FINANCIAL TIMES

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Why Benin is banking on the humble T-shirt
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Harris needs to put herself in the spotlight
EDWARD LUCE, PAGE 17

Brussels probe into breach of digital rules adds to pressure on Telegram

- App user numbers in doubt
- French investigate alleged criminality
- Founder Durov 'hiding nothing'

HENRY FOY, ALICE HANCOCK AND PAOLA TAMMA — BRUSSELS
ADRIENNE KLASA — PARIS

Brussels is investigating whether Telegram breached EU digital rules by failing to provide accurate user numbers, as officials push to bring the messaging app under stricter supervision.

EU legal and data experts suspect that the app has understated its presence in the bloc to stay under the 45mn-user threshold for large online platforms that triggers a swath of Brussels regulations designed to check their influence.

The EU probe comes alongside a wide-ranging French investigation into alleged criminal activity on Telegram that led to the arrest on Saturday of its founder, Russia-born billionaire Pavel Durov. A magistrate was due last night to decide whether to charge or release him. Telegram has said Durov, who is now a French-Emirati citizen, has "nothing to hide".

The company said in February it had 41mn users in the EU. Under the bloc's Digital Services Act, Telegram was supposed to provide an updated number this month but did not, declaring only that it had "significantly fewer than 45mn average monthly active recipients in the EU".

The failure to provide the new data puts Telegram in breach of the DSA, two EU officials said, adding that it was likely the EU's probe would find the true number was above the threshold for "very large online platforms". The designation brings greater obligations for compliance and content moderation, third-party auditing and mandatory data-sharing with the commission.

Telegram has exploded in popularity in recent years, offering encrypted messaging services as well as groups and broadcasting channels used by global leaders. It claims to be nearing 1bn users.

Durov told the Financial Times this year that Telegram's user base was "roughly proportionate to the population of each market [or] continent", with the exception of China.

Telegram did not respond to requests for comment on the EU's probe.

The commission's Joint Research Centre — the EU's in-house data and science service — is conducting a technical investigation to determine Telegram's number of EU users, officials briefed on the probe told the FT, alongside talks with the app about its own calculations.

"We have a way through our own systems and calculations to determine how accurate the user data is," said Thomas Regnier, commission spokesperson for digital issues. "And if we think that they haven't been providing accurate user data, we can unilaterally designate them [as a very large platform] on the basis of our own investigation."

The DSA rules for very big platforms came into effect a year ago, forcing the biggest online groups, including Instagram, Google and TikTok, to hire thousands of people to work on compliance.

The rules — which include banning the targeting of ads to users based on religion, gender or sexual preference; mechanisms that force platforms to disclose steps being taken to tackle misinformation or propaganda; and new protections for minors — have prompted legal challenges from some platforms.

Durov has built ties in France since leaving Russia in 2014, allegedly fleeing after refusing to comply with demands for access to Ukrainian user data. He was granted citizenship in 2021.

French President Emmanuel Macron had lunch with Durov in 2018, according to a person with knowledge of the situation. "Macron meets CEOs and entrepreneurs all the time to discuss business and investment, so it was in that context," the person said, adding that the head of state and Durov had met "one or two times" but not in recent years. The lunch was first reported by the Wall Street Journal.

Additional reporting by Hannah Murphy

Pavel Durov in San Francisco 2015. The Russia-born billionaire is now a French-Emirati citizen
Steve Jennings/Getty Images for TechCrunch

Strategy backfires

Pavel Durov was relaxed over new laws targeting harmful content as he spoke to the FT this year, saying: 'We don't expect significant challenges.' That calculation has backfired spectacularly. **Hands off, Page 6**

Briefing

▸ Geneva-based executives jailed over 1MDB fraud
A Swiss court has sentenced two former PetroSaudi executives to long jail terms for their role in the collapse of Malaysia's sovereign fund 1MDB, in one of the biggest ever frauds. The pair were guilty of embezzling $1.8bn.— PAGE 5

▸ Ukraine wins $11bn boost
Kyiv has secured relief of $11bn on more than $20bn of debt from private international bondholders, boosting its race to finance an intensifying war effort against Russia.— REPORT & ANALYSIS, PAGE 2

▸ Klarna weighs shake-up
The Swedish fintech's board is weighing the removal of an ally of one of the group's co-founders in what would be its second big upheaval as a blockbuster listing approaches.— PAGE 6; LEX, PAGE 18

▸ Fears for Red Sea oil spill
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▸ Lego pays up to go green
The largest toymaker is paying 60 per cent more for plastic resin made mostly from renewable or recycled material as it strives to become fossil-free, a move funded by its rising profitability.— PAGE 5

▸ Buyout firms at NFL door
The National Football League has approved changes to its ownership policies that will allow the private equity industry to invest in teams, opening the US league to buyout firms for the first time.— PAGE 6

▸ Berlin looks at migration
Olaf Scholz has proposed talks with Germany's main opposition party and regional leaders on toughening immigration policy after a terrorist attack on Friday that killed three people.— PAGE 2

▸ Bond fever grips market
Investors are pouring cash into US government bond exchange traded funds as fever spreads through the market before an expected rate cut in September.
— REPORT & CHINA BUBBLE, PAGE 8

Pharma groups direct fire at harder-to-treat cancers

Analysis ▸ PAGE 7

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		

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Buffett's Berkshire joins the $1tn club as only member from outside Big Tech

ERIC PLATT — NEW YORK

Warren Buffett's Berkshire Hathaway yesterday became the first US company outside the tech sector to pass a $1tn market valuation, joining a club dominated by Apple and Microsoft.

A small advance in the share price pushed the group past the $1tn mark in the morning, before the price fell back later in the day.

The sprawling conglomerate has been engineered by Buffett over the past six decades into a force touching almost every corner of the US economy. Its rail cars run on more than 32,000 miles of track across the country, it owns a parts manufacturer for Boeing and it runs one of the biggest US motor insurers.

Buffett, who turns 94 tomorrow, has spent the year selling stocks — including half the stake in Apple that generated a mammoth trading profit for Berkshire — and holding the proceeds as cash and short-term Treasuries.

Shareholders have rewarded Berkshire, pushing its valuation up more than $200bn this year. Its class A common stock is up nearly 30 per cent since the start of January, outpacing the broader S&P 500. The A shares stood at $695,970, up 0.7 per cent, in lunchtime trading yesterday.

Jeff Muscatello, a research analyst at Berkshire investor Douglass Winthrop, said the rise since Buffett took control of the company in 1965 was down to "the consistency of their approach" as well as Buffett's investing rules.

"The first [rule] is don't lose money," Muscatello said. "The second is don't forget rule number one and let the laws of compounding work over an incredibly long period of time."

The surging valuations in Berkshire shares and the wider stock market have not been lost on Buffett. The billionaire in May slowed buybacks and in June did not repurchase any shares. Buffett has sole discretion over the buyback scheme and generally curtails buying when he thinks the stock is overvalued.

The company's cash pile soared to a record $277bn in June as Buffett found few compelling investments. While periods of sparse dealmaking have troubled Berkshire investors in the past, few are ringing alarm bells now, as the company looks to have avoided some of the troubles that have hit private equity.

"Building the cash position . . . when I look at the alternative of what's available in the equity markets and I look at the composition of what's going on in the world, we find it quite attractive," Buffett told the annual meeting in May.

