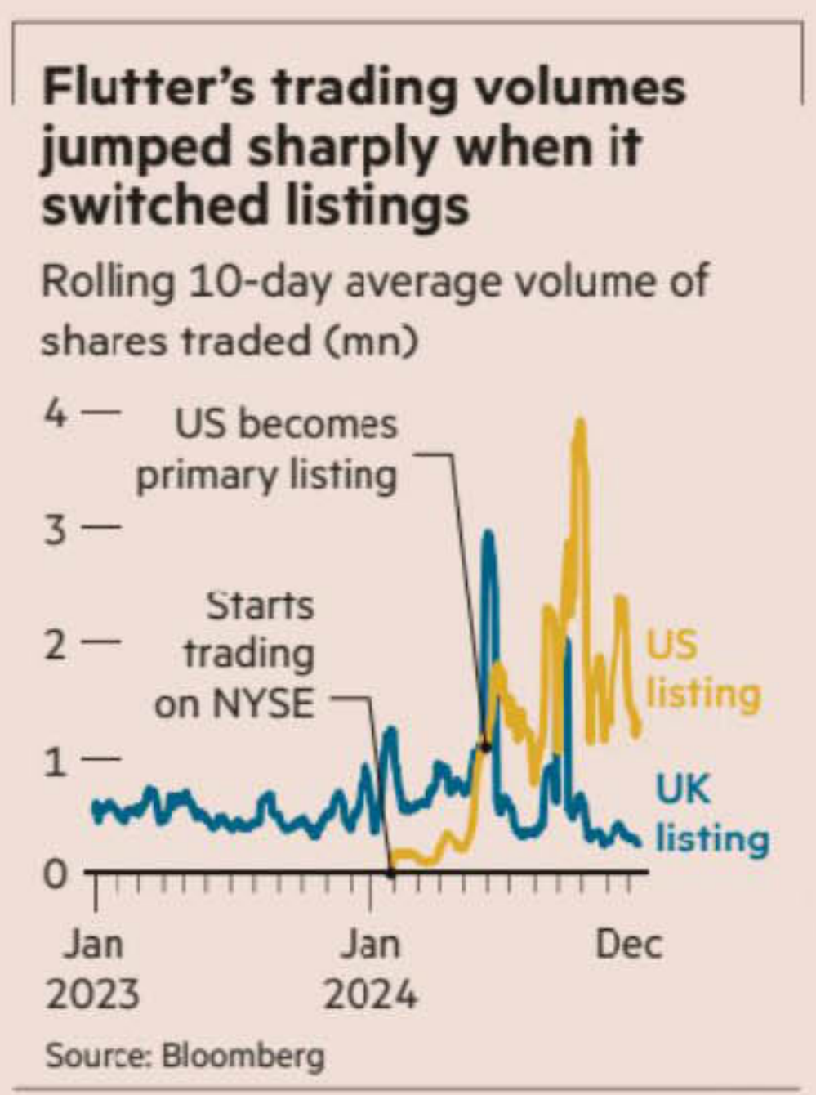


There have been nearly 90 London Stock Exchange exits in 2024 — Charlie Bibby/FT

Companies don't need a US listing to attract US investors

American ownership (%)

Source: Bloomberg



Flutter's trading volumes jumped sharply when it switched listings

Rolling 10-day average volume of shares traded (mn)

Source: Bloomberg

Fears that a flood of listed companies would ditch London for New York have proved unfounded. But there has undeniably been a trickle — and it is one that could, if left unchecked, become a troublesome stream.

Machine-rental company Ashtead this month became the latest FTSE 100 member to announce plans to move, following betting group Flutter and building products maker CRH. Add in delistings, and the total number of exits from the London Stock Exchange this year is nearing 90 — the worst year for departures since the financial crisis.

London's battle to retain listings is in some ways more feeling than fact. Many of the popular arguments for leaving, which have gathered momentum since 2016's Brexit vote, are weaker than they sound.

First, leaving London is not a shortcut to a surging share price. LSEG chief David Schwimmer has described the idea that US companies get better valuations as "a myth", and analyses by UBS and the Financial Times have found similar results. A big fish in a small pond can even command a scarcity premium.

Second, upping sticks isn't the only way to lure deep-pocketed US investors. True, inclusion in widely tracked indices such as the S&P 500 attracts flows, but a New York listing alone is not enough — most also require a major US presence. And it is not hard for a motivated US investor to reach high-quality foreign companies — seven of the 10 largest companies in the FTSE 100 are already majority-owned by US investors. Ashtead has close to 60 per cent US ownership, according to Bloomberg data — a similar level to US-listed CRH.

Where London can't compete is liquidity. The easier a stock is to trade, the easier it is for investors to take big positions, and the lower the company's cost of capital. Data can be sliced and diced to make the problem look less acute, but any chief financial officer considering a switch would want to look at the experience of their direct predecessors.

