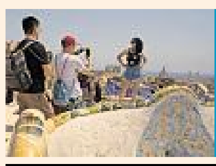
FINANCIAL TIMES

TUESDAY 23 JULY 2024

EUROPE



The cost of Spain's backlash against tourists
BIG READ, PAGE 15

The pragmatic way to tax private equity
PATRICK JENKINS, PAGE 5

Surge of support and cash carries Harris close to sealing nomination

- Backing from Democratic grandees
- Ringing endorsement from Pelosi
- Donors boost war chest

JAMES POLITI AND LAUREN FEDOR — WASHINGTON

Kamala Harris was close to locking up Democratic support for her run at the White House yesterday, as endorsements and money poured in for the vice-president's candidacy one day after US President Joe Biden dropped out of the race and backed her.

Former House speaker Nancy Pelosi gave Harris her ringing endorsement, saying it came with "immense pride and limitless optimism for our country's future". The longtime Democratic leader, who was seen as instrumental in the behind-the-scenes campaign to persuade Biden to step aside, called her support for Harris's bid "official, personal and political".

Three leading governors previously considered possible contenders to replace Biden — Gretchen Whitmer of Michigan, JB Pritzker of Illinois and Andy Beshear of Kentucky — have all supported Harris. Bill and Hillary Clinton, California governor Gavin Newsom and other Democratic party grandees also announced their endorsements.

In a post on social media site X, Harris said she was marking the "first full day of our campaign" by travelling to Biden headquarters in Delaware. She also used a previously scheduled appearance at the White House to fete Biden's "legacy of accomplishment" as president as "unmatched in modern history".

Harris's campaign said yesterday it had raised nearly $50mn from small donors since Biden dropped out, boosting her firepower for the election run.

Beshear described the vice-president as smart, strong and kind, adding: "The contrast between her and those running on the other side couldn't be clearer."

Harris also clinched endorsements from Wes Moore, the governor of Maryland, and Dick Durbin, the Illinois senator and second highest-ranking Democrat in the upper chamber of Congress.

The steady stream of support from top Democrats could help the party avoid the potential chaos of an "open convention" when delegates meet in Chicago next month to pick their candidate officially. However, Harris has yet to secure a public endorsement from former president Barack Obama.

Joe Manchin, the centrist senator from West Virginia, briefly flirted with the idea of challenging Harris before saying he would not be running for president. But he called on Democrats to hold a "mini-primary" to find "the strongest candidate" rather than immediately rallying behind Harris.

Michael Bloomberg, the Biden campaign donor and former Republican mayor of New York, said the four weeks until the Democratic convention in Chicago were "more than enough time for the party to take the pulse of voters, especially in battleground states".

He added: "The decision is too important to rush, because the election is too important to lose."

Biden announced he was stepping aside on Sunday after more than three weeks of infighting over whether the 81-year-old president was up to the job in the wake of last month's disastrous debate performance against Donald Trump.

Biden swiftly endorsed Harris, the 59-year-old former prosecutor, as his successor, giving her a big advantage in the race for the Democratic nomination. She said she was "honoured" to have his endorsement and intended to "earn and win this nomination".

Newsom, who had been considered a possible contender to face Trump, backed Harris late on Sunday, calling her "fearless" and "tenacious" and saying there was no one "better to prosecute the case against Donald Trump".

Washington is rife with speculation on whom Harris might select as her running mate if she secures the nomination. Possible picks include several popular Democratic governors including Beshear and Josh Shapiro of Pennsylvania.

Kamala Harris at the White House yesterday. She says she intends to 'earn and win this nomination'
Brendan Smialowski/AFP via Getty Images

Inside

Briefing

► US diversity drive hit by ditching of bonus targets
Motorola, Advanced Micro Devices and Regions Financial are among a dozen US companies that have removed diversity criteria from executive bonus plans this year after a conservative backlash that has split boardrooms.— PAGE 5

► Kyiv secures debt relief
Ukraine has struck a deal with international bondholders to restructure about $20bn of debt, boosting its drive to use private capital to finance its war effort against Russia's military.— PAGE 2

► Pace of EVs rattles Japan
Japanese carmakers are alarmed by the rapid rise of China's electric vehicles and risk becoming "followers" if they do not innovate swiftly, the head of Sony-Honda's joint venture has warned.— PAGE 6

► Spain's premier to testify
Pedro Sánchez has been called as a witness in a criminal investigation into corruption allegations against his wife, Begoña Gómez, in a move that dramatically raises the stakes in the case.— PAGE 2; BIG READ, PAGE 15

► Amazon buys UK studios
The ecommerce giant has bought Bray Film Studios near London, the former home of the Hammer horror series, in a push to expand its television series and feature film production in the UK.— PAGE 5

► Manila eases China stress
The Philippines has agreed a "provisional arrangement" with China for resupplying its military outpost on the disputed Sierra Madre reef, a South China Sea territorial flashpoint.— PAGE 4

► Mubadala bets on buggies
The asset management arm of the Abu Dhabi sovereign wealth fund is taking a majority stake in buggy brand Bugaboo in a deal valuing the high-end retailer at several hundred million pounds.— PAGE 6

► Beijing seeks rates boost
The People's Bank of China has unveiled cuts to lending rates days after a senior Communist party policy meeting, in a sign of efforts to boost lagging momentum in the second-largest economy.— PAGE 4

Ryanair forecasts fares descending as post-pandemic travel bonanza falters

PHILIP GEORGIADIS — LONDON

Low-cost carrier Ryanair yesterday warned that airfares in Europe's crucial summer months would be "materially lower" than last year, deepening fears that the industry's post-pandemic resurgence was waning and sending shares in airlines sharply lower.

Chief executive Michael O'Leary said the drop in fares that airlines had been forced to make to attract flyers in the past few months would continue.

Ryanair was facing weak consumer spending and "the pricing environment continues to deteriorate as we move into the summer peak", he said, adding: "We have tried in recent weeks to close off some cheap seats and price passengers up but are meeting resistance."

The airline had previously forecast that fares would be "modestly up".

Analysts warned that Ryanair was likely to keep cutting ticket prices, putting pressure on rivals to follow suit.

The deteriorating picture from one of the sector's most highly regarded operators sparked a sell-off in airline shares. Ryanair shares tumbled 16 per cent, while low-cost rival easyJet dropped 7 per cent, Wizz Air declined 10 per cent and BA-owner IAG fell 3.5 per cent.

Ryanair's worsening picture will add to investor concern over the durability of a two-year travel surge that delivered record-breaking profits for many carriers. Several airlines on both sides of the Atlantic have warned of pressure on ticket prices in recent weeks.

Lufthansa pointed to "negative market trends", while Air France-KLM warned of a financial hit as fewer tourists than expected booked to visit Paris for the Olympic Games. The US industry has been forced to cut fares on home routes after overestimating demand.

"More aggressive discounting by Ryanair is likely to have adverse implications for the peak quarter pricing outlook for the rest of the industry," said Gerald Khoo, an analyst at Liberum.

The tougher backdrop drove Ryanair's first-quarter profits down 46 per cent to €360mn, far steeper than expected. Average fares fell 15 per cent to €49 per passenger. Revenues dropped 1 per cent to €3.65bn despite passenger numbers rising 10 per cent to 55mn from the same period a year ago. Operating costs rose 11 per cent.

"We had been concerned around Ryanair's update today, albeit clearly not concerned enough," said Neil Glynn, managing director of Air Control Tower, an aviation research company.

Lex page 18

Security ring tightens as Games descend on Paris

Analysis ► PAGE 2

Austria	€4.60	Malta	€4.20
Bahrain	Din1.9	Morocco	Dh50
Belgium	€4.60	Netherlands	€4.50
Croatia	€4.50	Oman	OR1.60
Cyprus	€4.30	Pakistan	Rupee350
Czech Rep	Kc130	Poland	Zl 26
Denmark	DKr47	Portugal	€4.30
Egypt	E£100	Serbia	NewD550
France	€4.60	Slovenia	€4.30
Germany	€4.60	Spain	€4.30
Greece	€4.30	Switzerland	SFr6.80
Hungary	Ft1480	Tunisia	Din7.50
India	Rup220	Turkey	TL150
Italy	€4.30	UAE	Dh25
Luxembourg	€4.60		

Subscribe In print and online

www.ft.com/subscribetoday
email: fte.subs@ft.com
Tel: +44 20 7775 6000
Fax: +44 20 7873 3428

No: 41,692 ★

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

30>
9 770174 736128

World Markets

STOCK MARKETS

	Jul 22	Prev	%chg
S&P 500	5535.53	5505.00	0.55
Nasdaq Composite	17879.55	17726.94	0.86
Dow Jones Ind	40286.49	40287.53	0.00
FTSEurofirst 300	2040.72	2021.04	0.97
Euro Stoxx 50	4897.52	4827.24	1.46
FTSE 100	8198.78	8155.72	0.53
FTSE All-Share	4495.46	4473.44	0.49
CAC 40	7622.02	7534.52	1.16
Xetra Dax	18407.07	18171.93	1.29
Nikkei	39599.00	40063.79	-1.16
Hang Seng	17635.88	17417.68	1.25
MSCI World $	3553.76	3579.84	-0.73
MSCI EM $	1089.61	1105.95	-1.48
MSCI ACWI $	810.87	817.45	-0.80
FT Wilshire 2500	7084.26	7130.27	-0.65
FT Wilshire 5000	55135.80	55494.40	-0.65

CURRENCIES

Pair	Jul 22	Prev	Pair	Jul 22	Prev
$/€	1.089	1.089	€/$	0.919	0.918
$/£	1.291	1.292	£/$	0.774	0.774
£/€	0.843	0.843	€/£	1.186	1.186
¥/$	156.885	157.335	¥/€	170.769	171.339
¥/£	202.594	203.223	£ index	84.448	84.675
SFr/€	0.968	0.968	SFr/£	1.149	1.148

CRYPTO

	Jul 22	Prev	%chg
Bitcoin ($)	66992.00	67999.79	-1.48
Ethereum	3451.40	3517.82	-1.89

COMMODITIES

	Jul 22	Prev	%chg
Oil WTI $	78.21	78.64	-0.55
Oil Brent $	82.17	82.63	-0.56
Gold $	2403.50	2463.80	-2.45

GOVERNMENT BONDS

Yield (%)	Jul 22	Prev	Chg
US 2 yr	4.54	4.50	0.03
US 10 yr	4.26	4.23	0.03
US 30 yr	4.48	4.45	0.03
UK 2 yr	4.06	3.99	0.08
UK 10 yr	4.26	4.23	0.04
UK 30 yr	4.67	4.63	0.04
JPN 2 yr	0.35	0.35	0.01
JPN 10 yr	1.06	1.04	0.02
JPN 30 yr	2.18	2.14	0.04
GER 2 yr	2.84	2.79	0.06
GER 10 yr	2.49	2.47	0.02
GER 30 yr	2.67	2.66	0.01

Prices are latest for edition
Data provided by Morningstar

A Nikkei Company

INTERNATIONAL

Ukraine

Kyiv strikes deal to restructure $20bn debt

Agreement boosts drive to use private capital to fund fight against Russia

JOSEPH COTTERILL — LONDON

Ukraine has struck a deal with international bondholders to restructure about $20bn of debt, boosting Kyiv's drive to use private capital to finance its war effort against Russia.

President Volodymyr Zelenskyy's government said yesterday that it had won support from investors to reduce the face value of the debt by more than a third, paving the way for a formal restructuring in the coming weeks.

The agreement will replace a two-year moratorium on bond payments that was granted after Russia's full-scale invasion of Ukraine in 2022 but was due to expire next month.

Ukraine sought debt relief as part of its conditions for continuing bailout loans from the IMF, which said it had endorsed yesterday's deal alongside backing from the US, the UK and other allies financing Kyiv's war effort.

Ukraine finalised terms last week during talks with a committee of bondholders, as well as other investors, which together own about a quarter of the debt.

"As long-term investors in Ukraine, we are pleased to be able to provide significant debt relief to Ukraine, assist its efforts to regain its access to international capital markets and support the future reconstruction of the country to the benefit of the Ukrainian people," the committee said.

The terms of the deal reflect uncertainty over the impact of a longer conflict on Ukraine's economy and its ability to bear significant amounts of debt.

'As long-term investors in Ukraine, we are pleased to be able to provide significant debt relief'

In return for writing off 37 cents per dollar of the old debt, bondholders will first receive bonds worth 40 cents of their original claim. These will restore interest payments immediately, rising from 1.75 per cent over the next year to 4.5 per cent from 2026, with later increases.

They will also receive a bond worth 23 cents, which will not pay interest for the next three years but could increase to 35 cents if Ukraine's nominal GDP exceeds IMF targets by at least 3 per cent, and up to 7.5 per cent, in 2028.

Overall, the restructuring will slash Ukraine's previously scheduled bond payments by more than $11bn, or 90 per cent, in the next three years.

By restarting payments to private investors after the moratorium, Ukraine hopes it can entice them to finance reconstruction, according to people familiar with the talks.

Ukraine's full return to bond markets is seen as unlikely as long as the war continues but it could attract other sources of private capital, such as loans guaranteed by development banks. Such funding could mitigate a feared reduction in support if Republican nominee Donald Trump wins the US presidential election, investors and analysts have said.

Yesterday's deal also has terms on how to approach a potential further restructuring in 2027, when Ukraine's official creditors are expected to provide their own debt relief.

Some investors had backed a further suspension of payments because of uncertainty over the war's course and western support. But a new suspension was not officially tabled in the talks and Ukraine was reluctant to add to a pile of unpaid interest that had already reached about $3bn since 2022, people familiar with the matter said.

Corruption probe

Spanish PM Sánchez to testify over allegations against wife

BARNEY JOPSON AND CARMEN MUELA — MADRID

Pedro Sánchez has been called to testify in a criminal investigation into corruption allegations against his wife in a move that dramatically raises the stakes in the case.

The judge's decision, announced yesterday, means Spain's prime minister is set to be questioned as a witness at his official residence on July 30 in a probe that he has described as part of a rightwing smear campaign against him.

The investigation into Sánchez's wife, Begoña Gómez, has stoked rancour in Spanish politics that worsened last year when Sánchez returned to power as head of a fragile coalition after an inconclusive general election. The premier took five days off to consider his future when the probe was launched in April.

The case centres on allegations of influence peddling and corruption against Gómez over her business dealings. Sánchez has denied any wrongdoing by his wife and no charges have been filed.

Judge Juan Carlos Peinado, of the High Court of Justice in Madrid, said: "It is considered convenient, useful and pertinent to take a statement from the husband of the investigated person" given the need to investigate Gómez's "possible" relationship with the authorities.

Yolanda Díaz, a deputy prime minister in the Socialist-led government, said: "I am astonished at what is happening."

Sánchez's office did not respond to a request for comment.

Gómez was called to testify in court last Friday but exercised her right to decline to answer questions. She has not commented publicly on the case.

Borja Sémper, spokesperson for the conservative People's party, the main opposition, said the problem with the prime minister was "ethical" and not just judicial. "Spaniards are ashamed of this permanent scandal," he said.

The last time a sitting Spanish prime minister was summoned to testify in a judicial case was in 2017, when the PP's Mariano Rajoy was called in a corruption case that led to convictions for several members of his party.

Alberto Núñez Feijóo, PP leader, recalled yesterday that Sánchez had urged Rajoy to resign at the time and said it was Sánchez who should now quit.

The Gómez investigation was triggered by a complaint from Manos Limpias, or Clean Hands — a group with far-right links and a history of launching politically tinged legal cases.

Sánchez wrote a letter to the nation when a preliminary judicial case was opened, saying he was the target of a rightwing "harassment and destruction" operation that included his political foes and the media.

When Gómez was placed under formal investigation in June, he wrote another letter saying: "I will not be broken."

In a radio interview this month, Sánchez said he wanted to "think that Peinado is not being biased in this case". He also said that his wife had "filed several appeals, which have yet to be answered, asking the judge to clarify the reasons why she has been summoned to testify".

Sport. Policing

Olympic security operation locks down Paris

Unprecedented measures aim to keep Games safe as France faces an array of threats

SARAH WHITE AND LEILA ABBOUD — PARIS
SARA GERMANO — NEW YORK

Police presence: officers check authorisations at a checkpoint in Paris. A perimeter along the banks of the Seine has sealed off a large area to Parisians and tourists who had not applied for a pass David Goldman/AP

Police are locking down swaths of Paris for the Olympic Games, as France wrestles with one of its biggest security challenges.

The heightened vigilance comes as wars in Ukraine and Gaza increase the tension in France, which has suffered deadly Islamist militant attacks.

With the bulk of events taking place in temporary venues in Europe's most densely populated capital, the risks are complex. A riverbound opening extravaganza on Friday — the first such ceremony outside a stadium — highlights the scale of what Paris is attempting, with about 80 boats carrying athletes along the Seine, flanked by 320,000 spectators and residential buildings on both sides.

Measures include a 6km central perimeter that has made the riverbanks accessible only to registered guests who will undergo body searches. Bomb squads will comb the Seine's bridges, many of which will be closed. Military units will occupy rooftops to combat possible drone strikes.

France is also braced for potential cyber attacks, including from Russian hackers, with forces' command infrastructure and hospital systems on alert.

"It will be an unprecedented and complicated security challenge," Bruno Le Ray, a former soldier and head of security for the Paris 2024 committee, said of the €320mn-€350mn operation.

Paris police chief Laurent Nuñez, in a joint interview with other newspapers, said: "We're serene because we have a robust framework, and it's ready."

Nuñez was appointed two years ago shortly after the chaotic scenes at a Champions League football final in Paris, when crowds built up outside the Stade de France, fans were targeted by thieves and police responded with tear gas. Officials insist they have learnt from the debacle.

In recent weeks police have conducted hundreds of raids targeting people on watch lists, detaining a number of Islamists and far-right and far-left activists, Nuñez said.

Attacks on France's Jewish community have risen since the start of the Israel-Hamas war in October: the country registered four times as many antisemitic acts in the first three months of 2024 compared with the same period last year.

At least two planned attacks on the Olympics have been thwarted, according to police and prosecutors, including an alleged plot by a Chechen against a football venue.

Russia's cyber threat is a "massive concern", according to an official from the US state's department's diplomatic security service, who highlighted an attack during the 2018 Winter Olympics in South Korea that disrupted TV and internet services.

Russian athletes are banned from competing under the country's flag because of doping violations and Moscow's invasion of Ukraine, meaning "the Russians have 10 times more reason now to attack the Games . . . it's no secret that they're going to try and inflict some kind of damage on the Olympics", the official said.

Still, the official added, French authorities were threading the needle between beefed-up security and "allowing Paris to be Paris . . . They've made [the Olympics] a hard target but they've done it with a velvet glove."

France has worked with foreign intelligence and security services, especially in the US and Israel, Nuñez said. Security forces visited the US to assess operations for New Year's Eve in New York and last year's Super Bowl, the DSS official said.

About 30,000 police, increasing to a record 45,000 deployment at peak times, will work on the four-week Olympics and Paralympics across the Ile-de-France region covering Paris. They will be supplemented by at least 15,000 French military personnel and some 1,800 foreign police officials, including UK officers and specialist search dogs.

Critics say the Paris 2024 venue choices increased the demands on an already overstretched police force, with many officers having to cancel leave.

'Big security efforts are being made . . . but we could have avoided piling risks on top of the risks'

"There are big security efforts being made . . . to limit the effect of these political decisions. But we could have avoided piling risks on top of the risks," said Alain Bauer, a professor of criminology and security expert who worked on the 1996 Atlanta Olympic Games.

Bauer believes the decision to use the Seine for the opening ceremony, which was originally envisaged to host 600,000 spectators, is a "criminal folly".

French President Emmanuel Macron, who is dealing with political turmoil after inconclusive legislative elections led to a caretaker government, has said there are back-up plans for the opening ceremony, in case threats were detected.

Police are also on high alert for political demonstrations linked to the elections, as well as disruptions from environmental and other activists.

Security measures have already prompted many residents to flee Paris to avoid disruptions and detours. In the locked-down perimeter, shops and restaurants were practically deserted as the flow of passers-by dried up.

Climate

Hybrid AI tool brings weather forecasting breakthrough

MICHAEL PEEL — LONDON

Artificial intelligence has helped to make a breakthrough in long-range weather and climate predictions, according to research that promises advances in both forecasting and the wider use of machine learning.

Using a hybrid of machine learning and existing forecasting tools, a model by Google called NeuralGCM successfully harnessed AI to conventional atmospheric physics models to track decades-long climate trends and extreme weather events such as cyclones, a team of scientists found.

This combination of machine learning with established techniques could provide a template for refining the use of AI in other fields, from materials discovery to engineering design, the researchers suggest.

NeuralGCM was much faster than traditional weather and climate forecasting and better than AI-only models at longer-term predictions, they said.

"NeuralGCM shows that when we combine AI with physics-based models, we can dramatically improve the accuracy and speed of atmospheric climate simulations," said Stephan Hoyer, senior staff engineer at Google Research and a co-author of a paper on the work published in Nature.

The paper said NeuralGCM was faster, more accurate and used less computing power in tests against a forecasting model based on atmospheric physics tools called X-Shield being developed by an arm of the US National Oceanic and Atmospheric Administration.

In one trial, NeuralGCM identified almost the same number of tropical cyclones as conventional extreme weather trackers did, and twice the number of X-Shield. In another test based on temperature and humidity levels during 2020, the error rate was between 15 per cent and 50 per cent less.

NeuralGCM's calculations were able to generate 70,000 simulation days in 24 hours using one of Google's customised AI tensor processing units, the paper says. By contrast, for comparable calculations, X-Shield generated only 19 simulation days, and needed 13,824 computer units to do it.

The research collaboration included experts from the inter-governmental European Centre for Medium-Range Weather Forecasts (ECMWF) and Massachusetts Institute of Technology.

The European group made its model publicly available in June and Google has made the code for NeuralGCM open access. It uses 80 years of ECMWF data and reanalysis for machine learning.

Google's DeepMind unit last year unveiled an AI-only weather forecasting model called GraphCast, which outperformed conventional methods for periods up to 10 days ahead. Established forecasting agencies such as the UK Met Office have projects to integrate machine learning into their work.

Rain check: mix of AI and traditional method was better than either alone

Peter Dueben, head of the ECMWF's Earth system modelling and a co-author of the paper, said AI-only models were "often viewed sceptically" by experts because they were not based on mathematical equations devised from physics.

The combination of the physics-based model with the deep learning model "seems to get the best of both worlds", he said, adding that the approach was a "big step towards climate modelling with machine learning".

There was still more "work to do", such as to enable NeuralGCM to estimate the impact of CO_2 increases on global surface temperatures, Dueben said.

An expert not involved in the work, Cédric M John, head of data science for the environment and sustainability at Queen Mary University of London, said there was "compelling evidence" that NeuralGCM was more accurate than machine learning alone and faster than the "full-physics" model.

"Importantly, this hybrid model does well at capturing an ensemble of predictions and the practical implication of this is that an estimate of the uncertainty of the prediction can be derived," said John.

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

Subscriptions & Customer service
Subscription offers: www.ft.com/subscription
Contact: +44 207 775 6000, fte.subs@ft.com
Manage your personal account: mma.ft.com
Advertising
Tel: +44 20 7873 4000, advertising@ft.com
Letters to the editor
letters.editor@ft.com
Executive appointments
Tel: +44 20 7873 4909
www.exec-appointments.com

Published by: The Financial Times Limited, Bracken House, 1 Friday Street, London EC4M 9BT. Tel: +44 20 7873 3000; Fax: +44 20 7407 5700. Editor: Roula Khalaf.

Germany: Demirören Media, Hurriyet AS-Branch Germany, An der Brucke 20-22, 64546 Morfelden-Walldorf, +49 6105 327100. Responsible Editor, Roula Khalaf. Responsible for advertising content, Jon Slade.
Italy: Monza Stampa S.r.l., Via Michelangelo Buonarroti, 153, Monza, 20900, Milan. Tel. +39 039 28288201 Owner, The Financial Times Limited; Rappresentante e Direttore Responsabile in Italia: I.M.D.Srl-Marco Provasi - Via G. Puecher, 2 20037 Paderno Dugnano (MI), Italy. Milano n. 296 del 08/05/08 - Poste Italiane SpA-Sped. in Abb.Post.DL. 353/2003 (conv. L. 27/02/2004-n.46) art. 1 .comma 1, DCB Milano.
Spain: Bermont Impresion, Avenida de Alemania 12, CTC, 28821, Coslada, Madrid. Legal Deposit Number (Deposito Legal) M-32596-1995; Publishing Director, Roula Khalaf; Publishing Company, The Financial Times Limited, registered office as above. Local Representative office; C/ Infanta Maria Teresa 4, bajo 2, 28016, Madrid. ISSN 1135-8262.
UAE: Masar Printing & Publishing, P.O. Box 485100, Dubai. Editor in Chief: Roula Khalaf.
France: Publishing Director, Jonathan Slade, 46 Rue La Boetie, 75008 Paris, Tel. +33 (0)1 5376 8256; Fax: +33 (01) 5376 8253; Commission Paritaire N° 0919 C 85347; ISSN 1148-2753.
Turkey: Dunya Super Veb Ofset A.S. 100. Yil Mahallesi 34204, Bagcilar- Istanbul, Tel. +90 212 440 24 24.
Sweden: Responsible Publisher - Christer Norlander

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

Reprints are available of any FT article with your company logo or contact details inserted if required (minimum order 100 copies).
One-off copyright licences for reproduction of FT articles are also available.
For both services phone +44 20 7873 4816, or email syndication@ft.com

US PRESIDENTIAL CAMPAIGN

Biden throws in towel after 24-day pummelling

Democrats had misgivings over ugly work of ending president's race but a big blow came from 'mama bear' Pelosi

JOSHUA CHAFFIN AND JAMES FONTANELLA-KHAN — NEW YORK
JAMES POLITI — WASHINGTON

“It's up to the president to decide if he is going to run,” Nancy Pelosi told MSNBC on July 10, smiling past Joe Biden's insistence a day earlier that he would not be dropping his re-election bid unless the “Lord Almighty” ordered it.

Pelosi, the former Speaker of the House, never publicly called for Biden to end his candidacy after his disastrous debate against Donald Trump in late June. But for someone with such heft in the party it was the equivalent of telling the commander-in-chief: think again.

When one of Pelosi's closest political allies, California representative Adam Schiff, last week called for the president to step aside, it was all but over. “Mama bear has sent her message,” a senior Democrat in Washington said.

Biden's downfall, a political gerontocide, played out over 24 days, with the president and his inner circle fighting to cling on as a growing band of Democrats undertook the ugly work of toppling him. They did so with misgivings but ultimately convinced that his candidacy would doom the nation to a Donald Trump restoration in November.

The ending was unceremonious. On Sunday, at 1.46pm, Biden posted a one-page statement on social media from his holiday home in Delaware, where he has been recuperating from Covid.

Almost instantaneously, he was showered with accolades — including from those who had worked to oust him. “He will undoubtedly go down in the history books as a true American patriot,” said Virginia Senator Mark Warner. Barack Obama called him “one of America's most consequential presidents, as well as a dear friend”.

On one level, Biden's fall is an epic event that will reverberate from the battlefields of Ukraine to the fight against climate change and US women's freedom over their reproductive decisions.

Yet it is also eminently relatable: the everyday story of a family attempting to persuade a beloved but declining patriarch to step aside. Or, as one Democratic operative in Washington described it: “the hardest case of taking away the keys from dad. Ever.”

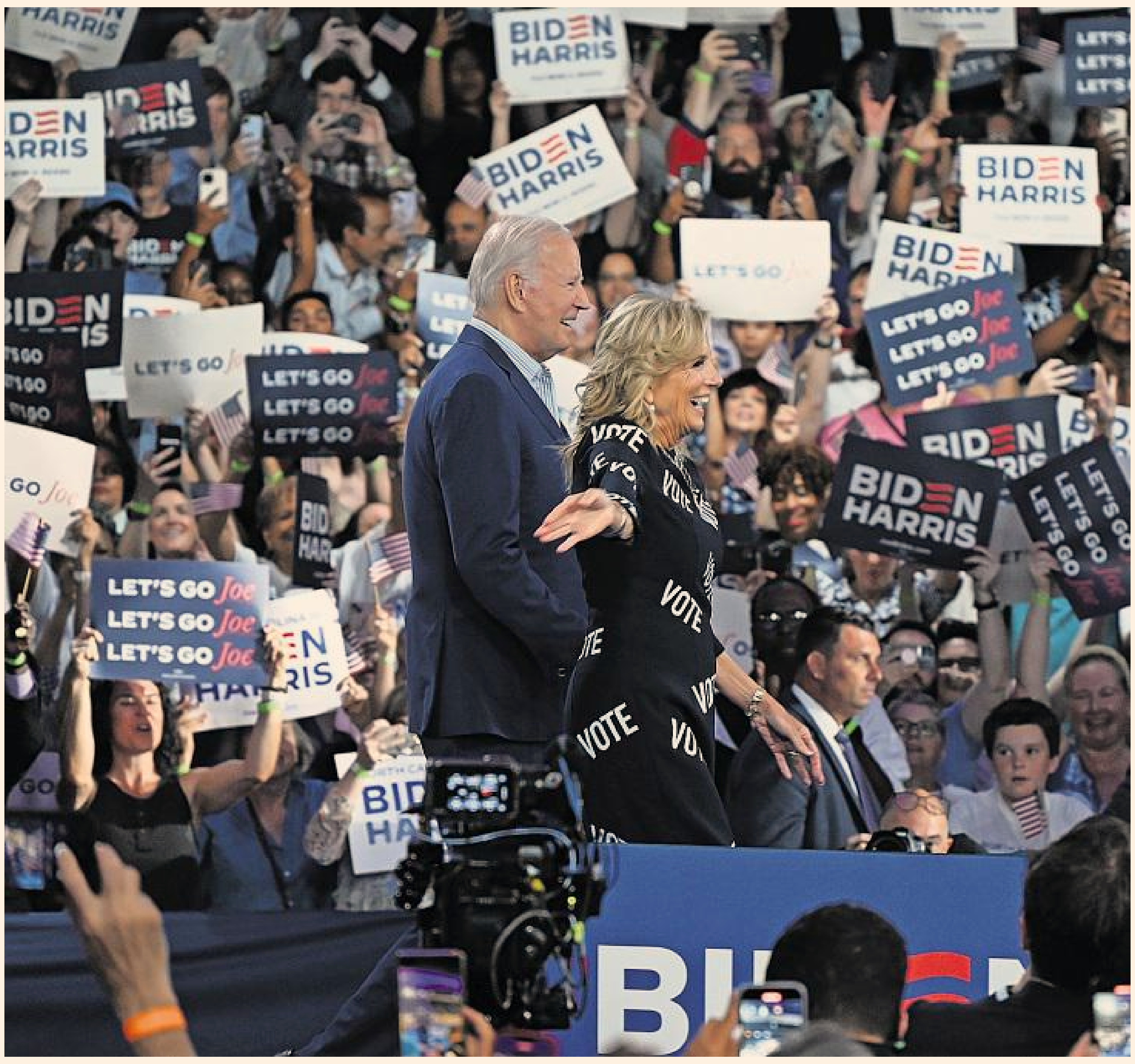
It began on CNN's Atlanta campus with the Trump-Biden debate. It was Biden who requested the June 27 debate — hoping to jolt a campaign that was trailing Trump. In the event, it backfired. A rambling Biden ended up crystallising the worries about his age and fitness, rather than dispelling them.

“I was wishing that someone would jump out and stop it the way they do in a boxing match when an ageing champ is getting brutally beaten,” said Frank Aquila, a lawyer at Sullivan & Cromwell and Democratic fundraiser, who was watching in Manhattan.

The internet would soon be ablaze with clips of Biden stumbling and losing his train of thought — claiming at one point to have “finally beaten Medicare”.

“We are in Fuck City,” Ari Emanuel, the chief executive of the Endeavor talent agency, declared at the Aspen Ideas Festival the next morning, capturing Democrats' sense of dread.

On Wall Street, a rainmaker had his secretary clear his schedule as soon as the debate ended. “I immediately called up a bunch of my closest pals and we started co-ordinating our efforts,” the person recalled. Over the coming days they would play a pivotal role, leveraging contacts in Washington and delivering a stark message: no more money would be going to Biden.



Campaign's end: Joe and Jill Biden at a rally in North Carolina, left, a day after his disastrous debate with Donald Trump, top. Above, the president on a talk show with Barack Obama last month
Kyle Mazza/NurPhoto; Mike Blake and Kevin Lamarque/Reuters

The shock at Biden's debate performance quickly turned to anger. Donors complained that they had been misled by the president's inner circle about the extent of his decline. First lady Jill Biden was also a target. The president's wife of 47 years and closest confidante was widely admired for her down-to-earth persona. Now she was being recast as Lady MacBiden, too enamoured with the trappings of the White House to discourage her husband's worst instincts.

In Hollywood, the fury was aimed at Biden's chief fundraiser Jeffrey Katzenberg, co-founder of the DreamWorks film studio. “[Katzenberg] had this famous quote for everybody, which was ‘I'm happy to put you in a room with him and you'll see for yourself.’ But nobody did it,” a longtime Democratic donor recalled.

On Friday, July 5 — eight days after the debate and three days after the first Democrat lawmaker had called for him to leave the race — Biden bowed to pressure and sat down with ABC's George Stephanopoulos in a Wisconsin school.

Biden performed better than he had during the debate — but not so well as to erase the doubts. As one Democratic consultant remarked: “He could do 400 interviews with George Stephanopoulos and it wouldn't make a difference.”

In private meetings representatives warned that the party was in danger of losing both House and Senate. Trump would be unbound in a second term.

But, instead of relenting, Biden fought. Borrowing a page from Trump, he blamed “elites” and the media for turning against him. By Tuesday, July 9, he appeared to be gaining the upper hand. Democrats who had voiced concerns about the president in private were giving him their public backing.

“I'm with Joe,” Chuck Schumer, the Senate Majority Leader, would say, his smile a shield. With a mid-August convention approaching, time was on Biden's side — even if age was not.

> 'I was wishing someone would jump out and stop it the way they do in a boxing match when an ageing champ is getting brutally beaten'
> Frank Aquila, Democratic fundraiser

Then Pelosi emerged. “Nancy is the most important voice and she's furious,” a prominent Democratic donor said.

It was a bright summer's day when Biden's motorcade rolled into Detroit on Friday July 12 for an event at a high school gym that felt like a homecoming. A lone voice cried out: “We love you!” It seemed to lift Biden, and the rote routine of a 35-minute stump speech was transformed into something more.

That rally now feels like a swan song. Next day, in Butler, Pennsylvania, a 20-year-old man fired a volley of shots from a rooftop at Trump, injuring his ear and killing a retired fireman. A bloodied Trump rose to his feet, waved his fist and exhorted his supporters to “fight!”

The contrast was unmistakable: one candidate struggling to walk while the other dodged an assassin's bullet. To make matters worse, Biden would soon be diagnosed with Covid-19.

As Biden took to his sick bed in Delaware, the campaign against him in Washington shifted into high gear. By last Saturday evening, Biden was coming around to the inevitable, people familiar with the matter said. The next day, he called Harris, his chief of staff, Jeff Zients, and Jen O'Malley Dillon, his campaign chair, to relay his decision.

In the aftermath, Democrats like the corporate lawyer and fundraiser Aquila seemed as much stricken as relieved. “We all loved Biden because he was a pragmatic capable of keeping the different souls of the party . . . united,” he said. “That's why it was so hard to accept that he wasn't fit any longer to be our candidate.”

See Markets Insight, FT View, Opinion and Lex

Legacy
Withdrawal ends career marked by triumphs and tragedy

Joe Biden's decision to bow out of the presidential race caps a life of public service marked by a steady rise to the top of US politics, punctuated by disappointments, setbacks, and personal tragedy.

After being elected to the Senate in 1972 Biden launched two failed presidential campaigns. What propelled him to the White House was his tenure as vice-president under Barack Obama.

Two personal tragedies were part of Biden's political persona. The first came in 1972, just after he was elected to Congress, when his first wife Neilia and their one-year-old daughter Naomi were killed in a car accident. Their two sons, Beau and Hunter, survived the crash.

The second came in 2015, while Biden was vice-president, when Beau, the former attorney-general of Delaware, died of brain cancer. Biden would revisit these tragedies in public and they infused his sense of empathy.

Biden's decision not to run for re-election will preserve his victory over Donald Trump in 2020 as his crowning political achievement. He was often underestimated by Democratic elites in Washington, not least because of his penchant for gaffes and his unevenly delivered rhetoric.

But in 2017, after a neo-Nazi march in Charlottesville, Virginia, he launched his, ultimately successful White House bid. The 2020 campaign was waged during the coronavirus pandemic, and when he emerged victorious in November, he had been able to dispel all doubts about his political skills in a pivotal contest for US democracy.

The admiration for Biden among Democrats has persisted throughout his presidency. He has earned plaudits from younger progressive members of the party including rising stars such as New York congresswoman Alexandria Ocasio-Cortez, who backed his 2024 candidacy until the very end.

But he will be disappointed that within the space of three weeks after his disastrous debate performance, party elders including Obama, Nancy Pelosi, the former speaker, and Chuck Schumer, the Senate majority leader, left him in the lurch.

Biden will point to his record in the White House as one of success. On the economy, he can point to high job growth and rising wages. But he also presided over a bout of high inflation that left many Americans upset about the cost of living.

On foreign policy, he led Nato in its response to Russia's invasion of Ukraine and navigated rising tensions with China. The Middle East was his biggest source of trouble, from the botched withdrawal from Afghanistan to his support of Israel's war in Gaza, which divided the party.

While policy accomplishments have traditionally been the focus of presidential legacies, they are not the only component. Indeed, stepping aside may bolster his legacy. A candidate without Biden's political liabilities — possibly Harris — may now fare better against Trump.

The president will hope his legacy includes the gratitude of his party for a painful personal decision to give Democrats a better chance of defeating Trump — a man Biden considers a threat to US democracy.

James Politi and Steff Chávez

Democrats. Frontrunner

A place in history beckons as Harris seeks path to the Oval Office

Vice-president has her party's nomination in sight after rapid rise through the political ranks

LAUREN FEDOR AND JAMES POLITI — WASHINGTON

On Saturday, Kamala Harris was on the campaign trail for Joe Biden, telling a room of about 1,000 Democratic donors in Cape Cod, Massachusetts, that the US president would defeat Donald Trump at the ballot box in November.

“We are going to win,” she said to roaring applause. “It's not going to be easy . . . it takes believing in something and then going for it.”

One day later, Biden announced that he was abandoning his re-election campaign and putting his faith in Harris. Within hours, the vice-president confirmed her bid for the White House.

“I will do everything in my power to unite the Democratic party — and unite our nation — to defeat Donald Trump,” Harris said. “We have 107 days until election day. Together, we will fight. And together, we will win.”

Biden's withdrawal and endorsement of Harris ended more than three weeks of Democratic angst over whether their candidate was up to the job. But it also marked the latest stage in a meteoric rise for Harris, the 59-year-old daughter of immigrants, who if elected would be the first female president of the US.

Biden's endorsement — and statements of support from former president Bill Clinton and his wife Hillary, as well as several dozen members of Congress and multiple state governors — solidified Harris's status as the overwhelming frontrunner to be the Democratic nominee for president.

But her selection is by no means a done deal. Several high-profile Democrats, notably former president Barack Obama, did not immediately back her on Sunday. It remains unclear whether she will face challengers, or what rules the Democratic National Committee will put in place to lock in a replacement for Biden ahead of next month's Democratic National Convention.