World Markets

STOCK MARKETS

	Aug 28	Prev	%chg
S&P 500	5595.07	5625.80	-0.55
Nasdaq Composite	17559.64	17754.82	-1.10
Dow Jones Ind	41134.67	41250.50	-0.28
FTSEurofirst 300	2064.49	2057.77	0.33
Euro Stoxx 50	4915.77	4898.78	0.35
FTSE 100	8343.85	8345.46	-0.02
FTSE All-Share	4560.74	4564.68	-0.09
CAC 40	7577.67	7565.78	0.16
Xetra Dax	18782.29	18681.81	0.54
Nikkei	38371.76	38288.62	0.22
Hang Seng	17692.45	17874.67	-1.02
MSCI World $	3647.30	3641.81	0.15
MSCI EM $	1099.77	1104.28	-0.41
MSCI ACWI $	830.81	830.03	0.09
FT Wilshire 2500	7236.21	7228.88	0.10
FT Wilshire 5000	56310.40	56261.10	0.09

CURRENCIES

Pair	Aug 28	Prev	Pair	Aug 28	Prev
$/€	1.113	1.117	€/$	0.899	0.896
$/£	1.322	1.324	£/$	0.757	0.756
£/€	0.842	0.844	€/£	1.187	1.185
¥/$	144.515	144.250	¥/€	160.846	161.076
¥/£	190.971	190.908	£ index	84.804	84.506
SFr/€	0.937	0.941	SFr/£	1.113	1.115

CRYPTO

	Aug 28	Prev	%chg
Bitcoin ($)	59910.42	59318.85	1.00
Ethereum	2521.07	2478.45	1.72

COMMODITIES

	Aug 28	Prev	%chg
Oil WTI $	74.78	75.53	-0.99
Oil Brent $	78.88	79.55	-0.84
Gold $	2508.55	2511.20	-0.11

GOVERNMENT BONDS

Yield (%)	Aug 28	Prev	Chg
US 2 yr	3.86	3.93	-0.07
US 10 yr	3.83	3.85	-0.02
US 30 yr	4.12	4.15	-0.03
UK 2 yr	3.72	3.70	0.02
UK 10 yr	4.07	4.07	0.00
UK 30 yr	4.51	4.50	0.01
JPN 2 yr	0.37	0.36	0.01
JPN 10 yr	0.89	0.87	0.01
JPN 30 yr	2.04	2.05	0.00
GER 2 yr	2.38	2.41	-0.03
GER 10 yr	2.26	2.29	-0.03
GER 30 yr	2.50	2.53	-0.03

Prices are latest for edition
Data provided by Morningstar

A Nikkei Company

International bondholders

Ukraine boosted by $11bn debt agreement

Deal reducing interest payments frees up cash to help finance war effort

JOSEPH COTTERILL — LONDON

Ukraine has secured relief on more than $20bn of debt from private international bondholders, boosting Kyiv's race to finance an intensifying war effort against Russia.

Almost all of Ukraine's bondholders voted for a deal that will write down the face value of their debt by more than a third and free up $11bn for the country's finances in the next three years through reduced interest payments, the finance ministry said yesterday. President Volodymyr Zelenskyy's government has negotiated one of the fastest and biggest sovereign debt workouts in modern history over the past four months, even as Kyiv pulled off an audacious counter-invasion of Russia and pushed western backers for more military aid.

Bondholders had granted a two-year suspension of payments after Russia's full-scale invasion in February 2022. But Ukraine needed deeper relief on the bonds in order to keep IMF bailout loans flowing and to eventually restore access to private financing.

Ukraine's budget deficit has surged this year to finance its military operations as Russia has stepped up attacks on cities and infrastructure. "This is an important step on Ukraine's path to restoring long-term economic stability and will enable our swifter re-entry to international markets once the security situation improves," said Sergii Marchenko, finance minister.

The restructuring will reduce economic value of the debt by about 60 per cent, with Ukraine resuming interest payments at a much reduced level after the suspension, which officially expired this month.

This will include bondholders directly writing off 37 per cent of their claim. The "haircut" could lessen to 25 per cent if Ukraine's GDP beats IMF targets, set for 2028. Ukraine will resume interest payments at 1.75 per cent, rising to 4.5 per cent in 2026 and eventually to 7.75 per cent.

A key test will come in 2027 when Ukraine's official creditors are set to restructure their own debts at the end of Kyiv's current IMF programme.

Ukraine is lobbying for more official financial support to backstop its war effort, on top of nearly $90bn raised since the 2022 invasion. This has included calls for loans to be funded by the proceeds of interest paid on Russia's sanctioned central bank reserve assets.

Kyiv is set to record a $43bn deficit this year to cover higher military spending amid delays to western aid.

Ukraine will need to cover a budget gap of $35bn next year, including a $12bn planned increase in budgeted military spending, according to Prime Minister Denys Shmyhal.

Ukraine last restructured its sovereign debt in 2015 when bondholders took losses of a fifth in the economic fallout from Russia's annexation of Crimea.

Ukraine also still has to negotiate a separate restructuring of $2.6bn in "GDP warrant" securities, linking payouts to growth, that it originally issued in the 2015 restructuring.

Zelenskyy's government said this week that it would suspend payments on the warrants from May next year, when a payout worth hundreds of millions of US dollars loomed.

Germany

Scholz calls for talks with opposition to tighten policy on migrants

GUY CHAZAN — BERLIN

German Chancellor Olaf Scholz has proposed talks with the main opposition party and regional leaders on toughening immigration policy after a terror attack on Friday in which three people were killed.

The talks would focus on how to improve Germany's record on deporting failed asylum seekers to their countries of origin and fighting Islamist terrorism, as well as possible changes to gun laws.

"We will not just return to business as usual, we will learn our lessons," said Scholz after a meeting with UK Prime Minister Sir Keir Starmer.

Scholz said interior minister Nancy Faeser would "very soon" hold talks with the opposition Christian Democratic Union as well as representatives from the 16 states and relevant federal ministries to discuss immigration.

The overture to the opposition is a sign of the deep unease that Friday's attack has generated in Berlin. The alleged attacker in the western city of Solingen was a Syrian national whose asylum request had been rejected and who was supposed to have been deported to Bulgaria, the country where he first entered the EU. The deportation never took place.

The man, identified by authorities only as Issa Al H because of German privacy laws, is suspected of stabbing three people to death in Solingen and injuring eight others. Terror group Isis has claimed responsibility for the attack. Issa Al H turned himself in to police on Saturday and was remanded in custody.

The Solingen attack has cast a shadow over two elections in the eastern states of Saxony and Thuringia this Sunday. The votes could deliver strong gains for the far-right Alternative for Germany.

CDU leader Friedrich Merz had offered to work with Scholz and his Social Democratic party on updating Germany's immigration policy, even at the expense of upsetting Scholz's coalition partners, the Greens and liberals.

Over the weekend, Merz said the government should immediately stop accepting refugees from Syria and Afghanistan and start deporting criminals from both countries.

Scholz and Merz discussed the issues on Tuesday, but the former has been cool on Merz's proposals, saying that the right to asylum, which is enshrined in the constitution, cannot be abolished.

The government said it was making progress on deportations. According to the interior ministry, 9,500 people were deported in the first half of 2024, compared with 7,861 in the same period of 2023. The ministry said 16,430 were deported in 2023, up from 13,000 in 2022.

But so far, authorities are not deporting anyone to Syria and Afghanistan, largely because of the security situation in those countries. However, Scholz announced in June that ministers were exploring ways to allow repatriations of Syrians and Afghans who have committed serious crimes.

"That's why the government will continue its efforts to further restrict irregular immigration," he said, adding that ministers had been working hard since the weekend on a series of legislative initiatives to address the issue.

Conflict. Western response

Kyiv allies split over deep strikes into Russia

France at odds with Germany while UK presses US to back use of Storm Shadow missiles

BEN HALL AND JIM PICKARD — LONDON

President Volodymyr Zelenskyy stepped up his appeals to allies to lift all their restrictions on the use of western weapons against targets on Russian territory after Moscow this week launched its biggest mass missile and drone strikes on Ukraine since February 2022.

Zelenskyy has made it Ukraine's top diplomatic priority to persuade allies to allow it to hit air bases and other military sites deep within Russia that are used to launch strikes against Ukraine.

"The US, UK, France and other partners have the power to help us stop terror," the Ukrainian leader said.

But while the UK and France are eager to allow Ukraine to strike military targets deep inside Russian territory, the US and Germany are opposed.

What is Zelenskyy seeking?

Ukraine has been handed missiles with ranges of up to 300km but told they cannot be used to hit targets in Russia.

These include the long-range version of the ground-launched Army Tactical Missile System or ATACM provided by the US this year and the UK-French-built Storm Shadow air-launched cruise missile, called the Scalp-EG by France, which began to be supplied last year.