On that measure, things don't look good for the UK. Some 1.3mn US-listed Flutter shares change hands each day since it joined the New York Stock Exchange in January — more than twice the number trading each day in the UK during the previous year. CRH's daily volume in the US is 2.8 times its pre-switch averages. And the effect looks durable: plumbing and heating distributor Ferguson, which switched in mid-2022, has maintained an average US volume of around 1.7 times its UK levels.

There is unlikely to be a single quick fix, though there may be some tweaks executives and policymakers can make to increase liquidity and keep London competitive. Britain's stamp duty is one distortion to consider. But it's important to be clear-sighted about the things that truly drive companies away, and those that don't.

England's water wars end up hosing just about everybody

One quirk of the water industry in England and Wales, where customers are beholden to local private-sector monopolies, is the war dance that takes place every five years.

It runs thus. Companies tell regulator Ofwat the financial returns they want to keep the taps running, upgrade infrastructure over the next five years and make an acceptable profit — and how much bills will therefore need to rise. Tough talk, and threats about reducing investment in Britain, are the norm. Eventually the regulator publishes a final settlement.

This time, that war dance has proved sufficiently frightening that Ofwat yesterday said water bills could rise by an average of 36 per cent for the five years from April 1. That's more than it previously indicated, but less than the industry wanted. Still, it feels like a coup for investors. Shares in the handful of listed water companies traded up yesterday morning.

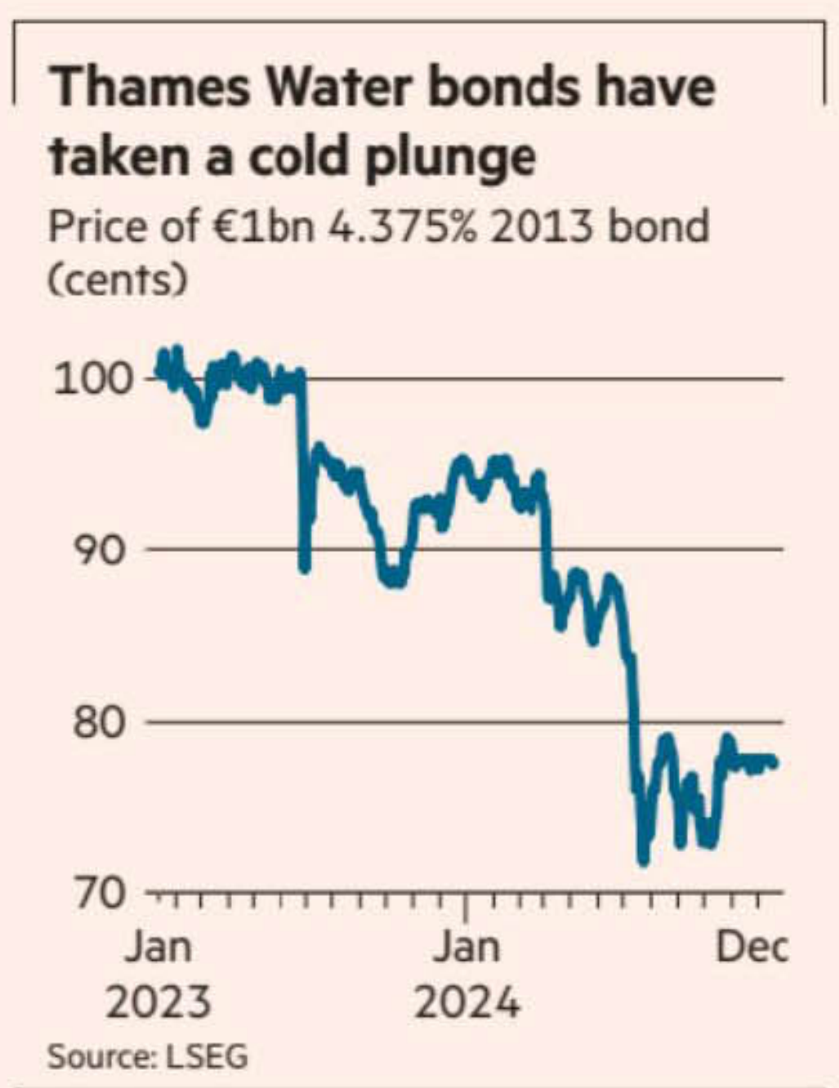
But neither side can really claim victory, because this doesn't fix the industry's biggest problem: the creaking balance sheets of several water companies, including Thames Water. Whether England's largest water company would need to be temporarily renationalised has been one of the biggest UK corporate stories of the year.