Yet Biden's nod puts Harris in pole position, setting her on course to make history. If elected in November, she would be not only the first female president, but the first Asian-American and only the second Black president after Obama.

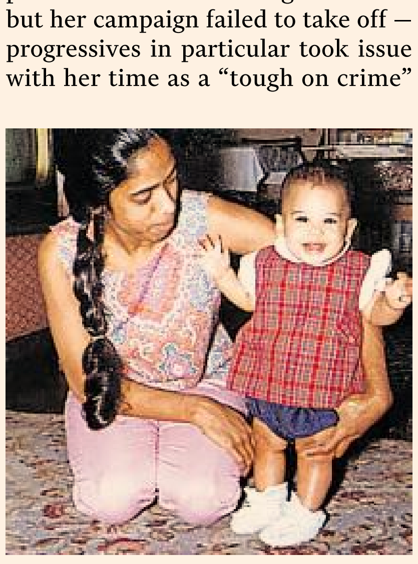
The daughter of an Indian-American mother and a Jamaican-American father, Harris spent her early childhood in Oakland, California. Her parents divorced when she was young and she and her sister Maya were raised by their mother, a cancer researcher.

Harris graduated from Howard University, a historically Black university in Washington, before studying law at the University of California, Hastings, and becoming a prosecutor.

Her elevation to the vice-presidency capped a rapid rise through the political ranks. She was elected district attorney of San Francisco in 2003. Seven years later, she was elected attorney-general of California, and re-elected in 2014. She won a US Senate seat two years later.

When she was attorney-general, Harris met Douglas Emhoff, a corporate lawyer, whom she married in 2015, becoming stepmother to his two adult children. Emhoff has used the title “Second Gentleman” and has been a fixture on the Biden campaign trail.

Harris sought the 2020 Democratic presidential nomination to great fanfare but her campaign failed to take off — progressives in particular took issue with her time as a “tough on crime” prosecutor — and she suspended her bid before that year's Iowa caucuses. Eight months later, Biden selected her as his running mate, describing her as a “fearless fighter for the little guy and one of the country's finest public servants”.



Big future: Kamala Harris with her late mother Shyamala Gopalan

Harris got off to a rough start as vice-president. She was given the thorny portfolio of tackling illegal immigration. In this way she became associated with one of Biden's biggest problems: the rising flow of undocumented immigrants to the US from the border with Mexico.

One of her lowest points came during an NBC News interview in June 2021, when she was asked why she had not visited the US southern border. She responded that she would go “at some point” but added she had not been to Europe, either.

Harris's poll numbers languished and there was some speculation that Biden might drop her to improve his re-election chances. White House officials say he never considered it.

The political circumstances also gave her career a second wind. After the US Supreme Court struck down the constitutional right to an abortion in 2022, Harris became the White House's leading voice in defending reproductive freedoms and other issues, such as gun control, that energise vital parts of the Democratic base, namely women, younger voters and minority groups.

Now, with opinion polls suggesting she would fare better against Trump than Biden in a hypothetical head-to-head match-up, many party insiders believe Harris has much more potential to improve her standing than Biden did.

“The best path forward for the Democratic party is to quickly unite behind vice-president Harris and refocus on winning the presidency,” said Josh Shapiro, Pennsylvania governor, who is seen as a possible Harris running mate.

Gavin Newsom, the California governor who has been seen as a future presidential candidate, also threw his weight behind Harris. “With our democracy at stake and our future on the line, no one is better to prosecute the case against Donald Trump's dark vision and guide our country in a healthier direction than America's vice-president,” he said.

INTERNATIONAL

Asia tensions

Beijing and Manila reach deal on reef ship

Agreement on resupplying South China Sea outpost eases flashpoint fears

KATHRIN HILLE — TAIPEI

The Philippines has agreed with China a "provisional arrangement" for resupplying its military outpost on a disputed South China Sea reef that has become one of the region's most dangerous flashpoints, Manila has said.

Diplomats from the two sides reached the deal over the Philippines' resupply missions to the Sierra Madre, a rusting warship on Second Thomas Shoal, after a series of consultations in recent weeks, the Philippines' Department of Foreign Affairs said in a statement.

In remarks published yesterday, China's foreign ministry confirmed that it had agreed to "allow" humanitarian Philippine resupply missions but also reiterated its sovereignty claim and demand that Manila tow the ship away. It repeated its condition that China conduct "onsite verification" and said it would "supervise" resupply missions.

If the agreement holds, it could help defuse a more than year-long spiral of violence in which China's coast guard has disrupted trips by vessels commissioned by the Philippine armed forces to send supplies to the small group of marines stationed on the reef.

In Beijing's most violent move, its coast guard forces in June rammed Philippine vessels, boarded them, confiscated guns, and used axes to puncture Philippine boats and threaten Filipino sailors.

The clash raised concerns that the stand-off might trigger open conflict between China and the US, an ally of the Philippines that has assured Manila their mutual defence treaty applies to Second Thomas Shoal.

The reef lies within the Philippine exclusive economic zone, giving it sole rights to its use under the UN Convention on the Law of the Sea. Beijing insists it has sovereignty over it, along with its claim over almost the entire South China Sea, but a 2016 arbitration ruling has rejected that claim.

"Both sides continue to recognise the need to de-escalate the situation in the South China Sea and manage differences through dialogue and consultation," Manila's DFA said, adding that the agreement would "not prejudice each other's positions in the South China Sea".

Observers said doubts remained over whether the agreement would succeed in de-escalating the row. "There is no sign of Beijing backing down from their determination to erode Manila's control over Second Thomas Shoal," said a foreign diplomat in Manila.

The Chinese government has previously claimed to have struck "gentleman's agreements" with Philippine officials for arrangements over the Sierra Madre but later accused Manila of reneging on those deals and continued disrupting the Philippine resupply missions.

Philippine officials said the Chinese side had offered earlier to allow the provision of basic supplies such as food and water to the Philippine outpost under the condition that Manila notify Beijing of the missions in advance, commit to not bringing in materials to stabilise the rusting Sierra Madre, and allow Beijing to inspect the resupply vessels.

Additional reporting by Anantha Lakshmi in Jakarta

India. Economic test

Modi's coalition allies demand budget payback

Regional parties that acted as 'kingmakers' seek billions in financing for their states

BENJAMIN PARKIN AND JYOTSNA SINGH — NEW DELHI
CHRIS KAY — MUMBAI

Narendra Modi faces an early test in his third term as India's prime minister, preparing a budget that must balance the demands of new coalition partners while putting forward an economic vision that reinforces confidence after a surprise election disappointment.

Modi's Bharatiya Janata party was re-elected in June but unexpectedly lost its parliamentary majority, forcing the prime minister to depend on two regional "kingmakers" to see off a resurgent opposition.

Those allies, the Telugu Desam party from southern Andhra Pradesh and Janata Dal (United) in northern Bihar, were demanding billions of dollars in financing for their states in the budget to be delivered today.

Neelayapalem Vijay Kumar, a spokesperson for the TDP, said the party wanted to "utilise the clout" it had as a coalition partner to secure funding for roads, an oil refinery and Amaravati, a new "high-tech" state capital.

The JDU has requested airports, medical colleges and infrastructure projects, including power plants and new roads. "A new government has been formed and our party, the JDU, is part of that," said spokesperson Kishan Chand Tyagi. "The expectations of the people of Bihar have risen."

Nomura estimates that requests from coalition partners could cost about 0.2 per cent of India's GDP this year.

Modi, a domineering leader, has never ruled in a minority government. Investors are looking for an early indication of whether he can adapt to the compromises required of coalition politics, while continuing the fiscal consolidation and business-friendly reforms that he hopes will make India a global manufacturing and tech hub to rival China.

"Economic transformation wouldn't have happened if Modi hadn't forced it," said one person close to the party, adding that the BJP would have to "change their style of working, be a little more accommodative and make some allies along the way — whether that will be adequate, I don't know".

The prime minister also faces popular anger over chronic hardship in rural areas and widespread joblessness in the country of 1.4bn, despite economic growth of more than 6 per cent a year. Finding solutions for these problems, which many analysts blame for the BJP's disappointing election performance, will be essential to quelling questions about how many more years Modi should remain in charge.

Shumita Deveshwar, senior director of India research at GlobalData TS Lombard, said one of the government's strengths was its ability to "portray itself to investors well.

"But, on the other side, we've seen with the election results that people are getting impatient and voters are looking to see what the government will do next," she said. "There's no quick fix."

The BJP, which has in recent years increased spending on infrastructure, welfare and subsidy schemes to attract foreign manufacturers, has dismissed concerns about its record and appointed a largely unchanged cabinet last month.

The budget will be buoyed by a record Rs2.1tn ($25bn) transfer from the Reserve Bank of India this year, part of an annual payout from the bank's surplus funds. Analysts expect this extra cash should help Modi maintain or even lower the fiscal deficit from its current target of 5.1 per cent, compared with 5.8 per cent the previous fiscal year, even if it increases spending on infrastructure or for coalition states.

The coalition partners "are fully aligned" with the BJP's economic vision, said Narendra Taneja, a former spokesperson for the ruling party.

"There will always be people who will be submitting a wish list . . . but are there any serious differences? No. Is there any bad blood? No."

Modi's return has been welcomed by big businesses that have thrived on BJP policies such as corporate tax cuts. "They will not fix what is not broken," said R Shankar Raman, chief financial officer of Larsen & Toubro, India's largest engineering and construction company, which has been in talks to restart development of the city of Amaravati. "There is merit in continuity."

But the BJP also enters its third term saddled with daunting economic challenges. Private investment has not picked up and inequality has risen to a historic level under Modi, with the richest 1 per cent of Indians holding 40 per cent of the nation's wealth, according to a paper this year from the World Inequality Lab. The Centre for Monitoring Indian Economy put youth unemployment at 45 per cent last year.

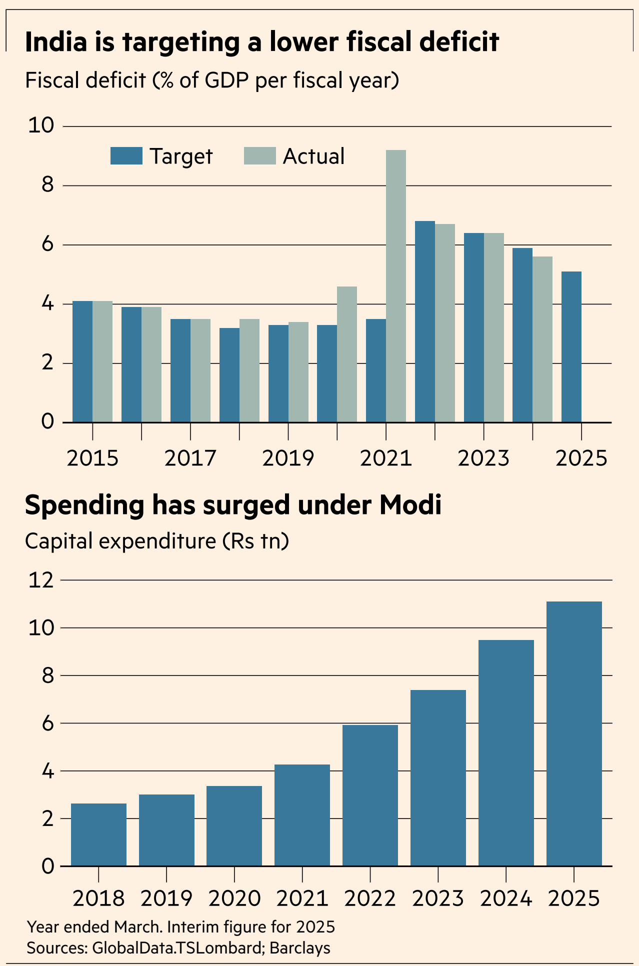
Modi may have limited time to show results. Two BJP-controlled and allied states, the business hubs of Maharashtra and Haryana, will hold elections this year, and analysts expect a tough fight after the opposition made strong gains during the parliamentary polls.

Pronab Sen, India's former chief statistician, warned that perceptions of favouritism to Andhra Pradesh and Bihar in the budget would "open a can of worms" and inflame tensions with other states.

But he suggested that India's new political landscape could prove an economic boon if the BJP became adept at consensus building, which could help it push through more economic reforms.

"What was happening at least over the last six, seven years was that most decision-making was completely unilateral," he said. Now, "they're going to have to convince their partners, [and] if they're sensible they'll open it up further to all states".

Budget test: Narendra Modi speaks after arriving for a parliamentary session in New Delhi yesterday
Sajjad Hussain/AFP/Getty Images



'There will always be people who will be submitting a wish list . . . but are there any serious differences? No. Is there any bad blood? No'

Central bank

China cuts rates as party elite moves to boost ailing economy

CHENG LENG — HONG KONG
THOMAS HALE — SHANGHAI

China has unveiled cuts to lending rates days after a senior Communist party policy meeting, in a sign of government efforts to boost lagging momentum in the world's second-largest economy.

The People's Bank of China announced yesterday that the one-year loan prime rate, widely used as a benchmark for corporate lending, would be lowered 0.1 percentage points to 3.35 per cent, the first such cut since August last year. The five-year equivalent, which influences mortgage pricing, was also reduced 0.1 percentage points for the first time since February, to 3.85 per cent.

The cuts came after China's central bank reduced the so-called reverse repo rate, a seven-day rate used to price short-term lending, by 0.1 percentage points to 1.7 per cent. The PBoC said the move was intended to "strengthen countercyclical adjustments to better support the real economy".

The PBoC yesterday also lowered rates on the so-called standing lending facility, loans made to banks in need of short-term cash, by 0.1 percentage points across all maturities.

China has repeatedly cut its main lending rates in recent years against the backdrop of a prolonged property slowdown and weak domestic consumption. Policymakers have come under pressure to take greater action to shore up investor and consumer confidence.

Official data last week showed the economy grew 4.7 per cent in the second quarter, missing forecasts, while metrics in the property sector worsened.

"This quantitatively modest but symbolically significant set of actions signals the government's willingness, finally, to use macroeconomic stimulus to support faltering economic activity," said Eswar Prasad, an economics professor at Cornell University.

The rate cuts came on the heels of the Chinese Communist party's third plenum, a closely watched closed-door meeting in which the party's elite Central Committee lays out its policy direction. At this year's event, which wrapped up on Thursday, officials signalled concerns over the economy and pledged additional support.

Beijing has in recent months allowed state-owned enterprises to buy unsold housing in order to tackle the property slowdown. But there are few signs of improvement in the sector, with new home prices falling 4.5 per cent last month, the most in almost a decade.

China's rate-setting framework has evolved in recent years, with rates such as the LPR linked to a medium-term lending facility set by the PBoC that influences banking sector liquidity. Pan Gongsheng, the central bank's governor, hinted in June at a bigger role for the repo rate in setting policy in the future.

Analysts warned the impact of cuts such as yesterday's was likely to be moderate. Prasad said the LPR reductions were "unlikely to be effective" unless "accompanied by fiscal stimulus and broader policy reforms to revive flagging private sector confidence".

China's 10-year sovereign bond yield dropped to 2.24 per cent yesterday after the cut, while the renminbi weakened to a near two-week low of 7.28 to the dollar.

Additional reporting by Joe Leahy in Beijing

Watchdog alert

FSB fears shadow banking risks are building

MARTIN ARNOLD — FRANKFURT

The world's financial stability watchdog has urged regulators to maintain their clampdown on the "underlying vulnerabilities" building up outside the formal banking system in fast-growing and often heavily indebted areas such as private equity and hedge funds.

Klaas Knot, chair of the Financial Stability Board, told finance ministers and central bank governors in a letter yesterday that geopolitical tensions, rising debt levels and elevated asset prices heightened the risk of a financial crisis.

"While the memory of past turmoil fades and optimism over a soft landing for the global economy grows, it is important to emphasise that tail risks remain," said Knot, who is also head of the Dutch central bank.

He said regulators had still not done enough to tackle the dangers created by the vast shift of financing activity outside the closely supervised banking system into an area known as non-bank financial intermediation (NBFI).

This sprawling "shadow bank" sector includes money market funds, asset managers, pension funds, insurers, hedge funds, private equity, credit funds and real estate investment trusts. It has built a $218tn stockpile of assets — nearly half of all global financial assets.

Knot said in his letter to G20 officials ahead of their meeting in Rio de Janeiro starting on Thursday that "key underlying financial system vulnerabilities have not gone away, so we must maintain our focus on building resilience".

'Many of the underlying vulnerabilities that contributed to incidents are still largely in place'

The FSB has been focused on the risks stemming from non-bank financing since a "dash for cash" by heavily indebted hedge funds in March 2020 was blamed for a sharp sell-off in bond markets.

These concerns intensified after the collapse of family office Archegos Capital Management three years ago, leaving investment banks with $10bn of losses, and the crisis in UK debt markets two years ago due to problems from derivative-linked strategies in pension funds.

"Recent incidents of market stress and liquidity strains have demonstrated that NBFI can create or amplify systemic risk," Knot said. "Many of the underlying vulnerabilities that contributed to these incidents are still largely in place, leaving the global financial system susceptible to further shocks."

Knot said some progress had been made in addressing these risks, but he warned "the pace of implementation of agreed NBFI policies has been uneven across jurisdictions and we may already be losing momentum".

He said some non-banks, such as hedge funds, broker-dealers and finance companies, had been "taking on additional leverage through off-balance sheet exposures, including foreign exchange swaps and forwards", which had "grown significantly over the past decade". The FSB said it planned to publish a report "with proposed policy approaches for authorities to address systemic risk" from the build-up of leverage at non-banks.

Gaza

Israel renews offensive push in Khan Younis

NERI ZILBER — TEL AVIV

Hundreds of thousands of Palestinians have fled the southern Gaza city of Khan Younis as Israel launched a renewed offensive in the area three months after its forces withdrew.

The Israeli military yesterday ordered the evacuation of residents from the city's eastern edges in an area that had formed part of an expanded Israeli-designated humanitarian "safe zone".

The Israeli military said the "humanitarian area" was now being "adjusted" because of Hamas rocket fire and other militant activity ahead of a planned "forceful" operation.

Israeli air and artillery strikes were reported later in the day, with witness accounts indicating that Israeli tanks and armoured personnel carriers were in the city's eastern suburbs.

More than three dozen people have been killed, according to health authorities in the Hamas-controlled enclave, with an estimated 400,000 heeding the evacuation orders and heading west to the Al-Mawasi coastal "safe zone" or north to the city of Deir al-Balah. The Israeli military said that hospitals in the area would not need to be evacuated.

The renewed offensive, which comes after Israel in April concluded a five-month operation in Khan Younis, forms part of what Israeli officials have termed the "low-intensity" phase of their Gaza campaign, with intermittent raids targeting Hamas forces across the territory. The Israeli military said yesterday it was still conducting operations around the southern city of Rafah as well as in the enclave's central region.

The Israeli military also confirmed that two hostages seized by Hamas during its October 7 attack on the Jewish state were killed while in captivity.

The two men, Yagev Buchshtab and Alex Dancyg, are believed to have died in the Khan Younis area several months ago. Israeli authorities said they were investigating the circumstances of their deaths and emphasised that Hamas was still in possession of their bodies.

About 120 Israelis and foreign nationals are still being held hostage in Gaza, with more than a third now confirmed by Israeli intelligence to have died.

An Israeli delegation is set to travel to Doha on Thursday for talks over a hostage-for-ceasefire deal being brokered by US, Egyptian and Qatari mediators. Talks have stalled for months over fundamental gaps between Israel and Hamas, including Israeli Prime Minister Benjamin Netanyahu's refusal to end the war permanently.

The Israeli premier flew to the US yesterday but a planned meeting with President Joe Biden will now not take place today, as scheduled, according to people familiar with the matter. The US president is recovering from a bout of Covid.

Displaced Palestinians leave the eastern neighbourhoods on foot

Sterling qualities Wall Street bets the British pound will extend a run that has carried it to its strongest level since 2016 PAGE 8

US businesses drop diversity targets from bonus plans

- Motorola among those joining trend
- Moves follow flak from Republicans

PATRICK TEMPLE-WEST — NEW YORK

Advanced Micro Devices, Motorola and Regions Financial are among a dozen companies that have removed diversity criteria from executive bonus plans this year after pressure from conservatives, as the political backlash to the initiatives continue to divide US boardrooms.

The 12 companies were among 60 that dropped environmental, social and governance incentives from their executive pay plans after pressure from Strive, the anti-ESG asset manager founded by Donald Trump ally Vivek Ramaswamy. Launched in 2022, Strive has more than $1.6bn of assets under management.

Matt Cole, Strive's chief executive,

> Tractor maker Deere reaffirmed this month it has no 'diversity quotas' or 'pronoun identification'

applauded the moves away from diversity, equity and inclusion and ESG measures, and said the decision improved executive incentives.

"It's not surprising to see corporations struggle when their executives are incentivised in ways that don't improve and often impair financial performance," he told the Financial Times. "Several bold corporations have improved how they incentivise their executives this year, by moving away from DEI and ESG measures. I expect more corporations to follow in their footsteps."

Amid increasing pressure from Republicans on corporate DEI initiatives, companies have scrambled to cut them. Tractor maker Deere said this month it would roll back various DEI initiatives such as supporting external "social or cultural awareness parades", and reaffirmed it had no "diversity quotas" or "pronoun identification" in the business. In June, retailer Tractor Supply said it would eliminate all its diversity roles.

Deere's statement came days after DEI became a central theme in Republicans' attack on the US Secret Service following the assassination attempt on Trump. Even before the shooting, Republicans had seized on DEI as a Democratic tool for affirmative action. Speaking at the Republican National Convention last week, Florida governor Ron DeSantis said DEI "really means division, exclusion and indoctrination".

DEI and ESG gained favour in executive pay plans in recent years but some asset managers have criticised these provisions as unaligned with financial performance. Vanguard last year said it was concerned "poorly constructed ESG metrics could result in inflated pay relative to performance".

As of June, 66 per cent of S&P 500 companies included metrics for diversity and inclusion in executive pay, according to an analysis by ESGauge and the Conference Board. That is down from 75 per cent in 2023, but up from 52 per cent in 2021.

ESG or DEI incentives typically comprise a sliver of total executive pay, consultants have said.

This year, IBM included a "diversity modifier" in executive bonuses that would increase pay if certain targets were hit. Advance Auto Parts included a "DEI modifier" in its pay plan.

AMD included a DEI metric in the annual cash bonus for executives in 2023 but it was cut in 2024 and replaced with "workforce strategic objectives". Motorola and Regions Financial also dropped DEI from pay plans.

Strive voted against the companies' pay plans in 2023, but voted for them this year.

Production boost Amazon sinks its teeth into Hammer horror series site Bray Film Studios

Christopher Lee starred in Terence Fisher's 'Dracula' (1958), which was made at Bray Film Studios — Everett/Shutterstock

DANIEL THOMAS — LONDON

Amazon has bought Bray Film Studios near London, the former home to the Hammer horror series of films, in a push to expand its production of television series and feature films in the UK.

Amazon said yesterday that its Prime Video division had acquired the studios, which comprise five stages, workshops and offices, for an undisclosed sum.

Bray Studios has already worked with Amazon MGM Studios, helping produce the second season of the Prime Video series *The Lord of the Rings: The Rings of Power* in 2022.

The next Amazon MGM Studios production to be made at Bray following the acquisition will be the second season of the Russo brothers' spy series *Citadel*, starring Richard Madden and Priyanka Chopra Jonas. Amazon Prime Video also uses nine sound stages at the UK's Shepperton Studios.

The deal marks a further boost to the UK's studio and production sector, which helps make many of the largest Hollywood movies at facilities owned by Disney, Sky, Warner Brothers Discovery and Amazon. Last year, half of the top 20 film releases were made at least partly in Britain, including *Barbie* and *Wonka*.

US studios in particular have been attracted by tax breaks and access to talented workers, although the sector has been hit by the slowdown in production caused by the Hollywood strike last year as well as production curbs among streamers.

This has not stopped a series of studio developments planned, however, with more than 3mn sq ft promised in expanded schemes in studios in Elstree, Leavesden, Shepperton, along with proposed studios in cities such as Sunderland.

Mike Hopkins, head of Prime Video and Amazon MGM Studios, said the US tech giant was "committed to deepening our relationships with the UK creative community, which is rich with world-class storytellers and creative talent of all kind".

Culture secretary Lisa Nandy said the Labour government was "determined to support the huge potential for economic growth in our creative industries".

She said: "This vote of confidence by Amazon MGM Studios will ensure that one of our leading film studios continues to play a crucial role in our first-class screen industries."

Hammer has produced horror and fantasy films such as *The Mummy*, *The Curse of Frankenstein*, and Terence Fisher's *Dracula*. Other productions at Bray Film Studios have included *The Rocky Horror Picture Show*, Ridley Scott's *Alien*, and the Elton John biopic *Rocketman*.

EY Germany's former boss to appeal against Wirecard fine

OLAF STORBECK — FRANKFURT

EY's former Germany boss Hubert Barth is to challenge a €300,000 fine for alleged violations of professional duties during the Big Four firm's audits of Wirecard.

Wirecard collapsed four years ago in one of Europe's largest accounting scandals after disclosing that half its revenue and €1.9bn in corporate cash did not exist. It had received unqualified audits from EY for almost a decade.

Germany's audit watchdog Apas last year fined EY €500,000 and banned the firm from taking on any new listed audit clients in Germany for two years over its failings. It also announced penalties of between €23,000 and €300,000 to five unnamed current and former staff. These fines against individuals were formally imposed last month.

The largest of the personal fines was for Barth, according to people familiar with the decision. His lawyer Jan Bockemühl said he would appeal against the Apas decision on behalf of his client as he considered it "incorrect" from both a legal and a factual point of view.

EY said in March that it did not fully agree with Apas's findings but dropped its appeal against the ruling and decided to "fully comply with the sanctions".

Under Barth's leadership, EY's German partnership had doubled its market share of auditing for members of the country's blue-chip Dax between 2017 and 2020 as it won high-profile audit mandates including Deutsche Bank and Deutsche Telekom.

Half a year after Wirecard's collapse, Barth resigned as head of EY Germany, moving on to a "European role" at the firm. He subsequently left EY and now works as an independent auditor in Munich, according to the German public register of certified accountants.

Barth told a parliamentary inquiry committee in 2021 that it was EY that uncovered the Wirecard fraud and that it "did not hesitate for a second to blow the whistle". He defended the firm, saying that EY always worked to the best of its knowledge and had been deceived by a complex fraud. But Apas concluded that EY was guilty of "grave" and "repeated" violations of professional duties in its Wirecard audits.

The fines for Barth and the four other current and former EY employees is the final stage in a Apas investigation that started months before Wirecard filed for insolvency in June 2020.

UK private equity tax reform requires a spirit of compromise

INSIDE BUSINESS
FINANCE
Patrick Jenkins

It is a politically smart bit of heartstring tugging. Labour's manifesto pledged that it would pay for 8,500 new mental health workers and other good causes by tightening the tax rules for wealthy private equity executives.

Uncontroversial for most voters. But within this vast industry, huge efforts are being made to persuade the UK's new chancellor Rachel Reeves to water down her plans to generate an extra £565mn from closing the "carried interest tax loophole".

Reeves has two arguments in favour of her plan: first, she needs to raise the revenue to pay for worthier causes; second, the status quo is demonstrably unfair, because it essentially allows a privileged minority of professional investors to pay tax on a key element of their earnings at the carried interest rate of 28 per cent instead of 45 per cent like other highly paid executives.

The private equity groups, equally, have two arguments against her policy.

First, they make a principled point — that carried interest is not really income as reformers argue, but a genuine reward for executives, dubbed general partners in the industry, taking investment risk. If GPs invest alongside third-party investors — so-called limited partners (or LPs) — in a deal, any gain (or "carried interest") they make should be treated as a capital gain because that is what it is.

Second, the sector insists that implementing the policy as outlined would drive wealth creators and growth generators — key to Labour's agenda of economic revival — out of the country.

Unpublished research from one private equity firm suggests that more than 60 per cent of those who work in the sector in the UK are foreign nationals, with the implication that many of them could leave the country if they felt overtaxed. Labour's plan to abolish non-domiciled tax status for wealthy foreigners would compound the incentive to leave. Milan and Paris have both made big plays for financiers, with generous tax breaks.

And so a protracted game of chicken is under way. Who will win?

> There are clear flaws in the industry's arguments. Tax changes and differentials in this sector have not led to an exodus in the past

There are clear flaws in the industry's arguments. Tax changes and differentials in this sector have not led to an exodus in the past. In 2017, Italy introduced a new regime, taxing carried interest at 26 per cent, instead of the 43 per cent of higher-rate income tax. Ireland taxes carried interest at barely half the UK rate. So far neither country has made huge inroads in attracting private equity executives. London remains the unrivalled European base for the sector.

The more substantive point of principle is also moot. In many cases a private equity manager is not actually investing any of their own money, but is being gifted the "right to carry" by their employer, in much the same way as a banker might be gifted shares as part of a bonus (which is liable to income tax). There is no requirement to actually invest your own money in order to benefit from the carried interest tax break.

Reform is clearly needed, but with a spirit of pragmatic compromise. First, Reeves should follow her instinct that individuals must actually invest, say at a level equivalent to 1 per cent of the fund, as similar regimes in France and Italy already dictate. This would tighten the alignment between GPs and LPs, which is in everyone's interest.

Second, in order to qualify for carried interest taxation, the investment should genuinely be putting capital at risk. At present, CVC is one of very few firms where executives on a bad deal can actually forfeit money, even if the fund overall succeeds.

Third, tax rates should be calibrated smartly. For cases where the threshold for real investment is met, a rate of, say, 33 per cent could be levied; if the threshold is not met, the rate would be 45 per cent. This would still be within the range of competitor jurisdictions, albeit towards the upper end. (France charges up to 34 per cent.)

The snag is that these measures may not raise the £565mn Reeves is counting on. That, though, was always a spurious number, calculated on the basis of an outdated Resolution Foundation report. More recent data suggests raising the 28 per cent rate to 45 per cent could actually raise close to £1bn on a "static" basis that assumes no one would seek to dodge the higher taxes. If Reeves plumped for a 33 per cent rate instead — and factoring in arbitrage on one side, but tighter parameters on the other — that might just get her close to the original target. If private equity can pay a fairer share of tax, while also helping to drive Reeves's economic growth agenda, the country will be a net winner.

patrick.jenkins@ft.com

Automobiles

Rise of China's EVs unnerves Japanese rivals

Sony-Honda joint venture chief calls for focus on boldness and innovation

DAVID KEOHANE AND KANA INAGAKI
TOKYO

Japanese carmakers are alarmed by the rapid development of Chinese electric vehicles and risk becoming "followers" if they do not innovate more quickly, the head of Sony-Honda's joint venture has warned.

Yasuhide Mizuno said Japan's companies needed to change their conservative corporate culture and called for a breakthrough in manufacturing to keep up with Chinese rivals, which within a few years have become some of the world's leading vehicle exporters.

"Chinese competitors are very strong, and I'm very scared of their implementation and execution speed," said Mizuno, chief executive of Sony Honda Mobility, at the company's headquarters in Tokyo. "Japanese carmakers are a bit nervous or sensitive before launching a car. We need to change this kind of behaviour, otherwise China will be first and we will always be followers," added Mizuno, who led Honda's China operations until 2020.

Despite an ambitious target to phase out petrol cars by 2040, Honda has lagged behind rivals in the global race for electrification. It agreed to team up with Nissan in March to develop electric vehicles in order to survive the competition against high-tech, low-cost models from China.

The 50-50 joint venture between Honda and Sony was established in 2022 to combine Honda's car manufacturing strength with Sony's software and entertainment expertise. The company plans to start delivering its electric vehicle to North America by 2026.

Mizuno said Chinese competitors were moving faster than he had anticipated. Buoyed by large government subsidies and the recruitment of top Japanese, European and US engineers, the development time of Chinese electric vehicles — from concept to production — had shrunk to as little as 18 months, he estimated, adding that was less than half of the time it took to develop a car in Japan.

"Since China-made electric vehicles will not be entering the US, the choices for consumers will be limited," Mizuno said. "But instead of feeling good that Chinese cars will not be coming in, I feel that we should launch a car that can directly compete with Chinese rivals."

Afeela, Sony-Honda's premium car meant to showcase how software can be incorporated into the manufacturing process, will target what Mizuno described as "wealthy geeks" and will not be mass produced.

Mizuno added that Japanese carmakers should not be complacent after the US quadrupled tariffs on Chinese electric vehicles to 100 per cent, in effect shutting out groups such as BYD and Nio from the market.

Sony is expected to benefit from the joint venture by moving closer to the car manufacturing process and boosting sales of image sensors to the sector. But many analysts have questioned what Honda has to gain from the partnership.

Mizuno argued that the joint venture would be equally valuable for Honda since it would obtain expertise in software development from Sony. "Software might be the new weapon in the car development process," he said.

Technology. Data centres

Malaysia builds AI powerhouse on Singapore's doorstep

Monarch champions effort to turn Johor state into the Shenzhen of south-east Asia

MERCEDES RUEHL — JOHOR BAHRU

In what were once wild jungle and palm oil plantations in southern Malaysia, the likes of TikTok, Nvidia and Microsoft are racing to install the building blocks of the digital economy: data centres.

Billions of dollars are being invested in the state of Johor, just a few kilometres from Singapore, by companies taking advantage of cheaper land and more abundant energy for computer infrastructure while staying close to south-east Asia's biggest financial centre.

Johor's fortunes may soon be more closely tied to those of its wealthy neighbour. Malaysia's king, the motorbike-riding Sultan of Johor, is championing an effort to bind his state closer to Singapore in a single economic zone, expected to include tax breaks and smoother cross-border trade.

There is a model in China: Shenzhen's transformation from fishing village to tech megapolis started after it became a special economic zone on the doorstep of Hong Kong. Malaysia hopes Johor can be as integral to the regional digital economy as Shenzhen has been to China's manufacturing growth.

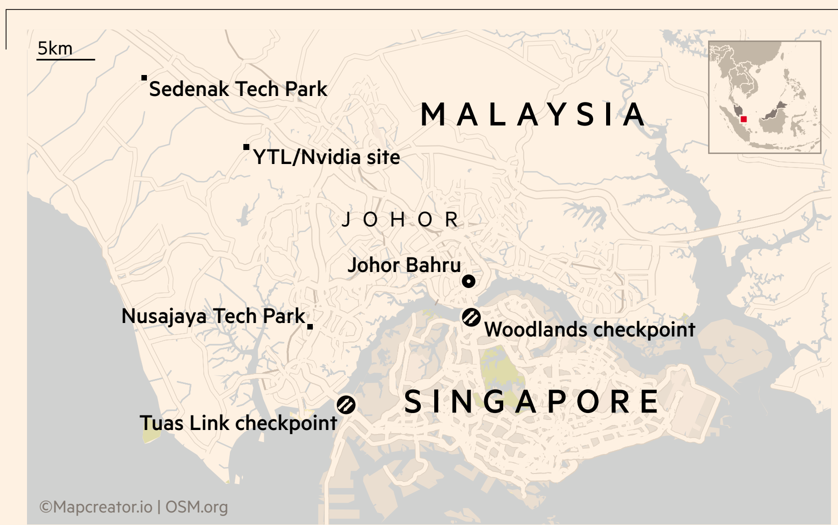
"Johor could become the Shenzhen of south-east Asia," said Tengku Zafrul Aziz, Malaysia's investment, trade and industry minister. "The data centre industry can form the backbone of a broader transformation of the state into a high-tech manufacturing powerhouse."

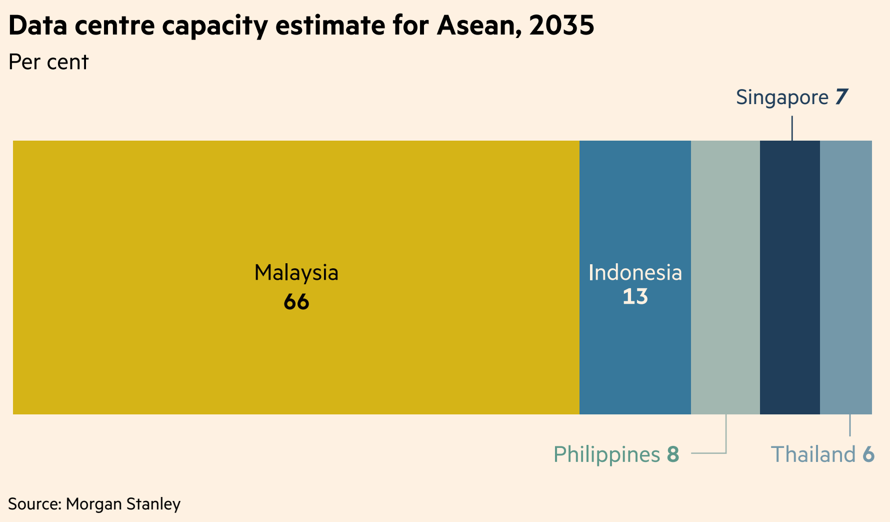
The boom in Johor gathered pace after Singapore, which has limited energy resources, placed a three-year moratorium on construction of power-hungry data centres in 2019. Johor spurred investment by cutting approval times from more than three months to as little as seven days.

Robin Khuda, chief executive of AirTrunk, a data centre with facilities across Asia, said Malaysia had given the company its "smoothest" entry to any of its markets. The group planned to expand further in Johor, Khuda said.

Foreign investment into the state of 4mn people hit RM58.8bn ($12.6bn) in 2022 and RM31bn in 2023, compared with RM10bn in 2019, according to figures from Malaysian Investment Development Authority. Johor's economic growth is expected to outpace national forecasts up to 2025, according to Mida.

At Johor's Sedenak Tech Park, land prices have gone from about RM40 per sq ft a couple of years ago to about RM70 to RM80, according to Adi Yaacob, a manager for JLand Group, the developer. The group is part of Johor Corporation, the state development company.





> Investment was spurred after approval times were cut from more than three months to as little as seven days

The activity has pushed Malaysia to the top of the list of Asia's fastest-growing data centre markets, according to a report by Cushman & Wakefield. The country has a development pipeline of 1.2 gigawatts of data storage capacity, an increase of 600 per cent in the next five years from its current 189 megawatts.

Malaysia is projected to make up the majority of south-east Asia's data centre market in terms of capacity by 2035 thanks to its proximity to Singapore, according to Morgan Stanley.

The next boost should come from artificial intelligence companies that want to build AI foundational or training models in Malaysia, according to Yeoh Seok Hong, managing director of YTL Power International.

His company has struck a $4.3bn deal to build an AI data centre in Johor with Nvidia as a tenant — an agreement that involves a partnership in cloud computing and a supercomputer project.

YTL Power's share price is up more than 100 per cent this year since the announcement.

Meanwhile, ByteDance, TikTok's Chinese owner, planned to invest about RM10bn to set up an AI hub in Malaysia, minister Tengku Zafrul Aziz said last month.

The company is already an anchor tenant at three data centres in Johor. Microsoft has also been snapping up sites and recently acquired land in Johor to expand.

All of this is a prelude to the establishment of an SEZ with Singapore, which is due to be agreed this year. The push has gained momentum since the business-friendly Sultan of Johor, who has good relations with Singapore, became Malaysia's king in January.

"The current king is very pro-business and wants Johor to be successful. I think Johor needs something like [the SEZ] to move forward," said Govinda Singh, an executive director at real estate consultancy Colliers International.