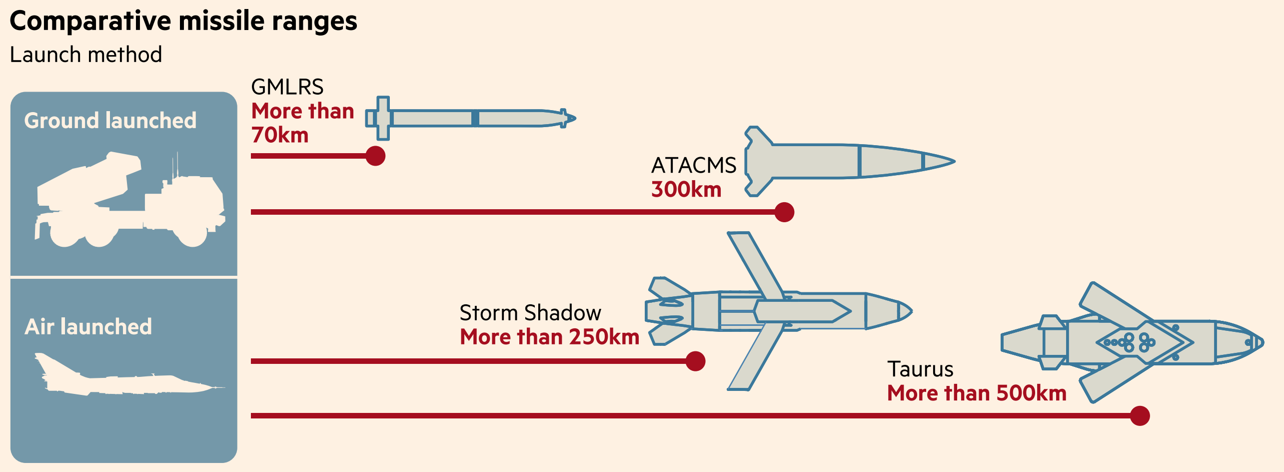
Kyiv wants the German-made Taurus, which has a range of 500km, twice that of the Storm Shadow, and a more powerful warhead. But Berlin has so far refused to supply them. Ukraine also wants the right to use its newly arrived F-16 fighter jets — US-made but supplied by Denmark and the Netherlands and soon by Norway and Belgium — to bomb targets in Russia.

What is Ukraine's argument?

Zelenskyy said Kyiv needed to strike deep over the border to "defend Ukraine from Russian missiles and guided aerial bombs, to prevent the transfer of Russian troops and to counter the occupier's pressure on key front lines". That means hitting air bases, logistical nodes, command and control centres and troops.

Ukraine's armed forces have had notable success striking Russian airfields, weapons stores, fuel depots and air defence complexes using home-built drones with ranges of up to 1,000km. But western missiles are faster, more accurate, harder to intercept and can carry larger payloads than drones.

Volodymyr Zelenskyy signs a Storm Shadow missile, called the Scalp-EG by France, at a Ukraine air base last year
Abaca/Reuters Connect



Sources: Lockheed Martin; MBDA

Why are Kyiv's allies so reluctant?

The Biden administration and German Chancellor Olaf Scholz are worried about the risk of escalation if western weaponry hits Russia itself.

Ukraine and its more hawkish supporters say Washington and Berlin have repeatedly invoked the risk of provoking the Kremlin to justify not sending Ukraine precision missiles, tanks and F-16 fighter jets. But each time those weapons have been supplied, Moscow's threats have come to nothing.

Still, Washington persists. "Of course, we're worried about escalation," deputy Pentagon spokeswoman Sabrina Singh said this month. "So just because Russia hasn't responded to something doesn't mean that they can't or won't in the future."

What about Britain and France?

London has been making the case to Washington for months that Ukraine should be able to fire UK Storm Shadows at targets inside Russia. Well-placed figures have said that the British government sent a request to Washington and Paris earlier this summer to that effect.

The Biden administration has denied it is withholding permission. "The idea of a veto is too strong," said one person familiar with the situation. But Downing Street admits consensus among allies is needed and moves must be in lockstep.

> 'Just because Russia hasn't responded doesn't mean that they can't or won't in the future'
> Pentagon

Another consideration is that Storm Shadow missiles may require access to US intelligence, surveillance and reconnaissance in areas where Russia is jamming GPS signals that the weapons use for targeting, according to the person familiar with the discussions.

French President Emmanuel Macron in May backed Ukrainian strikes on Russian territory using French missiles. "We should allow [the Ukrainians] to neutralise the military sites . . . from where Ukraine is attacked," he said. They should not be permitted to hit other targets or civilian facilities, he added. Asked whether this was still the position, an Élysée Palace spokesperson referred back to Macron's comments.

Will Kyiv win over its allies?

On previous occasions Britain and France have moved ahead when the US was still reticent. They were the first to pledge western tanks to Ukraine. And they supplied cruise missiles last year when Washington was still refusing to send long-range ATACMS.

Britain allowed Kyiv to use Storm Shadows to target Russian ships and naval sites in occupied Crimea when the US still had misgivings over Ukrainian strikes on the peninsula. "The US didn't authorise, or not authorise, the use on that occasion," said a Whitehall figure.

US policy has also tended to evolve, albeit with a lag. It relented on tanks and more recently on long-range ATACMS. The latter were used earlier this year to strike Crimea. Berlin also relented on tanks, but is holding firm on Tauruses.

Washington has recently shifted on hitting targets in Russia by the Ukrainian border. When Russian forces launched an offensive into Ukraine's Kharkiv region, Kyiv complained it was not allowed to use western kit to attack Russian troops, command and control centres or logistics just over the frontier. The US adjusted its policy, saying Kyiv could hit targets near the border that were supporting Russia's offensive.

Ukraine has used US Himars missiles, with a range of about 80km, and western armour in the Kursk region of western Russia. It also used German, US and UK-made fighting vehicles; both Berlin and Washington said the deployment of western kit was within the agreed terms.

Additional reporting by Adrienne Klasa

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Migration

Italy steps up obstruction of Mediterranean rescue boats

AMY KAZMIN — ROME

Giorgia Meloni's government has impounded a humanitarian rescue ship for the 23rd time, as Italy strengthens its clampdown on irregular migration across the Mediterranean.

Médecins Sans Frontières accused Meloni's administration of an "arbitrary and inhumane decision" after its civilian search and rescue vessel, Geo Barents, was detained this week in the port of Salerno, near Naples.

Italian authorities ordered the 60-day detention, one of the most significant seizures in an 18-month campaign against humanitarian ships in the Mediterranean, after Geo Barents disembarked 191 rescued migrants at the port.

Rome accused Geo Barents of endangering lives and failing to provide prompt information to Italian authorities during a night-time rescue in the central Mediterranean last week.

MSF rejects any wrongdoing and said the crew of Geo Barents intervened after seeing a significant number of people falling — or being pushed — overboard from a small fibreglass boat, as a Libyan coastguard vessel approached. The charity said on Tuesday it had "no choice" but to carry out the rescue.

Meloni's hard-right Brothers of Italy party has been touting her success at curbing irregular migrant inflows, after a sharp fall in migrant numbers reaching Italian shores without permission.

However, humanitarian groups such as MSF, Oxfam Italia and SOS Humanity have accused Rome of the "systematic obstruction of civilian search and rescue activities", which they say is now taking a toll in human lives. The groups filed formal complaints to Brussels more than a year ago, asking the European Commission to determine whether Rome's rules were consistent with EU and international law. Brussels is still assessing the arguments.

"They are selling this to public opinion as success but the price is death and very severe human rights violations," said Juan Matias Gil, who leads MSF's Mediterranean search and rescue team.

Takeover attempt

Spain blocks Hungarian bid for trainmaker as security threat

BARNEY JOPSON — MADRID
MARTON DUNAI — BUDAPEST

Spain has branded a consortium backed by Hungarian Prime Minister Viktor Orbán as a threat to national security, blocking its €600mn takeover bid for a trainmaker.

Hungary's Ganz-Mavag consortium vowed to take legal action against Spain for vetoing its bid for Talgo on the basis that it entailed "risks to national security and public order", a highly unusual step within the EU.

The takeover attempt has become the latest conflict between EU members and Orbán, who has kept up some of the closest ties with Russia of any western leader despite its full-scale invasion of Ukraine.

Pedro Sánchez's Socialist-led government said it would not authorise the €619mn bid from Ganz-Mavag, a consortium that is backed by an investment arm of the Hungarian state.

Announcing the cabinet's decision, the Spanish economy ministry did not elaborate on the national security risks and said the analysis on which the decision was based was "classified".