Thames's situation is particularly dire. It has mountainous debts of £19bn and only enough funds to last until the second half of March. A £3bn emergency loan from senior bondholders should be rubber-stamped in January. Yet it still needs to raise billions of pounds of investment to keep running and make required infrastructure improvements by 2030.

Thames will now pore over Ofwat's settlement, which proposes a return on equity of 5.1 per cent for the next five years. It has the option to appeal to the Competition and Markets Authority to improve the terms.

But yesterday's regulatory missive does at least offer predictability, which new investors — as well as creditors — can use to decide how to pull the beleaguered utility back from the brink. On top of a new equity injection, this will presumably involve a debt-for-equity swap to try to return Thames to investment grade and more sustainable lending rates.

In one important sense, higher prices are no win at all, even for the water companies. Even before this week, public trust in the sector was at the lowest level since surveys began 13 years ago. As bills go up, love of the sector will inevitably go down further — and if Thames and peers can't clean up their act, the nationalisation debate will come back with a vengeance.



Thames Water bonds have taken a cold plunge

Price of €1bn 4.375% 2013 bond (cents)

Source: LSEG

Second-hand fashion creates only third-rate opportunity for profit

The second-hand economy is booming. A growing number of businesses allow thrifty, eco-friendly consumers to trade vintage or recycled clothing online. But profiting from this is hard.

Lithuania's Vinted is an exception. It swung from a net loss in 2022 of €20.4mn to a net profit of €17.8mn last year. The rare distinction of being a reseller that is profitable and growing — with revenues up 61 per cent to €596.3mn last year — underpinned a €1.5bn increase in its valuation to €5bn over the past three years.

One reason for Vinted's success is that it does not charge sellers' fees. Rivals are following suit. eBay UK has removed fees for most private sellers, in the hope of unlocking a larger market. Etsy removed US fees for its Depop customers in July. It says the move has paid off, increasing listings and expanding choices for buyers.

Yet even the pick-up in Depop's performance does not justify the steep price that Etsy paid for the British app, which reported a net loss of £49mn last year. Etsy spent $1.6bn on the business in 2021. It wrote down its value the following year by $898mn.

This is not the only case where shareholders have lost money after assigning an excessive valuation. Others include luxury resale company RealReal and California's ThredUp. RealReal shares have rallied after a debt exchange transaction that reduced its indebtedness and extended maturities. It reported an 11 per cent rise in revenues for the third quarter. But analysts do not expect a net profit until 2028, according to Visible Alpha.

Business models differ. Some like RealReal and ThredUp offer convenience — at a price — to sellers. France's Vestiaire Collective has also introduced the option of getting the company to do the admin involved in selling. This marketplace for high-end second-hand clothes and bags says it expects to become profitable at the group level within a few months.

Vinted expects sellers to do the work of photographing, listing and shipping the goods themselves. But the absence of a fee helps expand its marketplace, which will be further enlarged by new categories such as electronics — something that should support alternative revenue streams including advertising, shipping and payments services. That would be a big plus given the threadbare prospects of the resale market generating big profits from commissions alone.