But he pointed to past problems between the two countries including stalled projects. A plan for a high-speed rail link between Singapore and Kuala Lumpur was abandoned after the countries failed to reach agreement.

"The main difference [now] is the Johor king and [Malaysian prime minister] Anwar are really trying to get the economy up and running. There is willingness at national and state level . . . Can it last? You have to be a bit sceptical," he added.

"Ultimately I am not sure Johor can be successful without [the SEZ], even with the data centre boom."

Many wonder if the data centre surge will increase pressure on resources while not contributing many jobs. Malaysia still relies on fossil fuels, including coal, for most of its power. Many aspiring cloud providers have no plan for renewable energy.

Liew Chin Tong, Malaysia's deputy minister for trade and industry, said he was "uneasy" about some parts of the industry and wanted more stringent requirements for water and renewable energy use in data centres.

"Finding the balance is what I am most concerned about. We also want to make sure data centres will generate spillover to the economy, such as localisation of equipment and parts as well as creation of jobs for Malaysians," he said.

Yet both places have become increasingly integrated — the two land crossings between Johor and Singapore, Woodlands and Tuas Link, are among the busiest and most congested border crossings.

One engineer working at US semiconductor giant Micron's Singapore fabrication plant said he intended to buy property in Johor this year in anticipation of the SEZ. "I can afford a house in Johor as opposed to a tiny, expensive apartment in Singapore," he said.

A SEZ would make Johor attractive to everyone from multinationals to young engineers, according to Lee Ting Han, a member of Johor state's executive council. "What I hope is that investing in Johor is one day regarded by everyone as the same as investing in Singapore."

Johor was always "regarded as the Wild West in Malaysia", said Greg O'Shea, the head of Singapore and Malaysia for supply chain consultancy TMX Transform. "That is really starting to change."

Clockwise from top left: businesses are taking advantage of cheaper land in Malaysia; the crossing with Singapore; AirTrunk's Johor site
Mohd Rasfan/Roslan Rahman/AFP/Getty Images

Telecoms

Vodafone sells €1.3bn stake in masts arm

YASEMIN CRAGGS MERSINOGLU
LONDON

Vodafone has announced the sale of a further 10 per cent stake in a leading European mobile phone masts business for €1.3bn, as chief executive Margherita Della Valle continues her plans to simplify the sprawling telecoms group.

The disposal of the stake in Vantage Towers to a consortium of long-term infrastructure investors led by Global Infrastructure Partners and KKR will shift the joint venture to a 50-50 ownership structure and help the telecoms group reduce its debt pile.

Vodafone's latest deal takes the total net proceeds from the selldown in Vantage to €6.6bn after an initial transaction in 2022. The stake has been sold at the same price of €32 a share. Saudi Arabia's Public Investment Fund bankrolled the 2022 deal.

Vantage Towers operates tens of thousands of mobile towers across 10 European countries, including the UK, Germany and Italy.

The UK-based group said proceeds from the sale would be used for cutting its debt levels and bringing down its net debt-to-adjusted earnings before interest, tax, depreciation and amortisation after leases to the lower half of its target range.

The announcement comes as the group has been steadily selling assets. In March, the FTSE 100 company agreed to sell its Italian operations to Swisscom for €8bn.

> The latest deal takes total net proceeds from the selldown in Vantage Towers to €6.6bn

This followed the sale of Vodafone Spain for up to €5bn to Zegona Communications, founded by two former Virgin Media executives, announced in October.

Vodafone reported its net debt excluding its Spanish and Italian businesses as €33.2bn in May.

Vodafone and Three UK confirmed plans for a domestic merger in June 2023, which is now being probed by the Competition and Markets Authority.

At the time of the Italy exit announcement, the company said it would also return up to €4bn to shareholders through buybacks and cut its dividend to 4.5 cents a share from 2025, down from 9 cents from the previous year.

Kester Mann, director of consumer and connectivity at research group CCS Insight, said the sector had looked to monetise infrastructure assets in recent years. "Selling towers has proved a popular ploy for telecom operators looking to cash in on passive infrastructure to reduce debt and help fund expensive network investments," he noted.

The European tower sector has been undergoing consolidation.

German group Deutsche Telekom in 2022 agreed to sell a majority stake in its towers business to Brookfield Asset Management and private equity group DigitalBridge Group in a deal that valued the business at €17.5bn.

Retail

Mubadala buys majority share in Bugaboo

LAURA ONITA AND IVAN LEVINGSTON
LONDON

Abu Dhabi's Mubadala Capital is buying a majority stake in high-end buggy brand Bugaboo in a deal valuing the retailer at several hundred million pounds.

Amsterdam-based Bugaboo, which started life in the late 1990s as a prototype for a more versatile stroller — part of co-founder Max Barenbrug's graduation project — has grown into a business spanning upmarket car seats, travel cots and other infant accessories.

The asset management arm of the Emirati sovereign wealth fund is buying a stake from Bain Capital for an undisclosed amount but which valued the brand at "several hundred million" pounds, according to two people familiar with the matter.

Bugaboo gained in popularity after one of its pushchairs featured in an episode of TV series *Sex and the City*. Its current Donkey 5 Mono carrycot and seat travel system is priced at £1,215.

Antoun Ghanem, executive director and head of Mubadala Capital's private equity team in Europe, said there was scope for growth in the US and Asia and the transaction could unlock more deals. "We believe there's a lot of organic growth but . . . there are a lot of opportunities. [These] can be smaller bolt-ons, but they can as well be transformative mergers and acquisitions," he added.

Bain, which bought Bugaboo in 2018, had been exploring options for the company but the process was slowed down by Russia's full-scale invasion of Ukraine and surging inflation.

The Bugaboo brand gained in popularity after featuring in the television series 'Sex and the City'

Nigel Walder, a partner and head of Bain Capital's European consumer team, said: "I think [Mubadala] has been looking for a vehicle through which to explore the thesis of consolidation in [the] premium juvenile [market], which is still an incredibly fragmented landscape. The benefits of Bugaboo [are that] it is genuinely a global business and it is a business that is not only strollers."

The deal, which is subject to regulatory approvals, is the latest development in the global buggy market, which is forecast to grow at an annual rate of 6.25 per cent between 2022 and 2027 — a pace that would push up its overall value by a further $4.3bn, according to Technavio, a research consultancy.

"Over the past five years, we have almost doubled revenues due to both organic growth and the successful acquisition and integration of complementary brands in the worldwide juvenile products market," said Adriaan Thierry, Bugaboo's chief executive. "With Mubadala Capital's support, our brand and product design, our teams, and our business partners are poised for the next phase of our growth."

Ghanem said Bugaboo, whose management would remain in place, was profitable and Bain would retain a "meaningful minority".

COMPANIES & MARKETS

Crash families do battle with DoJ over Boeing 'picking own probation officer'

Giving the jet manufacturer a say on monitor role goes against first principles of justice, say critics

CLAIRE BUSHEY — CHICAGO

Families of victims killed in 737 Max crashes are fighting with the US Department of Justice over the selection and role of the compliance monitor who will oversee quality and safety initiatives at Boeing now that the company has agreed to plead guilty to fraud.

The aircraft maker is poised to join the ranks of companies that have been subject to court-ordered oversight, including Volkswagen, Apple and Deutsche Bank.

But Javier de Luis, an aeronautics professor at the Massachusetts Institute of Technology whose sister was killed in the second Max crash, said the justice department's proposed process to choose a monitor was essentially Boeing "picking its own probation officer".

"Giving Boeing a say as to who is responsible for monitoring them goes against first principles for how justice is done," he said.

Boeing's plea deal will be filed in court next week, prosecutors have said. The deal fines the group $487mn, of which it has already paid half, after its $2.5bn deferred prosecution agreement in 2021. The plea deal further requires the group to spend $455mn over three years to improve compliance and safety programmes and to appoint an independent corporate monitor for three years.

A justice department official said the plea deal "holds Boeing accountable" and "protects the American public".

Boeing declined to comment.

Corporate monitorships are a lucrative business for law and accounting firms, lasting years and usually requiring staff, with the monitored company footing the bill.

Monitors make regular reports to court on the company's progress towards meeting goals established at the outset.

"They're most appropriate when the misconduct at a corporation is either severe or pervasive," said Veronica Root Martinez, a professor at Duke university law school who studies corporate monitorships. "This seems like a pretty classic case where you'd want one."

Lawyers for the victims' families and prosecutors will now argue in a federal court in Texas over the process for appointing a monitor.

The justice department had initially proposed that it would follow the government's "standard process" and choose a monitor from a pool of candidates proposed by the company, prosecutors said in a court filing.

Families and friends who lost loved ones in the 737 Max crash in Ethiopia protest last year outside Boeing HQ in Arlington, Virginia. Below, investigators at the crash site
Olivier Douliery/AFP/Getty

After meeting victims' families on June 30, prosecutors said that they would solicit a public request for proposals and pick from among them "with feedback from Boeing", with the court having 10 days to object to the department's choice.

But the families wanted Judge Reed O'Connor to select the monitor, said Erin Applebaum, one of the lawyers on the case. They would like the judge to consider names they suggested but believed that anyone picked by the court would do a better job than a choice from the DoJ and Boeing.

Trust between the DoJ and the victims' families is frayed. Prosecutors did not consult the families on the 2021 deal, and they argued — ultimately unsuccessfully — against their designation as crime victims.

That designation, Applebaum said, was the only reason that the justice department was conferring with the families at all.

The two sides also disagree on how often the monitor should report on Boeing's progress. The DoJ has endorsed an annual report, with a public executive summary, while the families want monthly updates.

The justice department began using corporate monitors in the mid-2000s. Prosecutors used to appoint their friends, said Martinez, so companies began proposing candidates to avoid such cronyism. Companies liked to have input, too, because they were paying the bill.

David Hess, law professor at the University of Michigan's business school, said that companies had no incentive to pick a monitor who would "go easy on them" because the DoJ could then reject the entire list and pick someone else.

> Prosecutors have said they will solicit a public request for proposals and pick from among them 'with feedback from' the plane maker

> Once they 'start looking under the hood, they may find problems that are tangentially related. That fear is in the background'

The worry for companies was that the scope of a monitor's work could always expand. Once monitors "start looking under the hood, [they] may find other problems that are tangentially related . . . That fear is always there in the background."

De Luis said the public had a very broad understanding of what a monitor could do. "They think that somebody is actually going to make sure that planes don't roll off [the assembly line] with missing bolts, and from what I've heard so far, that's not what this monitor intends to be doing."

De Luis sat on the expert panel that published a congressionally mandated report this year that called Boeing's safety processes "inadequate and confusing" and recommended a monitor be empowered to oversee implementation of the report's 53 recommendations.

Additional reporting by Stefania Palma in Washington

Banks

Barclays seeks to remove passive funds from lawsuit

ALISTAIR GRAY — LONDON

Barclays has called on the High Court in London to slash the value of a £560mn lawsuit from investors by striking out the claims of passive funds over a drop in its share price triggered by regulatory scrutiny of its "dark pool" trading exchange.

Scores of investment funds are suing Barclays, arguing its share price had been "artificially inflated" by "false representations" the bank had made about its dark pool exchange that allows trades to be conducted in private.

Lawyers acting for Barclays argued that passive funds could not be said to have been misled by the bank and should not be able to sue as they had not read disclosures made by the lender. Passive funds buy shares automatically based on inclusion in market indices.

Helen Davies KC, representing the bank, told the court that the claimants' case had a "fundamental deficit".

But Jonathan Nash KC, acting for the shareholders, said in written arguments that all investors, whether active or passive, are "entitled to and do" trade on the basis share prices incorporate "all material information".

The judge's decision will help determine if index tracking funds can participate in other lawsuits piling up against UK companies over share price falls.

Shareholders in Barclays filed a lawsuit against the bank in London in 2020, arguing it had made "untrue" or "misleading" statements to the market.

The bank is contesting the lawsuit and wants the court to strike out the claims of 242 funds and sub-funds that are valued at about £330mn — more than half the total £560mn against it.

About £2.5bn was wiped off Barclays' market capitalisation on a single day in 2014 after US regulators sued the bank for allegedly favouring high-speed traders on its dark pool against the interests of institutional investors.

Property

LVMH-backed fund buys Value Retail stake

JOSHUA OLIVER

LVMH-backed private equity firm L Catterton has bought a stake in Value Retail, owner of luxury retail outlet Bicester Village in the UK.

The long-awaited deal to sell the out-of-town designer outlet operator is a milestone for Hammerson, which is pushing through a turnaround plan focused on cutting debt, selling non-core assets and refreshing city-centre retail properties.

The deal leaves the UK shopping centre landlord with cash proceeds of £600mn.

"It is really a game-changer," said Hammerson chief executive Rita-Rose Gagné. "We have been working on this for a long time."

Value Retail runs nine luxury retail outlets outside European cities such as Barcelona and Brussels, including the Bicester Village location outside Oxford.

The sale of Hammerson's stake to a vehicle set up by L Catterton comes after a brutal period for shopping centre owners, which were hit by the rise of online shopping and the Covid-19 pandemic, contributing to a sharp drop in property values.

Recently, however, some investors have become more optimistic about these properties, with landlords such as Land Securities looking to buy more major shopping centres as their prices have fallen.

Hammerson has set aside £350mn from yesterday's deal to reinvest in its core assets, including the Bullring in Birmingham and London's Brent Cross, and to increase its stake in properties where it does not have full ownership.

Selling out of Value Retail was made more difficult by the complex structure of Hammerson's stake, which included an interest in the company and different stakes in particular outlets. Hammerson's investment had been built up over decades since the late 1990s.

The deal represents a £1.5bn enterprise value for Hammerson's stake in Value Retail, a multiple of 24 times earnings before interest, taxes, depreciation and amortisation. Eastdil Secured was lead financial adviser to Hammerson, while JPMorgan advised L Catterton.

Hammerson, whose shares closed up 3.3 per cent yesterday, has been seeking an exit from its minority stake in part due to its lack of control over the company. Gagné said the investment had "an extremely complex structure".

L Catterton, a consumer-focused investment firm, was set up by Catterton, LVMH and Bernard Arnault's family holding company. Gagné said finding a buyer who was acceptable to Value Retail founder, New York businessman Scott Malkin, had been "key to making it work".

Gagné said the deal "really turns the page after three years of intense turnaround work".

The company will allocate £95mn to reduce net debt, leaving it with a loan-to-value ratio of 23 per cent when the deal closes. It will also return up to £140mn to shareholders through share buybacks and increase its dividend to 80-85 per cent of adjusted earnings, up from 60-70 per cent.

The operation runs luxury outlets including the Bicester Village site

Currencies. Speculator surge

Wall Street banks bet sterling will extend its winning run

British pound is bolstered by resilient economy and political stability after general election

MARY MCDOUGALL — LONDON

Wall Street banks are betting that sterling will extend a winning run that has carried it to its strongest level since the 2016 EU referendum as a resilient economy and hopes for political stability buoy the currency.

The pound has been the best-performing major developed market currency this year, climbing 1.7 per cent against a strong dollar to $1.29 and nearly 3 per cent against the euro.

The gains have been fuelled by better than expected growth and stubborn inflation, which are likely to keep the Bank of England from cutting interest rates aggressively this year.

Labour's resounding general election victory has also raised optimism among investors of an end to a period of volatile politics that frequently buffeted sterling.

That stands in contrast to France where parliamentary gains for the leftwing alliance Nouveau Front Populaire and the far-right Rassemblement National party have unsettled investors while the upcoming US presidential election has also knocked markets.

"The UK finds itself as being the most politically stable country in the G7 for the first time in quite a long time," said Mark Dowding, chief investment officer at RBC BlueBay Asset Management. "The Labour front bench are going out of their way to try to reassure markets they will be responsible stewards of the economy, which has helped sterling markets in general."

Analysts at JPMorgan forecast that sterling will reach $1.35 by March next year while Goldman Sachs expects it to climb to that level on a long-term view.

Citi strategists said they were bullish on the pound, forecasting that the UK currency would strengthen to £0.82 per euro for the first time since the UK voted to leave the EU in 2016. Sterling at present trades at £0.843 to the euro and against a basket of the UK's trading partners is at its strongest level since 2016.

"The UK election result provides opportunities to address fiscal issues and to improve trade relations with the EU, both of which are currency-positive," said analysts at Citi.

Growing optimism for sterling has been reflected by the surge of currency speculators' wagers on a rise in the currency which has risen to its highest level in records going back to 1988, data from the US Commodity Futures Trading Commission shows.

"It feels like we have really turned the page on UK sentiment, both domestically and internationally," said William Vaughan, a bond portfolio manager at Brandywine Global. "Over the last few months, we have seen sentiment improve significantly towards UK assets and as a result have seen inflows into sterling, stocks and gilts".

Despite the UK raising interest rates to 5.25 per cent, the country has already pulled itself out of a mild recession, with the economy in May growing twice as quickly than expected.

Bearing fruit: the pound has been the best-performing major developed market currency this year
Chris Ratcliffe/Bloomberg

Stubborn high services inflation has also added to conviction that the Bank of England will not lower interest rates at its next meeting on August 1.

That comes as markets have increased bets on a September rate cut from the US Federal Reserve as the labour market starts to weaken there.

"There is new momentum in the UK economy this year which is helping to close the gap between the UK and the US," said Hugh Gimber, global market strategist at JPMorgan Asset Management. "We are confident that you will see a continued acceleration in the UK, albeit from a much weaker starting point."

Some analysts point to a more gradual return of confidence since a crisis in the gilt market drove the pound to an all-time low in September 2022.

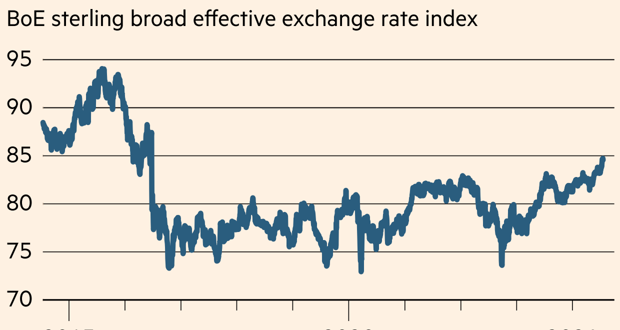
"It would be inaccurate to credit the Labour government entirely for the better tone in the pound," said Jane Foley, currency strategist at Rabobank. "In our view, the pound has been slowly picking itself up after the hit that came from the market chaos triggered by the shortlived government of [Liz] Truss."

Despite its gains this year, sterling remains 4 per cent below its trade-weighted level on the eve of the Brexit vote. Further gains may be harder to come by, given that the BoE is likely to join the Fed and other central banks in lowering interest rates later this year, according to Chris Turner, currency analyst at ING.

"Perhaps we should be a bit careful of concluding there is some wholesale re-rating of sterling," he said.

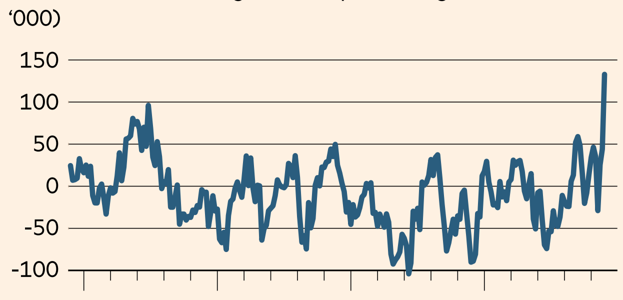
'It would be inaccurate to credit the Labour government entirely for the better tone in the pound'

Sterling rises to highest level since Brexit referendum on trade-weighted basis
BoE sterling broad effective exchange rate index



Sources: BoE; Brandywine Global

Speculators' bullish position on pound hits record high
Non-commercial leveraged funds' positioning (net contracts, '000)



Sources: LSEG; CFTC

Fixed income

Trump trades reassessed after Biden withdraws

KATE DUGUID, NICHOLAS MEGAW AND JENNIFER HUGHES — NEW YORK
LEO LEWIS — TOKYO

There was a muted reaction in markets yesterday following Joe Biden's decision to drop out of the US presidential race as investors tried to work out the implications for "Trump trade" positions they had built in the past few weeks.

In early trading, some recent market moves associated with a Donald Trump election victory — such as a steeper US yield curve, a weaker Mexican peso and a rally in regional bank stocks — went into reverse as investors bet the former president's odds of victory had receded.

But many of yesterday's initial moves proved shortlived.

Prediction markets showed that Trump's probability of victory had declined slightly since Biden quit the race and officially endorsed vice-president Kamala Harris, although they ticked higher again later in the session.

The 10-year Treasury yield climbed 0.03 percentage points to 4.27 per cent, having earlier fallen to 4.21 per cent.

Investors have in recent weeks been adding to a bet in Treasury yields that could pay out if Trump's tariff and tax-cutting plans ultimately lead to higher inflation.

That trade — a so-called yield curve steepener — could also pay off if lower inflation in the short term prompts the US Federal Reserve to cut interest rates in the coming months.

'These are all modest moves against the Trump trades we have seen in the past couple of weeks'

The Treasury curve flattened yesterday morning in a reversal of that trade. But by midday the move had unwound, leaving the yield curve roughly where it was prior to the Harris announcement.

Reaction in stock markets was similarly quiet, though there were some small reversals in trades that were associated with a Republican victory.

The KBW regional banks index, for example, fell as much as 1.4 per cent in early trading. Smaller bank stocks are seen as potential beneficiaries of a second Trump term due to hopes for reduced regulation, pro-growth policies and more receptivity to mergers and acquisitions.

New York Community Bancorp, the lender backed by former Trump Treasury secretary Steven Mnuchin, was the biggest laggard, dipping as much as 4 per cent. However, the index had retraced its losses and turned positive by early afternoon in New York.

Companies that generate a high proportion of their sales overseas outperformed those that rely on domestic sales, reversing a recent trend that had been encouraged by investor belief that Republicans would pursue an "America first" policy.

"These are all modest moves against the Trump trades we have seen in the past couple of weeks," said Stuart Kaiser, Citi head of equity trading strategy.

See Markets Insight

Equities

French TV group Canal+ looks to float in London as part of Vivendi break-up

DANIEL THOMAS — LONDON
ADRIENNE KLASA — PARIS

Vivendi plans to list its French TV business Canal+ in London as part of a break-up of the conglomerate controlled by French billionaire Vincent Bolloré.

The decision to list Canal+ in London reflected the group's increasingly international operations, Vivendi said yesterday. Canal+ recently agreed to buy MultiChoice, Africa's largest pay-television operator.

Vivendi, which is listed in Paris, said its advertising business, Havas, would move to the Amsterdam stock exchange as the group dismantled to end a conglomerate structure that it said had depressed the valuation of its individual businesses.

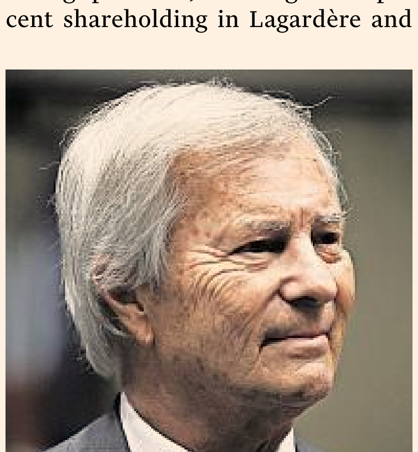
Vivendi said its position as a conglomerate was "substantially reducing its valuation and thereby limited its ability to carry out external growth transactions for its subsidiaries".

The arrival of Canal+ on the London Stock Exchange would represent a boost for a market that has struggled more than its rivals during a lengthy global drought in initial public offerings.

While Canal+ has deep ties to France, almost two-thirds of its subscribers are now from outside the country.

Canal+ will remain incorporated in France and is expected to have a secondary listing in Johannesburg where MultiChoice is based.

The final part of Bolloré's break-up plan will bring together Vivendi's publishing operations, including its 63.5 per cent shareholding in Lagardère and



Vincent Bolloré is pressing ahead with his restructuring plans

Prisma Media, into a new company to be called Louis Hachette Group.

It would be listed on the Euronext Growth market in Paris, with a separate listing of subsidiary Lagardère on Euronext Paris.

Vivendi said all three companies would keep decision-making and their operational teams in France.

The current Vivendi entity would remain listed in Paris and manage a portfolio of investment stakes, foremost among them its 10 per cent stake in Universal Music Group.

It will also continue to develop video game maker Gameloft and "provide a certain number of services to the three listed companies resulting from the split", Vivendi said.

Under the plans, existing shareholders in Vivendi will get the same proportion of stock in the newly listed businesses in London, Amsterdam and Paris. Bolloré is the largest shareholder in Vivendi.

A final decision on the Vivendi split is expected at the end of October ahead of a shareholder meeting in December. Canal+ and Havas will remain under French corporate income tax rules.

Equities

Number of Aim-quoted groups drops to 22-year low amid jump in UK delistings

EMMA DUNKLEY — LONDON

The number of small companies quoted on London's junior stock market has plunged to its lowest level in more than 20 years due to a dearth of flotations and a number of delistings — in the latest blow to the UK's capital markets.

About 80 companies on Aim have come off the exchange in the past year, shrinking the total number of groups there to 722, according to accountancy group UHY Hacker Young.

The reduction, which puts the total of Aim companies at its lowest level since 2002, is also partly due to the low number of initial public offerings coming to the market.

There have been just eight IPOs in the year to the end of June, according to UHY Hacker Young. At its peak in 2007, 1,694 companies were quoted on Aim. The trend is another setback for London as a global trading venue.

The City has suffered from a string of larger companies choosing to list in New York in recent years in an attempt to achieve a higher valuation by tapping a greater pool of investors.

A number of bigger companies have also come off the main London stock market as a result of acquisitions.

Hargreaves Lansdown said on Friday that it had extended the date by which private equity groups seeking to acquire the investment site must make a final offer.

Smaller companies are battling similar pressures in terms of trying to fetch the best valuation while the cost of being listed tends to weigh heavier on them due to their size.

'The Aim market has had to battle with the idea that growth companies will be better off listing elsewhere'

"The Aim market has really had to battle with the idea that growth companies would be better off listing in the US or elsewhere in Europe," said Colin Wright, group chair of UHY Hacker Young.

He added that "more needs to be done to remake the arguments in favour of listing on Aim".

Aim, which was launched in 1995 with the goal of helping small, fast-growing companies access capital, has less stringent rules for companies seeking to float than the London Stock Exchange's main market.

For example, there is no minimum for the amount of shares that need to be in public hands.

But some companies such as Scirocco Energy, which came off the market in May, have chosen to delist because of the costs and associated burden of listing requirements.

The Quoted Companies Alliance, an organisation representing small and midsized companies in the UK, said the cost of floating on Aim was about £600,000 while maintaining a listing amounted to roughly a further £500,000 a year.

The LSE said that, in the year to date, 40 per cent of all capital raised across Europe's growth markets had come from Aim.

"Aim continues to be a pre-eminent global growth market and the most active in Europe," said Marcus Stuttard, head of UK primary markets and Aim at the LSE.

The day in the markets

What you need to know

- Wall Street rebounds from last week's tech-led sell-off
- Dollar steadies amid muted trading reaction to Biden decision to drop out
- European stocks begin week on front foot but oil and gold prices edge lower

US stocks rallied yesterday, rebounding from a tech-led sell-off last week as traders looked ahead to a flurry of corporate earnings.

Wall Street's blue-chip S&P 500 gained 0.6 per cent by midday in New York with gains for utilities and real estate groups outweighing declines for energy stocks.

Security group CrowdStrike was the biggest drag on the index, retreating again following last week's global IT outage that the company blamed on a faulty update.

The tech-dominated Nasdaq Composite rose 1 per cent with Nvidia, Alphabet and Meta all advancing.

Those gains helped claw back some of the heavy losses suffered by the Magnificent Seven tech stocks last week when reports that the US is considering tougher restrictions on trading chips with China sparked a global sell-off in semiconductor companies.

The Philadelphia Semiconductor index, which tracks 30 of the biggest semiconductor manufacturers, rose 2 per cent. After surging last week, the Russell 2000 index gained 0.4 per cent.

Following lower than expected June inflation data and steadily rising jobless claims — which have boosted the case for a September interest rate cut from the US Federal Reserve — tech earnings will this week be the focus of investors' attention.

Semiconductor stocks claw back some of last week's losses

Philadelphia Stock Exchange Semiconductor index (% change)

Source: Bloomberg

Alphabet, Tesla, Visa and Advanced Micro Devices are among the 25 per cent of S&P 500 companies reporting earnings over coming days, with tech earnings expected to grow 18 per cent year on year in the second quarter compared with growth of just 2 per cent for the rest of the S&P 500, LSEG data showed.

"Such forecasts set a high bar for tech companies to keep delivering on earnings, [but] we think they can," BlackRock analysts said in a note. "Sudden pullbacks" like last week's tech sell-off should be treated as "an opportunity to dial up risk-taking".

Joe Biden's decision to drop out of the presidential race and endorse Kamala Harris met with a muted market reaction.

The dollar was steady against a basket of six other major currencies.

Across the Atlantic, stocks began the week on the front foot. The region-wide Stoxx Europe 600 rose 0.9 per cent, having fallen for five consecutive sessions last week.

Brent crude, the global oil benchmark, fell 0.4 per cent to $82.33 a barrel and gold slid 0.3 per cent to $2,399 per troy ounce. **George Steer**

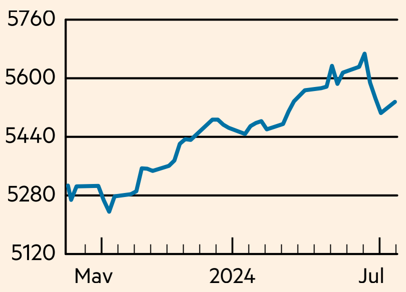
Markets update

	US	Eurozone	Japan	UK	China	Brazil
Stocks	**S&P 500**	**Eurofirst 300**	**Nikkei 225**	**FTSE100**	**Shanghai Comp**	**Bovespa**
Level	5535.50	2040.72	39599.00	8198.78	2964.22	127966.46
% change on day	0.55	0.97	-1.16	0.53	-0.61	0.27
Currency	**$ index (DXY)**	**$ per €**	**Yen per $**	**$ per £**	**Rmb per $**	**Real per $**
Level	104.296	1.089	156.885	1.291	7.274	5.554
% change on day	-0.096	0.000	-0.286	-0.077	0.087	0.060
Govt. bonds	**10-year Treasury**	**10-year Bund**	**10-year JGB**	**10-year Gilt**	**10-year bond**	**10-year bond**
Yield	4.264	2.488	1.060	4.262	2.201	11.603
Basis point change on day	2.980	2.200	1.810	3.500	-3.400	-7.200
World index, Commods	**FTSE All-World**	**Oil - Brent**	**Oil - WTI**	**Gold**	**Silver**	**Metals (LMEX)**
Level	535.78	82.17	78.21	2403.50	29.11	3987.80
% change on day	0.36	-0.56	-0.55	-2.45	-4.48	-1.04

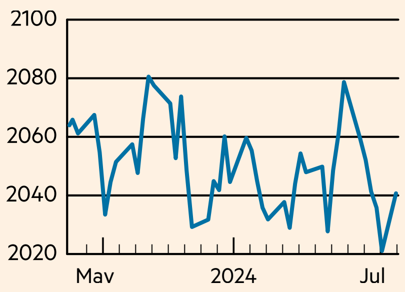
Yesterday's close apart from: Currencies = 16:00 GMT; S&P, Bovespa, All World, Oil = 17:00 GMT; Gold, Silver = London pm fix. Bond data supplied by Tullett Prebon.

Main equity markets

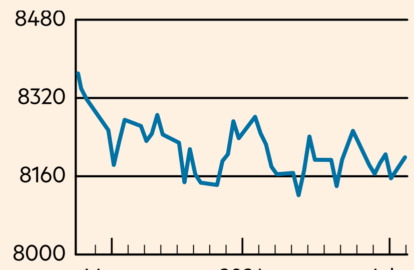
S&P 500 index



Eurofirst 300 index



FTSE 100 index



Biggest movers

%	US		Eurozone		UK	
Ups	Iqvia Holdings	6.49	Infineon Tech	3.87	Rentokil Initial	7.77
	On Semiconductor	4.65	Alstom	3.65	Burberry	3.18
	Lam Research	4.16	Wartsila	3.57	Admiral	2.46
	Kla	3.87	Bayer	3.08	Intermediate Capital	2.30
	Applied Materials	3.81	Unicredit	3.03	Spirax	2.13
Downs	Crowdstrike Holdings	-13.00	Telecom Italia	-4.79	Easyjet	-7.12
	Verizon Communications	-6.28	Casino Guichard	-3.67	Int Consolidated Airlines S.a.	-3.41
	Warner Bros Discovery	-4.38	Enel	-2.70	Endeavour Mining	-1.97
	Air Products & Chemicals	-4.09	Danske Bank	-2.56	Fresnillo	-1.95
	Starbucks	-3.12	Accor	-1.81	Next	-1.88

Prices taken at 17:00 GMT. Based on the constituents of the FTSE Eurofirst 300 Eurozone. All data provided by Morningstar unless otherwise noted.

Trump 2.0 wouldn't play out the same as first time around

Bhanu Baweja

Markets Insight

Trump trades have been stirring this year and are picking up pace. For example, amid strong gains in equities, financials — seen as beneficiaries of deregulation under a Republican president — have outperformed renewables, a sector that a Democrat in the White House would favour.

The market seems to be using the template of Donald Trump's first term to position for a potential second. This would be a mistake. The context today could scarcely be more different.

First, the US economy is clearly in the later stages of the economic cycle, having been at an early to midpoint in 2016. From 2017 through to mid-2019, both US GDP and S&P 500 earnings growth were consistently revised higher along a non-inflationary runway.

It's unlikely that strong economic expansion can be sustained today without triggering higher inflation and rates.

There are clear signs that growth and earnings upgrades are close to peaking: a closed gap between actual and potential output in the economy, unemployment levels that are low but creeping higher, and a transition in consumption growth from extraordinary to pedestrian.

Second, the supply and demand situation of US debt is utterly changed. US debt held by the public has risen to 97.3 per cent of GDP from 75.6 per cent in 2016. This debt stock of $27tn is on course to nearly double within the next decade if the next president is a Democrat. If Trump's 2017 tax cuts are fully extended, the rise could be an additional $3tn-$5tn.

Through the years of quantitative easing programmes to support economies and markets after the global financial crisis, a "savings glut" and central bank liquidity had debt markets awash, anchoring long-end rates.

But central banks' balance sheets are shrinking now. Compared with the mid-2000s, weighted average savings rates of the OECD, East Asian and Middle East countries have fallen from 14.9 per cent to 10.2 per cent of GDP, so the demand pool for government debt is growing more slowly just as its supply is surging.

Former Fed chair Alan Greenspan once confessed that steady long-term bond yields in the face of higher Fed rates were a conundrum.

Now the risk is the opposite: the Fed may cut rates but long-end bond yields may not respond that strongly, keeping the cost of capital for companies high.

> Risk premiums, an important driver of returns during Trump 1.0, now have limited room

Third, it is not clear that continued lower taxes will buoy GDP or earnings growth. Consensus expectations of pre- and post-tax earnings show that the market thinks low tax rates will persist.

The profit margins of S&P 500 companies are seen rising from an already high 12.1 per cent to 14.3 per cent in 2026, just after Trump's tax cuts are due to expire. This isn't just down to AI and the Magnificent 7 tech companies that dominated markets recently. Margins of the remaining 493 companies are also expected to rise to a new high of 12.6 per cent. A red wave by the Republicans in November's election will be closer to "no news" for the market. A blue wave, which may make for a tax wall in 2026, would be the real surprise.

Fourth, a contraction in the risk premium priced into key markets was an important driver of returns during Trump 1.0. Now it has limited room to shrink further. As Trump assumed the presidency, US high-yield spreads contracted from 5.10 to 3 percentage points over benchmarks and S&P 500's forward price-earnings multiple revalued from 16.1 to 18.6 times.

Today, US high-yield spreads are already at 3 percentage points and the S&P 500 is valued at 21.5 times forward earnings, a level equivalent to the 93rd percentile of a 50-year history. There is little fuel left to drive higher valuations.

The backdrop is another crucial difference. In 2016, China had laid the seeds of a global upturn as it spent to redevelop old housing. Today, China has neither the ability nor the willingness to engineer another housing upturn.

While China's 2016 domestic stimulus stoked demand in other countries, its exports-led push to boost the economy today could eat their lunch.

Muscle memory may mean the market initially regards a red wave positively. But a poorer growth-inflation mix is the more likely legacy. By contrast, a blue wave may initially be regarded negatively by a market unprepared for higher taxes.

Starting points of high earnings expectations, high valuations and little fiscal room suggest a narrow path ahead for high returns. A split US Congress — where the most extreme of both parties' agendas are diluted — may be the least worst outcome for markets.

Bhanu Baweja is chief strategist at UBS Investment Bank

Commodities

Woodside buys Tellurian for $1.2bn in push for 'LNG powerhouse' status

MYLES MCCORMICK — HOUSTON
NIC FILDES — SYDNEY

Woodside Energy has agreed to buy struggling US liquefied natural gas developer Tellurian in a $1.2bn deal that the Australian company said would turn it into a "global LNG powerhouse".

The transaction, announced by the companies on Sunday, draws a line under a long-running saga surrounding Tellurian, which ousted its chair in December amid repeated struggles to get its $25bn Driftwood export project in Louisiana off the ground.

"Despite our recent progress, we've been clear that the company's situation necessitated an exploration of all possible alternatives, including a potential sale," wrote Tellurian executive chair Martin Houston in a letter to shareholders. "Ultimately, we decided the attractive offer in hand outweighed the risks and uncertainty associated with going it alone."

Tellurian was founded in 2016 by Houston, a former BG Group executive, and US LNG pioneer Charif Souk with the aim of developing the Driftwood project on a 1,200-acre site along the Calcasieu river.

If completed, it would be one of the country's largest export terminals.

But the project has faced repeated setbacks, losing key buyers and struggling to raise funds despite a surge in demand for US gas since Russia's invasion of Ukraine.

> 'We decided the attractive offer in hand outweighed the risks associated with going it alone'

Souki, credited with kick-starting the US LNG export industry at his former company Cheniere, was ousted as executive chair at Tellurian in December as its struggles intensified.

The company's travails have caused its market value to collapse from a high of almost $3bn in 2017 to less than $500mn on Friday.

The sale price, which includes $900mn in cash plus the company's debt, is a 75 per cent premium to its most recent close.

For Woodside, Australia's biggest oil and gas developer, the deal gives it a better foothold in the booming US LNG export industry at a time when demand for the super-chilled fuel is set to grow rapidly.

"The acquisition of Tellurian and its Driftwood LNG development opportunity positions Woodside to be a global LNG powerhouse," said Woodside chief executive Meg O'Neill.

Woodside doubled in size in 2022 when it merged with BHP's oil and gas division and has been on the hunt for acquisitions to boost growth prospects.

It held talks with local rival Santos this year for a $52bn deal that would have created a "national champion" but it fell apart after the two companies failed to agree terms.