It said its intervention was in line with national and EU law on foreign investment, the EU internal market and the free movement of capital. Under EU law, members can block deals on public security grounds in specific circumstances.

Ganz-Mavag said it would take legal action in Spain and at EU level "to defend the legitimacy of its voluntary offer for Talgo", adding: "This is an arbitrary decision by the government on a non-strategic company, which has no security clearance and therefore lacks technology that could impact on national security."

Spanish and Hungarian media have linked the decision to Madrid's concern over Orbán's ties to Russia and the potential risk to key rail infrastructure.

Talgo's biggest shareholder, Trilantic, an investment fund that owns nearly 40 per cent of the trainmaker, did not respond to a request for comment.

Additional reporting by Carmen Muela

INTERNATIONAL

Turkey projects growing power with network of Africa alliances

Ankara's influence has boomed via political, business and security ties

AANU ADEOYE — LAGOS
ADAM SAMSON — ANKARA
ADITI BHANDARI — LONDON

Somalian and Ethiopian diplomats descended on Turkey's capital this month for talks aimed at ending a bitter row that has threatened to ignite a war between the east African countries.

Turkey's foreign minister, Hakan Fidan, placed each delegation in separate rooms before bringing them together for face-to-face discussions, a senior Turkish diplomat said.

Turkey's President Recep Tayyip Erdoğan also lobbied both countries to mend fences after landlocked Ethiopia agreed a deal in January to build a naval base in the breakaway region of Somaliland, infuriating Somalia.

Ankara's role in mediating the talks, which are set to continue next month, underscores how Turkey's influence in Africa has boomed over the past two decades. Forging strong political, commercial and security alliances has allowed it to position itself as a power player when many nations, such as China and the US, are seeking to project their own influence on the region.

"Turkey's rising influence in Africa is related to its search to diversify its foreign policy options, to project its regional power ambitions and its aspirations to play a larger role in regional and global affairs," said Elem Eyrice-Tepeciklioğlu at Ankara's Social Sciences University.

Since 2003, Turkey has nearly quadrupled the number of its embassies in Africa to 44, become a significant actor in the continent's defence sector and launched a sprawling constellation of airline routes, connecting Istanbul to dozens of African cities.

"[Ankara] laid the groundwork by declaring Africa a priority for Turkish foreign policy," said Ulf Laessing, Sahel programme director for the Konrad Adenauer Foundation, a think-tank.

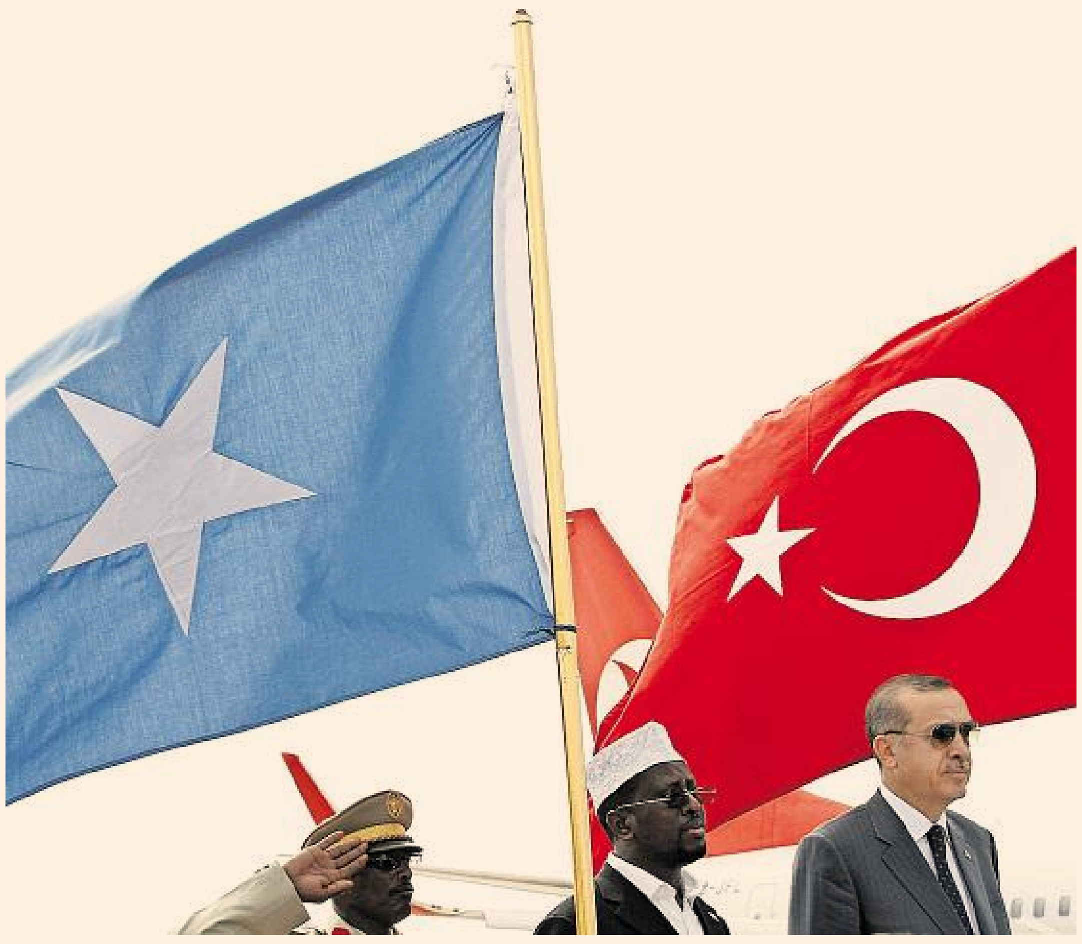
Alongside countries such as Saudi Arabia and the United Arab Emirates — so-called middle powers — Ankara has expanded its clout in the Sahel region, the semi-arid strip south of the Sahara, after several governments fell to mutinous soldiers capitalising on attacks by terrorists and rebel groups as well as popular angst.

Cameron Hudson, a former CIA official who works at the Center for Strategic and International Studies think-tank, said Africa had become a "more competitive place" where multiple outsiders jostled for influence. "As African countries sour on French, British or American involvement on the continent over the decades, they have new opportunities and partners with these middle power countries," he added.

Turkey's strategy to establish itself in Africa first made important shifts in 2011, according to analysts. Erdoğan flew to Somalia when it was in the throes of famine, becoming the first non-African leader to visit in almost two decades. He arrived to a rapturous reception in Somalia's capital Mogadishu.

Accompanied by his wife and a cadre of ministers, Erdoğan toured streets that were pitted from mortar blasts and urged other countries to offer aid.

"The tragedy going on here is a test for civilisation and contemporary values," he said at the time.



Leading the way: Recep Tayyip Erdoğan, right, with Somalia's then president, Sharif Sheikh Ahmed, during the Turkish leader's visit to the famine-hit country in 2011
Umit Bektas/Reuters

The Turkish diplomat said Erdoğan's 2011 trip "showed the whole continent that Turks really work with Africa".

The impact of the visit on Somalia has been long-lasting in unexpected ways, with Istanbul becoming an increasingly common girl's name in the country.

Trade between Turkey and African nations climbed to $32bn last year, up almost 50 per cent from 2013, according to Turkey's statistics institute. Turkish contractors have also worked on at least 1,800 infrastructure projects, such as airports and hotels, including in countries such as Niger, which western counterparts often shy away from because of perceived security risks.

"The Turkish government has helped Turkish construction companies get a foothold in the region," Laessing said. "They have taken more risks to invest in countries that western countries ignore."

Turkey has also invested in soft power initiatives to help win hearts and minds in Africa, sometimes banking on shared religious beliefs. It spent nearly 10 years building a grand national mosque in Accra, Ghana's capital, in the style of Istanbul's renowned Blue Mosque. Other mosques have been financed in Mali, Djibouti, Sudan and elsewhere.

Somalia has been a beneficiary of Turkish-built schools and hospitals, and there are scholarship programmes that offer gifted African students the opportunity to be educated in Turkey.

Turkey's state broadcaster, TRT, began an Africa news service in English, French, Swahili and Hausa; Turkish Airlines now serves more African destinations than any other non-African carrier, according to August flight data from analytics firm Cirium; and Turkey has also loosened visa restrictions for many African countries, enabling middle- and upper-class citizens to visit for business, pleasure and medical needs.