Some second-hand fashion start-ups have struggled

Share prices rebased

Source: LSEG

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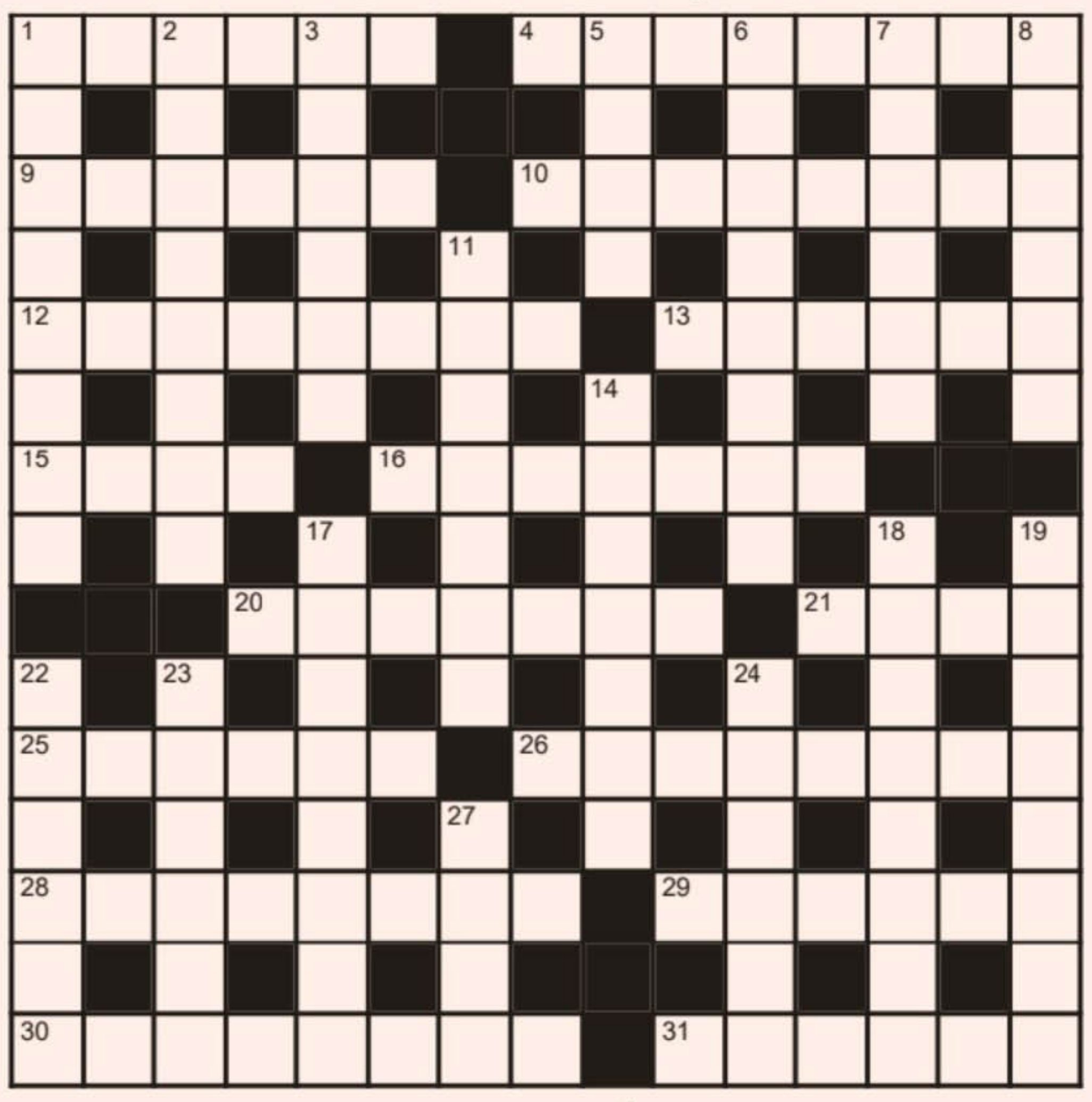

ACROSS

1 Yard's tracking call that's bogus (6)
4 Yelps fit to bust in misery (4-4)
9 Bible's covered with real carved horn (6)
10 Occasionally Ford Consul generated sneering (8)
12 Endlessly vexed copper with nonsense about will administrator (8)
13 Suggestion involving wife causes pain (6)
15 Dreadful lurgy, with no resistance, is frightful (4)
16 Sending off has Derby County, initially behind, clamping down (3,4)
20 Spice Girls finale's special for fan (7)
21 Long skirt has greatest impact head-on (4)
25 High class equine, clipped and groomed, is one of a kind (6)
26 Friend's broadcast backed liberal stuff (8)
28 Woman's right to cut offer for Beetle (8)
29 Horsewoman has about a thousand invested in jumper (6)
30 Thought to have claimed victory days before invading (8)
31 Hooligan's vehicle knocked over boy (6)

DOWN

1 Run down clue for heaps? (5-3)
2 Secretly working and scheming to pen article (2,3,3)
3 With game time disappearing, happy to equalise (4,2)
5 Make engravings in France and Switzerland (4)
6 Rocket maybe needs industry to support launch (8)
7 Popular model of car incorporates air conditioner for baby (6)
8 Shouted young students crossing rising river (6)
11 After 12 most of old fellows fall asleep (4,3)
14 Killer whale repelled hit with flipper? (7)
17 Important the Spanish graduate's university has place to go climbing (8)
18 Became hysterical when Dad's arrested (8)
19 Lloyd is a reformed subversive (8)
22 Abruptly spring up chasing dog with bird (6)
23 Mysterious husband has study filled with papers (6)
24 Shown inside, doffed orange hat (6)
27 Deliver father's tablets (4)

Solution 17,924

	S	T	O	R	E	D	E	T	E	C	T	I	V	E
T		R		E		E		R		O		D		S
H	E	A	T	H		S	P	E	A	R	M	I	N	T
A		T		A		P		A		K		O		O
N	O	T	A	B	L	E		D	U	S	T	M	A	N
K		O				R				C				I
S	T	R	A	P		A	U	S	T	R	A	L	I	A
		I		O		D		I		E		E		
C	R	A	C	K	D	O	W	N		W	E	I	G	H
O				E				G				C		O
P	I	T	P	R	O	P		L	E	T	T	E	R	S
I		A		F		A		E		E		S		T
L	I	K	E	A	S	N	O	T		M	E	T	R	E
O		E		C		T		O		P		E		L
T	H	R	E	E	P	O	I	N	T	T	U	R	N	

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JOTTER PAD