See Lex

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%	0.86%	No change	0.53%	0.97%	-1.16%	1.25%	0.36%	No change	-0.077%	-0.286%	No change	-0.62%	-2.45%

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

AMERICAS

Jun 23 - Jul 22 — S&P 500, New York: 5,473.17 → 5,535.53. Day 0.55% Month 1.30% Year 22.03%

Nasdaq Composite, New York: 17,721.59 → 17,879.55. Day 0.86% Month 1.09% Year 27.43%

Dow Jones Industrial, New York: 39,134.76 → 40,286.49. Day 0.00% Month 2.89% Year 14.34%

Jun 23 - Jul 22 — S&P/TSX COMP, Toronto: 21,581.35 → 22,811.93. Day 0.53% Month 5.88% Year 11.07%

IPC, Mexico City: 52,788.50 → 53,891.80. Day 0.75% Month 2.42% Year 0.68%

Bovespa, São Paulo: 121,341.13 → 127,780.35. Day 0.27% Month 5.46% Year 6.44%

EUROPE

Jun 23 - Jul 22 — FTSE 100, London: 8,237.72 → 8,198.78. Day 0.53% Month -0.38% Year 7.08%

FTSE Eurofirst 300, Europe: 2,044.58 → 2,040.72. Day 0.97% Month -0.13% Year 10.91%

CAC 40, Paris: 7,628.57 → 7,622.02. Day 1.16% Month -0.09% Year 2.55%

Jun 23 - Jul 22 — Xetra Dax, Frankfurt: 18,163.52 → 18,408.91. Day 1.29% Month -1.82% Year NaN%

Ibex 35, Madrid: 11,032.30 → 11,143.80. Day 0.51% Month 1.01% Year 16.43%

FTSE MIB, Milan: 33,308.77 → 34,615.05. Day 1.17% Month 3.92% Year 19.96%

ASIA

Jun 23 - Jul 22 — Nikkei 225, Tokyo: 38,633.02 → 39,599.00. Day -1.16% Month 2.60% Year 22.58%

Hang Seng, Hong Kong: 18,028.52 → 17,635.88. Day 1.25% Month -2.15% Year -7.52%

Shanghai Composite, Shanghai: 2,998.14 → 2,964.22. Day -0.61% Month -1.13% Year -6.43%

Jun 23 - Jul 22 — Kospi, Seoul: 2,784.26 → 2,763.51. Day -1.14% Month -0.75% Year 5.89%

FTSE Straits Times, Singapore: 3,306.02 → 3,437.26. Day -0.30% Month 4.20% Year 5.08%

BSE Sensex, Mumbai: 77,478.93 → 80,502.08. Day -0.13% Month 4.29% Year 20.75%

Country	Index	Latest	Previous
Argentina	Merval	1574174.44	1569018.70
Australia	All Ordinaries	8166.40	8209.20
	S&P/ASX 200	7931.70	7971.60
	S&P/ASX 200 Res	5521.10	5579.40
Austria	ATX	3686.55	3671.84
Belgium	BEL 20	4033.01	3983.85
	BEL Mid	10835.84	10768.56
Brazil	IBovespa	127966.46	127616.46
Canada	S&P/TSX 60	1361.85	1354.89
	S&P/TSX Comp	22811.55	22690.39
	S&P/TSX Div Met & Min	1997.23	1960.85
Chile	S&P/CLX IGPA Gen	33330.20	33150.86
China	FTSE A200	9341.26	9419.03
	FTSE B35	9000.71	8988.96
	Shanghai A	3107.37	3126.38
	Shanghai B	231.90	231.89
	Shanghai Comp	2964.22	2982.31
	Shenzhen A	1682.12	1683.76
	Shenzhen B	1135.45	1138.72
Colombia	COLCAP	1261.61	1260.21
Croatia	CROBEX	2013.05	2011.29
Cyprus	CSE M&P Gen	68.46	68.68
Czech Republic	PX	1615.26	1613.18
Denmark	OMXC Copenhagen 20	2714.16	2700.86
Egypt	EGX 30	28783.24	28653.85
Estonia	OMX Tallinn	1742.78	1748.13
Finland	OMX Helsinki General	9905.67	9780.28
France	CAC 40	7622.02	7534.52
	SBF 120	5769.14	5702.80
Germany	M-DAX	25418.28	25343.43
	TecDAX	3321.12	3284.55
	XETRA Dax	18407.07	18171.93
Greece	Athens Gen	1482.43	1464.39
	FTSE/ASE 20	3629.22	3577.95
Hong Kong	Hang Seng	17635.88	17417.68
	HS China Enterprise	6253.94	6165.04
	HSCC Red Chip	3703.58	3662.77
Hungary	Bux	73375.88	72940.89
India	BSE Sensex	80502.08	80604.65
	Nifty 500	22942.65	22853.60
Indonesia	Jakarta Comp	7321.98	7294.50
Ireland	ISEQ Overall	9367.42	9703.52
Israel	Tel Aviv 125	2027.17	2045.33
Italy	FTSE Italia All-Share	36865.46	36463.53
	FTSE Italia Mid Cap	48518.86	48309.00
	FTSE MIB	34615.05	34215.84
Japan	2nd Section	7228.27	7239.06
	Nikkei 225	39599.00	40063.79
	S&P Topix 150	2511.42	2541.15
	Topix	2827.53	2860.83
Jordan	Amman SE	2408.69	2397.75
Kenya	NSE 20	1701.69	1694.11
Kuwait	KSX Market Index	6633.44	6603.51
Latvia	OMX Riga	926.06	931.24
Lithuania	OMX Vilnius	1000.15	997.09
Luxembourg	LuxX	1362.78	1351.96
Malaysia	FTSE Bursa KLCI	1622.07	1636.55
Mexico	IPC	54079.08	53678.52
Morocco	MASI	13623.01	13595.96
Netherlands	AEX	916.95	907.31
	AEX All Share	1223.57	1209.14
New Zealand	NZX 50	12309.91	12325.60
Nigeria	SE All Share	97343.42	98255.72
Norway	Oslo All Share	1677.09	1667.47
Pakistan	KSE 100	78539.19	80117.89
Philippines	Manila Comp	6712.05	6791.69
Poland	Wig	86029.88	85852.44
Portugal	PSI 20	6860.26	6802.60
	PSI General	4690.32	4662.91
Romania	BET Index	18588.28	18662.07
Russia	Micex Index	2436.57	2445.30
	RTX	1245.71	1212.57
Saudi-Arabia	TADAWUL All Share Index	12202.93	12188.32
Singapore	FTSE Straits Times	3437.26	3447.56
Slovakia	SAX	308.58	308.58
Slovenia	SBI TOP	-	-
South Africa	FTSE/JSE All Share	80492.09	79922.67
	FTSE/JSE Res 20	60006.75	60665.88
	FTSE/JSE Top 40	73476.05	72930.75
South Korea	Kospi	2763.51	2795.46
	Kospi 200	379.84	383.89
Spain	IBEX 35	11143.80	11087.50
Sri Lanka	CSE All Share	11539.83	11727.08
Sweden	OMX Stockholm 30	2593.43	2570.63
	OMX Stockholm AS	1002.25	993.04
Switzerland	SMI Index	12296.74	12173.44
Taiwan	Weighted Pr	16915.54	16942.30
Thailand	Bangkok SET	1317.14	1324.76
Turkey	BIST 100	11208.73	11156.20
UAE	Abu Dhabi General Index	9222.93	9251.11
UK	FT 30	2861.90	2839.40
	FTSE 100	8198.78	8155.72
	FTSE 4Good UK	7438.47	7397.17
	FTSE All Share	4495.46	4473.44
	FTSE techMARK 100	6947.70	6922.25
USA	DJ Composite	12864.89	12854.13
	DJ Industrial	40286.49	40287.53
	DJ Transport	15798.30	15783.45
	DJ Utilities	955.85	950.85
	Nasdaq 100	19687.01	19522.62
	Nasdaq Cmp	17879.55	17726.94
	NYSE Comp	18466.05	18406.05
	S&P 500	5535.50	5505.00
	Wilshire 5000	42053.18	41446.59
Venezuela	IBC	85263.17	84382.19
Vietnam	VNI	1254.64	1264.78
Cross-Border	DJ Global Titans ($)	673.96	670.27
	Euro Stoxx 50 (Eur)	4897.52	4827.24
	Euronext 100 ID	1495.85	1481.59
	FTSE 4Good Global ($)	14346.94	14257.17
	FTSE All World ($)	535.78	533.86
	FTSE E300	2040.72	2021.04
	FTSE Eurotop 100	4061.11	4018.30
	FTSE Global 100 ($)	3858.27	3828.28
	FTSE Gold Min ($)	2244.90	2280.32
	FTSE Latibex Top (Eur)	4440.00	4432.20
	FTSE Multinationals ($)	3801.62	3835.51
	FTSE World ($)	985.25	981.93
	FTSEurofirst 100 (Eur)	5481.32	5420.46
	FTSEurofirst 80 (Eur)	6571.04	6484.27
	MSCI ACWI Fr ($)	810.87	817.45
	MSCI All World ($)	3553.76	3579.84
	MSCI Europe (Eur)	2044.14	2056.84
	MSCI Pacific ($)	3139.05	3165.37
	S&P Euro (Eur)	2135.11	2109.63
	S&P Europe 350 (Eur)	2089.92	2070.95
	S&P Global 1200 ($)	3930.39	3913.88
	Stoxx 50 (Eur)	4463.80	4415.38

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

STOCK MARKET: BIGGEST MOVERS

AMERICA

ACTIVE STOCKS	stock traded m's	close price	Day's change
Nvidia	148.1	121.22	3.29
Tesla	129.4	248.01	8.81
Crowdstrike Holdings	76.9	265.30	-39.66
Apple	43.3	224.00	-0.31
Advanced Micro Devices	33.5	153.94	2.36
Meta Platforms	29.2	485.69	8.90
Amazon.com	28.3	182.72	-0.41
Microsoft	25.3	440.08	2.97
Super Micro Computer	22.3	772.39	-24.39
Broadcom	17.5	159.06	1.71

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Iqvia Holdings	239.14	14.57	6.49
On Semiconductor	75.90	3.37	4.65
Lam Research	955.28	38.17	4.16
Kla	792.06	29.51	3.87
Applied Materials	218.28	8.02	3.81
Downs			
Crowdstrike Holdings	265.30	-39.66	-13.00
Verizon Communications	39.01	-2.61	-6.28
Warner Bros Discovery	8.29	-0.38	-4.38
Air Products & Chemicals	252.16	-10.76	-4.09
Starbucks	76.80	-2.47	-3.12

Based on the constituents of the S&P500

LONDON

ACTIVE STOCKS	stock traded m's	close price	Day's change
Astrazeneca	225.6	12260.00	154.00
Shell	166.8	2793.00	-0.50
Bp	144.7	457.80	0.50
Rio Tinto	126.8	4944.50	28.50
Unilever	125.6	4486.00	-9.00
Gsk	104.7	1524.50	2.00
Hsbc Holdings	96.6	667.60	7.50
British American Tobacco	93.6	2589.00	24.00
Rentokil Initial	86.7	482.90	34.80
Relx	86.5	3512.00	42.00

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Ocado	424.10	46.00	12.17
Rentokil Initial	482.90	34.80	7.77
Goodwin	8460.00	380.00	4.70
Aston Martin Lagonda Global Holdings	152.40	5.90	4.03
Hammerson	30.00	0.96	3.31
Downs			
Wizz Air Holdings	2030.00	-226.00	-10.02
Easyjet	426.30	-32.70	-7.12
Hochschild Mining	176.40	-6.40	-3.50
Int Consolidated Airlines S.a.	164.20	-5.80	-3.41
Centamin	127.80	-3.90	-2.96

Based on the constituents of the FTSE 350 index

EURO MARKETS

ACTIVE STOCKS	stock traded m's	close price	Day's change
Asml Holding	410.1	852.50	23.00
Roche Gs	382.0	289.33	1.86
Novartis N	345.7	99.50	2.20
Unicredit	302.1	38.65	1.14
Intesa Sanpaolo	254.0	3.71	0.07
Nestle N	234.4	97.61	0.74
Enel	211.6	6.56	-0.18
Zurich Insurance N	129.5	489.51	1.45
Iberdrola	122.4	11.70	-0.05
Stellantis	121.1	18.81	0.23

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Infineon Tech.ag Na O.n.	34.24	1.05	3.18
Bayer Ag Na O.n.	27.07	0.81	3.08
Unicredit	38.65	1.14	3.03
Asml Holding	852.50	23.00	2.77
Nordea Bank Abp	10.80	0.27	2.57
Downs			
Enel	6.56	-0.18	-2.70
Siemens Health.ag Na O.n.	53.78	-0.42	-0.78
Orange	10.15	-0.04	-0.44
Iberdrola	11.70	-0.05	-0.38
Mowi	14.86	-0.01	-0.08

Based on the constituents of the FTSEurofirst 300 Eurozone index

TOKYO

ACTIVE STOCKS	stock traded m's	close price	Day's change
Disco	2210.4	49910.00	-2790.00
Lasertec	1248.3	28960.00	-765.00
Mitsubishi Heavy Industries,	1078.3	1859.50	-45.00
Tokyo Electron	969.3	30370.00	-800.00
Hitachi,	687.1	3461.00	-171.00
Mitsubishi Ufj Fin	666.6	1747.00	-27.50
Toyota Motor	521.1	3090.00	-43.00
Softbank .	467.0	10500.00	-10.00
Honda Motor Co.,	431.6	1671.00	6.50
Advantest	425.9	5926.00	-217.00

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Teijin	1430.50	55.00	4.00
East Japan Railway	2779.50	79.50	2.94
West Japan Railway	2950.00	51.00	1.76
Shiseido ,	4686.00	68.00	1.47
Kuraray Co.,	1889.50	25.00	1.34
Downs			
Socionext	3241.00	-194.00	-5.65
Fuji Electric Co.,	8435.00	-494.00	-5.53
Hoya	18850.00	-1080.00	-5.42
Disco	49910.00	-2790.00	-5.29
Hitachi,	3461.00	-171.00	-4.71

Based on the constituents of the Nikkei 225 index

UK MARKET WINNERS AND LOSERS

FTSE 100	Jul 22 price(p)	%Chg week	%Chg ytd
Winners			
Smith (ds)	451.80	6.7	47.3
Marks And Spencer	320.00	6.7	17.5
Rentokil Initial	482.90	5.8	9.6
Natwest	338.60	4.9	54.3
Sainsbury (j)	273.40	4.7	-9.6
British American Tobacco	2589.00	4.6	12.8
Frasers	881.00	4.4	-3.0
Coca-cola Hbc Ag	2794.00	4.2	21.2
B&m Eur Value Retail S.a.	463.00	3.7	-17.4
Reckitt Benckiser	4427.00	3.5	-18.3
Kingfisher	277.00	3.4	13.9
Tesco	326.20	3.3	12.3
Losers			
Easyjet	426.30	-13.5	-16.4
Antofagasta	1935.00	-9.8	15.2
Int Consolidated Airlines S.a.	164.20	-6.2	5.9
Glencore	443.35	-5.9	-6.1
Melrose Industries	551.60	-5.6	-2.8
Anglo American	2234.00	-5.5	13.4
Rio Tinto	4944.50	-4.8	-15.4
Intermediate Capital	2138.00	-4.5	27.2
Endeavour Mining	1744.00	-3.5	-0.7
Burberry	719.80	-3.3	-49.2
Severn Trent	2515.00	-3.2	-2.5
Entain	656.00	-3.1	-34.0

FTSE 250	Jul 22 price(p)	%Chg week	%Chg ytd
Winners			
Ocado	424.10	24.6	-44.1
Dunelm	1220.00	9.4	11.2
Aj Bell	425.50	7.6	35.9
Watches Of Switzerland	415.20	6.1	-41.4
Bridgepoint	269.40	5.9	-3.5
Keller	1490.00	5.5	68.7
Wh Smith	1281.00	5.5	-4.0
Goodwin	8460.00	5.5	46.9
Ascential	371.20	5.2	-25.6
Travis Perkins	936.00	4.1	13.0
Quilter	123.20	4.0	20.0
Rs	811.50	3.7	-1.0
Losers			
Genus	1644.00	-13.0	-23.9
Trustpilot	204.00	-13.0	38.2
Molten Ventures	353.50	-9.6	27.3
Polar Capital Technology Trust	3175.00	-7.4	22.4
Wizz Air Holdings	2030.00	-7.1	-8.2
Allianz Technology Trust	377.00	-6.9	24.2
Blackrock World Mining Trust	553.00	-6.7	-5.8
Hochschild Mining	176.40	-6.0	64.7
Workspace	601.00	-5.8	6.9
Ashmore	166.70	-5.0	-25.2
Future	1051.00	-4.7	33.0
Mony	227.00	-4.6	-19.0

FTSE SmallCap	Jul 22 price(p)	%Chg week	%Chg ytd
Winners			
Regional Reit	13.82	9.2	-37.9
Pensionbee	171.00	6.9	74.5
Card Factory	106.00	6.0	-1.7
Funding Circle Holdings	111.00	5.7	177.5
Capital & Regional	67.70	5.5	19.1
Int Personal Finance	135.00	5.1	13.4
Jpmorgan Us Smaller Co. Inv Tst	422.00	5.0	4.5
Treatt	467.00	4.9	-7.2
Reach	105.80	4.8	41.3
Marston's	37.70	4.6	11.5
Videndum	307.00	4.1	-11.8
Picton Property Income Ld	72.20	4.0	4.3
Losers			
Evoke	63.95	-27.1	-33.1
Cab Payments Holdings	106.00	-10.2	28.0
Manchester & London Investment Trust	726.00	-9.2	32.7
Mcbride	129.50	-8.5	66.0
Life Science Reit	33.00	-7.6	-47.8
Mj Gleeson	573.00	-7.4	18.1
Trifast	72.00	-7.2	-18.6
Capita	19.98	-7.1	-9.2
Xp Power	1424.00	-6.6	5.1
Vanquis Banking	50.00	-5.7	-61.3
Seraphim Space Investment Trust	58.60	-5.5	70.3
Record	65.10	-5.4	-7.5

Industry Sectors	Jul 22 price(p)	%Chg week	%Chg ytd
Winners			
Tobacco	29873.25	4.1	14.0
Food & Drug Retailers	4269.21	2.9	6.6
General Industrials	7537.77	2.1	11.0
Chemicals	8413.50	1.5	-12.1
Pharmaceuticals & Biotech.	22679.87	1.5	11.8
Electricity	11096.07	1.4	0.9
Mobile Telecommunications	2044.74	1.2	7.2
Gas Water & Multiutilities index	5959.90	1.2	-2.6
Beverages	20696.41	1.1	-7.8
Construction & Materials	11654.61	1.1	25.1
Banks	4325.59	1.0	17.4
General Retailers	3843.59	0.9	2.2
Losers			
Industrial Metals	6410.24	-5.5	-6.0
Travel & Leisure	7432.22	-3.4	-1.1
Automobiles & Parts	1106.89	-3.2	-30.9
Mining	10810.49	-3.1	9.4
Industrial Engineering	13196.25	-1.9	-7.2
Real Estate Investment Trusts	2362.47	-1.5	-1.5
Aerospace & Defense	10785.73	-1.2	25.5
Software & Computer Services	2457.67	-1.1	1.7
Equity Investment Instruments	12231.85	-0.8	6.0
Electronic & Electrical Equip.	10536.48	-0.8	5.8
Life Insurance	5730.66	-0.7	-8.1
Nonlife Insurance	3603.24	-0.6	7.3

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

CURRENCIES

Jul 22	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	926.2522	1.5127	1008.2205	1.1752	1196.1210	1.6757
Australia	Australian Dollar	1.5060	0.0121	1.6393	0.0125	1.9448	0.0152
Bahrain	Bahrainin Dinar	0.3770	0.0001	0.4104	-0.0001	0.4868	0.0000
Bolivia	Bolivian Boliviano	6.9100	-	7.5215	-0.0035	8.9233	-0.0021
Brazil	Brazilian Real	5.5541	0.0034	6.0457	0.0008	7.1724	0.0027
Canada	Canadian Dollar	1.3762	0.0037	1.4979	0.0033	1.7771	0.0044
Chile	Chilean Peso	950.1150	10.1450	1034.1951	10.5637	1226.9365	12.8187
China	Chinese Yuan	7.2737	0.0064	7.9173	0.0032	9.3929	0.0060
Colombia	Colombian Peso	4002.1950	-33.1200	4356.3684	-38.1080	5168.2578	-43.9820
Costa Rica	Costa Rican Colon	528.4400	3.2750	575.2041	3.2971	682.4040	4.0715
Czech Republic	Czech Koruna	23.1971	0.0134	25.2499	0.0028	29.9556	0.0103
Denmark	Danish Krone	6.8552	0.0036	7.4618	0.0005	8.8524	0.0027
Egypt	Egyptian Pound	48.4124	0.2582	52.6966	0.2565	62.5176	0.3190
Hong Kong	Hong Kong Dollar	7.8072	-0.0037	8.4981	-0.0080	10.0819	-0.0071
Hungary	Hungarian Forint	357.7171	-1.0066	389.3731	-1.2785	461.9400	-1.4075
India	Indian Rupee	83.6688	0.0063	91.0730	-0.0358	108.0461	-0.0170
Indonesia	Indonesian Rupiah	16220.0000	30.0000	17655.3984	24.4045	20945.8299	33.9026
Israel	Israeli Shekel	3.6306	-0.0145	3.9519	-0.0177	4.6884	-0.0199
Japan	Japanese Yen	156.8850	-0.4500	170.7685	-0.5700	202.5943	-0.6284
..One Month		156.8842	-0.4515	170.7679	-0.5712	202.5934	-0.6302
..Three Month		156.8829	-0.4543	170.7669	-0.5732	202.5917	-0.6336
..One Year		156.8776	-0.4649	170.7630	-0.5809	202.5934	-0.6388
Kenya	Kenyan Shilling	131.5000	0.5000	143.1370	0.4775	169.8133	0.6063
Kuwait	Kuwaiti Dinar	0.3059	0.0001	0.3330	0.0000	0.3950	0.0000
Malaysia	Malaysian Ringgit	4.6805	-0.0070	5.0947	-0.0100	6.0442	-0.0104
Mexico	Mexican Peso	17.9230	0.0080	19.5091	-0.0004	23.1450	0.0050
New Zealand	New Zealand Dollar	1.6725	0.0110	1.8205	0.0111	2.1598	0.0137
Nigeria	Nigerian Naira	1585.0000	-30.0000	1725.2641	-33.4780	2046.7988	-39.2255
Norway	Norwegian Krone	10.9793	0.0954	11.9509	0.0983	14.1782	0.1200
Pakistan	Pakistani Rupee	278.3000	0.2000	302.9281	0.0759	359.3843	0.1748
Peru	Peruvian Nuevo Sol	3.7399	-0.0012	4.0709	-0.0032	4.8295	-0.0027
Philippines	Philippine Peso	58.3835	0.0385	63.5501	0.0122	75.3939	0.0322
Poland	Polish Zloty	3.9331	-0.0028	4.2812	-0.0051	5.0791	-0.0049
Romania	Romanian Leu	4.5673	0.0027	4.9714	0.0006	5.8979	0.0021
Russia	Russian Ruble	87.9500	-0.0275	95.7331	-0.0748	113.5747	-0.0619
Saudi Arabia	Saudi Riyal	3.7509	-	4.0828	-0.0019	4.8437	-0.0011
Singapore	Singapore Dollar	1.3459	0.0012	1.4650	0.0006	1.7380	0.0011
South Africa	South African Rand	18.3088	0.0243	19.9290	0.0172	23.6431	0.0260
South Korea	South Korean Won	1388.1500	1.3500	1510.9940	0.7626	1792.5956	1.3271
Sweden	Swedish Krona	10.7260	0.0561	11.6752	0.0556	13.8511	0.0692
Switzerland	Swiss Franc	0.8894	0.0009	0.9681	0.0005	1.1485	0.0008
Taiwan	New Taiwan Dollar	32.8650	0.1465	35.7734	0.1428	42.4404	0.1794
Thailand	Thai Baht	36.2800	-	39.4906	-0.0185	46.8504	-0.0109
Tunisia	Tunisian Dinar	3.1023	0.0036	3.3768	0.0023	4.0061	0.0037
Turkey	Turkish Lira	32.9129	-0.1449	35.8255	-0.1745	42.5023	-0.1970
United Arab Emirates	UAE Dirham	3.6730	-	3.9980	-0.0019	4.7431	-0.0011
United Kingdom	Pound Sterling	0.7744	0.0002	0.8429	-0.0002	-	-
..One Month		0.7744	0.0002	0.8428	-0.0002	-	-
..Three Month		0.7745	0.0002	0.8426	-0.0002	-	-
..One Year		0.7745	0.0002	0.8416	-0.0002	-	-
United States	United States Dollar	-	-	1.0885	-0.0005	1.2914	-0.0003
..One Month		-	-	1.0883	-0.2032	1.2914	-0.0003
..Three Month		-	-	1.0880	-0.2032	1.2914	-0.0003
..One Year		-	-	1.0867	-0.2032	1.2914	-0.0003
Vietnam	Vietnamese Dong	25335.0000	10.0000	27577.0779	-1.9774	32716.5179	5.2440
European Union	Euro	0.9187	0.0004	-	-	1.1864	0.0003
..One Month		0.9185	0.0004	-	-	1.1863	0.0003
..Three Month		0.9182	0.0004	-	-	1.1861	0.0003
..One Year		0.9169	0.0004	-	-	1.1851	0.0003

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

FTSE ACTUARIES SHARE INDICES

UK SERIES www.ft.com/equities

Produced in conjunction with the Institute and Faculty of Actuaries

	£ Strlg Jul 22	Day's chge%	Euro Index	£ Strlg Jul 19	£ Strlg Jul 18	Year ago	Div yield%	Cover	P/E ratio	X/D adj	Total Return
FTSE 100 (100)	8198.78	0.53	7583.71	8155.72	8204.89	7663.73	3.73	1.99	13.48	172.52	8955.29
FTSE 250 (250)	21138.68	0.34	19552.87	21067.68	21234.16	19200.45	3.21	1.64	19.02	367.47	18554.01
FTSE 250 ex Inv Co (167)	22208.74	0.39	20542.66	22122.60	22325.29	19960.19	3.30	1.43	21.18	400.19	19929.27
FTSE 350 (350)	4538.36	0.50	4197.89	4515.75	4544.17	4225.11	3.65	1.95	14.06	93.11	9825.05
FTSE 350 ex Investment Trusts (264)	4476.40	0.51	4140.59	4453.70	4482.28	4174.72	3.71	1.90	14.16	93.50	5013.14
FTSE 350 Higher Yield (127)	3852.63	0.38	3563.60	3838.17	3866.88	3572.70	5.22	1.82	10.54	108.75	9639.67
[illegible]											

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

[illegible]

FTSE GLOBAL EQUITY INDEX SERIES

[illegible]

FTSE SECTORS: LEADERS & LAGGARDS

Year to date percentage changes

Industrial Transport	38.14	Leisure Goods	7.65	Health Care Eq & Srv	2.13
Aerospace & Defense	25.66	FTSE 250 Index	7.36	Food & Drug Retailer	0.83
Construct & Material	24.82	FTSE SmallCap Index	7.36	Electricity	0.64
Oil Equipment & Serv	17.95	Nonlife Insurance	7.29	Industrial Transport	32.39
Banks	17.44	Telecommunications	7.24	Travel & Leisure	-0.22
Fixed Line Telecomms	14.13	FTSE All{HY-}Share Index	6.23	Technology	-0.35
Tobacco	14.04	FTSE 100 Index	6.02	Software & Comp Serv	-1.06
Personal Goods	13.40	Equity Invest Instr	5.88	Industrial Eng	-1.89
[illegible]					

FTSE 100 SUMMARY

FTSE 100	Closing Price	Day's Change	FTSE 100	Closing Price	Day's Change
3I Group PLC	3075	28.00	International Consolidated Airlines Group S.A.	164.20	-5.80
Admiral Group PLC	2629	63.00	Intertek Group PLC	4702	64.00
Airtel Africa PLC	117.00	1.30	Jd Sports Fashion PLC	117.90	0.75
Anglo American PLC	2234	-12.00	Kingfisher PLC	277.00	2.80
Antofagasta PLC	1935	13.00	Land Securities Group PLC	641.00	3.00
Ashtead Group PLC	5298	14.00	Legal & General Group PLC	229.40	2.50
Associated British Foods PLC	2480	-26.00	Lloyds Banking Group PLC	58.98	-0.16
[illegible]					

UK STOCK MARKET TRADING DATA

[illegible]

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

UK RIGHTS OFFERS

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

UK COMPANY RESULTS

Company		Turnover		Pre-tax		EPS(p)		Div(p)		Pay day	Total	
Mony Group	Int	223.500	213.800	58.300	53.300	8.300	7.600	0.00000	3.20000	-	8.852	11.810
Premier Foods	Int	1094.800	1119.200	3.100L	58.100L	177.960L	605.066L	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	code	Stock	Close price(p)	+/-	High	Low	Mkt Cap (£m)
06/18	132.00	AIM	AOTI	AOTI Inc	134.00	-1.00	138.00	132.00	14252.1