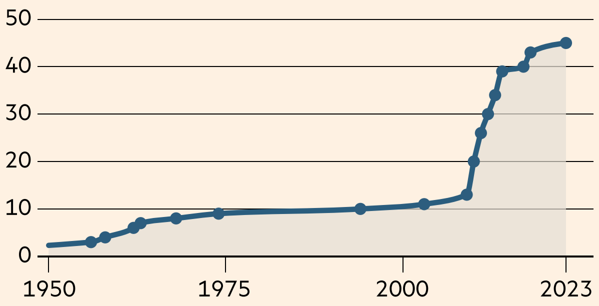
But there has been no greater indicator of Turkey's reach in Africa than the depth of its security alliances. Ankara has developed ties with countries ranging from Niger in the Sahel to Somalia and Ethiopia in the east, distinguishing itself as a supplier of effective but inexpensive drones that have proved instrumental on battlegrounds.

The Bayraktar TB2 drone has become a pillar of Turkey's military charm offensive. They are made by Baykar, a private Turkish defence company that counts Erdoğan's son-in-law as its chair.

> '[Ankara] laid the groundwork by declaring Africa a priority for Turkish foreign policy'

Turkey has nearly quadrupled its embassies in Africa since 2003

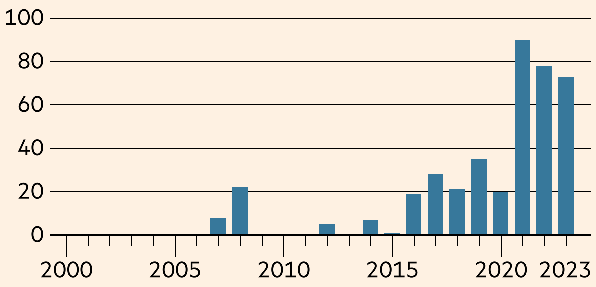
Estimated number of Turkish missions in African countries*



* Missions include embassies, consulate generals and honorary consuls
Source: FT analysis based on Turkish ministry of foreign affairs website

Turkish arms exports to Africa

Sipri trend-indicator values (TIVs), 2000-23 (mn)



Sipri's TIVs are a measure of the military capability of goods transferred, rather than their financial cost
Source: Sipri arms transfers database

Mali, Niger, Ethiopia and other countries have the drones in their arsenals.

Turkey also sells small arms, mine clearance vehicles, armoured vehicles and helicopters to African countries, according to Eyrice-Tepeciklioğlu.

"Our security and defence co-operation with almost all African countries is growing," the Turkish diplomat said. "Turkey is working very closely with the Somali authorities in building up their national army and in reforming the security sector," the person said, adding that other African countries had requested training for their forces.

Further signs of deepening ties with Somalia include Turkey dispatching a vessel to the country's coast later this year for the exploration of up to 30bn barrels of oil and gas reserves. This follows a deal this year to protect Somalia's territorial waters, where a large Turkish military base is located.

Nato member Turkey's ascendancy in Africa has developed without the western scepticism associated with Russian and Chinese engagement with the continent. "There's a difference between being a competitor and an adversary. The US can compete with Turkey diplomatically, commercially, but ultimately Turkey is an ally," Hudson said.

FT
Clamour for Africa
This is the third in a series examining the changing roles of foreign nations in African politics, security and trade
ft.com/clamour

Stricken ship

UN fears Red Sea oil spill after tanker attack

Maritime chief warns of pollution risk from vessel set on fire by Houthis

ROBERT WRIGHT — LONDON

The head of the UN maritime body said yesterday he was "extremely concerned" about the risk of an oil spill in the Red Sea, after Yemen's Houthi rebels set fire to a tanker carrying 1mn barrels of crude.

The statement from Arsenio Dominguez, the secretary-general of the International Maritime Organization, underlined growing international concern about the fate of the Greek-owned Sounion, which was disabled in a missile attack last week. The Houthis then started a fire by setting off explosives on the decks, after the crew had been rescued.

The Pentagon sounded the alarm on Tuesday by warning that the vessel was leaking some of its cargo of Iraqi crude, heightening fears of a larger and more damaging oil spill.

The EU naval task force yesterday described the ship as a "serious and imminent threat", although it did not believe the cargo had yet leaked.

"I am extremely concerned about the situation regarding the tanker Sounion, which was targeted while transiting the southern Red Sea," Dominguez said. "The risk of an oil spill, posing an extremely serious environmental hazard, remains high and there is widespread concern about the damage such a spill would cause within the region."

> 'The sheer scale of the potential catastrophe should be worrying for every coastal state'

A bulletin from the EU naval task force was accompanied by pictures that showed several fires on the vessel, which is sitting 77 nautical miles west of the Yemeni port of Hodeidah. The vessel is also clearly listing in one of the pictures.

"Sounion poses both a navigational risk and a serious and imminent threat of regional pollution," Dominguez said.

A leak from the Sounion, whose 1mn-barrel cargo is equivalent to 150,000 tonnes, would be likely to produce the most serious hydrocarbon spill since the Sanchi tanker disaster in 2018. The Sanchi leaked 113,000 tonnes of natural-gas condensate into the South China Sea after a collision.

It could be the worst since the ABT Summer sank off the coast of Angola, west Africa, in 1991, spilling 260,000 tonnes of crude.

Efforts to salvage the Sounion have so far been unsuccessful because of the threat posed by the Houthis. The Pentagon said on Tuesday that two tugs had tried to salvage the ship but the Houthis had warned away their crews and threatened to attack them.

The Houthis claim to be acting in support of Gaza's Palestinians in the war that followed the attack by Hamas on Israel on October 7.

Martin Kelly, senior Middle East analyst at maritime risk consultancy EOS Risk Group, said the Sounion's fate continued to be "a huge issue". He added: "The sheer scale of the potential catastrophe should be worrying for every coastal state that depends on any sort of eco system in the Red Sea."

US-China ties

Beijing talks pave way for Biden and Xi to speak by telephone

DEMETRI SEVASTOPULO — WASHINGTON
JOE LEAHY — BEIJING

President Joe Biden and his Chinese counterpart, Xi Jinping, will speak by telephone in "the coming weeks", the White House said yesterday, following meetings between top US and Chinese officials in Beijing.

The announcement came after Jake Sullivan, US national security adviser, and Wang Yi, China's top foreign policy official, held two days of talks in Beijing as part of a "strategic channel" created to stabilise ties and to enable discussions about sensitive issues such as Taiwan.

Ahead of Sullivan's meeting in Beijing, one US official said the two leaders could meet once more before Biden left office — an option that has become feasible since he quit this year's presidential race. They could meet at the Apec forum in Peru, or the G20 in Brazil, both in November after the US election.

Sullivan has held four meetings with Wang since May 2023. The channel has been kept very low profile to allow both sides to have uninterrupted talks on strategic issues.

The White House said they had candid and constructive talks in Beijing on bilateral, regional and global issues. It said the two sides were planning a call between Admiral Samuel Paparo, head of US Indo-Pacific command, and his counterpart.

Xi agreed to reopen communication channels between the US and Chinese militaries when he met Biden for a summit in San Francisco in November. China had closed them in 2022 after Nancy Pelosi became the first US House Speaker to visit Taiwan in 25 years.

The White House said the officials discussed progress on agreements reached in San Francisco — including a Chinese promise to crack down on the export of ingredients for the deadly opioid fentanyl — and also discussed "steps to tackle the climate crisis".

But Sullivan also stressed that the US would continue to take "actions to prevent advanced US technologies from being used to undermine our national security, without unduly limiting trade or investment".

The White House said Sullivan stressed the importance of "maintaining peace and stability across the Taiwan Strait", and raised concerns about China's support for Russia's defence industrial base and its "destabilising actions against lawful Philippine maritime operations in the South China Sea".

Some experts think Sullivan may meet Xi today since Wang met Biden when he visited Washington last October ahead of the US summit.

China's state media said Sullivan and Wang discussed "a new round of interaction between the two heads of state in the near future".

Xinhua cited Wang as saying that Beijing wanted world peace and called on the US not to see China through a "template of a strong country that must dominate".

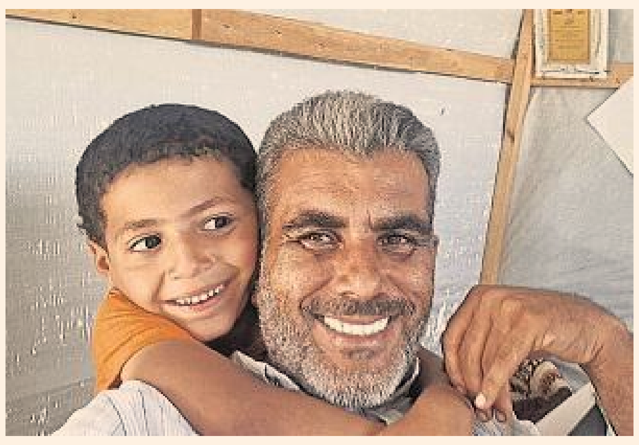
Wang warned that Taiwanese independence was "the biggest risk to peace and stability in the Taiwan Strait", according to Xinhua. He said China would also defend its "sovereignty" over South China Sea islands and that the US should not support the Philippines' "infringing actions" in the area.

Middle East. Cost of war

Gaza orphans live with 'unbearable' horror

Thousands of traumatised and injured children struggle after families are killed in onslaught

HEBA SALEH AND MAI KHALED — CAIRO
MALAIKA KANAANEH TAPPER — BEIRUT



Mohammed El-Yazici, 14, who lost his mother, looks after his baby brother in a camp in Rafah earlier this year. Below, Mahmoud Khalakh at his Khan Younis 'orphan city'
Abed Zagout/Anadolu/Getty Images; Mahmoud Kalakh

Eight months after being pulled from the bombed-out rubble of her Gaza home, 12-year-old Alma Jaarour still suffers from bouts of insomnia, anger and nightmares.

The only member of her immediate family to survive the Israeli strike that destroyed their Gaza City block, she lost her parents and siblings along with dozens of relatives who had been huddled together in the five-story building.

"I cry every second for the loss of my family," said Alma, who is now being cared for by her aunt, Ola Jaarour. "I want a father, mother and siblings just like other children."

Jaarour, who has six children herself, said Alma "blamed herself" because when her young brother was dragged from the ruins, his head severed from his body, she had been too scared to kiss him goodbye. "War is unbearable for adults," said Jaarour, "let alone a child who has lost her entire family."

Alma is one of an estimated 19,000 children in Gaza to lose one or both of their parents during 10 months of bitter conflict and who are defined as orphans by organisations such as the UN children's agency Unicef.

The multiple wars that have afflicted the Palestinian territory have deprived many children of their parents, but aid officials say nothing has been on the scale of the current Israeli onslaught.

Not only are there far more orphans than in previous conflicts, but the challenges are much tougher. Relatives are ready to take in children who have lost parents, but it is much harder when these guardians — as with almost all Gazans — are destitute and living in tents and makeshift shelters.

The fighting still rages in Gaza, where frequent Israeli evacuation orders can force thousands to leave an area at very short notice. The overwhelming majority of children are hungry, with or without parents, aid workers point out, and have little or no access to healthcare as they contend with the daily threats of death, injury and the loss of loved ones.

Tareq Emtairah, director-general of Taawon, a Palestinian NGO that has supported orphans from previous wars, said the needs this time were different. "At least in the past, the education and health infrastructure were intact," he said. "Now the system is broken.

"There are orphaned kids who have sustained major injuries. Some have faced major trauma and they don't know where they are. To provide any kind of comfort to these children is quite difficult in the current situation."

Kazem Abu Khalaf, spokesperson for Unicef, said his organisation was working to help Gaza's orphans, but stressed that all children in the shattered strip needed help. "There are 625,000 who lost a school year," he said.

More than 40,000 Palestinians have been killed by Israel's Gaza offensive, according to Palestinian health authorities. Israel launched its assault in response to the October 7 attack by Hamas militants that killed 1,200 people, according to government figures.

In the occupied West Bank yesterday at least nine Palestinians were killed in a large-scale Israeli military raid that targeted locations including a teeming refugee camp in the northern city of Jenin.

Alma and Ola live at a camp for orphans near Khan Younis set up by Mahmoud Kalakh, a teacher whose struggle to find shelter for his family made him realise how hard it was for families that had lost the father.

His "orphan city", funded by private donations, hosts 300 families and up to 1,300 children. It has a medical tent, football field and makeshift school where the children are taught Arabic, English and mathematics.

One block was designated for children who were sole survivors of their immediate families, including seven teenagers who were completely on their own, said Kalakh. The camp organised games to take the children's minds off their losses, he added, and a volunteer psychologist visited twice a week. "About 800 families have signed up to a waiting list for a tent," Kalakh said. "The great pain is we can't find a place for them."

> 'I cry every second for the loss of my family. I want a father, mother and siblings just like other children'
> Alma Jaarour, aged 12

At the camp, Samar al-Jaja looks after four nephews and nieces whose parents and sister were killed when their house was bombed in October. The eldest, Mohamed, 22, is an epileptic who also has a mental disability. "I pushed him on a wheelchair when we moved south and was afraid Israeli soldiers would shoot him if he made one of his uncontrolled movements," said Jaja.

Ahmed al-Khodary, 24, took responsibility for his sister and three brothers after their parents were killed in an Israeli strike. His sister Misk spent time in intensive care recovering from head injuries. A brother, Abdel Rahman, also lost a leg when the hospital where he had taken refuge was attacked.

Khodary brought forward his wedding so his fiancée could move into their tent to help care for Misk. "My siblings have become my children," he said. "All I want is for them to be happy and well."

Climate change

US lags behind on fossil fuel subsidy cuts

MALCOLM MOORE — LONDON

A group of more than 30 countries cut public funding for overseas fossil fuel projects by up to $15bn last year, a report has found, but its largest member, the US, continued to pour billions into oil and gas finance.

Countries including the US, Canada, the UK and France all pledged at the COP26 UN climate change conference at Glasgow in 2021 to switch as much as $28bn of annual trade and development money from fossil fuels to clean energy.

The countries, which formed the Clean Energy Transition Partnership, managed to cut this funding by $10bn-$15bn to $5.2bn in 2023, the first year of the scheme. That is a fall of two-thirds compared with a 2019-2021 average, said a report by the International Institute for Sustainable Development.

But the report, published yesterday, found that countries did not make a corresponding increase in clean-energy funding, which rose 16 per cent last year to $21.3bn, compared with the 2019-2021 baseline. Adam McGibbon, a co-author of the report, said rich countries were not "scaling up the clean energy finance fast enough".

The initiative targeted export credit agencies, which typically offer cheap loans and insurance for businesses to conduct overseas trade.

"If I was a fossil fuel company in the UK and I wanted to export gas turbines to Iraq, but thought it was a bit risky, the UK government would offer insurance and a loan at below market rates to help do that transaction," he said. "[Agencies] directly finance [oil and gas] production as well. It tends to be across the whole fossil fuel value chain."

> The US was the biggest violator of the obligation, providing $3.2bn for 10 overseas fossil fuel projects

The IISD found the export finance agencies in OECD governments were "actually a more significant source of finance for energy than the multilateral development banks", he added. The report said the UK, France and Canada had been among the most diligent signatories, with the UK's export credit agency, UK Export Finance (UKEF), cutting its fossil fuel transactions from $11.3bn between 2010 and 2020 to zero since the implementation of the pledge. Previously, UKEF routinely allocated more than 99 per cent of its energy finance to fossil fuels, the report said.

But the US was the biggest violator of the commitment, providing $3.2bn for 10 overseas fossil fuel projects last year. The US Export-Import Bank has also recently approved funding for six mega projects, including $500mn to develop 300 oil and gas wells in Bahrain. It is also considering financing projects in Guyana, Papua New Guinea and Mozambique. Switzerland, Italy, Germany and the Netherlands also broke the pledge.

According to the OECD's fossil fuel subsidy tracker, the US also awarded $12bn in domestic subsidies to its oil and gas companies in 2022.

McGibbon said it was "disappointing" the US had failed to honour the pledge, highlighting President Joe Biden's signing of an executive order in early 2021 to phase out export finance for fossil fuels.

Health study

Diabetes drugs linked to lower dementia risk

MICHAEL PEEL — LONDON
OLIVER BARNES — NEW YORK

Patients who take certain drugs to combat type 2 diabetes prove less likely to develop dementia, according to research that suggests brain disorders could be tackled with therapies devised for other uses.