§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 Stock Exchange 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$)							
ANZ Bank	29.49	-0.22	30.23	23.90	5.96	13.01	58923.71
BHP Group	41.64	-0.12	50.84	41.35	6.32	18.73	140222.96
CmwBkAu	131.68	0.05	134.25	96.15	3.56	21.98	146330.77
CSL	309.18	-2.52	311.70	228.65	1.17	39.82	99209.89
NatAusBk	36.92	-0.32	38.08	27.45	4.54	16.68	75818.38
Telstra	3.86	-0.02	4.32	3.39	4.58	21.07	29614.58
Wesfarmers	70.87	0.54	71.11	48.36	2.81	30.79	53371.9
Westpac Bank	28.07	-0.15	28.65	20.41	5.08	15.60	64537.47
Woolworths	35.15	0.09	39.44	30.12	3.08	2815.23	28511.47
Belgium (€)							
AnBshInBv	56.02	0.54	62.16	49.17	1.40	25.60	109588.57
KBC Grp	68.52	0.90	71.70	48.78	5.92	9.49	31124.2
Brazil (R$)							
Ambev	11.73	-	15.47	10.98	7.06	11.30	33307.43
Bradesco	11.51	0.05	15.77	10.87	5.59	8.72	11007.72
Cielo	5.74	-0.01	5.75	3.24	8.60	6.38	2807.72
ItauHldFin	29.48	0.12	31.02	22.46	4.90	7.52	26111.99
Petrobras	41.25	-0.46	44.77	32.24	12.34	4.26	55756.63
Vale	60.89	-0.23	78.55	59.36	10.19	5.93	49826.41
Canada (C$)							
Bausch Hlth	10.47	0.01	15.43	8.32	-	-6.03	2762.21
BCE	45.48	-0.14	59.22	42.58	8.92	22.66	30136.53
BkMontrl	120.34	0.88	133.95	102.67	5.13	13.93	63620.36
BkNvaS♦	63.93	-0.23	70.40	55.20	6.83	10.33	57291.39
Brookfield	58.88	11.29	63.88	41.28	0.65	73.96	69948.82
CanadPcR♦	115.36	0.58	123.37	94.45	0.68	26.65	78521.49
CanImp♦	69.40	0.73	69.54	47.44	5.28	10.10	47298.18
CanNatRs	48.55	0.23	56.50	37.65	8.10	6.12	74715.4
CanNatRy	167.40	1.74	181.34	143.13	2.00	19.05	76717.49
Enbridge	50.46	0.29	52.34	42.75	7.38	18.28	79682.05
GtWesLif	40.81	0.01	45.14	37.06	5.39	11.19	27615.69
ImpOil	96.04	0.79	101.63	64.13	2.29	10.69	37165.73
Manulife	36.05	0.43	37.46	23.69	4.32	14.87	46694.48
Nutrien	69.52	0.14	92.48	64.89	4.33	28.78	24889.9
RylBkC	153.66	1.02	154.59	107.92	3.67	13.66	158067.99
SHOP	84.71	-2.05	123.20	63.16	-	-386.34	76492.68
Suncor En	53.12	0.27	56.69	37.98	4.20	8.40	49113.01
ThmReut	226.69	3.25	242.92	163.01	1.23	28.43	73693.84
TntoDom♦	79.96	0.54	87.10	73.67	5.12	12.96	101452.88
TrnCan♦	57.05	0.64	57.26	43.70	6.85	20.91	42934.95
China (HK$)							
AgricBkCh	3.40	0.05	3.85	2.50	7.14	4.34	13386.45
Bk China♦	3.42	0.03	3.99	2.60	7.53	4.24	36630.74
BkofComm	5.66	0.12	6.33	4.23	7.36	4.42	25382.55
BOE Tech	0.53	0.02	0.87	0.40	5.73	6.62	13.51
Ch Coms Cons♦	4.43	0.02	5.07	3.16	5.71	2.69	2507.13
Ch Evrbrght	2.43	0.01	2.64	2.13	8.74	3.61	3946.26
Ch Rail Cons	5.01	-0.04	5.96	4.06	6.14	2.61	1332.38
Ch Rail Gp	3.79	0.01	5.32	3.06	5.79	2.69	2042.48
ChConstBk♦	5.42	0.08	5.95	4.01	7.96	3.75	166904.92
China Vanke	4.51	-0.13	11.46	3.63	16.50	4.67	1274.64
ChinaCitic	4.55	0.01	5.23	3.39	8.09	3.52	8673.18
ChinaLife♦	10.98	-0.02	14.18	8.19	4.96	14.84	10465.19
ChinaMBank	33.50	-0.35	39.60	24.20	5.77	5.42	19699.01
ChinaMob	75.55	0.55	79.00	60.90	6.22	11.00	198761.43
ChinaPcIns	20.00	-0.15	23.30	12.72	5.66	6.38	7109.54
ChMinsheng	2.79	0.01	3.20	2.43	8.64	3.61	2973.34
ChMrchSecs	14.74	0.04	15.91	12.62	1.29	15.41	15040.62
Chna Utd Coms	4.75	-0.05	5.61	3.90	2.65	17.23	20221.81
ChShenEgy♦	33.25	0.15	40.70	21.45	8.94	10.51	14384.22
ChShpbldng	5.40	0.05	5.44	3.81	-	-169.09	16928.46
ChStConEng	5.42	-0.03	6.25	4.54	4.80	4.02	30790.3
ChUncHK	7.32	0.13	7.76	4.45	4.83	10.76	28688.5
CNNC Intl	11.54	-0.16	11.76	6.87	1.52	20.07	29959.28
CSR	5.03	0.06	5.25	3.10	4.46	10.59	2816.15
Daqin	6.98	0.02	7.82	6.71	7.07	10.44	16857.07
GuosenSec	8.25	-0.02	10.90	7.42	3.37	16.71	10365.55
HaitongSecs	3.57	0.06	5.70	3.37	6.60	-80.84	1559.09
Hngzh HikVDT	30.37	0.07	37.75	28.86	2.37	19.27	38030.9
Hunng Pwr♦	4.91	0.02	5.95	3.22	-	8.89	2956.07
IM Baotou Stl	1.44	-0.01	1.97	1.36	-	210.01	6235.49
In&CmBkCh♦	4.28	0.03	4.88	3.35	7.86	4.00	47581.36
IndstrlBk	16.78	-0.35	18.45	13.95	7.28	5.08	47925.47
Kweichow	1499	-26.62	1935	1410.1	1.78	23.46	258885.26
Midea	0.30	-	0.40	0.26	-	-1.21	11.57
New Ch Life Ins	14.80	-	23.45	12.46	8.13	6.23	1960.33
PetroChina♦	7.07	-0.04	8.60	4.73	6.84	7.19	19106.53
PingAnIns♦	34.65	0.30	57.45	29.55	8.02	6.76	33053.69
PngAnBnk	10.23	-0.14	12.53	8.96	2.87	4.40	27292.93
Pwr Cons Corp	5.32	-0.05	6.08	4.45	2.32	7.57	9560.64
SaicMtr	14.91	0.04	15.77	12.92	2.33	11.88	23727.74
ShenwanHong	0.07	0.00	0.14	0.05	-	-3.84	75.00
ShgPdgBk	8.58	-0.15	9.07	6.36	3.84	8.02	34623.83
Sinopec Corp♦	4.80	0.07	5.43	3.64	8.18	8.11	14962.89
Sinopec Oil	1.79	-	2.27	1.60	-	54.45	3339.29
Denmark (kr)							
DanskeBk	209.40	-5.50	216.70	152.00	7.03	8.19	26336.62
MollerMrsk	10715	110.00	14430	8412	4.87	14.29	9491.6
NovoB	909.00	2.90	1033.2	525.10	1.05	45.00	449534.5
Finland (€)							
Nokia	3.45	0.08	3.80	2.70	3.52	22.70	21098.72
SampoA	39.76	0.45	41.80	34.86	4.59	16.82	21708.38
France (€)							
Airbus Grpe	132.56	0.76	172.78	120.28	1.38	26.35	114319.29
AirLiquide	165.20	2.16	179.47	137.60	1.84	27.38	103958
AXA	32.21	0.27	35.19	26.76	5.37	10.99	79639.83
BNP Parib	64.53	1.48	73.08	52.82	6.13	10.51	79428.77
ChristianDior	648.00	9.00	832.50	618.50	1.98	18.05	127319.99
Cred Agr	13.96	0.08	15.93	10.85	7.63	6.34	45979.74
Danone	58.70	0.20	63.80	50.59	3.50	41.98	43419.85
EDF	12.00	-	12.05	7.27	2.41	-2.31	53889.44
Engie SA	14.16	-0.05	16.64	13.07	10.17	15.83	37521.99
EssilorLuxottica	196.80	3.95	212.40	159.68	1.69	37.68	97964.78
Hermes Intl	2085	23.00	2436	1641	0.64	49.32	239590.97
LOreal	409.35	4.90	461.85	372.00	1.51	34.56	238260.45
LVMH	692.10	12.30	886.40	644.00	1.86	22.20	376780.31
Orange	10.13	-0.07	11.41	9.19	7.01	-	29330.98
PernodRic	127.35	2.50	204.90	123.70	3.79	15.42	35116.38
Renault	48.50	0.17	54.54	31.32	0.53	5.90	15611.77
Safran	200.90	3.20	218.90	140.02	0.69	24.22	93432.72
Sanofi	93.50	1.14	104.32	80.60	3.86	25.54	128883.1
Sant Gbn	78.54	1.04	82.76	48.87	2.62	14.61	43087.64
Schneider	226.60	3.70	239.00	134.38	1.43	31.18	141963.92
SocGen	23.95	0.20	27.95	20.23	7.20	13.71	20933.25
Total	63.14	0.41	70.11	52.82	4.77	7.59	164786.65
UnibailR	72.84	-0.56	82.16	41.66	-	-6.05	11049.62
Vinci	107.05	1.50	120.62	97.44	3.89	12.73	68576.23
Vivendi	10.80	-0.07	11.17	7.99	2.38	25.00	12101.85
Germany (€)							
Allianz	262.30	2.90	280.00	210.35	4.40	11.54	111925.8
BASF	44.82	0.73	54.93	40.25	7.70	1472.21	43523.45
Bayer	27.31	1.05	53.80	24.96	8.99	-8.42	28947.67
BMW	90.92	1.44	115.35	86.54	9.48	5.34	59577.01
Continental	57.86	0.48	78.40	51.58	2.64	15.78	12544.19
Deut Bank	15.47	0.46	17.01	9.44	1.97	5.34	33493.27
Deut Tlkm	24.31	0.12	24.41	18.50	-	27.17	131622.51
DeutsPost	44.73	0.54	45.03	29.68	4.18	14.57	60466.66
E.ON	12.51	0.13	13.48	10.43	4.15	26.70	35808.89
Fresenius Med	35.88	-0.41	49.62	30.16	3.15	21.52	11516.81
Fresenius SE	30.00	0.04	31.22	23.93	3.11	39.67	18231.72
HenkelKgaA	74.30	-0.15	75.80	58.36	2.53	23.15	21067.59
Linde	409.20	2.80	437.60	332.40	1.16	35.03	214726.84
Mercedes-Benz	64.25	0.72	77.45	55.08	8.19	5.02	74959.66
MuenchRkv	451.00	6.40	473.60	332.10	2.61	10.97	66993.73
SAP	183.62	2.12	190.98	118.52	1.13	89.81	246048.53
Siemens	173.26	2.82	188.88	119.48	2.75	18.98	151065.64
Volkswgn	112.50	1.60	152.55	105.95	7.87	3.68	36006.93
Hong Kong (HK$)							
AIA	53.80	-0.35	78.85	45.25	2.92	20.61	76785.41
BOC Hold	23.10	0.45	26.10	17.86	6.30	7.37	31282.64
Ch OSLnd&Inv	12.94	-0.08	19.24	10.10	6.00	4.96	18140.38
ChngKng	30.15	-0.05	45.60	29.00	7.66	6.13	13516.41
Citic Ltd	7.26	0.10	8.90	6.53	9.03	3.28	27051.04
Citic Secs	11.92	0.34	18.02	10.66	4.58	8.57	4000.31
CK Hutchison	40.95	0.05	49.00	35.35	7.03	6.58	20089.04
CNOOC	20.45	-0.05	23.90	11.88	6.71	6.71	116762.59
HangSeng	101.30	1.75	120.20	78.05	5.30	11.15	24559.83
HK Exc&Clr	239.20	0.20	336.00	212.20	3.47	25.23	38844.23
MTR	25.45	0.45	35.22	22.30	5.21	20.10	20291.62
SandsCh	15.66	0.12	31.45	15.40	-	23.13	16233.94
SHK Props	70.55	0.40	99.60	65.30	7.11	8.19	26185.7
Tencent	373.20	9.20	401.00	260.20	0.65	28.15	447198.62
India (Rs)							
Bhartiartl	1465.4	3.65	1536.25	847.05	0.28	111.64	106567.14
HDFC Bk	1642.55	35.25	1794	1363.55	1.18	16.85	149359.46
Hind Unilevr	2735.3	8.30	2751.2	2172.05	1.50	60.98	76812.86
ICICI Bk	1241.15	-7.50	1257.8	899.00	0.66	20.49	104397.59
Infosys	1810.85	17.90	1844	1324.25	2.00	30.09	89862.73
ITC♦	466.55	-8.00	499.70	399.35	2.78	27.88	69678.99
L&T	3651.45	32.95	3919.9	2553	0.67	39.37	60000.76
OilNatGas	320.80	1.15	333.30	168.90	3.28	7.99	48234.93
RelianceIn	3001.35	-108.95	3217.6	2220.3	0.31	28.44	242701.95
SBI NewA	876.80	-12.55	912.00	543.20	1.32	11.37	93524.76
SunPhrmInds	1587.35	18.70	1638.85	1068.35	0.81	38.79	45519.82
Tata Cons	4287.35	-15.05	4358.75	3311	1.22	33.21	185397.86
Israel (ILS)							
TevaPha	60.75	-0.42	64.94	30.02	-	-38.81	18875.76
Italy (€)							
Enel♦	6.56	-0.18	6.93	5.47	6.41	14.38	72639.71
ENI	14.07	-0.01	15.83	13.38	6.70	12.97	50309.53
Generali	23.47	0.16	24.98	17.98	5.09	-	40087.07
IntSPaolo	3.72	0.07	3.77	2.31	6.39	8.13	73931.25
Unicred	38.66	1.14	38.83	20.44	2.63	7.45	68877.03
Japan (¥)							
AstellasPh	1636.5	-5.50	2270	1426	4.48	547.64	18876.98
Bridgestne	6111	-108.00	7058	5474	3.69	11.36	27800.04
Canon	4422	-60.00	4703	3422	3.27	14.95	37593.79
CntJpRwy	3508	23.00	4027	3218	0.90	8.56	23031.14
Denso	2475	-35.50	2993.5	2075.5	2.35	22.25	49722.13
EastJpRwy	2779.5	79.50	3108.33	2505	1.42	13.15	20098.15
Fanuc	4340	-48.00	4804	3603	2.46	26.33	27536.85
FastRetail	41590	-90.00	48040	31140	0.87	35.25	84359.95
Fuji Hvy Ind	3125	-42.00	3614	2399.5	2.74	6.10	15017
Hitachi	3461	-171.00	3892	1712.2	5.05	3.59	102286.2
HondaMtr	1671	6.50	1959.5	1386	3.31	7.77	56237.86
JapanTob	4468	18.00	4622	3060	4.89	14.59	56958.92
KDDI	4620	34.00	5080	4059	3.42	12.69	64546.19
Keyence	70730	-1980.00	77400	52080	0.45	43.79	109647.7
MitsbCp	3276	-26.00	3775	2182.33	2.39	13.42	87264.33
MitsubEst	1173.78	-12.59	1199.24	972.54	-	-	-
MitsubishiEle	2716.5	-72.50	2942.5	1651.5	1.91	19.46	36590.57
MitsuiFud	820.90	-24.31	1071.91	732.82	-	-	-
MitUFJFin	1747	-27.50	1849.5	1039	2.49	13.26	137387.2
Mizuho Fin	3402	-9.00	3571	2175	3.27	11.98	55062.8
Murata Mfg	3581	-66.00	3816	2461	1.57	27.85	45437.01
Nippon TT	159.90	0.90	192.90	144.00	3.45	10.11	92290.69
Nissan Mt	535.00	-5.30	712.50	518.00	3.16	4.29	13331.85
Nomura	953.40	-18.10	1021	526.20	2.36	22.86	19225.16
Nppn Stl	3309	-45.00	3847	3040	5.62	4.94	20585.61
Panasonic	1271.5	-21.00	1808	1252.5	2.88	5.25	19892.41
Seven & I	1798	-3.00	2244.5	1720.67	2.21	19.27	29849.82
ShnEtsuCh	6588	-145.00	6926	4190	1.61	23.99	84056.12
Softbank	10500	-10.00	12180	5639	0.47	-24.34	98383.84
Sony	14460	-210.00	15485	11535	0.62	18.56	115084.54
SumitomoF	10895	-100.00	11350	6177	2.69	15.45	91487.65
Takeda Ph	4261	31.00	4873	3900	4.87	33.61	43209.9
TokioMarine	6111	-78.00	6679	2960.5	2.13	16.40	77047.25
Toyota	3090	-43.00	3891	2263.5	2.37	8.24	311097.44
Mexico (Mex$)							
AmerMvl	16.40	0.11	20.25	15.66	-	17.00	41116.45
FEMSA UBD	212.54	2.54	245.00	175.10	1.65	31.31	25122.44
WalMrtMex	63.80	0.15	73.50	59.28	1.93	19.02	62336.76
Netherlands (€)							
ASML Hld	850.50	21.00	1021.8	534.40	0.72	46.43	369921.28
Heineken	90.06	0.64	99.30	81.54	2.19	21.42	56465.43
ING	17.07	0.24	17.13	11.43	4.39	8.10	61364.45
Unilever	53.30	-0.06	53.90	42.97	2.78	24.03	171711.93
Norway (Kr)							
DNB	222.10	3.30	224.40	192.60	5.82	8.65	30192.37
Equinor	291.95	-2.20	382.85	256.70	4.64	8.00	74262.71
Telenor	127.80	1.20	131.80	105.25	7.61	22.96	15927.72
Qatar (QR)							
QatarNtBk	14.90	0.12	17.15	12.83	4.46	7.42	37798.05
Saudi Arabia (SR)							
AlRajhiBnk	84.60	0.60	91.60	63.10	2.78	20.63	90218.36
Natnlcombnk	38.30	-	44.35	30.90	3.87	11.56	61265.28
SaudiBasic	79.10	-	91.00	73.40	4.40	203.55	63264.81
SaudiTelec	38.60	-0.10	45.95	35.00	4.24	13.98	51454.3
Singapore (S$)							
DBS	36.20	-0.49	38.55	28.19	4.92	8.84	76496.59
JardnMt US$	35.69	-0.21	50.06	33.72	6.24	14.87	10373.62
OCBC	15.05	0.08	15.38	12.17	5.42	9.06	50310.49
SingTel	3.05	0.03	3.10	2.25	3.39	15.19	37398.13
UOB	32.57	-0.06	33.33	26.82	5.08	9.46	40517.24
South Africa (R)							
Firstrand	79.06	0.56	80.00	58.90	4.93	11.51	24222.61
MTN Grp	74.66	-0.56	142.99	72.92	4.48	33.01	7683.73
Naspers N	3527.82	91.80	4084.54	2673.3	-	8.30	34352.66
South Korea (KRW)							
HyundMobis	221500	-2000.00	270000	198300	2.14	5.54	14838.75
KoreaElePwr	19520	-200.00	25450	16030	-	17.34	9027.22
SK Hynix	205000	-4500.00	248500	111300	0.62	-29.01	107510.34
SmsungEl	83000	-1400.00	88800	65800	1.90	35.67	356944.1
Spain (€)							
BBVA	10.09	0.21	11.28	6.69	1.61	7.31	63266.29
BcoSantdr	4.53	0.10	4.93	3.33	3.15	6.66	78051.28
CaixaBnk	5.51	0.06	5.54	3.49	7.21	8.62	43606.93
Iberdrola♦	11.71	-0.05	12.53	9.88	4.49	12.61	81838.16
Inditex	45.26	0.03	47.68	32.32	2.16	25.28	153542.7
Repsol	13.27	-0.03	16.22	12.88	5.73	5.45	18444.17
Telefonica	4.13	0.02	4.48	3.49	7.37	-25.46	25496.28
Sweden (SKr)							
AtlasCpcoB	161.20	1.40	178.45	119.10	1.46	26.73	23458.25
Ericsson	71.70	1.30	74.24	48.53	3.86	-9.16	20632.27
H & M	167.15	-1.80	195.10	137.10	4.12	27.27	22068.64
Investor	298.80	4.45	299.40	197.88	1.51	5.54	50754.68
Nordea Bk	125.95	3.60	134.30	114.90	8.65	7.39	41164.32
SEB	163.05	2.15	164.15	120.70	5.35	8.74	32163.55
SvnskaHn	107.55	0.60	125.95	89.36	6.20	7.49	19500.36
Swedbank	223.70	3.40	233.80	173.95	6.94	7.03	23608.95
Telia Co	31.08	0.54	31.16	20.98	4.95	-252.69	11393.8
Volvo	286.30	4.90	321.10	213.40	2.69	11.14	42399.61
Switzerland (SFr)							
ABB	48.61	0.32	52.46	29.13	1.80	27.42	101691.57
CredSuisse	0.82	0.01	5.86	0.66	11.88	-0.31	3611.19
Nestle	94.50	0.72	108.48	89.52	3.34	20.87	278378.69
Novartis	96.33	2.13	100.96	81.63	3.54	24.08	237189.12
Richemont	134.45	1.25	151.10	102.95	1.76	19.58	81265.92
Roche	280.10	1.80	281.00	212.90	3.63	18.29	221259.06
Swiss Re	106.05	-0.40	117.20	83.10	5.44	11.22	37857.65
Swisscom	534.00	2.50	565.80	486.80	4.16	15.90	31102.13
UBS	27.32	0.24	28.78	18.28	2.06	3.09	94584.24
Zurich Fin	473.90	1.40	492.90	401.70	5.08	17.69	77982.9
Taiwan (NT$)							
Chunghwa Telecom	120.50	-0.50	128.00	115.00	4.10	24.27	28442.76
Formosa PetChem	65.90	0.80	85.40	63.50	1.75	26.60	19101.17
HonHaiPrc♦	192.50	-11.50	234.50	94.00	2.89	17.09	81210.95
MediaTek♦	1225	-35.00	1500	654.00	8.62	20.28	59613.47
TaiwanSem	939.00	-31.00	1080	516.00	1.37	26.65	740960.87
Thailand (THB)							
PTT	32.25	-0.25	36.50	31.25	6.30	8.03	25390.22
United Arab Emirates (Dhs)							
Emirtestele	24.30	0.70	38.98	11.60	2.95	22.59	57535.64
United Kingdom (p)							
Anglo American	2234	-12.00	2813	1630	4.53	123.82	38587.64
AscBrFd	2480	-26.00	2765	1907.5	1.91	16.04	23888.49
AstraZen	12260	154.00	12704	9461	1.86	38.24	245438.75
Aviva	490.20	8.70	501.40	366.00	6.49	13.18	16946.36
Barclays	230.85	2.20	234.30	128.12	3.47	8.91	43997.22
BP	457.80	0.50	562.30	441.05	4.77	6.80	97720.28
BrAmTob	2589	24.00	2742	2233	8.92	-4.00	74179.77
BT	141.35	-0.50	145.95	101.70	5.45	7.48	18168.6
Compass	2191	-4.00	2332	1940.5	1.97	27.99	48114.51
Diageo	2505	14.50	3509	2452	3.12	17.08	71915.4
GlaxoSmh	1524.5	2.00	1823.5	1330.19	3.80	14.01	81602.32
Glencore	443.35	1.40	506.72	365.31	7.89	16.62	69851.88
HSBC	667.60	7.50	725.20	572.90	7.29	7.27	159646.51
Imperial Brands	2116	23.00	2120	19.68	6.70	8.44	23356.27
Jardine Mathes.	62.50	-	49.18	34.29	3.61	26.03	18166.19
LlydsBkg	58.98	-0.16	59.82	39.42	4.27	8.43	47549.59
LSE Group	9436	14.00	11080.2	7784	1.18	68.32	64737.1
Natl Grid	947.00	12.40	1052.85	645.00	5.45	12.83	58843.45
Natwest Group	338.60	3.10	338.80	168.00	5.02	7.28	36329.26
Prudential	701.00	-0.40	1102.5	684.73	2.18	14.44	24828.98
ReckittB	4427	36.00	6006	4102.64	4.22	19.47	39904.03
RELX	3512	42.00	3675	2462	1.59	37.32	84418.32
RioTinto	4944.5	28.50	5910	4509.5	6.42	10.22	79978.91
RollsRoyce	443.30	-2.80	488.50	149.55	-	15.45	48686.96
Shell PLC	2793	-0.50	2961	2289	3.66	12.92	227548.68
StandCh	730.40	5.40	796.00	571.00	2.93	8.25	24068.64
Tesco	326.20	0.20	327.80	217.53	3.34	16.61	29174.82
Unilever	4486	-9.00	4546	3680.5	3.35	20.22	144521.53
Vodafone	70.42	-0.08	82.56	62.71	10.93	18.55	24178.6
WPP	748.80	4.80	878.60	7.24	5.26	74.14	10429.27
United States of America ($)							
21stC Fox A	36.89	-0.01	37.95	28.29	1.44	11.38	8525.97
3M	104.14	0.22	106.04	71.35	5.90	-8.00	57627.04
AbbottLb	103.11	1.08	121.64	89.67	2.06	31.42	179364.94
Abbvie	173.43	1.11	182.89	135.85	3.46	62.94	306245.62
Accenture	330.64	1.45	387.51	278.69	1.49	29.36	222175.82
Activision Bli.	94.42	-0.05	94.57	70.94	-	36.23	74289.5
Adobe	556.26	5.26	634.59	433.97	-	52.04	246645.68
Advanced Micro	153.94	2.36	227.30	93.12	-	218.25	248815.36
AEP	94.13	0.99	94.72	69.38	3.71	17.15	49617.97
Aflac	94.03	1.12	95.49	71.35	1.91	10.12	53429.96
AirProd♦	252.16	-10.76	307.71	212.24	2.85	22.30	56055.55
Allstate	174.58	0.20	179.93	104.29	2.10	37.37	46074.34
Alphabet	180.76	3.10	191.75	118.22	-	27.12	1061784.24
Altria	49.39	-0.06	49.92	39.07	8.03	10.11	84833.57
Amazon	182.72	-0.41	201.20	118.35	-	50.07	1901498.96
AmerAir	10.64	0.06	18.17	10.34	-	14.66	6980.8
AmerExpr♦	242.28	-0.10	253.73	140.91	1.05	19.52	174272.74
AmerIntGrp	75.70	1.28	80.83	57.02	1.94	11.07	50236.35
AmerTower	210.65	0.51	219.10	154.58	2.37	46.62	98368.29
Amgen	333.50	2.21	338.98	228.21	2.65	46.61	178900.65
Amphenol Corp	65.52	1.17	70.84	39.34	1.34	19.60	39351.57
Analog Devices	236.04	4.82	244.14	154.99	1.53	53.47	117127.03
Aon Cp	299.37	3.20	344.68	268.06	0.84	22.90	65092.25
Apple	224.00	-0.31	237.23	164.08	0.44	34.08	3434834.37
Applied Materi.	218.28	8.02	255.89	129.21	0.60	24.33	180730.35
Aptiv	69.38	0.51	113.14	65.13	-	6.38	18875.69
ArcherDan	64.22	0.03	87.30	51.49	2.94	10.96	31752.79
AT&T	18.59	-0.53	19.33	13.89	6.10	9.78	133293.37
Autodesk	243.48	1.03	279.53	192.01	-	53.96	52472.01
AutomData	247.33	0.36	256.84	205.53	2.19	27.03	101230.03
AutoZone	2944.3	-6.10	3256.37	2375.35	-	20.11	50296.92
Avago Tech	159.06	1.71	185.16	79.51	12.14	5.83	74042.02
BakerHu	35.76	-0.18	37.58	28.32	2.29	19.54	35683.41
Bank of NY	62.87	0.65	65.91	39.66	2.65	15.41	47011.44
BankAm	42.38	-0.53	44.44	24.96	2.27	14.29	331388.19
Baxter	35.30	-0.06	50.21	31.01	3.36	-442.55	17985.63
BectonDick	231.25	0.51	287.32	218.75	1.64	48.44	66832.74
BerkshHat	651332.45	-707.55	741971.4	502000	-	9.68	366399.91
Biogen	226.47	0.07	280.42	189.44	-	27.69	32973.33
BlackRock	841.71	11.01	851.88	596.18	2.44	20.92	125077.35
Boeing	178.50	-1.17	267.54	159.70	-	-49.33	109577.29
Booking Holdings	3927.17	-40.08	4144.32	2733.04	0.23	28.93	133239.21
Bristol-Myers	42.89	0.25	65.38	39.35	5.58	-13.53	86932.19
Broadcom	159.06	1.71	185.16	79.51	12.14	5.83	74042.02
Cadence Design	284.65	4.70	328.99	217.77	-	72.51	77543.84
CapOne	145.00	-2.27	153.35	88.23	1.69	11.11	55129
CardinalHlth	95.83	0.80	116.04	85.12	2.14	41.48	23341.02
Carnival	18.60	0.17	19.74	10.84	-	56.92	20872.05
Caterpillar	343.33	-2.90	382.01	223.76	1.52	15.18	167904.06
Centene Corp	66.22	-0.02	81.42	60.83	-	12.78	35338.7
CharlesSch	63.65	1.57	79.49	48.66	1.61	26.05	113123.95
Charter Comms	310.90	-9.42	458.30	236.08	-	9.85	44778.21
Chevron Corp	157.95	-1.20	171.70	139.62	3.87	13.73	291735.08
Chipotle Mexic.	53.19	-0.35	69.26	35.37	-	1.11	1460.97
Chubb	260.96	1.08	275.41	194.37	1.35	11.35	105963.66
Cigna	336.67	0.83	365.71	253.95	1.55	27.04	95639.19
Cintas Corp	766.22	7.66	773.78	474.74	0.69	51.80	77743.17
Cisco♦	47.08	-0.24	58.19	44.95	3.36	14.11	189676.6
Citigroup	64.67	-0.48	67.81	38.17	3.32	18.44	123344.58
CME Grp	199.42	-0.43	223.80	186.11	4.97	22.22	71731.37
Coca-Cola	64.53	-0.76	65.81	51.55	2.95	25.35	277992.36
Cognizant	74.51	0.18	80.09	62.14	1.61	17.48	37043.8
ColgtPlm	97.38	-0.70	99.63	67.62	2.02	30.24	79894.56
Comcast♦	39.08	-1.00	47.46	36.43	3.09	10.14	152966.22
ConocPhil	112.62	-1.73	135.18	105.77	3.25	12.48	131712.92
Constellation	242.77	-2.68	274.87	227.50	1.50	25.33	44230.86
Corning	44.09	-0.22	46.39	25.26	2.60	59.90	37768.34
Corteva	54.66	-0.12	58.76	43.22	1.18	54.01	38096.71
Corteva	54.66	-0.12	58.76	43.22	1.18	54.01	38096.71
Costco	840.15	2.02	896.67	530.56	0.50	53.86	372467.92
CrownCstl	104.79	-0.30	119.50	84.72	6.11	32.03	45531.52
CSX	34.34	-0.35	40.12	29.03	1.34	18.36	67132.2
CVS	58.80	-0.11	83.25	52.77	4.31	10.09	73815.93
Danaher♦	248.07	4.53	269.11	182.09	0.43	44.53	183742.11
Deere♦	378.40	0.34	450.00	345.94	1.43	10.88	104275.81
Delta	44.49	-0.96	53.86	30.60	0.69	5.58	28711.48
Devon Energy	46.92	-0.82	55.09	40.47	5.27	8.74	29653.44
Digital Realty	155.62	0.45	162.58	113.94	3.21	42.05	48619.83
DiscFinServ	139.04	-2.73	147.61	79.04	2.06	15.44	34868.23
Disney♦	94.11	-1.63	123.74	78.73	0.33	100.07	171566.58
Dollar General♦	122.93	0.51	173.47	101.09	1.98	17.38	27031.65
DominRes	51.76	0.35	54.74	39.18	5.27	21.92	43353.83
DukeEner	107.29	0.37	108.59	83.06	3.89	18.78	82803.05
DuPont	80.08	0.44	82.63	61.20	1.86	85.15	33481.8
Eaton	317.64	5.75	345.19	191.82	1.13	36.69	126992.47
eBay	53.76	0.16	55.69	37.17	1.94	10.50	26985.01
Ecolab	244.75	1.58	246.51	156.72	0.92	44.34	69893.2
Edwards Lifesc.	87.51	1.01	96.12	60.57	-	36.90	52733.53
Elevance	500.18	0.06	555.36	431.38	1.24	18.46	115984.68
Eli Lilly	859.16	1.69	966.10	446.56	0.56	123.78	816545.54
Emerson	116.65	0.97	119.53	83.10	1.83	33.96	66735.47
EOG Res♦	127.96	-1.29	139.67	108.94	2.70	9.90	73539.97
Equinix	795.28	8.46	914.93	677.80	1.97	78.03	75476.63
EquityResTP	70.66	0.52	71.17	52.57	3.85	29.55	26819.26
Exelon	36.20	0.07	43.53	33.35	4.12	15.20	36200.91
ExxonMb	115.64	-0.43	123.75	95.77	3.29	13.86	455969.31
Fedex	304.62	-1.69	313.84	224.69	1.65	17.22	74419.35
Fidelity NIS	75.00	-0.25	78.73	46.91	2.62	101.90	41718.86
Fiserv	-	-	-	-	-	-	-
FordMtr	13.98	0.00	14.85	9.63	4.39	14.10	54818.44
Franklin	23.47	-0.03	30.32	21.57	5.31	13.27	12344.73
GenDyn♦	289.17	0.95	302.75	213.47	1.90	23.07	79337.86
GenElectric	161.11	1.98	180.36	105.53	0.15	41.47	176346.61
GenMills	64.89	0.51	77.63	60.33	3.63	14.58	36218.07
GenMotors	48.97	0.67	50.50	26.30	0.81	5.85	55872.83
GileadSci	72.61	0.05	87.87	62.07	4.25	197.30	90461.4
GoldmSchs	486.50	1.57	509.48	289.36	2.19	21.00	156878.49
Halliburton	33.67	-0.73	43.85	32.60	1.97	11.44	29808.09
HCA Hold	320.39	-1.77	344.20	215.96	0.78	15.63	83914.66
Hew-Pack	37.77	0.62	39.52	25.22	2.94	12.37	36960.2
Hilton Worldwi.	218.91	-0.28	229.03	146.00	0.28	46.55	54737.58
HiltonWwde	218.91	-0.28	229.03	146.00	0.28	46.55	54737.58
HomeDep	363.55	0.19	396.87	274.26	2.33	23.73	360501.34
Honywell	215.25	0.64	220.79	174.88	2.00	24.40	140167.68
HumanaInc♦	386.00	-1.38	530.54	298.61	0.94	23.25	46513.25
IBM	183.34	0.09	199.18	135.87	3.70	20.33	168416.61
IDEXX Laborato.	470.00	1.80	583.39	372.50	-	44.55	38815.63
IllinoisTool	243.32	0.70	271.15	217.50	2.31	23.47	72605.2
Illumina	116.53	2.04	190.15	86.50	-	-13.99	18563.23
Intcntl Exch	149.03	1.35	149.60	104.49	1.17	33.51	85481.31
Intel	33.00	0.02	51.28	29.73	2.27	81.44	140481
Intuit	638.81	2.25	676.62	473.56	0.56	57.25	178577.42
John&John	154.23	-0.46	175.97	143.13	3.15	22.42	371182.13
JohnsonCn	69.73	0.78	74.23	47.90	2.08	23.04	46975.4
JPMrgnCh♦	210.37	0.59	217.56	135.19	2.07	12.42	604112.77
Kimb-Clark	143.36	-0.28	145.62	116.32	3.39	25.73	48269.06
KinderM	21.66	0.17	21.79	15.89	5.33	19.43	48060.77
KLA Corp	792.06	29.51	896.32	440.15	0.71	40.57	106642.92
Kraft Heinz	32.86	-0.26	38.96	30.68	4.98	14.04	39901.84
Kroger	54.74	0.23	58.34	42.10	2.04	18.24	39507.22
LasVegasSd	41.38	0.31	60.47	40.51	1.48	19.56	30830.05
LibertyGbl	18.66	-0.08	20.03	15.01	-	-2.76	3211.67
Lilly (E)	859.16	1.69	966.10	446.56	0.56	123.78	816545.54
Linde	445.04	0.29	477.71	361.02	1.16	34.90	213920.17
Lockheed	473.75	-1.17	480.86	393.77	2.65	16.96	113670.7
Lowes	238.81	0.29	262.49	181.85	1.90	18.54	136079.51
Lyondell	97.58	0.58	107.02	88.46	5.24	14.73	31774.22
Marathon Ptl	165.65	0.49	221.11	122.08	1.94	8.05	58362.66
Marsh&M	218.54	1.79	221.71	184.02	1.60	27.13	107468.34
MasterCard	443.87	0.18	490.00	359.77	0.52	37.04	409452.16
McDonald's	258.70	1.42	302.39	243.53	2.44	22.09	186440.34
McKesson	582.95	2.82	612.17	395.30	0.42	25.47	75745.83
Medtronic	79.62	0.14	91.00	68.84	3.50	24.93	102094.32
Merck	125.52	-0.25	134.63	99.14	2.44	136.43	317917.85
Meta	485.69	8.90	542.81	274.38	0.11	27.34	1064363.52
Metlife	74.83	0.05	76.90	57.91	2.84	25.33	53213.36
Microsoft	440.08	2.97	468.35	309.45	0.66	37.31	3270809.13
Mnstr Bvrg	49.90	-0.99	61.23	47.13	-	30.89	51982.24
MondelezInt	66.18	-0.27	76.77	60.75	2.56	20.62	88771.14
Monsanto	10.07	0.02	11.13	9.56	-	51.84	251.75
MorganStly	102.68	0.59	109.11	69.42	3.31	18.26	166871.7
Netflix	644.99	11.65	697.49	344.73	-	43.72	277988.54
NextEraE	72.90	0.90	80.47	47.15	2.69	19.48	149775.42
Nike	74.47	1.77	123.39	71.24	1.95	21.45	90217.54
NorfolkS	227.89	-0.06	263.66	183.09	2.42	35.90	51483.55
Northrop	437.16	-0.78	496.89	414.56	1.75	29.80	64695.29
NXP	275.53	6.24	296.08	167.21	1.50	24.91	70448.55
Occid Pet	62.00	-1.13	71.19	55.12	1.25	17.53	54971.48
Oracle	139.87	1.31	146.59	99.26	1.17	36.15	385462.14
Pepsico	168.27	-1.09	192.38	155.83	3.07	24.79	231131.03
Perrigo	27.82	-0.18	40.28	24.82	4.02	2720.11	3792.43
Pfizer	29.57	-0.41	37.80	25.20	5.62	78.88	167532.82
Phillips66	139.18	0.71	174.08	103.12	3.08	10.47	59005.66
PhilMorris	107.15	0.03	109.18	87.23	4.93	20.47	166570.78
PNCFin	176.13	0.62	180.97	109.40	3.57	14.47	70081.4
PPG Inds	128.08	0.04	152.60	120.33	2.05	21.13	30034.76
ProctGmbl	167.94	-0.02	170.92	141.45	2.29	26.84	396361.12
Prudntl	124.22	0.46	128.53	87.95	4.16	20.49	44594.98
PublStor	300.64	-1.01	314.93	233.18	4.08	26.71	52829.86
Qualcomm	191.71	5.50	230.63	104.33	1.71	25.00	213948.36
Raytheon	103.18	0.37	108.65	68.56	2.34	39.74	137178.43
Regen Pharm	1067.23	3.63	1106.16	720.00	-	30.82	115200.81
S&P Global	486.60	6.76	491.48	340.49	0.76	53.36	152257.14
Salesforce	252.67	5.04	318.72	193.68	-	59.33	244837.23
Schlmbrg	49.92	0.25	62.12	42.61	2.10	16.28	71352.54
Sempra Energy	77.94	0.37	79.46	63.75	3.15	16.87	49324
Shrwin-Will	318.74	-3.12	348.37	232.06	0.81	33.24	80814.96
SimonProp	156.25	2.80	158.19	102.11	4.97	19.47	50927.47
SouthCpr	104.15	-0.16	129.79	68.22	3.69	33.86	80516.17
Starbucks	76.80	-2.47	107.66	71.55	2.93	20.70	86991.36
StateSt	84.45	-0.04	86.24	62.78	3.27	15.21	25441.31
Stryker♦	341.08	0.13	361.41	249.98	0.93	38.09	129932.45
Sychrony Fin	50.21	0.24	52.67	27.30	2.00	7.04	20159.5
T-MobileUS	179.16	-2.89	185.42	131.47	0.74	23.84	209949.41
Target	149.64	-0.09	181.86	102.93	3.02	16.27	69228.94
TE Connect	152.04	1.35	159.75	115.00	1.59	13.56	46558.98
Tesla Mtrs	248.01	8.81	280.93	138.80	-	62.05	790952.54
TexasInstr	203.39	4.29	210.84	139.48	2.55	30.99	185182.96
TheTrvelers	204.44	0.96	232.75	157.33	2.00	14.86	46815.41
ThrmoFshr	540.00	5.65	603.82	415.60	0.26	34.50	206126.81
TJX Cos	113.02	1.27	115.35	85.27	1.21	27.19	127729.46
Truist Financial Corp	43.68	1.27	43.88	26.57	4.87	-32.62	58448.04
Twitter	53.70	0.35	60.16	31.30	-	-402.23	41093.72
UnionPac	241.46	-0.86	258.66	199.33	2.20	22.56	147320.09
UPS	144.50	-0.68	192.98	132.90	4.59	20.46	105398.22
USBancorp	44.71	-0.06	45.85	30.47	4.44	14.53	69760.36
UtdHlthcre	561.04	-4.29	581.50	436.38	1.32	23.21	516372.84
ValeroEngy	147.72	-0.61	184.79	119.09	2.86	7.09	48303.91
Verizon♦	39.01	-2.61	43.42	30.14	6.94	14.29	164191.67
VertexPharm	492.34	0.77	498.77	340.20	-	31.25	127048.71
VF Cp	16.18	-0.21	21.17	11.00	6.20	-8.11	6292.58
Visa Inc	265.12	-0.34	290.96	227.68	0.75	29.01	417339.17
Walgreen	11.10	0.09	31.32	10.69	15.54	-1.55	9582.35
WalMartSto	70.36	-0.40	71.33	49.85	1.10	36.32	565903.49
Walt Disney♦	94.11	-1.63	123.74	78.73	0.33	100.07	171566.58
Waste Manage.	222.04	-0.76	225.00	149.71	1.31	35.55	89056.49
WellsFargo	59.04	-0.20	62.55	38.39	2.34	12.03	205814.63
Williams Cos	44.53	0.53	44.59	32.50	4.17	17.85	54271.12
Workday	228.07	0.58	311.28	202.01	-	39.42	48350.84
Yum!Brnds	127.48	0.55	143.20	115.53	1.99	22.11	35901.07
Zoetis♦	180.76	2.18	201.92	144.80	0.88	34.07	82477.63
Zoom	58.62	-0.25	75.91	55.63	-	20.97	15453.21
Venezuela (VEF)							
Bco de Vnzla	17.00	-	17.50	3.80	45.42	-	1695.84
Bco Provncl	4.60	-	23.45	3.60	-	0.80	334.68

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 %
VF Cp	16.18	16.38	-0.21	-1.25	3.05	21.3	13.20
Telia Co	31.08	30.54	0.54	1.77	2.03	9.0	14.01
UtdHlthcre	561.04	565.33	-4.29	-0.76	49.96	8.9	16.19
Roche	280.10	278.30	1.80	0.65	19.60	8.3	10.80
KinderM	21.66	21.49	0.17	0.77	1.32	7.4	9.97
Cintas Corp	766.22	758.56	7.66	1.01	43.71	7.2	8.16
TrnCan	56.95	56.41	0.54	0.96	3.24	7.1	7.84
StateSt	84.45	84.49	-0.04	-0.05	5.55	7.0	16.93
Bristol-Myers	42.89	42.64	0.25	0.57	2.49	6.8	2.23
Citic Secs	11.92	11.58	0.34	2.94	0.34	6.0	0.51
Infosys	1810.85	1792.95	17.90	1.00	81.20	5.8	18.15
Starbucks	76.80	79.27	-2.47	-3.12	6.52	5.6	-3.89
USBancorp	44.71	44.76	-0.06	-0.12	2.41	5.6	12.54
Truist Financial Corp	43.68	42.41	1.27	2.99	1.01	5.5	18.80
CaixaBnk	5.51	5.45	0.06	1.10	0.22	5.3	11.56
SvnskaHn	107.55	106.95	0.60	0.56	4.65	5.1	7.77
Kroger	54.74	54.51	0.23	0.41	2.39	5.0	8.97
SaicMtr	14.91	14.87	0.04	0.27	0.67	5.0	6.12
Natwest Group	338.60	335.50	3.10	0.92	12.70	4.9	7.56
Volvo	286.30	281.40	4.90	1.74	8.20	4.8	6.87

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 %
CharlesSch	63.65	62.08	1.57	2.53	-12.99	-15.2	-13.16
Advanced Micro	153.94	151.58	2.36	1.56	-28.25	-14.4	-4.56
ASML Hld	852.50	829.50	23.00	2.77	-159.70	-13.8	-10.92
SK Hynix	205000.00	209500.00	-4500.00	-2.15	-23500.00	-12.0	-10.47
PetroChina	7.07	7.11	-0.04	-0.56	-0.91	-11.8	-8.07
Applied Materi.	218.28	210.26	8.02	3.81	-35.29	-11.1	-7.19
HonHaiPrc	192.50	204.00	-11.50	-5.64	-12.00	-10.9	-9.20
CNOOC	20.45	20.50	-0.05	-0.24	-2.35	-10.5	-10.33
MediaTek	1225.00	1260.00	-35.00	-2.78	-100.00	-9.9	-17.79
Cadence Design	284.65	279.95	4.70	1.68	-35.68	-9.8	-10.53
TaiwanSem	939.00	970.00	-31.00	-3.20	-70.00	-9.7	-3.20
Lilly (E)	859.16	857.47	1.69	0.20	-92.99	-9.6	-2.79
Eli Lilly	859.16	857.47	1.69	0.20	-92.99	-9.6	-2.79
Ch Rail Gp	3.79	3.78	0.01	0.26	-0.41	-9.5	-11.19
Ch Rail Cons	5.01	5.05	-0.04	-0.79	-0.43	-8.6	-11.78
SandsCh	15.66	15.54	0.12	0.77	-1.48	-8.0	-10.41
Qualcomm	191.71	186.21	5.50	2.95	-21.97	-7.9	-9.86
Softbank	10500.00	10510.00	-10.00	-0.10	-885.00	-7.9	5.98
Fuji Hvy Ind	3125.00	3167.00	-42.00	-1.33	-224.00	-7.8	-6.72
KLA Corp	792.06	762.55	29.51	3.87	-95.57	-7.7	-2.84

Based on the FT Global 500 companies in local currency

BONDS: HIGH YIELD & EMERGING MARKET

Jul 22	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	105.01	5.82	0.02	-0.21	1.64
High Yield Euro										
Turkiye	02/26	10.00	-	-	B	69.87	37.66	0.05	2.20	33.47
Emerging US$										
Turkey	03/21	5.00	-	WR	NR	-	-	-	-	-
Turkey	09/21	9.00	-	-	NR	-	-	-	-	-
Poland	04/26	3.00	A-	A2	A-	97.43	4.84	0.01	-0.21	0.65
Mexico	05/26	11.00	BBB	Baa2	BBB-	110.28	5.46	0.08	-0.12	-
Brazil	01/27	10.00	-	Ba2	BB	97.35	11.56	-0.02	-0.26	7.38
Brazil	01/27	10.00	-	Ba2	BB	97.35	11.56	-0.02	-0.26	7.38
Colombia	03/28	11.00	BB+	Baa2	BB+	115.00	7.09	-0.01	-0.35	-
Peru	08/28	6.00	-	Baa1	BBB	102.94	5.53	0.00	-0.06	1.34
Peru	08/28	6.00	-	Baa1	BBB	102.94	5.53	0.00	-0.06	1.34
Emerging Euro										
Mexico	03/26	5.00	-	Baa2	BBB-	92.56	10.82	0.07	0.07	6.63
Mexico	03/26	5.00	-	Baa2	BBB-	92.56	10.82	0.07	0.07	6.63
Brazil	01/27	10.00	-	Ba2	BB	97.35	11.56	-0.02	-0.26	7.38
Bulgaria	03/27	2.00	-	Baa1	BBB	98.09	3.38	-0.01	-0.07	-0.80

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

Jul 22	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+	94.87	5.64	0.06	0.03	-
Truist Financial Corporation	01/28	6.00	A-	A3	A	101.14	5.63	0.06	-0.18	-
The Goldman Sachs Group, Inc.	02/28	5.00	BBB+	A2	A	98.38	5.50	0.06	-0.05	-
National Rural Utilities Cooperative Fin Corporation	02/28	3.00	A-	A2	A	92.61	5.28	0.06	-0.14	1.09
Washington Gas Light Company	03/28	6.00	A-	WR	A	102.79	5.98	0.06	-0.16	-
Barclays Bank plc	01/29	4.00	A+	A1	A+	94.35	5.95	0.06	-0.16	-
Euro										
Spain	10/24	2.00	-	Baa1	A-	99.79	3.52	-0.06	-0.09	-0.67
HSBC Holdings plc	06/28	3.00	-	Baa1	A-	97.92	3.71	0.03	-0.19	-0.48
BHP Billiton Fin Ltd	04/30	1.00	-	A1	A	89.61	3.52	0.00	-0.17	-
Spain	10/46	2.00	-	Baa1	A-	88.02	3.70	0.05	-0.16	-
Yen										
Japan	03/55	1.00	-	A1	A	82.73	2.17	-0.01	0.00	-
£ Sterling										
National Grid Electricity Transmission plc	07/28	6.00	-	Baa1	A-	103.83	5.41	0.04	-0.09	-
Anglian Water Services Financing Plc	01/29	6.00	-	A3	A-	104.78	5.39	0.05	-0.06	-

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.

INTEREST RATES: OFFICIAL

Jul 22	Rate	Current	Since	Last
US	Fed Funds	5.25-5.50	26-07-2023	5.00-5.25
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

Jul 22 (Libor: Jul 19)	Over night	Change Day	Change Week	Change Month	One month	Three month	Six month	One year
US$ Libor	5.06157	0.010	4.136	0.002	5.46123	5.54460	5.56294	6.04143
Euro Libor	-0.64957	-0.064	-0.224	0.001	-0.61943	-0.58057	-0.55600	-0.48571
£ Libor	0.18063	-0.005	-0.043	0.001	4.20130	5.30370	4.74470	0.81363
Swiss Fr Libor	-0.77860	0.009	0.058	-0.002	-0.77540	-0.75300	-0.70280	-0.55320
Yen Libor	-0.09217	-0.001	-0.054	0.000	-0.06005	-0.02617	0.07165	0.04867
Euro Euribor				-0.007	3.62600	3.69800	3.63300	3.50200
Sterling CDs				0.000	0.50000	0.63000	0.78500	
US$ CDs				0.000	5.39000	5.35000	5.25000	
Euro CDs				0.000	3.70000	3.69000	3.59000	

Jul 22	Short term		7 Days notice		One month		Three month		Six month		One year	
Euro	3.39	3.69	3.52	3.82	3.55	3.85	3.54	3.84	3.44	3.74	3.30	3.60
Sterling	0.45	0.55			0.45	0.55	0.58	0.68	0.71	0.86	0.90	1.05
US Dollar	5.04	5.24	5.23	5.43	5.29	5.49	5.25	5.45	5.15	5.35	4.92	5.12
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	212.81	-0.27	1.28	-1.17	1.30	1.21
Corporates(£)	-	-	-	-	-	-
Corporates(€)	-	-	-	-	-	-
Eurozone Sov(€)	-	-	-	-	-	-
Gilts(£)	-	-	-	-	-	-
Overall(£)	-	-	-	-	-	-
Overall(€)	-	-	-	-	-	-
FTSE						
Sterling Corporate (£)	-	-	-	-	-	-
Euro Corporate (€)	104.47	-0.05	-	-	0.54	-1.73
Euro Emerging Mkts (€)	873.32	4.12	-	-	9.07	28.53
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	291.59	-5.29	7.61	-37.93	347.09	281.11
Europe 5Y	52.87	-1.50	1.68	-10.17	65.25	49.53
Japan 5Y	51.25	0.15	3.08	-2.33	58.00	45.14
Senior Financials 5Y	60.19	-1.70	1.94	-13.86	75.93	57.39
Markit CDX						
Emerging Markets 5Y	167.62	0.07	11.28	-4.24	186.63	156.34
Nth Amer High Yld 5Y	332.41	2.94	11.03	-10.00	373.48	316.75
Nth Amer Inv Grade 5Y	50.78	0.28	2.54	-2.46	57.96	48.00

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

VOLATILITY INDICES

	Jul 22	Day Chng	Prev	52 wk high	52 wk low
VIX	15.62	-0.90	16.52	23.08	10.62
VXD	14.92	-0.55	15.47	36.88	3.74
VXN	20.81	-0.70	21.51	26.10	6.48
VDAX	14.77	-0.53	15.30	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	80.40	4.22	0.04	-0.05	-0.04	0.35
	02/50	1.00	94.27	2.14	0.06	-0.05	0.01	0.47
Austria	02/29	0.50	90.49	2.74	0.04	-0.06	-0.15	-0.19
	02/47	1.50	72.78	3.21	0.05	-0.02	-0.06	0.09
Belgium	06/27	0.80	94.60	2.75	0.03	-0.06	-0.10	-0.18
	06/47	1.60	71.24	3.43	0.05	-0.03	-0.08	0.05
Canada	03/25	1.25	98.17	4.34	0.04	0.03	-0.22	-0.32
	06/30	1.25	88.98	3.33	0.03	0.00	-0.13	-0.13
	12/48	2.75	89.42	3.39	0.04	0.01	-0.04	0.13
Denmark	11/29	0.50	90.89	2.34	0.04	-0.04	-0.06	-0.28
	11/52	0.25	53.30	2.60	0.05	-0.01	-0.04	-0.02
Finland	09/24	0.00	99.46	3.72	0.01	0.06	-0.04	0.19
	09/29	0.50	89.24	2.77	0.04	-0.05	-0.12	-0.09
France	05/28	0.75	92.56	2.82	0.04	-0.05	-0.19	-0.04
	05/48	2.00	76.03	3.50	0.05	-0.01	-0.15	0.22
Germany	08/29	0.00	88.87	2.36	0.04	-0.05	-0.05	-0.05
	08/50	0.00	50.95	2.62	0.05	-0.02	-0.02	0.24
Greece	-	-	-	-	-	-	-	-
	01/28	3.75	103.53	2.68	0.02	-0.10	-0.31	-0.72
Ireland	-	-	-	-	-	-	-	-
	05/26	1.00	96.77	2.85	0.02	-0.08	-0.13	-0.08
	02/45	2.00	83.40	3.10	0.05	-0.02	-0.11	-0.11
Italy	02/25	0.35	98.43	3.39	0.01	0.01	-0.14	-0.23
	05/30	0.40	93.76	1.53	0.05	-0.02	-0.30	-0.24
	03/48	3.45	89.00	4.19	0.06	-0.02	-0.25	-0.11
Japan	04/25	0.05	99.88	0.22	0.01	0.03	-0.02	0.19
	12/29	0.10	97.35	0.60	-0.01	-0.01	-0.01	0.37
	12/49	0.40	67.44	2.05	-0.02	-0.06	-0.01	0.73
Netherlands	07/27	0.75	94.70	2.62	0.03	-0.07	-0.10	-0.18
	01/47	2.75	98.08	2.87	0.05	-0.02	-0.04	0.16
New Zealand	05/31	1.50	84.10	4.21	0.01	-0.14	-0.37	-0.32
	09/40	2.50	125.07	2.71	0.01	-0.12	-0.13	0.14
Norway	08/30	1.38	88.49	3.51	0.05	0.02	-0.14	-0.23
Poland	-	-	-	-	-	-	-	-
	07/27	2.50	92.55	5.24	0.03	-0.04	-0.05	0.05
	04/47	4.00	80.74	5.50	0.00	-0.06	-0.08	-0.04
Portugal	04/27	4.13	103.72	2.69	0.03	-0.05	-0.17	-0.20
Spain	-	-	-	-	-	-	-	-
	10/29	0.60	89.08	2.86	0.04	-0.04	-0.19	-0.31
	10/46	2.90	88.02	3.70	0.05	-0.02	-0.16	-0.09
Sweden	06/30	0.13	119.68	0.69	0.05	-0.06	-0.14	-0.01
	03/39	3.50	116.29	2.19	0.07	-0.02	-0.13	-0.32
Switzerland	04/28	4.00	112.10	0.68	0.02	-0.02	0.01	-0.28
	06/29	0.00	96.89	0.65	0.00	-0.02	0.01	-0.29
United Kingdom	-	-	-	-	-	-	-	-
	07/27	1.25	92.28	4.01	0.04	-0.04	-0.13	-0.44
	07/47	1.50	56.34	4.59	0.09	0.01	-0.04	0.22
United States	-	-	-	-	-	-	-	-
	03/25	0.50	96.94	5.05	0.00	-0.03	-0.16	0.13
	02/30	1.50	86.78	4.19	0.06	0.05	-0.17	0.31
	02/50	0.25	62.50	2.17	0.03	0.03	-0.06	0.50

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

GILTS: UK CASH MARKET

Jul 22	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 2.75pc '24	99.78	4.45	2.06	-4.30	-4.91	-14.09	100.00	97.48	35.81
Tr 2pc '25	97.23	4.55	0.66	-0.66	-1.09	-8.82	97.24	93.73	40.34
Tr 0.125pc '26	94.36	3.98	0.76	-2.21	-3.86	-14.96	94.37	88.93	35.68
Tr 1.25pc '27	92.29	4.00	1.01	-0.99	0.00	-11.70	92.93	87.23	41.41
Tr 0.5pc '29	85.94	3.92	1.29	-0.76	0.51	-11.51	87.00	79.49	29.22
Tr 1pc '32	80.66	4.00	1.78	0.00	1.52	-5.44	83.29	74.53	36.33
Tr 4.25pc '36	100.25	4.22	1.93	0.24	1.44	-2.54	106.09	94.63	32.01
Tr 4.5pc '42	99.62	4.53	1.80	0.22	1.34	1.80	106.98	92.93	28.65
Tr 3.75pc '52	86.64	4.60	1.77	0.22	1.32	4.78	95.61	79.70	25.37
Tr 4pc '60	90.10	4.57	2.01	0.44	1.78	6.78	101.27	83.11	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	Jul 19	Day's chg %	Total Return	Return 1 month	Return 1 year	Yield
1 Up to 5 Years	83.08	-0.06	2465.23	0.49	5.61	4.10
2 5 - 10 Years	147.40	-0.42	3244.31	0.20	5.73	3.99
3 10 - 15 Years	153.40	-0.73	3707.45	-0.04	4.96	4.26
4 5 - 15 Years	147.69	-0.53	3355.38	0.11	5.58	4.12
5 Over 15 Years	194.04	-1.36	3550.70	-0.75	0.64	4.54
7 All stocks	131.77	-0.61	3072.45	-0.02	3.97	4.37

Index Linked	Jul 19	Day's chg %	Month chg %	Year's chg %	Total Return	Return 1 month	Return 1 year
1 Up to 5 Years	340.48	-0.18	-0.04	4.72	2928.77	0.23	5.64
2 Over 5 years	516.50	-1.29	-0.93	-1.77	3979.96	-0.83	-1.08
3 5-15 years	464.16	-0.72	-0.48	3.14	3819.03	-0.21	4.22
4 Over 15 years	551.83	-1.67	-1.25	-4.97	4110.27	-1.25	-4.53
5 All stocks	498.61	-1.09	-0.76	-0.53	3924.18	-0.62	0.20

Yield Indices	Jul 19	Jul 18	Yr ago		Jul 19	Jul 18	Yr ago
5 Yrs	3.93	3.87	4.30	20 Yrs	4.54	4.45	4.39
10 Yrs	4.13	4.06	4.22	45 Yrs	4.43	4.34	4.12
15 Yrs	4.40	4.32	4.34				

Real yield	inflation 0% Jul 19	Dur yrs	Previous	Yr ago	inflation 5% Jul 19	Dur yrs	Previous	Yr ago
Up to 5 yrs	0.41	3.49	0.36	1.90	0.26	3.49	0.19	1.35
Over 5 yrs	1.14	18.92	1.07	0.87	1.10	18.98	1.03	0.83
5-15 yrs	0.72	9.77	0.65	0.75	0.62	9.79	0.54	0.64
Over 15 yrs	1.25	24.63	1.18	0.90	1.23	24.65	1.16	0.87
All stocks	1.11	16.21	1.05	0.89	1.07	16.28	1.00	0.84

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†	Sep	78.15	-0.49	Corn♦	Sep	394.50	4.00
Brent Crude Oil‡		82.17	-0.46	Wheat♦	Sep	544.25	1.50
RBOB Gasoline†	Aug	2.43	-0.02	Soybeans♦	Aug	1108.00	10.75
Natural Gas†	Aug	2.24	0.11	Soybeans Meal♦	Aug	339.70	2.90
Base Metals (♠ LME 3 Months)				Cocoa (ICE Liffe)✠	Sep	6711.00	373.00
Aluminium		2308.50	-41.50	Cocoa (ICE US)♥	Sep	8042.00	353.00
Aluminium Alloy		1600.00	20.00	Coffee(Robusta)✠	Sep	4557.00	27.00
Copper		9177.50	-112.50	Coffee (Arabica)♥	Sep	238.10	-0.10
Lead		2096.50	-25.00	White Sugar✠		533.00	-8.20
Nickel		16105.00	-115.00	Sugar 11♥		18.31	-0.35
Tin		29940.00	-1060.00	Cotton♥	Oct	70.48	0.50
Zinc		2729.50	-44.50	Orange Juice♥	Sep	428.25	-4.95
Precious Metals (PM London Fix)				Live Cattle♣	Aug	182.90	-0.20
Gold		2403.50	-60.30	Feeder Cattle♣	May	134.88	-
Silver (US cents)		2910.50	-136.50	Lean Hogs♣	Aug	91.65	0.08
Platinum		965.00	-31.00				
Palladium		919.00	-31.00		Jul 19	% Chg Month	% Chg Year
Bulk Commodities							
Iron Ore		108.45	-0.28	S&P GSCI Spt	555.46	-4.08	-3.35
Baltic Dry Index		1896.00	-6.00	DJ UBS Spot	97.80	-3.87	-7.92
Richards Bay ICE Futures		105.65	-0.25	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 Jul 19	Yield Jul 19	Yield Prev	Month return	Value stock	Market	No of stocks
Can 4.25%' 26	106.22	1.555	1.522	0.76	5.25	71460.60	8
Fr 0.10%' 26	98.03	1.339	1.328	0.44	12.74	259418.25	18
Swe 0.12%' 26	129.35	1.455	1.415	0.23	33.86	203917.57	6
UK 0.125%' 26	98.98	0.737	0.676	0.27	13.45	540372.73	32
	-	-	-	-	-	-	-
UK 2.00%' 35	247.63	0.716	0.639	1.03	9.08	540372.73	32
US 0.625%' 26	96.76	2.865	2.809	0.16	42.16	1685226.07	48
US 3.625%' 28	105.42	2.107	2.047	0.60	16.78	1685226.07	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	4.22	1.86	0.03	Netherlands	2.62	0.26	-1.56
Austria	2.74	0.38	-1.45	New Zealand	4.21	1.85	0.02
Canada	3.33	0.97	-0.86	Norway	3.51	1.15	-0.67
Denmark	2.34	-0.02	-1.84	Portugal	2.69	0.33	-1.50
Finland	2.77	0.41	-1.41	Spain	2.86	0.50	-1.33
Germany	2.36	0.00	-1.83	Sweden	0.69	-1.67	-3.50
Italy	1.53	-0.83	-2.66	Switzerland	0.65	-1.71	-3.54
Japan	0.60	-1.76	-3.59	United States	4.19	1.83	0.00

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

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

POWERED BY MORNINGSTAR

MANAGED FUNDS SERVICE

Algebris Investments (IRL)

Regulated

Fund	Bid	Offer	D+/-	Yield
Algebris Financial Credit I EUR	€ 203.29	-	-0.50	0.00
Algebris Financial Credit R EUR	€ 173.31	-	-0.42	0.00
Algebris Financial Credit Rd EUR	€ 95.24	-	-0.23	6.05
Algebris Financial Income I EUR	€ 226.50	-	-0.46	0.00
Algebris Financial Income R EUR	€ 203.12	-	-0.42	0.00
Algebris Financial Income Rd EUR	€ 113.80	-	-0.23	4.69
Algebris Financial Equity B EUR	€ 233.91	-	-1.19	0.00
Algebris Financial Equity R EUR	€ 193.56	-	-0.99	0.00
Algebris IG Financial Credit I EUR	€ 110.11	-	-0.11	0.00
Algebris IG Financial Credit R EUR	€ 107.53	-	-0.12	0.00
Algebris Global Credit Opportunities I EUR	€ 144.70	-	-0.12	0.00
Algebris Global Credit Opportunities R EUR	€ 140.38	-	-0.12	0.00
Algebris Global Credit Opportunities Rd EUR	€ 114.24	-	-0.09	4.61
Algebris Core Italy I EUR	€ 159.93	-	-0.80	0.00
Algebris Core Italy R EUR	€ 149.99	-	-0.75	0.00
Algebris Sust. World B	€ 127.95	-	-0.34	0.00
Algebris Sust. World R	€ 125.09	-	-0.33	0.00

The Antares European Fund Limited

Other International

Fund	Bid	Offer	D+/-	Yield
AEF Ltd Usd	$ 541.01	-	-13.82	0.00
AEF Ltd Eur	€ 498.45	-	0.25	0.00

Artemis Fund Managers Ltd (1200)F (UK)

57 St. James's Street, London SW1A 1LD 0800 092 2051

Authorised Inv Funds

Fund	Bid	Offer	D+/-	Yield
Artemis Corporate Bond I Acc	2797.47	-	2.19	3.35
Artemis European Select I Acc	108.19	-	-0.21	5.15
Artemis Global Income I Inc	581.82	-	4.30	2.66
Artemis Global Select I Acc	152.30	-	0.61	1.67
Artemis High Income I Q Inc	200.00	-	-0.06	-
Artemis Income I Inc	456.11	-	1.29	2.40
Artemis Monthly Dist I Inc	136.84	-	-0.32	3.12
Artemis Positive Future Fund	190.77	-	-0.11	0.53
Artemis Short-Dn Strat Bond	118.50	-	-0.10	4.68
Artemis SmartGARP Eur Eq I Acc	73.36	-	0.04	5.89
Artemis SmartGARP GloEmr Eq I Acc	281.65	-	1.54	3.59
Artemis SmartGARP Glo Eq I Acc	77.52	-	-0.01	4.53
Artemis SmartGARP UK Eq I Acc	64.90	-	0.00	0.00
Artemis Strategic Assets I Acc	102.28	-	0.16	1.60
Artemis Strategic Bond I Q Acc	111.84	-	-0.21	4.44
Artemis UK Select Fund Class I Acc	998.50	-	-5.63	2.22
Artemis UK Smaller Cos I Acc	2462.11	-	2.35	2.17
Artemis UK Special Sits I Acc	930.66	-	3.31	2.12
Artemis US Extended Alpha I Acc	435.15	-	0.87	0.00
Artemis US Select I Acc	400.89	-	0.77	0.00
Artemis US Smlr Cos I Acc	364.66	-	0.38	0.00

Ashmore Group

61 Aldwych, London WC2B 4AE. Dealing team: +352 27 62 22 233

Authorised Inv Funds

Fund	Bid	Offer	D+/-	Yield
Emerging Markets Blended Debt Fund	$ 56.43	-	-0.15	4.64
Emerging Markets Equity ESG Fund	$ 151.64	-	-1.49	0.00
Emerging Markets Equity Fund	$ 138.86	-	-1.57	0.00
Emerging Markets Active Equity Fund	$ 128.56	-	-1.36	0.00
Emerging Markets Corporate Debt Fund	$ 60.76	-	-0.04	4.40
Emerging Markets Debt Fund	$ 63.16	-	-0.16	4.85
Emerging Markets Frontier Equity Fund	$ 223.03	-	-0.54	1.55
Emerging Markets Local Currency Bond Fund	$ 62.07	-	-0.30	5.09
Emerging Markets Sovereign Debt Fund	$ 87.21	-	-0.99	0.00

Atlantas Sicav (LUX)

Regulated

Fund	Bid	Offer	D+/-	Yield
American Dynamic	$ 8064.45	-	289.18	0.00
American One	$ 8927.65	-	90.12	0.00
Bond Global	€ 1608.16	-	0.32	0.00
Eurocroissance	€ 1455.03	-	6.96	0.00
Far East	$ 1001.75	-	9.03	0.00

Blue Whale Investment Funds ICAV (IRE)

www.bluewhale.co.uk, info@bluewhale.co.uk

FCA Recognised - Ireland UCITS

Fund	Bid	Offer	D+/-	Yield
Blue Whale Growth USD T	$ 13.42	-	-0.10	0.00

Brooks Macdonald International Fund Managers Limited (JER)

Third Floor, No 1 Grenville Street, St Helier, Jersey, JE2 4UF
+44 (0) 1534 700 104 (Int.) +44 (0) 800 735 8000 (UK)

Fund	Bid	Offer	D+/-	Yield
Brooks Macdonald International Investment Funds Limited				
Euro High Income	€ 1.2359	-	-0.0019	2.50
High Income	£ 0.6620	-	-0.0021	3.77
Sterling Bond	£ 1.2848	-	-0.0044	2.06
Brooks Macdonald International Multi Strategy Fund Limited				
Balanced Strategy A	£ 1.0032	-	-0.0052	1.34
Balanced Strategy	£ 1.0039	-	-0.0052	0.86
Cautious Balanced Strategy A	£ 0.9376	-	-0.0030	1.89
Growth Strategy A	£ 1.0411	-	-0.0078	0.90
High Growth Strategy A	£ 1.0513	-	-0.0087	0.65
Cautious Balanced Strategy	£ 1.3135	-	-0.0043	0.00
Growth Strategy	£ 2.1819	-	-0.0164	0.00
High Growth Strategy	£ 3.0875	-	-0.0257	0.00
US$ Growth Strategy	$ 2.0712	-	-0.0153	0.00

Dealing Daily. Initial Charge Nil for A classes and up to 2% for other classes

Brown Advisory Funds plc (IRL)

http://www.brownadvisory.com Tel: 020 3301 8130

FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Global Leaders Fund USD C	$ 27.25	-	-0.19	0.00
Global Leaders Sustainable Fund USD C	$ 16.30	-	-0.12	0.00
Global Sustainable Total Return Bond GBP B	£ 9.48	-	-0.02	2.66
Global Sustainable Total Return Bond USD B	$ 10.08	-	-0.02	0.00
US Equity Growth Fund USD B	$ 63.62	-	-0.07	0.00
US Flexible Equity Fund USD B	$ 33.45	-	-0.22	0.00
US Mid-Cap Growth Fund USD C	$ 20.80	-	-0.07	0.00
US Small Cap Blend Fund USD B	$ 25.64	-	-0.16	0.00
US Smaller Companies Fund USD B	$ 38.97	-	-0.24	0.00
US Sustainable Growth Fund USD C	$ 33.24	-	-0.21	0.00
US Sustainable Value Fund USD C Acc	$ 13.36	-	-0.05	0.00

CG Asset Management Limited (IRL)

25 Moorgate, London, EC2R 6AY
Dealing: Tel. +353 1434 5098 Fax. +353 1542 2859

FCA Recognised

Fund	Bid	Offer	D+/-	Yield
CG Portfolio Fund Plc				
Absolute Return Cls M Inc	£ 136.07	136.68	-0.30	2.12
Capital Gearing Portfolio GBP P	£ 37273.72	37479.24	-84.45	1.74
Capital Gearing Portfolio GBP V	£ 181.26	182.26	-0.42	1.75
Dollar Fund Cls D Inc	£ 158.19	158.66	0.35	1.85
Dollar Hedged GBP Inc	£ 93.52	93.80	-0.24	1.78
Real Return Cls A Inc	£ 186.78	187.34	0.20	2.35
UK Index-Linked Bond G Inc	£ 104.30	104.45	-0.34	-

Candriam Investors Group (LUX)

FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Candriam Abs Ret Eqt Mkt Neutral-C-Cap	€ 218.23	-	-0.72	0.00
Candriam Bds Euro High Yield Cap	€ 1328.13	-	-0.13	-
Candriam Bonds Glb Hi Yield -C-Cap	€ 267.22	-	-0.19	0.00
Candriam Bonds Glbl Infl Sh Dtion-I-Cap	€ 157.03	-	-0.29	0.00
Candriam Bonds Total Return - C - Cap	€ 137.38	-	-0.22	0.00
Candriam Diversified Futures-I-Cap *	€ 13962.96	-	-94.06	0.00
Candriam Eqts L Australia Cap	A$ 2123.56	-	-12.11	0.00
Candriam Eqts L Emerging Mkts Cap	€ 954.43	-	-5.74	0.00
Candriam Equities L Biotech-C-Cap	$ 916.05	-	2.20	0.00
Candriam Equities L Europe Innov-R-Cap	€ 273.80	-	-1.84	0.00
Candriam Index Arbitrage-C - Cap	€ 1492.29	-	0.69	0.00
Candriam Long Short Credit-R - Cap	€ 113.18	-	0.00	0.00
Candriam Risk Arbitrage - C - Cap	€ 2590.29	-	-1.41	0.00
Candriam Sust Bond Emerg Mkts-I-DIST	$ 794.76	-	-1.90	8.44
Candriam Sust Bond Euro Corp-R-Cap	€ 104.64	-	-0.12	0.00
Candriam Sust Bond GlobalHighYield-I-Cap	€ 1175.70	-	-0.69	0.00
Candriam Sust Eq Cirl Econ-R-Cap	$ 144.58	-	-1.05	0.00
Candriam Sust Eq Climt Action- I - Cap	$ 1643.69	-	-14.32	0.00
Candriam Sust Eq Emerging Mkts-C-Cap	€ 120.89	-	-0.07	0.00
Candriam Sust Eq EMU-C-Cap	€ 183.43	-	-1.33	0.00
Candriam Sust Eq Eurp S&M Caps-I-Cap	€ 2420.36	-	-21.58	0.00
Candriam Sust Eq World -C-Cap	€ 36.73	-	-0.16	0.00
NYLIM GF US HighYieldCorp Bond-R-Cap	$ 154.87	-	-0.09	0.00

Candriam Investors Group

Other International Funds

Fund	Bid	Offer	D+/-	Yield
Candriam Bds Euro Sh.Term Cap	€ 2082.62	-	-0.64	-
Candriam Bonds Credit Opportunities	€ 208.99	-	0.02	0.00
Candriam Bonds Emerg Mkt -C-Cap	$ 2683.08	-	-6.78	0.00
Candriam Equities L Eurp Opt Qlit-I-Cap	€ 215.72	-	-1.09	0.00
Candriam Equities L Global Demg-R-Cap	€ 315.71	-	-1.39	0.00
Candriam Equities L Onco impt-I-Cap	$ 2948.21	-	-11.34	0.00
Candriam Equities L Robt& InnvTech-I-Cap	$ 4590.35	-	-50.55	0.00

Chartered Asset Management Pte Ltd

Other International Funds

Fund	Bid	Offer	D+/-	Yield
CAM-GTF VCC	$ 329429.78	329429.78	9041.80	-
CAM GTi VCC	$ 780.49	-	-32.39	-
RAIC VCC	$ 1.64	1.64	0.03	2.06

Dodge & Cox Worldwide Funds (IRL)

48-49 Pall Mall, London SW1Y 5JG.
www.dodgeandcox.com +44 (0)203 642 3370

FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Dodge & Cox Worldwide Funds - Global Bond Fund				
EUR Accumulating Class	€ 17.28	-	-0.03	0.00
EUR Accumulating Class (H)	€ 11.30	-	-0.04	0.00
EUR Distributing Class	€ 11.67	-	-0.02	4.60
EUR Distributing Class (H)	€ 7.59	-	-0.02	4.43
GBP Distributing Class	£ 12.08	-	-0.01	4.75
GBP Distributing Class (H)	£ 8.25	-	-0.03	5.04
USD Accumulating Class	$ 13.56	-	-0.05	0.00
Dodge & Cox Worldwide Funds -Global Stock Fund				
USD Accumulating Share Class	$ 36.24	-	-0.25	0.00
GBP Accumulating Share Class	£ 46.17	-	-0.20	0.00
GBP Distributing Share class	£ 30.34	-	-0.13	1.41
EUR Accumulating Share Class	€ 50.03	-	-0.26	0.00
GBP Distributing Class (H)	£ 16.11	-	-0.11	1.99
Dodge & Cox Worldwide Funds-U.S. Stock Fund				
USD Accumulating Share Class	$ 47.53	-	-0.26	0.00
GBP Accumulating Share Class	£ 57.26	-	-0.17	0.00
GBP Distributing Share Class	£ 33.85	-	-0.10	0.82
EUR Accumulating Share Class	€ 56.64	-	-0.23	0.00
GBP Distributing Class (H)	£ 18.40	-	-0.11	0.82

Dragon Capital

www.dragoncapital.com
Fund information:info@dragoncapital.com

Other International Funds

Fund	Bid	Offer	D+/-	Yield
Vietnam Equity (UCITS) Fund A USD	$ 31.88	-	-0.37	0.00

EdenTree Investment Management Ltd (UK)

Sunderland, SR43 4AU, 0800 358 3010

Authorised Inv Funds

Fund	Bid	Offer	D+/-	Yield
EdenTree Short Dated Bond Cls B	95.39	-	-0.06	2.93

Euronova Asset Management UK LLP (CYM)

Regulated

Fund	Bid	Offer	D+/-	Yield
Smaller Cos Cls One Shares	€ 56.65	-	0.39	0.00
Smaller Cos Cls Two Shares	€ 35.87	-	0.24	0.00
Smaller Cos Cls Three Shares	€ 17.90	-	0.12	0.00
Smaller Cos Cls Four Shares	€ 23.59	-	0.15	0.00

FIL Investment Services (UK) Limited (1200)F (UK)

Beech Gate, Millfield Lane, Lower Kingswood, Tadworth, KT20 6RP
Callfree: Private Clients 0800 414161
Broker Dealings: 0800 414 181

OEIC Funds

Fund	Bid	Offer	D+/-	Yield
Index Sterling Corporate Bond Fund P-ACC-GBP	£ 0.90	-	0.00	4.09
Sustainable Multi Asset Balanced Fund W-ACC-GBP	£ 1.05	-	0.00	1.71
American Fund W-ACC-GBP	£ 69.90	-	-0.13	0.00
Cash Fund W-ACC-GBP	£ 1.11	-	0.00	4.60
Emerging Mkts NAV	£ 7.21	-	-0.16	1.98
Sustainable Emerg Mkts Equity Fund A-ACC Shares	£ 1.52	-	0.01	-
Sustainable Global Equity Fund W-ACC-GBP	£ 36.95	-	-0.24	0.38
Japan Fund W-ACC-GBP	£ 6.96	-	-0.03	1.13
Japan Smaller Companies Fund W-ACC-GBP	£ 3.66	-	-0.01	-
Select 50 Balanced Fund PI-ACC-GBP	£ 1.24	-	-0.01	1.52
Special Situations Fund W-ACC-GBP	£ 51.49	-	-0.25	3.05
Short Dated Corporate Bond Fund W-ACC-GBP	£ 11.50	-	0.00	4.38
Sustainable Water & Waste W-ACC-GBP	£ 1.29	-	0.00	0.70
Sustainable Water & Waste W-INC-GBP	£ 1.26	-	-0.01	0.70
UK Select Fund W-ACC-GBP	£ 4.18	-	-0.04	2.29
Global Enhanced Income W-ACC-GBP	£ 2.72	-	-0.02	4.27
Index UK Gilt Fund P-ACC-GBP	£ 0.75	-	0.00	3.43
Sustainable Multi Asset Conservative Fund W-ACC-GBP	£ 0.97	-	0.00	2.13
Sustainable Multi Asset Growth Fund W-ACC-GBP	£ 1.09	-	-0.01	1.68

Findlay Park Funds Plc (IRL)

30 Herbert Street, Dublin 2, Ireland Tel: 020 7968 4900

FCA Recognised

Fund	Bid	Offer	D+/-	Yield
American EUR Unhedged Class	€ 202.58	-	-0.73	0.06
American Fund USD Class	$ 220.66	-	-1.31	0.06
American Fund GBP Hedged	£ 106.96	-	-0.65	0.06
American Fund GBP Unhedged	£ 170.81	-	-0.20	0.06

Foord Asset Management

Website: www.foord.com - Email: info@foord.com

Fund	Bid	Offer	D+/-	Yield
FCA Recognised - Luxembourg UCITS				
Foord International Fund | R	$ 49.09	-	-0.18	0.00
Foord Global Equity Fund (Lux) | R	$ 18.53	-	-0.12	0.00
Regulated				
Foord Global Equity Fund (Sing) | B	$ 22.15	-	-0.13	0.00
Foord International Trust (Gsy)	$ 47.86	-	-0.17	0.00

Fundsmith LLP (1200)F (UK)

PO Box 10846, Chelmsford, Essex, CM99 2BW 0330 123 1815
www.fundsmith.co.uk, enquiries@fundsmith.co.uk

Authorised Inv Funds

Fund	Bid	Offer	D+/-	Yield
Fundsmith Equity T Acc	687.60	-	2.81	0.26
Fundsmith Equity T Inc	624.23	-	2.55	0.26

GAM

funds@gam.com, www.funds.gam.com

Regulated

Fund	Bid	Offer	D+/-	Yield
LAPIS GBL F OWD 50 DIV.YLD-Na-D	£ 107.46	-	0.58	1.20
LAPIS GBL MED DEV 25.YLD-Na-D	£ 91.56	-	0.31	-
LAPIS GBL TOP 50 DIV.YLD-Na-D	£ 121.58	-	0.80	-

Guinness Global Investors

Fund	Bid	Offer	D+/-	Yield
Guinness Global Equity Income Y GBP Dist	£ 21.16	-	-0.09	1.81
Guinness Global Innovators Y GBP Acc	£ 36.33	-	-0.27	0.00
Guinness Sustainable Global Equity Y GBP Acc	£ 12.61	-	-0.11	0.00

HPB Assurance Ltd

Anglo Intl House, Bank Hill, Douglas, Isle of Man, IM1 4LN 01638 563490

International Insurances

Fund	Bid	Offer	D+/-	Yield
Holiday Property Bond Ser 1	£ 0.50	-	0.00	0.00
Holiday Property Bond Ser 2	£ 0.64	-	0.00	0.00

Janus Henderson Investors (UK)

PO Box 9023, Chelmsford, CM99 2WB Enquiries: 0800 832 832
www.janushenderson.com

Authorised Inv Funds

Fund	Bid	Offer	D+/-	Yield
Janus Henderson Asia Pacific Capital Growth Fund A Acc	1198.00	-	-9.00	0.19
Janus Henderson Asian Dividend Income Unit Trust Inc	78.85	-	-0.51	4.93
Janus Henderson Cautious Managed Fund A Acc	308.20	-	-0.20	3.83
Janus Henderson Cautious Managed Fund A Inc	144.60	-	-0.10	3.93
Janus Henderson China Opportunities Fund A Acc	940.90	-	3.40	0.76
Janus Henderson Emerging Markets Opportunities Fund A Acc	204.20	-	-0.50	0.08
Janus Henderson Mid & Large Cap Fund	336.80	-	2.60	0.66
Janus Henderson European Selected Opportunities Fund A Acc	2632.00	-	12.00	0.75
Janus Henderson Fixed Interest Monthly Income Fund Inc	17.32	-	-0.05	4.53
Janus Henderson Global Equity Fund Acc	5202.00	-	-4.00	0.00
Janus Henderson Global Equity Income Fund A Inc	69.38	-	-0.26	3.11
Janus Henderson Global Sustainable Equity Fund A Inc	583.40	-	-3.70	0.00
Janus Henderson Global Technology Leaders Fund A Acc	4433.00	-	-53.00	0.00
Janus Henderson Instl UK Index Opportunities A Acc	£ 1.29	-	0.00	2.85
Janus Henderson Multi-Asset Absolute Return Fund A Acc	173.50	-	0.10	1.37
Janus Henderson Multi-Manager Active Fund A Acc	283.10	-	0.20	1.10
Janus Henderson Multi-Manager Distribution Fund A Inc	128.20	-	-0.50	3.35
Janus Henderson Multi-Manager Diversified Fund A Acc	92.53	-	-0.24	3.91
Janus Henderson Multi-Manager Global Select Fund Acc	362.40	-	-2.00	0.12
Janus Henderson Multi-Manager Income & Growth Fund A Acc	202.60	-	-0.70	3.41
Janus Henderson Multi-Manager Income & Growth Fund A Inc	150.70	-	-0.50	3.49
Janus Henderson Multi-Manager Managed Fund A Acc	344.50	-	0.40	1.38
Janus Henderson Multi-Manager Managed Fund A Inc	327.10	-	0.30	1.52
Janus Henderson Sterling Bond Unit Trust Acc	215.50	-	-0.50	3.10
Janus Henderson Sterling Bond Unit Trust Inc	56.07	-	-0.13	3.16
Janus Henderson Strategic Bond Fund A Inc	97.89	-	-0.36	3.35
Janus Henderson Absolute Return Fund A Acc	184.50	-	0.20	2.35
Janus Henderson UK Alpha Fund A Acc	161.30	-	1.10	1.41
Janus Henderson UK Equity Income & Growth Fund A Inc	538.30	-	2.40	4.10
Janus Henderson US Growth Fund A Acc	2366.00	-	3.00	0.00

LGT Wealth Management (CI) Limited (JER)

Sir Walter Raleigh House, 48 - 50 Esplanade, St Helier, Jersey, JE2 3QB

FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Volare Offshore Strategy Fund Limited				
Bridge Fund	£ 2.3486	-	0.0004	2.36
Global Equity Fund	£ 3.8114	-	0.0005	1.29
Global Fixed Interest Fund	£ 0.7556	-	-0.0015	4.76
Income Fund	£ 0.6791	-	0.0005	2.93
Sterling Fixed Interest Fund	£ 0.6892	-	-0.0010	4.70
UK Equity Fund	£ 1.8977	-	0.0093	3.43

M & G Securities (1200)F (UK)

PO Box 9038, Chelmsford, CM99 2XF
www.mandg.co.uk/charities Enq./Dealing: 0800 917 4472

Authorised Inv Funds

Fund	Bid	Offer	D+/-	Yield
M&G Charibond Charities Fixed Interest Fund (Charibond) Inc	£ 1.10	-	0.00	3.93
M&G Charibond Charities Fixed Interest Fund (Charibond) Acc	£ 41.52	-	-0.04	3.56
M&G Charity Multi Asset Fund Inc	£ 0.94	-	0.01	4.29
M&G Charity Multi Asset Fund Acc	£ 119.34	-	0.35	3.73

MMIP Investment Management Limited (GSY)

Regulated

Fund	Bid	Offer	D+/-	Yield
Multi-Manager Investment Programmes PCC Limited				
UK Equity Fd Cl A Series 01	£ 3080.40	3080.41	-231.75	-
Diversified Absolute Rtn Fd USD Cl AF2	$ 1688.02	-	45.93	-
Diversified Absolute Return Stlg Cell AF2	£ 1579.00	-	-1.96	-
Global Equity Fund A Lead Series	£ 1747.16	1747.16	-5.31	-

Marwyn Asset Management Limited (CYM)

Regulated

Fund	Bid	Offer	D+/-	Yield
Marwyn Value Investors	£ 329.72	-	-6.14	0.00

McInroy & Wood Portfolios Limited (UK)

Easter Alderston, Haddington, EH41 3SF 01620 825867

Authorised Inv Funds

Fund	Bid	Offer	D+/-	Yield
Balanced Fund Personal Class Units	6126.40	-	-7.00	1.40
Income Fund Personal Class Units	2972.70	-	2.60	2.40
Emerging Markets Fund Personal Class Units	2036.60	-	2.30	1.48
Smaller Companies Fund Personal Class Units	6302.40	-	18.70	1.30

Milltrust International Managed Investments ICAV (IRL)

mimi@milltrust.com, +44(0)20 8123 8316 www.milltrust.com

Regulated

Fund	Bid	Offer	D+/-	Yield
Milltrust Global Emerging Markets Fund - Class A	$ 89.11	-	-1.12	0.00