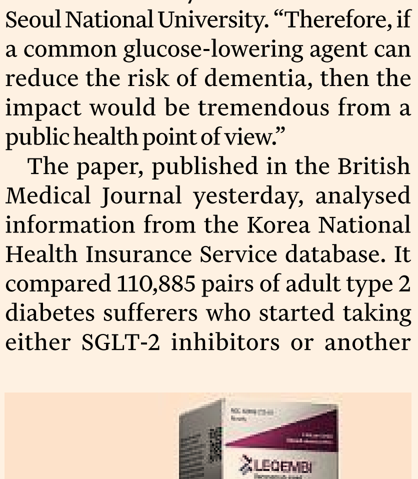
The study of more than 200,000 people found that rates of Alzheimer's disease for those who took sodium-glucose cotransporter-2 (SGLT-2) inhibitors to lower their blood sugar levels were more than a third lower than for those on another anti-diabetes medication.

While the observational survey conducted in South Korea does not demonstrate a causal link between SGLT-2 inhibitors and dementia prevention, more extensive trials of some diabetes drugs, such as Novo Nordisk's Ozempic for similar uses, are under way.

The Danish pharmaceutical company is also looking at the potential for its weight loss drugs to slow cognitive decline in Alzheimer's sufferers.

"Dementia is incurable with a grave prognosis — thus, a preventive strategy is critical," said Eun Ha Kang, co-author of the latest study and a researcher at Seoul National University. "Therefore, if a common glucose-lowering agent can reduce the risk of dementia, then the impact would be tremendous from a public health point of view."

The paper, published in the British Medical Journal yesterday, analysed information from the Korea National Health Insurance Service database. It compared 110,885 pairs of adult type 2 diabetes sufferers who started taking either SGLT-2 inhibitors or another class of drug known as dipeptidyl peptidase-4 (DPP-4) inhibitors between 2013 and 2021.



Cost-benefit rejection: Alzheimer's drug Leqembi, or lecanemab

The researchers then looked at new diagnoses of dementia in 1,172 patients during a 670-day follow-up period. They found a 35 per cent reduced dementia risk associated with SGLT-2 drugs compared with DPP-4 inhibitors, including a 39 per cent reduction for Alzheimer's and 52 per cent for vascular dementia.

Kang acknowledged that observational studies examining dementia were "susceptible to many biases". But she said the study set a "good cornerstone" on which clinical trials could build.

There is also excitement about how a new class of so-called GLP-1 diabetes and weight loss drugs can be used to treat Alzheimer's.

The rejection last week by the UK's National Institute for Health and Care Excellence of the Alzheimer's drug lecanemab on cost-benefit grounds showed the need for new treatments, said charity Alzheimer's Research UK. Redeploying existing medicines would offer significant advantages, it said.

Beautiful bores The XFT index is composed of businesses rarely in the headlines that deliver stable, outperforming returns ➔ LEX

Companies & Markets

Oil executives handed Swiss jail terms for role in 1MDB

- Pair found to have embezzled $1.8bn
- Hundreds of money laundering acts

SAM JONES — BERLIN

A Swiss court has sentenced two former PetroSaudi executives to long jail terms for their roles in the collapse of Malaysia's sovereign fund 1MDB, in one of the biggest frauds of all time.

Tarek Obaid, the ex-chief executive of Geneva-based oil production company PetroSaudi, and his right-hand man Patrick Mahony were found yesterday to have been responsible for embezzling more than $1.8bn from 1MDB.

They were also found guilty of almost 600 acts of money laundering, in which they sought to disguise the stolen origins of more than $12bn for the fraud's alleged mastermind Jho Low and accomplices.

> Obaid and Mahony were 'calculative, manipulative and obscenely greedy', the lead prosecutor said

Under Swiss law, the judgment from the country's central criminal court will not have full legal force until the defendants exhaust their rights of appeal.

The court in Bellinzona found the pair used their leadership positions at PetroSaudi to execute three of the most brazen thefts in the long-running plunder of 1MDB, acting in concert with Low in his position as an unofficial but powerful adviser to the sovereign fund.

Low, a confidant of former Malaysian prime minister Najib Razak and the alleged mastermind of the 1MDB fraud — described by the US Department of Justice in 2016 as the world's biggest kleptocracy case — is on the run. Najib was jailed by Malaysian authorities for his role in the scandal in 2020.

Obaid, a dual Swiss-Saudi national, and Swiss-Briton Mahony helped steal vast sums from 1MDB between 2009 and 2011, Swiss prosecutors said. They were indicted in April last year.

The two were said to have used the stolen money to fund luxurious lifestyles, buying gemstones and properties in London and Geneva, and splashing out on private jets and high-end yachts.

It was the "scam of the century", said lead prosecutor Alice de Chambrier. Obaid and Mahony were "calculative, manipulative and obscenely greedy", she told the court earlier this year, according to Swiss national press agency Keystone-ATS.

Judges heard how the two, with Low, misled 1MDB fiduciaries in 2009 so the fund invested $1bn in what it thought was a legitimate joint venture with PetroSaudi. A meeting was even brokered in August that year on a super yacht, the Alfa Nero, off the coast at Cannes with PetroSaudi's founder, Prince Turki bin Abdullah al Saud — who was not aware of the true nature of the transaction — to lend the deal an air of legitimacy, said the prosecutors' indictment.

In a second theft, Obaid and Mahony drew down a further $500mn from 1MDB in 2010 for what they claimed was an Islamic loan. In a third, in May 2011, they took $330mn to finance a "non-existent drilling project in eastern Saudi Arabia", the indictment claimed.

Judges gave sentences of seven years to Obaid and six years to Mahony.

Daniel Zappelli, Obaid's lawyer, said his client had "always contested the commission of any offence and will plead for a full acquittal before the Court of Appeal". Mahony's lawyer did not respond to a request for comment.

The board of 1MDB said: "We welcome today's verdict in Switzerland's Federal Criminal Court, which means that Patrick Mahony and Tarek Obaid will face justice for their role in embezzling and defrauding the people of Malaysia, and we commend the Swiss authorities for their work."

Block party Lego's costly move to lift recycled plastic usage underpinned by surging profits

Pizza the action: Lego's expansion means it now sees the likes of Disney as a competitor — Ekaterina Minaeva/Alamy

RICHARD MILNE
NORDIC AND BALTIC CORRESPONDENT

Lego is paying up to 60 per cent more for plastic resin made mostly from renewable or recycled material as the world's largest toymaker steps up its efforts to become fossil fuel-free, a move financed by big increases in sales and profitability.

Niels Christiansen, chief executive, said 30 per cent of all the resin the privately owned Danish toymaker bought in the first half came from so-called mass-balance sources, meaning it used a blend of fossil-fuel material and that from recycled or renewable sources, such as used cooking oil.

"It is 40 to 50 to 60 per cent more expensive in material terms. We don't pass that on to the consumer," he said.

Christiansen added that Lego was trying to stimulate demand among plastics producers to increase the supply of greener raw materials by buying significant volumes of the resin made from mass-balance sources, up from 18 per cent last year.

He said he was now "more comfortable" with the toymaker's 2032 goal of making all of its products from renewable and recycled materials.

Lego's studded bricks are durable and strong but the Danish group has committed to eliminating oil and other fossil fuels from its supply chain, despite the higher costs, because of the product's role predominantly as a child's toy.

Lego has suffered some setbacks, such as last year abandoning its high-profile attempt to find a fossil fuel-free alternative to its main plastic by using recycled plastic bottles. It found the new material would in fact lead to higher emissions because of issues such as a need to retool its factories.

The group is investing heavily in both sustainability and boosting its production facilities, with new factories in the US and Vietnam, after a period of extraordinary growth.

Lego said yesterday its revenues in the first half increased 13 per cent to DKr31bn ($4.6bn) while operating profit rose 26 per cent to DKr8.1bn. Both were records and double the equivalent from the first half of 2020.

Christiansen said the broader toy market declined by 1 per cent in the first six months, meaning Lego had taken "immense" market share.

He credited Lego's tie-up with the *Fortnite* video game and a product line on space for the company's growth, adding: "If you look at a result like this it's not like I can point to one country or one product. It's across the board."