Milltrust International Managed Investments SPC

em@milltrust.com, +44(0)20 8123 8316, www.milltrust.com

Regulated

Fund	Bid	Offer	D+/-	Yield
Milltrust Alaska Brazil Fund SP A	$ 83.02	-	-0.93	0.00
Milltrust Laurium Africa Fund SP A	$ 103.54	-	-0.57	0.00
Milltrust Marcellus India Fund SP	$ 158.02	-	-2.97	0.00
Milltrust Singular ASEAN Fund SP Founders	$ 153.06	-	-1.59	0.00
Milltrust SPARX Korea Equity Fund SP A	$ 136.35	-	-0.48	0.00
Milltrust Xingtai China Fund SP A	$ 76.23	-	-0.71	0.00
The Climate Impact Asia Fund SP A	$ 69.84	-	-0.04	0.00

Ministry of Justice Common Investment Funds (UK)

Property & Other UK Unit Trusts

Fund	Bid	Offer	D+/-	Yield
The Equity Idx Tracker Fd Inc	2122.00	-	2.00	2.31

Distribution Units

Mirabaud Asset Management (LUX)

www.mirabaud.com, marketing@mirabaud-am.com
Please find more details on our website: www.mirabaud-am.com

Regulated

Fund	Bid	Offer	D+/-	Yield
Mir. - Glb Strat. Bd I USD	$ 127.01	-	-0.19	0.00
Mir. - DiscEur D Cap GBP	£ 193.16	-	-1.18	0.00

Oasis Crescent Global Investment Funds (UK) ICVC (UK)

Regulated

Fund	Bid	Offer	D+/-	Yield
Oasis Crescent Global Equity Fund USD A (Dist)	$ 39.10	-	-0.33	0.79
Oasis Crescent Global Income Fund USD A (Dist)	$ 10.16	-	-0.01	3.76
Oasis Crescent Global Low Equity Fund USD D (Dist)	$ 13.12	-	-0.06	1.44
Oasis Crescent Global Medium Equity Fund USD A (Dist)	$ 14.78	-	-0.08	1.04
Oasis Crescent Global Property Equity Fund USD A (Dist)	$ 9.16	-	-0.04	-
Oasis Crescent Global Short Term Income Fund USD A (Dist)	$ 0.94	-	0.00	3.57
Oasis Crescent Variable Fund GBP A (Dist)	£ 10.24	-	-0.05	0.71

Omnia Fund Ltd

Other International Funds

Fund	Bid	Offer	D+/-	Yield
Estimated NAV	$ 1159.00	-	0.00	0.00

Platinum Capital Management Ltd

Other International Funds

Fund	Bid	Offer	D+/-	Yield
Platinum All Star Fund - A	$ 164.99	-	-	-
Platinum Global Growth UCITS Fund	$ 9.95	-	-0.05	0.00
Platinum Essential Resources UCITS Fund SICAV USD Class E	$ 9.42	-	-0.70	0.00
Platinum Global Dividend UCITS Fund	$ 48.38	-	-0.21	0.00

Private Fund Mgrs (Guernsey) Ltd (GSY)

Regulated

Fund	Bid	Offer	D+/-	Yield
Monument Growth 09/07/2024	£ 576.84	582.49	1.73	0.85

Prusik Investment Management LLP (IRL)

Enquiries - 0207 493 1331

Regulated

Fund	Bid	Offer	D+/-	Yield
Prusik Asian Equity Income B Dist	$ 166.77	-	-0.71	6.04

Purisima Investment Fds (UK) (1200)F (UK)

3rd Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL
Order Desk and Enquiries: 0345 922 0044

Authorised Inv Funds

Fund	Bid	Offer	D+/-	Yield
Authorised Corporate Director - Waystone Management (UK) Limited				
Global Total Fd PCG A	522.81	-	-2.74	0.26
Global Total Fd PCG B	515.35	-	-2.71	0.07
Global Total Fd PCG INT	504.19	-	-2.66	0.00

Purisima Investment Fds (CI) Ltd (JER)

Regulated

Fund	Bid	Offer	D+/-	Yield
PCG B ✠	415.07	-	-2.00	0.00
PCG C ✠	402.39	-	-1.95	0.00

Ram Active Investments SA

www.ram-ai.com

Other International Funds

Fund	Bid	Offer	D+/-	Yield
RAM Systematic Emerg Markets Eq	$ 255.38	255.38	-3.09	-
RAM Systematic European Eq	€ 609.67	609.67	-4.81	-
RAM Systematic Funds Global Sustainable Income Eq	$ 179.30	179.30	-1.15	0.00
RAM Systematic Long/Short European Eq	€ 169.57	169.57	0.95	-

Ruffer LLP (1000)F (UK)

3rd Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL
Order Desk and Enquiries: 0345 601 9610

Authorised Inv Funds

Fund	Bid	Offer	D+/-	Yield
Authorised Corporate Director - Waystone Management (UK) Limited				
WS Ruffer Diversified Rtrn C Acc	100.75	-	-0.15	1.16
WS Ruffer Diversified Rtrn C Inc	97.75	-	-0.15	1.17
WS Ruffer Equity & General C Acc	621.32	-	12.32	1.24
WS Ruffer Equity & General C Inc	553.79	-	10.98	1.26
WS Ruffer Gold C Acc	332.64	-	15.81	0.31
WS Ruffer Gold C Inc	200.48	-	9.54	0.34
WS Ruffer Total Return C Acc	539.17	-	6.69	1.98
WS Ruffer Total Return C Inc	325.24	-	4.04	2.01

Rubrics Global UCITS Funds Plc (IRL)

www.rubricsam.com

Regulated

Fund	Bid	Offer	D+/-	Yield
Rubrics Emerging Markets Fixed Income UCITS Fund	$ 142.16	-	-0.30	0.00
Rubrics Global Credit UCITS Fund	$ 17.80	-	-0.02	0.00
Rubrics Global Fixed Income UCITS Fund	$ 175.81	-	-0.45	0.00

Scottish Friendly Asset Managers Ltd (UK)

Scottish Friendly Hse, 16 Blythswood Sq, Glasgow G2 4HJ 0141 275 5000

Authorised Inv Funds

Fund	Bid	Offer	D+/-	Yield
Managed Growth ♦	394.30	-	2.10	0.00
UK Growth ♦	447.00	-	1.10	0.00

Stonehage Fleming Investment Management Ltd (IRL)

www.stonehagefleming.com/gbi
enquiries@stonehagefleming.com

Regulated

Fund	Bid	Offer	D+/-	Yield
SF Global Best Ideas Eq B USD ACC	$ 276.11	-	-0.73	0.00
SF Global Best Ideas Eq D GBP INC	£ 324.32	-	0.69	0.00

Superfund Asset Management GmbH

www.superfund.com, +43 (1) 247 00

Other International Funds

Fund	Bid	Offer	D+/-	Yield
Other International Funds				
Superfund Green Gold	$ 1077.44	-	-51.61	0.00
Superfund Green Silver	$ 925.59	-	-52.09	0.00
Regulated				
Superfund Green US$	$ 697.84	-	-15.75	0.00
Superfund Black Blockchain EUR	€ 20.49	-	-1.04	0.00
Superfund Gold Silver & Mining EUR	€ 11.64	-	-0.16	-

Toscafund Asset Management LLP

www.toscafund.com

Fund	Bid	Offer	D+/-	Yield
Tosca Mid Cap GBP	£ 117.80	-	-0.64	0.00
Tosca Opportunity B USD	$ 252.81	-	-15.03	0.00
Pegasus Fund Ltd A-1 GBP	£ 27.03	-	-0.23	0.00

Troy Asset Mgt (1200) (UK)

3rd Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL
Order Desk and Enquiries: 0345 608 0950

Authorised Inv Funds

Fund	Bid	Offer	D+/-	Yield
Authorised Corporate Director - Waystone Management (UK) Limited				
Trojan Investment Funds				
Trojan Ethical Global Inc O Acc	107.79	-	-0.25	2.46
Trojan Ethical Global Inc O Inc	101.05	-	-0.24	2.50
Trojan Ethical O Acc	136.79	-	-0.35	1.23
Trojan Ethical O Inc	134.68	-	-0.34	1.44
Trojan Ethical Income O Acc	150.87	-	0.75	2.66
Trojan Ethical Income O Inc	121.09	-	0.60	2.72
Trojan Fund O Acc	404.55	-	-0.67	1.02
Trojan Fund O Inc	323.19	-	-0.54	1.03
Trojan Global Equity O Acc	590.45	-	-0.61	0.22
Trojan Global Equity O Inc	486.07	-	-0.50	0.22
Trojan Global Income O Acc	159.18	-	-0.28	3.02
Trojan Global Income O Inc	126.86	-	-0.22	3.08
Trojan Income O Acc	363.97	-	1.97	2.90
Trojan Income O Inc	171.63	-	0.94	2.98

Data Provided by MORNINGSTAR

www.morningstar.co.uk

Data as shown is for information purposes only. No offer is made by Morningstar or this publication.

Guide to Data

The fund prices quoted on these pages are supplied by the operator of the relevant fund. Details of funds published on these pages, including prices, are for the purpose of information only and should only be used as a guide. The Financial Times Limited makes no representation as to their accuracy or completeness and they should not be relied upon when making an investment decision.

The sale of interests in the funds listed on these pages may, in certain jurisdictions, be restricted by law and the funds will not necessarily be available to persons in all jurisdictions in which the publication circulates. Persons in any doubt should take appropriate professional advice. Data collated by **Morningstar**. For other queries contact **reader.enquiries@ft.com +44 (0)207 873 4211**.

The fund prices published in this edition along with additional information are also available on the Financial Times website, **www.ft.com/funds**. The funds published on these pages are grouped together by fund management company.

Prices are in pence unless otherwise indicated. The change, if shown, is the change on the previously quoted figure (not all funds update prices daily). Those designated $ with no prefix refer to US dollars. Yield percentage figures (in Tuesday to Saturday papers) allow for buying expenses. Prices of certain older insurance linked plans might be subject to capital gains tax on sales.

Guide to pricing of Authorised Investment Funds: (compiled with the assistance of the IMA. The Investment Association, Camomile Court 23 Camomile Street, London EC3A 7LL. Tel: +44 (0)20 7831 0898.)

OEIC: Open-Ended Investment Company. Similar to a unit trust but using a company rather than a trust structure.

Different share classes are issued to reflect a different currency, charging structure or type of holder.

Selling price: Also called bid price. The price at which units in a unit trust are sold by investors.

Buying price: Also called offer price. The price at which units in a unit trust are bought by investors. Includes manager's initial charge.

Single price: Based on a mid-market valuation of the underlying investments. The buying and selling price for shares of an OEIC and units of a single priced unit trust are the same.

Treatment of manager's periodic capital charge: The letter C denotes that the trust deducts all or part of the manager's/operator's periodic charge from capital, contact the manager/operator for full details of the effect of this course of action.

Exit Charges: The letter E denotes that an exit charge may be made when you sell units, contact the manager/operator for full details.

Time: Some funds give information about the timing of price quotes. The time shown alongside the fund manager's/operator's name is the valuation point for their unit trusts/OEICs, unless another time is indicated by the symbol alongside the individual unit trust/OEIC name.

The symbols are as follows: ✠ 0001 to 1100 hours; ♦ 1101 to 1400 hours; ▲ 1401 to 1700 hours; # 1701 to midnight. Daily dealing prices are set on the basis of the valuation point, a short period of time may elapse before prices become available. Historic pricing: The letter H denotes that the managers/operators will normally deal on the price set at the most recent valuation. The prices shown are the latest available before publication and may not be the current dealing levels because of an intervening portfolio revaluation or a switch to a forward pricing basis. The managers/operators must deal at a forward price on request, and may move to forward pricing at any time. Forward pricing: The letter F denotes that that managers/operators deal at the price to be set at the next valuation.

Investors can be given no definite price in advance of the purchase or sale being carried out. The prices appearing in the newspaper are the most recent provided by the managers/operators. Scheme particulars, prospectus, key features and reports: The most recent particulars and documents may be obtained free of charge from fund managers/operators. * Indicates funds which do not price on Fridays.

Charges for this advertising service are based on the number of lines published and the classification of the fund. Please contact **data@ft.com or call +44 (0)20 7873 3132** for further information.


HTSI
EMMA CORRIN
CILLIAN MURPHY
THE ART OF SOUND
VA VA VROOM
LOVE STORIES
THE DREAM ISSUE
GUEST EDITED BY YINKA ILORI
JANNIK SINNER
IS ONTO A WINNER
THE ESCAPE ISSUE
FUTURE

ARTS

Punk with a dark and joyful flame


Visceral and lyrical: Patti Smith in London
Jim Dyson/Getty

POP

Patti Smith
Somerset House, London
★★★★★

Ian Gittins

Patti Smith once defined her singular art as "three chords and the power of the word". The woman reverently dubbed the "high priestess of punk" declared her creative mission was to wed her insatiable, poetic lyricism to visceral rock and roll chords. Fifty years on, she is still doing exactly that. Backed by a rudimentary three-piece band, including her son, Jackson, on guitar, Smith padded onstage at this final night of Somerset House's Summer Series shows looking, as ever, like a ferociously attitudinal librarian. Stylish in a black blazer, she cut a youthful figure beneath a riot of grey locks.

New York punk was never a terribly bookish movement, but Smith acquired instant status with the arrival of her 1975 debut album, *Horses*, a literate masterpiece as indebted to Rimbaud as it was The Ramones. Sadly, she pulled only one track from it here, dispensing the loping white reggae of "Redondo Beach" early in her set.

No matter. Smith remains a fluent, graceful performer, rock-and-roll insouciance made flesh. She majors in charisma. For the sparse, twisted folk music of "Ghost Dance" she teetered on the lip of the stage, urging the crowd to join in the fervour of the song.

Her fertile mind roams far and wide, perennially prone to freewheeling between-song improvisations. Before the keening "Nine", she mused on the industrial revolution, William Blake, Rossetti and Yeats, before watching proudly as her son wigged out on guitar.

A charged, mesmeric set was littered with tributes and eulogies. Smith dedicated Lana Del Rey's "Summertime Sadness" to her late husband, MC5 guitarist Fred "Sonic" Smith. Where Del Rey's original was all murmured understatement, Smith's cover of this hymn to devotion was raw, her voice both cracked and rich.

From there, she fired straight into the throbbing yearning of her 1978 hit "Because the Night", co-written with a fellow 1970s tyro, Bruce Springsteen. This uplifting section of the set also featured the jagged, unruly "Dancing Barefoot", a song part-inspired by another shamanic live performer, Jim Morrison.

Smith dedicated "Peaceable Kingdom" to the people of Palestine, prompting a shout of "Free Palestine!" "Free fucking everybody!" she retorted, before 1976's "Pissing in a River", about being abandoned by a lover ("My bowels are empty, excreting your soul!") found her bent double and howling as she inhabited the anguish of the song.

The tone hardly lightened as she intoned "About a Boy", her stark, haunted meditation on the suicide of Kurt Cobain, before pogoing like a dervish as she segued into Nirvana's "Smells Like Teen Spirit", her voice an appropriately harsh growl. It was an achievement to make material so dark feel so energetic.

In the encore, Smith was joined by Paul Simonon from The Clash for the earnest call-to-arms of "People Have the Power". In her twilight years, the august Patti Smith is not so much raging at the dying of the light as possessed by a profound joy that her flame burns on.

pattismith.net

Paint the town red — and blue and green

GAMING

Été
Available on PC
★★★★☆

Chris Allnutt

The problem with painting games is that it is not much more fun being a bad painter virtually than being a bad painter in real life. Sure, you can undo a lopsided leg here or airbrush an outsized hoof there, but if what you're left with is a picture of a horse that looks like a cocktail sausage, it doesn't really matter if it's only made of pixels — it still sucks.

Which is why *Été*, a painting game more about creative composition than technical draughtsmanship, takes the form it does. Playing as an artist spending the summer in Montreal, as soon as you step in front of your virtual easel a number of themes will pop up. These contain pre-drawn objects that you can insert on to your canvases like a collage, ranging from conventional (trees, animals) to unusual (a touching portrait of a lawnmower, anyone?).

To unlock those objects, however, you will need to explore the city — which is as colourful as a crossword when you arrive. It's up to you to add some life to it, pointing and clicking on objects until they take on their true tint like a giant urban colouring book. Once they're looking a little less lifeless, the objects you've shaded will be added to the repertoire available for your easel. Colour in a greengrocer's stall, say, and your next tortured masterpiece can be more convincingly named "Still Life with Pears".

It's not all absinthe and existential crises, alas — in *Été* you have rent to pay and furniture to buy, so the game requires you to sell the odd painting too. My first creation, a four-parter of purple sparrows taking flight, sells for $300 at the local coffee shop. That's enough to buy 12 toasters at the antique store, or all manner of organic honey and cauliflower tacos from the city's food trucks.

You don't quite have the whole of Montreal at your disposal — there are seven small areas to explore, filled with a whimsical selection of Québécois hipsters, creatives and pets. The theme of gentrification gently underpins the narrative: who owns the city? How can artists continue to sustain themselves there? The game isn't here to preach, so much as gently guide your creative journey.

I encountered a few technical hurdles unrelated to my artistic abilities, unfortunately: dialogue bubbles cut off by scenery; characters so keen on my picture of a watermelon wearing a party hat that their heads disappeared into it; loading screens that, at their worst, froze for minutes at a time. Structurally, too, the short main storyline could introduce a little more of the city before letting you loose.

But then the story is really just a tutorial. *Été*'s trick is having you discover a world at first unfamiliar to both you and your protagonist. The colouring process encourages you to look more closely at different objects, from the prettiest pergola to the most unobtrusive orange. And just when you think you're done, your easel is there to remind you that there are still an infinite number of blank canvases to be completed.


Palette cleanser: 'Été' invites you to decorate Montreal

Romantic work has satanic overhaul

OPERA

Der Freischütz
Bregenz Festival, Austria
★★★☆☆

Shirley Apthorp

It was a dark and stormy night: the launch of this year's Bregenz Festival in Austria owes more than a little to novelist Edward Bulwer-Lytton's overdone gothic opening line. You might think that *Der Freischütz*, Weber's Romantic opera, was gothic enough already, what with its demonic bullets, forest chasm, terrified virgin and chorus of huntsmen. But stage director Philipp Stölzl, with his love of spectacle, seems to have resolved to out-goth Weber.

Instead of the opera's traditional summer forest setting, Stölzl and his team offer a half-submerged, post-apocalyptic winter nightmare populated by zombies and sociopaths. Weber's overture has been truncated and subsumed into a new theatrical soundscape (crows cawing, thunder); we see the murdered Agathe buried while Max is lynched. Samiel, normally a peripheral character, has been kitted out in a red devil costume and granted a pivotal role as narrator, with pseudo-Romantic rhyming couplets supplied by writer Jan Dvořák.

Hold on to your hats. In the course of the ensuing two hours, we will see Samiel ride a skeleton horse and a fire-breathing dragon, Agathe cavort with a chorus of Hollywood nymphettes, villagers slip around snow-covered hillocks and splosh through the set's lavish lagoons, explosive shots fired, funereal mists rise, King Ludwig II and entourage drop by in a royal sled and, finally, the good Lord Himself arrives, dolled up like a Russian icon. As the lights fade, Stölzl gives the Devil the last laugh.

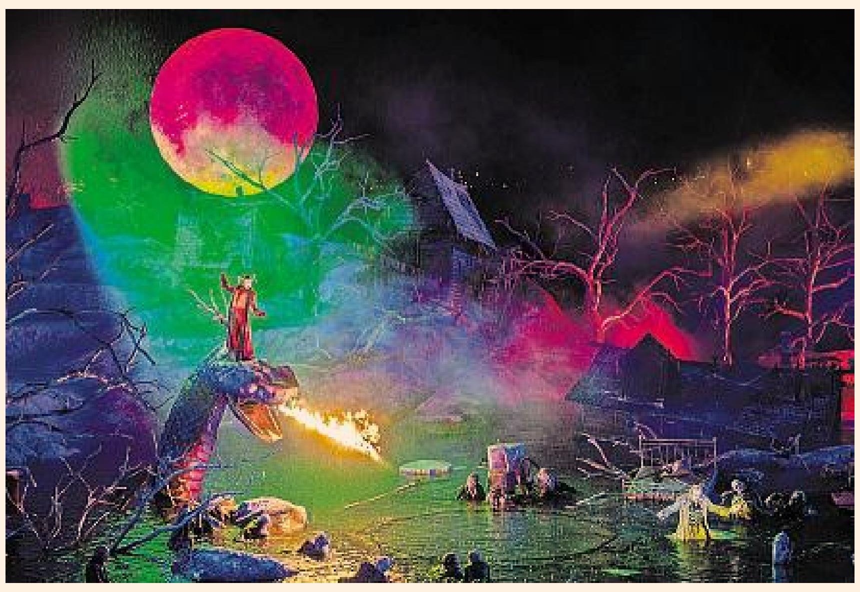
Weber's 1821 hit has been through many iterations. Berlioz composed music for the spoken dialogue to help the piece conform to the traditions of the French stage; when Tchaikovsky saw it in Moscow in 1873, he slammed Berlioz's adaptation as "utterly incongruous", "tasteless" and "silly". While all these adjectives could equally well be applied to Stölzl's twisted new adaptation for the lake stage, each man was working within the theatrical conventions of a particular time and place. Bregenz, with its 7,000 seats and state of the art technology, needs to blend opera with circus in order to keep its public entertained, and Stölzl's work is unquestionably entertaining.

Under these circumstances, the music will always draw the short straw. Stölzl and his team have cut the score to shreds, with electronic sound effects dominating. Still, the Wiener Symphoniker plays its heart out on an adjacent stage, beamed via a complex system of screens and speakers to the audience above; the brass section is memorably good. The Prague Philharmonic Choir, also offstage, is also superb. Conductor Enrique Mazzola keeps everything mostly together, no mean feat in itself.

Nikola Hildebrand's Agathe is plucky and sweet-toned, Mauro Peter's Max has baritonal warmth and a clean upper register, Katharina Ruckgaber lends poise to the part of Ännchen, Agathe's cousin, and Moritz von Treuenfels works frantically hard as Samiel in his reimagined role as satanic master of ceremonies, trying to ensure the whole bizarre revue runs as a coherent whole.

Bulwer-Lytton's infamous first line prompted a literary prize in his name, awarded for composing "an atrocious opening sentence to the worst novel never written". Perhaps a Stölzl prize could be established for the most gratuitous use of zombies in a serious opera staging. To be fair, it's a good laugh.

To August 18, bregenzerfestspiele.com


To Hell with it: 'Der Freischütz' at the Bregenz Festival — Daniel Ammann

FT BIG READ. TRAVEL

Record visitor numbers are provoking angry protests in Spain, and policymakers are beginning to take action. But rejecting a sector that is the economic lifeblood of many places is dangerous.

By Barney Jopson

The rise of 'tourism-phobia' in Europe

Overcrowding in hotspots like Barcelona, above, has fuelled demonstrations across Spain, right. Officials are beginning to tighten controls but industry representatives like Marian Muro, below, warn of over-reach

Eva Parey/FT/Reuters

They were the squirts heard around the world. A handful of anti-tourism protesters doused visitors to Barcelona with water pistols during a demonstration this month, chasing them off restaurant terraces.

As images of the aquatic assault hit the press from the US to China to Australia, and triggered a branding crisis for the Spanish city, the pistoleers were condemned by tourism executives for scaring visitors away.

Organisers say the stunt was unplanned, but understandable. "People are pissed off," says Martí Cusó, who helped direct the 3,000-strong protest march. "It's normal that if what's closest to you is a hotel, or tourists on a terrace, then the unhappiness gets channelled towards them."

The backlash against tourism, however, extends far beyond Barcelona. Europe has been dubbed the world's museum, and the Mediterranean has thrived as its beach resort. European countries hosted 709mn international visitors last year, with rising numbers coming from North America but the vast majority travelling within Europe.

But in some countries the mass of pleasure seekers has grown so great that, from Venice and Amsterdam to Lisbon and the Greek island of Santorini, the patience of locals has snapped.

More than anywhere else, Spain is on the frontline. It is the world's second-most visited country, receiving 85mn foreign travellers last year. It depends more on tourism than France, the top destination, and receives more visitors per capita.

Pressure has been building for years as visitor numbers climb, but this year the strains in Spain have become unbearable. Residents complain that housing has become unaffordable, public transport is buckling, medieval town centres are being "Disney-fied", water supplies are being depleted, and anti-social behaviour is rife. From Benidorm to Magaluf, Spaniards remain agog at drunk Britons engaged in "balconing", the life-threatening activity of clambering between balconies or leaping from them into a pool.

Many are now saying enough is enough. In the past three months anti-tourism protests have drawn 56,000 people across the Canary Islands and 10,000 people on the island of Mallorca, where locals rose early to "occupy" one of its most Instagrammed beaches.

On the mainland's southern coast, more than 5,000 turned out in Málaga along with several thousand in Alicante and Cádiz. There have been demonstrations in Seville, on the north-west coast in San Sebastián, and even in Madrid, one of the most voguish European capitals. The word of the summer here is "tourism-phobia".

Despite the soaking given to tourists in Barcelona, the goal of protests is not to vilify or blame individual visitors, says Cusó. "They are not the ones responsible. The responsibility lies with the tourism industry and governments that have allowed the industry to do whatever it wants," he says, a sentiment echoed by other demonstrators.

Seated in a rare bar still frequented by locals within the stone walls of Barcelona's Gothic Quarter, he sips a €1.60 coffee and laments the difficulty of finding such prices in a world of Starbucks and inflation. "What has marked Barcelona is the violence of tourism in the way it occupies public spaces, privatises things and expels people," he says.

Spain is becoming a European test case of whether the fury can be turned into a force for renewal — and not destabilisation.

After all, rejecting a sector that is the economic lifeblood of many places is dangerous. Over the course of six decades, the industry has become an engine of jobs and profits. It has lifted Spain up the ranks of wealthy countries and accounts for 12-13 per cent of national GDP. But one slogan in the Canary Islands summed up a common sentiment: "Tourism, yes. But not like this."

Jordi Hereu, Spain's tourism minister, is mindful of finding the right balance. The country's visitor record last year was "an unquestionable success", he says. Its tourist promotion agency predicts that visitor numbers from June to September will be up 13 per cent from a year ago. But Spain must remember that its tourist magnets are also home to its people, Hereu adds. "We must listen to the demands, wherever they come from, because without citizens there are no tourist destinations." The question is, how can its tourism sector be fixed — and at what economic cost?

Europe's travel hotspots are passing through the stages of what the academic George Doxey labelled an "irritation index".

The initial arrival of visitors generates euphoria, he wrote as mass tourism accelerated in the 1970s. That gives way to apathy as they are taken for granted, followed by annoyance as saturation approaches. The final stage, antagonism, is marked by open expressions of hostility aimed at tourists.

As long ago as 2001, the Canary Islands introduced a moratorium on new construction in tourist areas in an effort to control numbers. Ten years ago, amid social unrest over eurozone austerity measures, Barcelona saw its first large-scale protests against tourism. But since then the nature of the problem has changed.

First, the search for experiences and authenticity went viral: more tourists started leaving beaches and city centres to flock to neighbourhood festivals, isolated villages and natural parks that were not used to seeing them but found themselves promoted by travel influencers.

Then Covid-19 struck. Residents had a sudden taste of having their homes to themselves again, but with a costly flipside: governments racked up huge debts to compensate for the disappearance of tourism income. When the pandemic subsided, travellers returned with a new hunger and policymakers were desperate to welcome them back.

This moment is "qualitatively different" from the long-existent issue of mass tourism, says Angelos Varvarousis, an academic and urban planner based in Barcelona and Athens. "It's not a matter of the numbers, it's that towns, regions and even whole countries are turning into touristified societies. Which means that their landscapes, their economies, their self-images are being operationalised to serve tourists. It's a form of colonisation."

In Barcelona's case, the discontent unifies two strands of social life that are normally opposed: conservative snobbery about lower classes of visitors and the leftwing anti-capitalism of a city with anarchist roots.

But the tourism industry is eager to downplay the significance of the protests. Jorge Marichal, who owns hotels in the Canary Islands and heads the industry group for hoteliers CEHAT, blames the "tabloid press" for amplifying them. "We have one of the most competitive tourism economies in the world, and people say that the model has to be changed? What we need to do is get to work," he says.

Arturo Mas-Sardá, who owns several hotels and the PortAventura amusement park on the Catalan coast, says it is necessary to "de-dramatise" the issue and do a better job of communicating how "tourism has enormous positive effects in terms of GDP and the number of jobs it generates".

Referring to the water pistols, he says: "Obviously when things like this happen, they attract attention and have an effect, but the protesters are very much in the minority. What's true is that we have to be aware that tourism needs to be managed."

The proposed remedies for overtourism can be divided into four categories. The first, and ostensibly the simplest, is better oversight and tighter controls by regional and municipal governments.

Officials in Spain are cracking down on the abuse of public spaces. Across the Balearic Islands, a decree approved in May bans people from drinking outside authorised venues and orders party boats to stay away from the coast. San Sebastián has limited tour groups to 25 people to reduce pavement congestion. Barcelona has shifted to online-only ticketing for its Parc Güell and had a local bus route removed from Google Maps so tourists do not use it.

In many tourist centres, fines for urinating in the streets, and even in the sea, are multiplying. Although rising summer temperatures do not deter everyone, they are helping efforts to spread visitors out across the year.

But many local residents demand new measures to address the most painful economic pinch point: housing. As property supply is reduced by Airbnb-style apartments and foreigners' holiday homes, soaring rents have left restaurant and hotel staff living in caravans, tents or cars on Greek and Spanish islands. The problem is exacerbated by the fact that most tourism jobs are low skilled and low paid.

In response, Lisbon has suspended the issuance of new short-term rental licences.

Barcelona has taken the most drastic action, vowing to close down its 10,000 Airbnb-style apartments — which account for 40 per cent of visitor beds — by late 2028. But it is facing an array of legal challenges from property owners. The move would penalise the many families with children who stay in them because hotels are too expensive, says Marian Muro, director-general of Apartur, a lobby group for holiday apartments. "The city will not have the necessary accommodation. So the repercussions could be huge," she says.

The second remedy is to change the kind of tourists a destination attracts by going upmarket — and in Barcelona's case to ward off stag and hen parties. "We don't want the tourists who come to do what they can't do in their own countries," says Mateu Hernández, director-general of Turisme de Barcelona, a public-private agency promoting the city. "We don't want the tourists who come to get drunk. We don't want the tourists who come here to eat cheaply."

'It's not a matter of numbers. Towns, regions and even whole countries are turning into touristified societies'

But he will not replicate the blunt "stay away" campaign that Amsterdam directed at boozy Britons last year, saying it did not work. Instead the plan is to switch to high-end marketing focused on Barcelona's fine restaurants, music festivals and the artistic heritage of Picasso, Gaudí and Miró.

Barcelona wants to turn its hosting of this year's America's Cup sailing competition, sponsored by Louis Vuitton, into an emblem of luxury. "A commitment to quality tourism is a guarantee of increasing the quality of employment too," says Hernández. "It's a virtuous circle."

But others warn that too much elitism is not viable and even classist. Iñaki López de Viñaspre, co-founder of the gourmet Sagardi restaurant group, noted that people who fell in love with Barcelona while eating sandwiches as students could return two decades later as big spenders.

He nods to a group of six twenty-something women, from Portugal and Italy, who had dropped in for a drink in one of his eateries. "So, what? You're going to forbid these girls from coming?" he asks. "They're part of society."

The third solution to overtourism, pushed by many in the travel industry, rests on the idea that the root of the problem is not too many people but too little capacity.

'Protesters are very much in the minority. But we have to be aware that tourism needs to be managed'

Places only feel overwhelmed if they have not been prepared to cope, they say. What is needed are co-ordinated investments in housing, urban transport and water systems. It is not a diagnosis promoted by governments, because it pins the blame on them. Tourism in Spain was for decades a story of policymakers — from right and left alike — competing for business and failing to plan, industry figures say.

"They've not realised that infrastructure has to keep pace with the growth of the population," says Marichal, of the hotel lobby. "I can give you 1,000 examples. Take a typical small fishing village. Since the 1960s it's turned into a tourist destination. [But] there's no sewerage system, no investment in roads, not enough housing for people who work in the tourism industry."

Muro, who has held a series of jobs in the tourism industry, says governments had spent years holding press conferences to celebrate the number of tourist arrivals. "But if you've not gone through the exercise of understanding the economic activity, making forecasts and having in your head what's coming next, what's going to happen? You get this."

The final, most radical proposed solution is degrowth, or shrinking the overall numbers of international tourists. The anti-capitalist version rejects the notion of foreign travel as a right, stresses the need to cut carbon emissions from transport and calls to attention those who still cannot afford any kind of vacation. Ernest Cañada, a researcher at Alba Sud, a group critical of tourism, says: "What we are asking for is a change in tourism policies to enable the majority of the population to organise holidays close to home."

Others favour using tourism taxes to discourage visitors. But nowhere in Europe has come close to the $100 per night fee levied by the Himalayan kingdom of Bhutan. Barcelona's tax is a maximum of €6.75 per night and its Socialist-led government has a more moderate vision of limits.

Jordi Valls, deputy mayor, says the city needs to offset tourism's economic weight. It accounts for 14 per cent of city GDP and he says the government does not want that proportion to be much higher. "We don't want to be absolutely dependent," he says.

On the Rambla, the visitors themselves seem unperturbed and their behaviour little changed. The street is filled with the guttural sound of 19 members of an Italian stag party, who are belting out songs between swigs of liquor. Stefano Pausini, the groom in a bright pink T-shirt, is not remotely troubled by any protests. "I heard about them," he says. "But because it's my wedding party, I don't care."

Additional reporting by Carmen Muela and Giuliana Ricozzi

The FT View

FINANCIAL TIMES
'Without fear and without favour'
ft.com/opinion

Biden's late farewell

Harris is likely to be the Democratic presidential nominee in November

Joe Biden's decision not to seek re-election was both inevitable and right. After his faltering performance in recent public appearances, the US President could no longer brush aside questions about his ability to serve four more years in office.

By stepping aside now, Biden can retire with honour and a significant record of achievement as president. He has also ensured that American voters will have a proper choice in November. Millions of voters who have deep and justified concerns about Donald Trump would still have struggled to vote for a visibly declining president.

Biden has now thrown his support behind Kamala Harris, his vice-president. Democratic party leaders are rallying behind Harris and she is the overwhelming favourite to be the party's candidate against Trump.

The sudden elevation of the vice-president carries its own risks. Harris is an unproven candidate on the national stage. Her campaign for the Democratic nomination in 2020 flopped badly. Like most vice-presidents, she has struggled to establish herself as a strong figure in her own right.

It would be preferable for Harris to face real competition for the Democrat's nomination. A proper contest would help to ensure that the party selects a candidate with a proven ability to appeal to a wide cross sections of voters and the political skills to take on Trump.

But with just four weeks to go before the Democratic convention, and many party figures and donors expressing their support, it seems unlikely they will run primary elections. An open convention — in which candidates compete for the support of delegates — might generate public attention and give the eventual victor added legitimacy. But, in modern times, open conventions are also an untried process that could be a formula for chaos. There is also, as yet, little sign that other major players in the Democratic party are willing to step forward to challenge Harris for the nomination at this late stage.

Trump and the Republicans are already arguing that a coronation of Harris would be undemocratic. Yet the Democratic party can nominate whoever it likes as its candidate, provided it follows its rule-book and the law. Voters will get their say on Harris — or whoever the party selects — in November.

The Republicans are on surer ground when they raise the question of Biden's continued fitness to serve as president. The obvious riposte to this is that there is a clear difference between serving out another six months as America's chief executive and taking on another four-year term in office.

Nonetheless, given the visible evidence of Biden's decline and the responsibilities of the office, it would be advisable for the president to take medical tests to prove his physical and mental ability to continue in office. Those tests should be taken quickly and the results should be made public.

> Despite the shock of his decision — and the legitimate questions surrounding his vice-president — the US, and the world, is now in a better position than it was last week

Despite the shock of Biden's decision — and the legitimate questions surrounding Harris — the US, and the world, is now in a better position than it was last week.

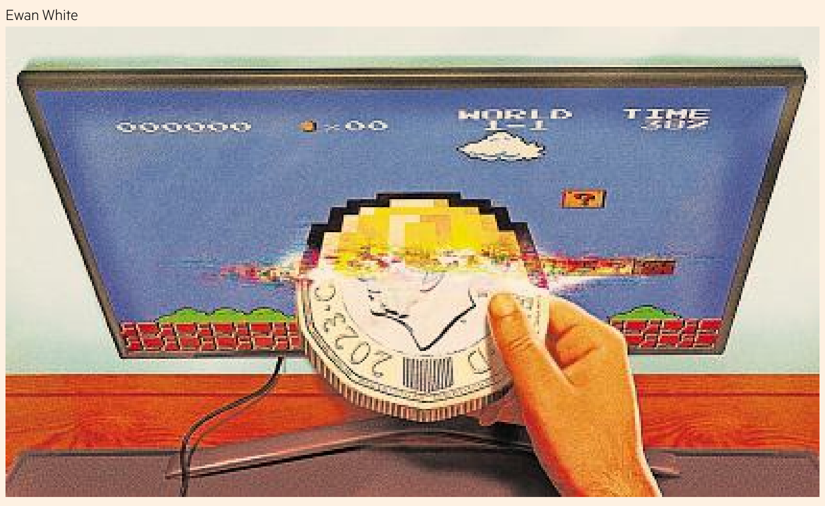
Donald Trump is unsuited to be the next president of the United States. His efforts to overturn the results of the 2020 presidential election revealed the instincts and morals of a dictator. A succession of close aides of Trump during his first presidency have since denounced him — and underlined his moral and intellectual unfitness for high office. The foreign and economic policies that Trump is proposing for America are dangerous and incoherent.

It is vital for America and the world that Trump is defeated in November. Biden was no longer capable of leading the fight against Trump. He was right to step aside.

Opinion Britain

'Eat your greens' politics brings its own dangers

Ewan White



Stephen Bush

Political legacies are what happen while you're dealing with other crises. Although it wasn't the only reason Rishi Sunak's career ended in landslide defeat, his reluctance to be the prime minister that circumstances demanded was part of the problem. He wasn't willing to let the fact that he took office after a long period of spending restraint, with an ageing population and a darkening geopolitical background, stand in the way of aping the form, but not the content, of the Thatcher-Lawson government of 1987.

Part of Sunak's problem was that he wanted to mimic the style, the manner and, in some cases, the dividing lines of a more successful era of Conservative politics without doing the hard work that came before. He wanted Nigel Lawson's triumphant budget in 1988, in which the basic rate of income tax was cut to 25 per cent, but not the fiscal consolidation of the preceding years. Fittingly, given his own sweet tooth, Sunak's government was one that wanted to have its dessert without having to eat the healthy stuff first.

> Labour's plans come with a bunch of stuff that is worthy and vital but won't necessarily boost growth

Sir Keir Starmer is a vegetarian who occasionally has the odd lapse. In a happy coincidence, "I have sworn off red meat but from time to time I just have to have some" pretty much exactly describes the UK's on-again, mostly off-again relationship with Labour governments.

But Starmer's diet also reflects the character of his administration. This is a "first, eat your greens" government — one that will talk a lot about the necessity of hard choices (read: taxes to go up and public services not to noticeably improve for some time) in the belief that what it is doing will unlock higher growth and easier choices just in time for the party to win a second term.

There are real political benefits to this approach: in an era when people don't trust politicians, telling them that there will be a period of inconvenience before they see any improvement does, at least, make it highly likely you will be able to say you have kept your promises.

But the policy benefits may well be illusory, not least because it can lead to a broader kind of "eat your greens progressivism": a government based on the idea not only that some policy choices are tough but necessary but that they will actively lead to better outcomes for the county as a whole.

Consider Labour's growth plans. There's the unalloyed good of planning reform and making it easier to build things. However, this is accompanied by a bunch of stuff that is worthy and vital, but is not necessarily going to lead to higher growth.

Ministers are right to talk about the importance of resilience, in both physical and digital infrastructure, the necessity of decarbonising the British and global economies, and the importance of onshoring some parts of the UK's defence in a changing world.

But these are true of all countries. Onshoring vital capabilities, building resilience and decarbonising are things everyone has to do, and they cannot easily become areas of comparative advantage because the UK is outside the walls of its nearest trading bloc, the EU, and both the US and China may become increasingly unreliable and chaotic in the coming years.

And some parts of this agenda do just cost more. Extra resilience in digital infrastructure simply does mean redundancy that you pay for, but mostly don't use. It can't be part of your growth strategy or a source of advantage for a country, just as "I really don't want to starve" can't be your opening pitch at a job interview.

The UK's sluggish growth, and the rising cost pressures exerted by everything from digital infrastructure to an ageing population to the climate crisis to a darkening geopolitical picture, can't be solved by investing only in the things that the country has to get better at in order to navigate those changes.

If anything, it's quite the reverse. The UK's areas of strength, such as pharmaceuticals, gaming, higher education, the arts and financial services, are going to need to do better so they can generate more revenue to help the country navigate changing tides, rather than hoping that having the capability to meet the urgent challenges facing all states will somehow become the key to a more prosperous UK.

While Sunak would certainly have done better as prime minister if he had been more willing to deal with the problems in front of him rather than the ones he wanted to wrestle with, for Starmer it is just as important that his growth strategy boosts the interests of the sectors in which the UK already does well. If nothing else it will make it easier for the UK to invest in the things it will have to do well and the crises it will have to overcome.

stephen.bush@ft.com

Letters

Email: letters.editor@ft.com
Include daytime telephone number and full address
Corrections: corrections@ft.com
If you are not satisfied with the FT's response to your complaint, you can appeal to the FT Editorial Complaints Commissioner: complaints.commissioner@ft.com

How UK economic tragedy becomes fiscal farce

Having just read Sam Fleming and Mary McDougall's report about bond losses suffered by the Bank of England ("UK can adjust debt rule to ease impact of BoE losses, say traders", Report, July 17), one has to commend the genius of 21st-century British economic policy.

First adopt an arbitrary debt to gross domestic product cap. Then ask the newly formed Office for Budget Responsibility to forecast — conditional on announced economic policy — whether the debt target will be reached. To which the answer is typically yes. Sub-clause: if not, change the rule.

Then stand well back and watch debt to GDP rise inexorably to 100 per cent, alongside a fall in the quality of the provision of public goods, as the revenue base erodes and the spectacular stall in living standards creates a structural fiscal deficit. And finally, as a coup de grâce, in order to allow room for much needed public expenditure within the existing fiscal rule, seek to redefine net debt so that some items of debt can be excluded from the count. We are now in danger of turning an economic tragedy into a fiscal farce.

Jagjit S Chadha
Director, The National Institute of Economic and Social Research
London SW1, UK

Barking up the right tree

The European wood industries are fully supportive of the aims of the EU's deforestation-free products regulation (EUDR), the practical failings of which, from a global south perspective, were perceptibly outlined by Alan Beattie ("Brussels can't see deforestation for trees in jungle of policies", Opinion, July 19).

To date, the implementation of the EUDR is a salutary reminder that the road to hell is indeed paved with good intentions. As companies have struggled with its onerous requirements, it has morphed into a prime example of the very "burdensome micromanagement" criticised by European Commission president Ursula von der Leyen in her recent re-election speech to the parliament in Strasbourg.

The difficulties associated with the EUDR's implementation include the challenges faced by EU companies as they endeavour to deliver on their new legal commitments to make certain that goods placed by them on the EU market, and those that are exported by them from the bloc, do not contain any item linked to deforestation and forest degradation. Clearly, given the size and complexity of this task, implementation was always going to be difficult hence it was surprising to discover, via an independent third-party legal evaluation, that these new obligations needed to be implemented in a shorter timeframe than has ever been imposed by comparable European legislation.

As a result of the unprecedented tightness of the deadline the decreed transition period simply does not enable the objectives assigned to it to be met before the deadline expires — large companies must fully implement the regulations from December 30, 2024, while micro and small companies have a further six months and the regulations will therefore apply to them from June 30, 2025.

Additionally the obligations imposed by the regulation are objectively unclear as evidenced by the fact that the commission has needed to publish 86 responses to industry queries on the interpretation of the regulation. A further 40 responses to queries are expected to be published by the commission soon. To date, 37 articles of the regulation need more than 100 commission "answers" to be understood.

Consequently in order to effectively combat deforestation and illegal logging — and to translate EUDR objectives into positive results — the European wood industries are calling on the EU to grant an adequate delay in the implementation of the EUDR.

Paul Brannen
Director Public Affairs, CEI-Bois — European Confederation of Woodworking Industries, Brussels, Belgium

"WE HAD TO TALK TO EACH OTHER DURING THE OUTAGE"

Debt of gratitude due for raising trauma awareness

We owe psychiatrist Bessel van der Kolk a debt of gratitude for raising awareness on trauma and, importantly, the road map he provides in his work for healing it (Lunch with the FT, Life & Arts, June 29). But we have arrived at a place where our society calls any pain trauma, an unhelpful stance and one that is disrespectful to people who have experienced actual trauma.

Additionally, the focus has become avoiding discomfort ("trigger alert!") rather than working through it. For those traumatised, this approach means staying stuck, the "mosquitoes in amber, frozen in the moment of catastrophe" rather than integrating earlier experiences into a present-day, more expansive sense of self.

For those stretching the definition of trauma, this allows for silencing any controversial topic with the accusation of emotional harm. Neither is healthy.

Van der Kolk's *The Body Keeps the Score* has been on The New York Times bestseller list for nearly 300 weeks. As your correspondent India Ross mentions, it is a dense, scientifically rigorous text. I'd add that it is nearly 500 pages.

I can't help but think many readers have over-identified with the diagnosis of trauma in the first half of the book, but lost steam by the second half which is about healing.

Keep reading, people!

Kelly Hearn
London W11, UK

Correction

● JD Vance, Donald Trump's Republican running mate, invested in AI firm Anduril Industries via his Rise of the Rest fund, rather than via his venture capital firm Narya Capital as incorrectly stated in an article on July 18.

OUTLOOK
AMERICA

Conspiracy theories are being baked into the US election

by Hannah Murphy

Within hours of Joe Biden dropping out of the US presidential race and endorsing his vice-president, Kamala Harris, baseless claims surfaced on social media that as neither of her parents were US citizens when she was born, she is not eligible to run for president. It was just the latest fraught online discourse related to the election.

Earlier this month, the attempted assassination of Donald Trump at a rally was, according to some of his fiercest online supporters, part of a secret plot to eliminate him ordered by shadowy forces that included the deep state, the antifa protest movement, even Biden himself. To some of his opponents, though, it was a "false flag" operation staged by Trump to give him a bump in the polls and a heroic photo opportunity.

Conspiracy theories around the election have been erupting across social media platforms, including X, TikTok and Meta's Facebook, stoking online tension at a time of dwindling trust in governments, institutions and democracy. Within three days of the shooting, the top theories had been viewed more than 215mn times on X, data from the Center for Countering Digital Hate shows.

Experts say a flood of conjectures can be expected in the anxious aftermath of an unexpected event. According to Karen Douglas, professor of social psychology at the University of Kent, research suggests we are drawn to conspiracy theories when one or more of our fundamental needs are frustrated — such as the need to know the truth. Online grifters then fan the flames.

In the lead-up to the 2020 election, a single conspiracy theory, QAnon, came to dominate, its adherents convinced that a Satan-worshipping, paedophilic, Democrat-allied "deep state" controlled the levers of global power. This narrative was fed by "Q", who promised Trump would save the world. Most believers lost faith after Q's prophecies failed to materialise.

Today, there is no single big conspiracy theory; instead individual ones proliferate on all sides and are becoming deeply baked into election politics, particularly in the US.

"I think what QAnon did was mainstreamed conspiracy theories," says Mike Rothschild, who wrote a book on QAnon. Popular myths around vaccinations, climate change and election denialism are now more broadly propagated. X owner Elon Musk is openly conspiracy minded in many tweets, for example, as is the Maga universe and, of course, Trump himself over the 2020 poll result. But the attempted shooting also spurred an explosion in theories from the left, an emerging phenomenon known as "BlueAnon".

So what, if anything, can be done to prevent a collective warping of reality on both sides of the political spectrum? Some experts, such as Jen Golbeck, a professor at the University of Maryland, College Park, whose research focuses on social media and conspiracies, call for closer policing of platforms, including the elimination of dangerous conspiracies, as well as increased fact-checking or labelling. "If people aren't seeing and engaging [with conspiracies], they won't stay engaged," she says.

Facebook announced a month before the US 2020 election that it would cull all QAnon pages from its platform, after it was increasingly being tied to real-world violence and harm. Today, the company says it deliberately tries to slow the spread of hoaxes and carries out third-party fact checks on viral misinformation.

But so-called "prebunking" or "inoculation" campaigns — designed to build up our pre-emptive resistance to misinformation by warning us of its existence — have had only mixed success.

And with multiplying conspiracies that are tricky to define and may not always cause real-world harm, blunt online crackdowns will surely be harder to achieve in this presidential campaign. Some research suggests taking down such theories will only reinforce the beliefs of proponents amid claims of censorship.

Ultimately, we may have to take responsibility for checking our own sources. "We need to be better in our own information diet," says Rothschild. "We need to stop waiting for social media companies to be the solution. We need to be the solution."

hannah.murphy@ft.com

Opinion

The vice-president should not just become the heir-apparent

Frank Luntz

An already unpredictable 2024 US presidential campaign became even more unpredictable on Sunday. The chaos caused by Joe Biden dropping out of the race could and should have been averted. But self-denial, always a factor in politics, was in full force in the weeks after his disastrous debate with Donald Trump at the end of June — and it still threatens our democracy now.

As the great Paul Simon wrote: "A man hears what he wants to hear and disregards the rest." For too long Washington politicians of all partisan stripes have colluded in a conspiracy of silence.

Even after a debate performance that led some Biden supporters to turn away in private, they still defended him in public. As for the vice-president, Kamala Harris, now looking likely to be the next Democratic presidential nominee, people have conveniently forgotten that she raised tens of millions of dollars for her 2020 presidential campaign, but dropped out before the first primary after failing to hone a convincing message. No Democrat has yet stood up to challenge her, even though many question her prospects behind closed doors.

On the Republican side, there are plenty of GOP politicos who do not agree with significant elements of Trump's agenda and don't like his vocabulary — but they too remain quiet. Their lack of courage is depressing, but significant. They know that a harsh rebuttal from a vengeful Trump could prematurely terminate their own political careers.

But in a campaign season that has rewarded style as much as substance, the Republicans are now lining up to score political points with their base by calling for Biden's immediate resignation from the presidency. That's going to turn off the majority of voters who appreciate the humanity of his situation and the difficulty of his decision. Never missing the chance to kick a man when he's down, Trump and his followers have heaped abuse on Biden in the immediate aftermath of his announcement instead of focusing on drawing a clear contrast between the records of Trump and Harris, his presumptive opponent.

Republicans listen only to Republicans. Democrats listen only to Democrats. But as a pollster, my job is to listen to everyone. I moderated a focus group of undecided swing voters on Friday night to measure the combined impact of the debate three weeks ago, Biden's post-debate interviews, his recent press conference, and the Republican convention.

> In their rush to judgment, Democrats need to remember that we have a democracy to protect

Not one of these voters wanted Biden as the Democratic nominee — not because they disliked his policies, but because they didn't think he could do the job for another four years. You can spin just about anything, but old is old.

To my surprise, only one of the participants preferred Harris as the Democratic nominee. All the others chose someone else or had no preference at all. That tells me that the presidential head-to-head polling, after an initial Harris bump, is likely to go unchanged in the coming weeks, even with Harris now on top of the ticket. She will have to wait for the Democratic convention to have her redefining moment.

But the focus group's evaluation of Trump's convention speech was hardly what his campaign had hoped for either: too long, too boring, too Trumpian, they said. The unity he promised in the opening moments gave way to the same name-calling that keep these undecideds still undecided.

It's not because they like some elements of both campaigns and simply can't decide. It's because they dislike both candidates (Trump and Biden at the point of asking) and are trying to figure out who will do less damage to the country. Harris will therefore need to break free of Biden if she is to be successful.

It is in this environment of scepticism and cynicism that the Democratic leadership seems determined to prevent any possibility of an open convention. They appear to prefer the tidiness of presidential succession — even if it leads to elevating a flawed nominee — to the chaos and confusion of encouraging Democrats to express their opinions and potentially pick a politically more viable outsider without the baggage of the current administration.

But in their rush to judgment they need to remember that we have a democracy to protect. It would be damaging to an already weakened system just to hand the nomination to the heir apparent without any debate or discussion. If Democrats decide to give Harris the nomination by acclamation, Trump will undoubtedly claim, with some accuracy, that it was a rigged process orchestrated by the party elite. It may be better to suffer a few weeks more of political chaos than four years of regret and recrimination.

The writer is a pollster and political strategist

Trump, Harris and a fear-filled campaign

GLOBAL AFFAIRS
Gideon Rachman

When it comes to political melodrama, America is still the undisputed world leader. Joe Biden's decision not to seek re-election as president came just days after the attempted assassination of Donald Trump.

But while the plot twists of the US election continue to shock and bewilder, in other respects this year's presidential race is following a predictable script. Even before Biden bowed to the inevitable and stepped down, it was clear that both the Republicans and the Democrats will run campaigns based on fear.

That will not change, whoever becomes the Democratic candidate. Indeed, if vice-president Kamala Harris is the nominee, as seems probable, the Republicans will redouble the fear-mongering venom of their campaign.

Demonising Biden, an old white guy from Pennsylvania, was relatively difficult for Trump and his "Make America Great Again" legions. Harris is a Black woman from California — the perfect target for the Maga movement.

Even before Biden stepped down, rightwing commentators were suggesting that Harris would be America's first "DEI president". They argue that she has risen to the top not on merit, but on the basis of policies that promote "diversity, equity and inclusion".

As far as Republicans are concerned, DEI is the epitome of "woke" policies that weaken the US and discriminate against white men. Trump picked another white guy, the senator JD Vance, as his running mate and entered last week's Republican convention to watch Vance speak, as the song "It's a Man's World" boomed out around the arena.

At the convention, it became clear Trump will fight the election on immigration, inflation, war and wokeism. For Republicans, these themes are all linked by the claim that the Democrats pose a mortal threat to the American dream.

Democrats will appeal to a different set of fears. Their key themes are likely to be abortion and authoritarianism. Harris, or whoever replaces Biden at the top of the ticket, will claim that Trump threatens the fundamental freedoms of ordinary Americans.

The issue that most riled the Republican convention was the supposed invasion of America by illegal immigrants. Audiences in the hall and on television were regaled with stories about migrants raping and murdering Americans. Delegates waved placards demanding "Mass Deportation Now".

Republicans will relish trying to pin the migration crisis on Harris, who they call Biden's "border tsar". The vice-president says that her actual mission is working with Latin American states on the root causes of migration — not securing the Mexican border. But that distinction is likely to get lost in the tumult of an election campaign.

The third element of the Republican fear campaign is war. Trump has repeatedly warned that a third world war is an imminent danger. His party will claim that only he is strong enough to deter America's enemies and prevent the US from being dragged into conflict.

Trump has also claimed that America is suffering from the worst inflation in its history. That is nonsense. But a reported 25 per cent increase over four years in the price of groceries is damaging for the Democrats. The party will find it hard to run a positive campaign on the economy highlighting low unemployment. So the Democrats will also go negative and run a fear-based campaign focused on the deep misgivings of many Americans about Trump.

> The bleak reality is that presidential races that offer hope and optimism look like a thing of the past

Outlining Republican plans to tackle illegal immigration, Trump's advisers have talked about using the National Guard to round up millions of people, and building massive deportation camps. Their willingness to air such proposals suggests that they know that their position is popular — at least in theory.

It is the issues Republicans are quiet about that Democrats will highlight. For decades, Republicans have demanded a national ban on abortion. The Supreme Court's reversal of Roe vs Wade in 2022 made that suddenly possible. This frightened voters, particularly women, across the US and may have helped the Democrats put in an unexpectedly strong performance in the 2022 midterms.

In response, the Republican platform — which bears Trump's imprint (right down to the Random Use of capital letters) — has now dropped the demand for a national ban on abortion. Nonetheless, Democrats see the issue as a key Republican vulnerability. Harris's backers believe that she is a particularly effective campaigner on abortion.

Another issue that was conspicuous by its absence from the Republican convention was Trump's attempt to overturn the results of the 2020 presidential election. On the convention floor, I found delegates who were prepared to state that January 6 2021 was a "great day". But no one speaking from the platform wanted to venerate, or even mention, the pro-Trump mob that stormed the Capitol that day.

Trump himself briefly alluded to his claims that the 2020 election was stolen, when he strayed off script during his marathon acceptance speech. But his campaign managers want to bury that issue. They know the fear that Trump is a would-be dictator remains the Democrats' strongest card.

The bleak reality is that presidential campaigns that offer hope and optimism look like a thing of the past. The outcome of the 2024 election will turn on which party is most effective at terrifying the voters.

gideon.rachman@ft.com

Venezuelans want to throw off the shackles of Maduro's regime

María Corina Machado

There are a few days left until July 28. On that day, presidential elections will be held in Venezuela. After 25 years of struggle, Venezuelans are facing the best opportunity we have had so far to overcome a dictatorial regime that has destroyed our economy and forced a quarter of our population to emigrate.

Turning the upcoming elections into a real option for change has required extraordinary effort. A couple of years ago, Nicolás Maduro's regime felt relatively secure. The pandemic served as an excuse to further restrict the civil and political rights of citizens, while investing heavily in a narrative — both domestically and internationally — that "Venezuela has been fixed".

Nothing could be further from the truth. Only those who can evade the reputational cost of doing business with this criminal regime want Maduro's rule to continue. The future of Venezuela is very bleak if he stays in power. Venezuelans know this well. Change is a necessity on which we are placing all our hopes and investing all our efforts.

The opportunity for something new emerged in 2023 with my election as the opposition candidate to confront Maduro. It was vital to us that this primary election was conducted without interference from the National Electoral Council controlled by the regime, using manual voting and facilitating the participation of Venezuelans abroad.

After many sham elections, these primaries reconciled Venezuelans with the good electoral practices essential for effective voting. More than 2mn people participated in this process, marking a true turning point. The primaries revealed the reality that the government's lies had hidden: Venezuelans were not complacent or apathetic, but outraged and willing to open a true electoral path for change.

Since then, Venezuela has witnessed unprecedented events. A massive citizens' movement, as peaceful as it is powerful, has emerged from the remotest corners of the country. People have rallied to support a campaign that is censored by the national press, radio and TV, financially limited and harassed in multiple ways by the regime.

Maduro breached the agreement to organise free and fair elections reached between him and the opposition in Barbados on October 17 last year. The first blow came from disregarding the results of the primaries, disqualifying me from competing in the presidential race through rigged judicial procedures. Later on, without giving a reason, they also prevented my replacement, Corina Yoris, from registering as a candidate.

> Citizens were not complacent or apathetic, but outraged and seeking an electoral path for change

As of the time of writing, 24 members of our campaign staff have been jailed or are seeking asylum in the Argentine embassy in Caracas. Regime security forces are shutting businesses and raiding the homes of people who support us.

Despite all this, the citizens' force continues to grow, now rallying around the candidacy of Edmundo González Urrutia. All reasonably reliable polls show that twice as many voters, at worst, support González as the president. Maduro meanwhile claims he will stay "by hook or by crook".

It's clear to us that "by crook" means massive fraud and repressive violence. It means closing off the possibility of peaceful and democratic change. It also means perpetuating Venezuela's situation as a sanctuary for organised crime and the hybrid warfare promoted by Iran and Russia. Millions more Venezuelan migrants will flood Latin America, North America and Europe, fleeing a predictably grim future.

Only the hope of peaceful electoral change can contain this new migration surge. Venezuelans do not want more hatred or violence. We are united in a desire for profound change. We know the regime cheats, and that is why we have put together the largest electoral monitoring organisation ever seen in our country and possibly in the entire region.

We are doing our part, and we need the determined support of democrats worldwide for the outcome of this election to be respected by the regime. That would encourage Maduro to engage in a negotiation for a peaceful transition to democracy.

Few countries have our potential. Under a democratic government, we could make our nation the energy hub of the Americas. The debt accumulated by *chavismo* could be restructured and paid off as we restore the rule of law.

Most importantly, our people, now separated, could reunite and live together in Venezuela again. The dream of so many Venezuelan children who ask me to bring their parents back after years of earning a living abroad, could become a reality. We must prevail and make Venezuela free again.

The writer is the leader of the Venezuelan opposition

Labour must address growth and inequality in tandem

Paul Johnson

"Growth" got 49 mentions in the 130-page Labour manifesto, leaving no doubt about where the party aims to find answers to the many problems it's inherited. Contrastingly, "inequality" appeared just once. This is notable, given not only party history, but also public attitudes. There is plenty of evidence that concern about inequalities is high and has grown since 2010.

That said, the two are inextricably related. Over the past 15 years, incomes and earnings have grown at a feeble rate. Income inequality between rich and poor has, if anything, fallen slightly. But the slow growth, accompanied by mostly ultra-low interest rates, has driven another kind of inequality. It penalises younger generations relative to older groups, who had accumulated wealth before growth stopped. And it changes the determinants of inequality: young people are more dependent on the economic position of their parents, over which they have no control, than in many generations.

The resumption of growth would help avoid further entrenching these inequalities, and perhaps reverse them. It would also mean more public money available to spend on things that can lift everyone up. New Labour spent growth proceeds on higher benefits and tax credits — helping to ensure that all groups saw substantial income growth — and on health, education and other public services. Get more growth, and their successors may well do the same.

This isn't to say that growth necessarily reduces inequality. The 1980s stand out in the UK as a decade of very rapid increases in earnings accompanied by unprecedented increases in inequality. The effects are felt to this day in "left behind" communities. Indeed, that is perhaps the clearest example of why we can't just assume that impacts on those less favoured by change can be dealt with later, using the extra wealth created. In truth that kind of "compensation" never really happens. And in any case, people generally prefer to be able to make their own way in the world, not to be forced to depend on charity. It is striking that Labour's manifesto places more emphasis on making work better than on increasing redistribution.

> Get the policy wrong and you risk increasing divides in ways that will derail the original objective

One policy with concerns about inequality at its core is the commitment to build 1.5mn homes. That will help, over the long term, to reduce generational inequalities, and to provide opportunities for those without wealthy parents. Local communities will often object. There are winners and losers. This time, though, the losers are typically relatively privileged, and the winners those who have been shut out from owning, or indeed renting, their own home.

Despite ditching the phrase "levelling up", geographic inequalities are clearly a concern of the new government. We have one corner of our country that is close to the productivity frontier of the high-income world, and the rest lagging well behind. The latter will only catch up if their economies can grow.

Labour has already made clear its ambitions for ensuring we get to net zero carbon emissions. The challenge here is different. You can sell this as a policy aimed at reducing inequality — between generations or the rich and poor world. But perhaps the biggest challenge will be to make the transition in a way that is mindful of the distributional impact today. It will be expensive. It could be disruptive. Ignore the potential effects on vulnerable households, or even those on average incomes, and the whole project could be derailed.

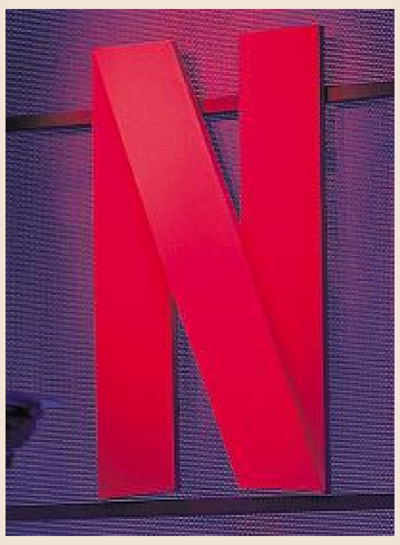
The lesson of the past 50 years is that macroeconomic policy, provision of public services, trade, immigration, housing and a whole lot more matter for inequality. Get the policy wrong and you risk either increasing inequalities in ways you won't like, or in ways that will eventually derail the original objective. Labour's manifesto may barely mention it, but consideration of inequality must nevertheless be at the heart of its agenda.

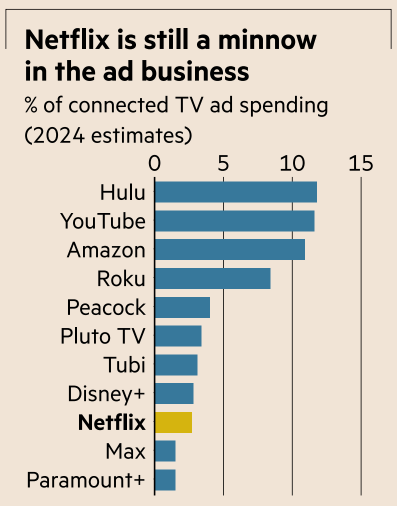
The writer is director of the Institute for Fiscal Studies

Lex.

Bhanu Baweja
Trump 2.0 wouldn't play out the same as first time around
MARKETS INSIGHT

Netflix faces demanding set of challenges in advertising wars





Source: eMarketer

Netflix has won the streaming war. Now it needs to win the advertising one. That will be easier said than done.

The group remains the undisputed leader in video streaming. Last week it threw up another big quarter of subscriber and revenue growth, adding more than 8mn net new subscribers from April to June. Revenue rose 17 per cent to $9.6bn while net income rose nearly a third.

Fuelling the growth was last year's decision to crack down on password sharing and introduce a lower-priced subscriber plan with advertising. Hit shows such as *Bridgerton* and *Baby Reindeer* also helped attract viewers.

As rival streaming services struggle to gain customers and make a profit, Netflix, with its 27 per cent operating margin and robust free cash flows, is the envy of the sector. Its stock, up 35 per cent over the past 12 months, hit a new high this month. At about 30 times forward earnings, it commands a premium over rival streaming operators.

But the subscriber surge from the password crackdown cannot last. User growth will slow from as soon as the next quarter. Netflix plans to stop reporting quarterly subscriber numbers starting next year.

It's a questionable move that may backfire. Without insight into subscriber growth, investors will be forced to focus on other metrics. Netflix will need to start making more money from advertising to maintain its share price gains.

The problem is Netflix is still a minnow in advertising. While YouTube and Amazon have well-oiled ad machines, Netflix is only to starting to build its own ad-tech platform. Analysts at Emarketer forecast Netflix will generate $760mn in advertising revenue this year. That would translate into just a 2.7 per cent market share of the so-called connected TV ad business. Hulu and YouTube each have 12 per cent, while Amazon has 11 per cent.

Of Netflix's 277mn subscribers, 40mn are now on the cheaper ad-supported plan. It needs to work harder to monetise these customers. That means showing more ads, or even introducing ads to its other ad-free tiers. At Amazon's Prime Video, showing ads is the default mode. Users have to pay more to avoid ads.

But people pay for Amazon Prime for free delivery. Video is just gravy. Netflix customers will have less tolerance for ads, and for being asked to pay more to stay ad-free. After years of pitching itself as an ad-free alternative to traditional TV, Netflix faces its toughest battle yet.

Ryanair's tough talk over low fares spells bumpy ride for rivals

Revenge travel has taken a new twist. The term was originally coined to describe the travel boom after the pandemic as consumers revolted against several years of lockdown restrictions. Now holidaymakers are no longer willing to travel at any cost.

Unexpectedly poor first-quarter results from Ryanair show passengers will exact revenge on airlines if they push ticket prices too high.

For investors, this is reason for caution across the sector — even if aircraft delivery delays from the likes of Boeing and Airbus should provide something of a life raft in future years.

Shares in all European airlines sank yesterday after Ryanair reported a 46 per cent drop in quarterly profit after tax to €360mn, missing the consensus of €538mn. The main culprit was a 15 per cent drop in average fares to less than €42.

The low-cost airline carried 5.1mn more passengers than the same period a year earlier. But as its chief executive Michael O'Leary said, consumers were prepared to travel "only at a price".

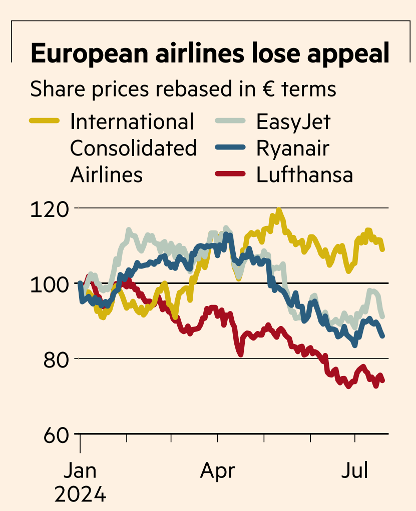
While full-year traffic is still expected to grow 8 per cent to 200mn passengers, Ryanair expects fares in the key summer season to be "materially lower" versus its previous guidance of "flat to modestly up".

After recent efforts to limit discounting did not go down well with customers, Ryanair will "aggressively" advertise low fare availability, O'Leary warned. Given its low cost base, that can only be bad news for rivals. Ryanair had net cash of €1.74bn at the end of June, up 27 per cent.

There were already warning signs. Some US airlines and hotel operators had reported softening leisure demand and shares in many European airlines were also down in 2024.

Consumers yet to book summer or autumn getaways will relish a price war — but cheaper than expected does not mean rock bottom. Ryanair's average ticket price in the first quarter was €6 higher than pre-pandemic.

Ryanair reckons delays from Boeing and Airbus should help the industry in future years as it keeps a lid on capacity. Even so, the assumption that constrained capacity should support much higher ticket prices now looks shaky. Capacity in Europe in 2024 is still about 5 per cent lower than pre-pandemic levels. Investors should keep their seatbelts on for now.



Source: LSEG

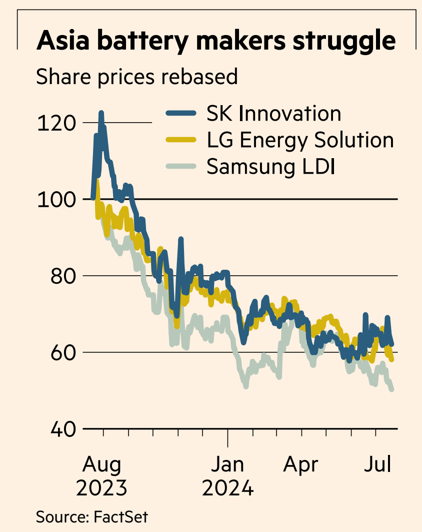
Asia's EV battery makers look at far from welcome prospect of a Trump win

President Joe Biden's decision not to seek re-election moved oil prices and the US dollar yesterday. For some businesses in Asia, there could be a more lasting impact.

Biden's decision to abandon his bid for a second presidential term, endorsing vice-president Kamala Harris, leaves the Democrats' efforts to stop a victory for Donald Trump in disarray. Asia's electric-car battery makers are already suffering from the risk of a Donald Trump triumph.

Asia's battery makers have been building plants in the US, investing billions of dollars to set up local supply chains. They have also struck joint ventures with US carmakers.

South Korean battery maker LG Energy Solution is building its third plant with General Motors in Michigan. Peer Samsung SDI has committed to two plants with Stellantis in Indiana and another with GM. Japanese rival Panasonic has also previously said there were potential plans to invest in a third factory in North America, following a Kansas factory that is under construction.



Source: FactSet

This boom was fuelled by the Biden administration's clean energy measures within the landmark Inflation Reduction Act of 2022, which includes reducing carbon emissions as one of its goals. That lured Asian battery makers to the US with uncapped tax credits.

US tax credits offered a subsidy of $35 per kilowatt hour (kWh) for locally produced battery cells, $10 per kWh for battery modules and a 10 per cent production cost credit for mining and producing certain battery minerals.

An election victory for Trump, who has vowed to roll back Biden's clean energy policies, would force changes to the US strategy of Asia's EV battery makers.

Battery manufacturers have already been struggling with weaker demand for electric cars and fierce price competition from Chinese peers such as CATL. The average selling price of Chinese power cells fell more than 50 per cent between the start of 2023 and December. The resulting squeeze on margins would limit battery makers' ability to ride out five years of unfavourable US policy.

Shares of LG Energy Solution, Samsung SDI and SK Innovation, parent of SK On, are all down about a quarter this year, and fell further yesterday.

A Harris victory, meaning a lower chance of a drastic overhaul of current policies, could render that sell-off overdone. But at a time when battery makers are grappling with potential overcapacity, rising uncertainty about the pay-off on US investments means a rough road ahead.

Woodside's LNG deal risks foundering under looming supply glut

It takes a brave company to dive headfirst into a wave of overcapacity. Yet that is what Woodside is doing with its $1.2bn bid for US liquefied natural gas developer Tellurian. This looks like an opportunistic swoop given Tellurian's straitened circumstances. But the Australian oil and gas group has its work cut out to make a decent return against a looming LNG glut.

The take-out marks an ignominious end for Tellurian, founded by industry veteran Charif Souki, who was ousted as chair at the end of last year. Shareholders are getting $900mn: in 2017 Tellurian had a market value of almost $3bn. The developer had been trying — and failing — to get its huge Driftwood export project in Louisiana off the ground. Amid a dearth of offtake agreements and funding, it was slowly withering on the vine.

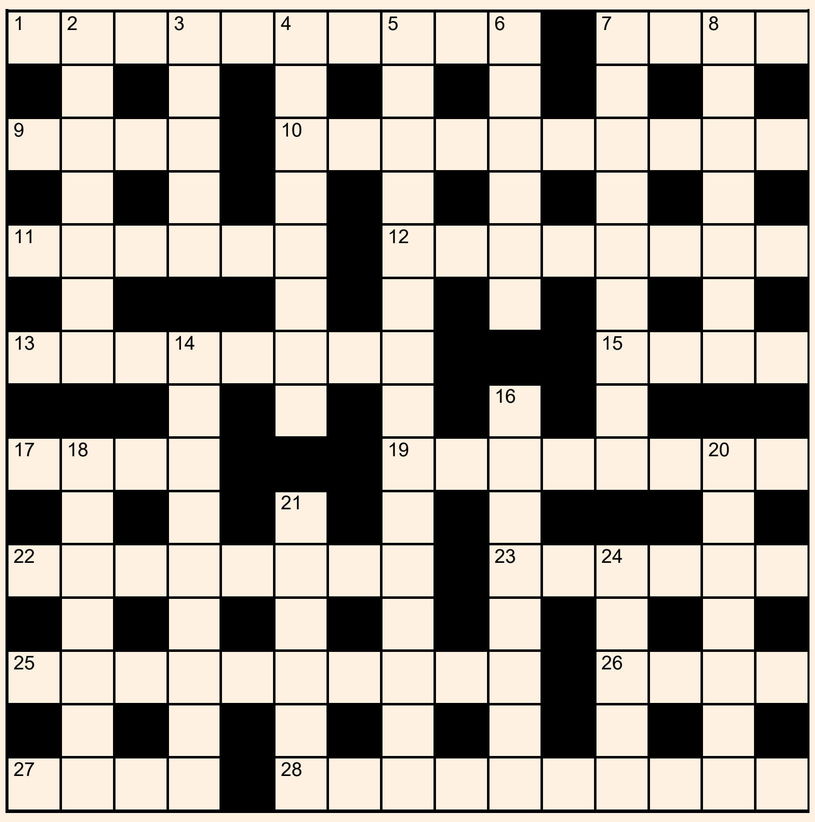
That helps explain Woodside's interest. Indeed, for $1.2bn including debt, it is getting $1bn of capex that Tellurian had already sunk into the ground, plus development and export permits.

Trouble is, it will need to invest perhaps $16bn to complete the project's first two phases. The LNG terminal is due to come online at the tail-end of the decade, when the market will already be heavily oversupplied.

Between 2025 and 2027, 175mn tonnes per annum (Mtpa) of new LNG are set to hit the market, according to broker Bernstein. On top of that, developers are looking to take final investment decisions on projects that could deliver a further 230 Mtpa. That will lead to oversupply in the early part of the 2030s. This abundance of sellers will compress returns.

There are lots of ways for Woodside to improve returns, including being clever with how it trades the LNG. Selling a stake in the Driftwood project, as Woodside said it planned to do, would also help. Woodside could even swing a higher price than it paid for the asset given there is a wealth of gas-hungry Middle Eastern companies on the prowl. Even so, the Australian group's new venture may find it a struggle to keep returns afloat.

CROSSWORD No 17,795 by GOZO



ACROSS

1 Bone meal covering various strata (10)
7 Chopper circling top of lift shaft (4)
9 Openers from Yorkshire entertain the Indians' mountain dweller? (4)
10 Wielded gun, swallowing drug, having no ambition (10)
11 Detain a king indoors — this one? (6)
12 One might ring bordello, perhaps (8)
13 Bird takes tiny step back (8)
15 US theatre award for New York (4)
17 Area of land, one that's about right (4)
19 Lights out here in France, it's decreed (8)
22 Sporting colleague chewing meat again and again (4,4)
23 Queen is overthrown and might be burnt (6)
25 Deaconship ordered porcelain (5,5)
26 Lavishly appointed — not soft, but luxurious (4)
27 Clothes deteriorate (4)
28 Feature of light talk (7,3)

DOWN

2 Spain's trees are rubbish! (7)
3 My friend, it's before noon, I leave (5)
4 Bridgewater Canal crossing! (8)
5 Miss appointment with firm – an average joker (5-2,8)
6 Trophy mate returned to PC (6)
7 A small reptile seizes bait at sea, being agile (9)
8 Oil from the Cotswolds? (7)
14 I had men join the marines in month of revolution (9)
16 Where prompts are given to gaffes misdelivered (8)
18 Peach crumble that is a bargain (7)
20 Not a Jumbo's failing, apparently (7)
21 Some bounder — a scallywag (6)
24 Somewhat well-endowed girl (5)

Solution 17,794

T	E	R	R	I	F	I	C		D	I	G	G	E	R
	V		U		O		H		E		I		L	
C	O	O	L	E	R		A	S	L	O	N	G	A	S
	K		E		S		P		E				B	
H	E	R	O		O	U	T	A	T	E	L	B	O	W
			F		O		E		E		I		R	
A	G	I	T	A	T	O	R				G	O	A	T
	R		H		H		A		S		H		T	
B	E	A	U				N	O	M	A	T	T	E	R
	E		M		T		D		I		C			
U	N	O	B	S	E	R	V	E	D		A	L	M	S
	H				M		E		G		N		A	
W	A	X	P	A	P	E	R		E	L	N	I	N	O
	N		H		L		S		N		O		O	
A	D	M	I	R	E		E	L	S	I	N	O	R	E

JOTTER PAD

Scan the QR code to access FT crosswords over the last 30 days — cryptic, Polymath, Weekend and Sunday puzzles — or go to ft.com/crosswordapp