Lego has recovered from a brush with bankruptcy two decades ago to become the world's largest toymaker by sales and profitability. It is increasingly viewing the likes of Disney as a competitor because of its movies, theme parks and apps.

BCG admits it paid bribes to win business in Angola

STEPHEN FOLEY — NEW YORK
DAVID PILLING — AFRICA EDITOR

BCG has admitted it paid millions of dollars in bribes to win business in Angola, and agreed to give up more than $14mn in profits from contracts it won with the country's economy ministry and central bank.

The consulting firm sent money to offshore accounts controlled by middlemen connected to Angolan officials and members of the ruling political party, according to a US Department of Justice probe made public yesterday.

The bribes were paid by BCG through its office in Lisbon, Portugal, between about 2011 and 2017, the DoJ said. Despite finding evidence that the activities breached the US Foreign Corrupt Practices Act, the DoJ said it would not be prosecuting BCG because the firm reported the matter itself, fired the individuals involved and co-operated.

BCG agreed to pay an agent with ties to Angolan officials between 20 and 35 per cent of the value of the contracts it won, routing the money through three offshore entities, the DoJ said.

"Certain BCG employees in Portugal took steps to conceal the nature of the agent's work for BCG when internal questions arose, including by backdating contracts and falsifying the agent's purported work product," the DoJ said.

The period of the bribes coincided with the end of the rule of the late José Eduardo dos Santos, who stepped down in 2017 after 38 years in power. His successor, João Lourenço, quickly moved to consolidate power partly by cracking down on allegedly corrupt officials linked to the dos Santos regime.

The US has since moved to repair relations with Angola, one of Africa's biggest oil producers.

In total, BCG won 11 contracts with the Angolan ministry of economy and one with the National Bank of Angola over the years in question, bringing in $22.5mn in revenue. The firm will return the $14.4mn in profits the contracts generated.

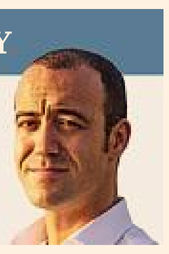
BCG said it had "exited the individuals from the firm and has since closed the office in Luanda, Angola", and that it "has also continued to significantly strengthen its compliance function, internal controls and training".

The DoJ said it reserved the right to reopen its inquiry into BCG if it learnt new information, and could still prosecute individuals.

Virtual power plants offer a demand-led route to energy efficiency

MORAL MONEY

Simon Mundy



The rise of renewable energy has led to strange behaviour in electricity markets. When sunny or windy conditions bring excessive supply of solar or wind power, grid operators end up in a situation where they pay suppliers to stop producing energy. This pushes up costs for consumers, while wasting valuable generation capacity.

Approaches to this problem have focused mainly on managing electricity supply, for example through massive battery installations. But the rise of smart appliances and electric cars has brought growing attention to the potential of virtual power plants: demand-side schemes that support the electric grid by nudging households and businesses to consume less power at times of peak demand, and more when supply is strongest.

Proponents say these can help to speed the shift to zero-carbon energy systems, while allowing households to enjoy the financial benefits of abundant green power.

One of the most prominent efforts in this field has been from Octopus Energy — the company founded in 2015 by tech entrepreneur Greg Jackson, which is now the UK's biggest electric utility serving 6.8mn households, and has been expanding into new markets from Spain to New Zealand to Texas.

"Flexibility [in the electric grid] is not a new thing," said Alex Schoch, Octopus's head of flexibility and electrification. "Since we've created electricity systems, we've always had to balance supply and demand. It's just that historically it's all been on the supply side."

Octopus's demand-side schemes include one that allows electric vehicle owners to charge their car at home for free, provided it is capable of feeding power back to the grid: a feature increasingly common in newer EV models. This enables Octopus to charge customers' cars when green power is abundant — and draw power from them at times of short supply.

"Electric cars are a beautiful thing" for a utility, Schoch said. "They're highly underutilised because they're not driving most of the time; they're parked and plugged in. You can use that to help balance the grid and unlock a huge amount of value."

> 'We've always had to balance supply and demand. It's just that historically it's all been on the supply side'

Other Octopus offerings include a service for electric heat pump users, which automatically heats their home when power is cheap.

Another initiative sends customers a smartphone notification at times of high demand, inviting them to reduce their energy consumption below normal levels for that time of day. If they do so — for example, by holding off from using their washing machine — they are rewarded with a small discount on their bill.

This has formed part of a wider initiative launched by National Grid, the privatised utility that owns electric and gas networks in the UK as well as the north-eastern US. Last winter — the season of highest UK energy demand — a total of 2.2mn households and businesses signed up to use the service, and received a total of over £9mn ($11.9mn) through their electricity suppliers. In June, National Grid said it planned to start operating the scheme year-round.

Demand-side schemes have been attracting attention in the US, too. The largest virtual power plant provider is Renew Home, which launched in May after a merger between Google's Nest Renew and California-based OhmConnect. The latter paid out $2.7mn to users for reducing energy usage during a heatwave in the state last year.

The US Department of Energy highlighted the potential of virtual power plants in a paper last December, saying they could reduce annual grid costs by $10bn.

The paper warned that peak demand on the US grid would rise from 740 gigawatts to 800GW in 2030, with factors including increased consumption by data centres. It estimated that a "lift-off" in the usage of virtual power plants could address as much as 20 per cent of that peak demand.

But growth is still being held back by slow-moving utilities, says Michael Murray, president of mission:data, a coalition of companies working on smarter energy usage. Businesses such as Renew Home rely on being able to access customers' electricity data, with their permission.

But in many US states and other jurisdictions worldwide, utilities are not required to make this data available, and often see little incentive to do so voluntarily, Murray said.

"For the most part, utilities are dinosaurs, and they take a long time to move in a new direction," Murray said. "But when you're decarbonising the grid, the most cost-effective way to do that is to have more flexible demand."

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

Financials

Klarna boardroom battle deepens

Decision looms on ousting of co-founder's confidant as group prepares for IPO

MARIA HEETER — NEW YORK
GEORGE HAMMOND — SAN FRANCISCO
IVAN LEVINGSTON — LONDON
RICHARD MILNE — STOCKHOLM

Klarna's board is weighing the removal of a crucial ally of one of the company's co-founders in what would be the second big upheaval of the Swedish fintech's board in recent months as it prepares for a blockbuster listing.

A decision on whether to oust Mikael Walther, a confidant of founding partner Victor Jacobsson, could be reached at a board meeting scheduled for late yesterday, two of the people said.

It was still possible that the board would decide against pushing to oust Walther. But the potential vote highlights tensions at a critical point for the buy now, pay later pioneer, months after another boardroom schism and ahead of a long-awaited initial public offering that could value the company at $15bn-$20bn.

Klarna and Walther declined to comment.

The attempt to remove Walther after eight years follows a two-year investigation, according to people with knowledge of the matter. One person familiar with the probe played down its significance and said it was being used as a device to exert pressure on him.

However, discussions over Walther's potential ousting are the latest indication of disagreements over the composition of the company's board, after a tussle between board member Michael Moritz, a Sequoia Capital veteran, and the venture capital firm's board representative Matthew Miller erupted into public view in February.

That effort to dislodge Moritz, an ally of Klarna chief executive Sebastian Siemiatkowski, from his role as chair of the board backfired, and Miller was replaced by another Sequoia partner, Andrew Reed.

The chaotic episode highlighted deep rifts on the board, which emerged as Klarna prepared to redomicile from Sweden to the UK ahead of the expected initial public offering, almost 20 years after its founding.

Tensions about the outsized influence of some shareholders on Klarna's decision-making because of historic special voting rights were at the centre of the conflict, the Financial Times previously reported.

Jacobsson, who founded Klarna alongside Siemiatkowski but left more than a decade ago, used his "right of first refusal" as a co-founder to buy shares through special purpose vehicles.

Walther's use of SPVs to build up a stake in the company formed part of the probe, people familiar with the matter said.

The use of SPVs has been controversial with some Klarna directors because of their perceived opacity.

However, one person familiar with the arrangement previously told the FT they were "standard onshore entities", and that for "investors and others who need to know, these entities are very clear and transparent".

Siemiatkowski has also previously bolstered his position in Klarna through an SPV.

See Lex

Sport

First down: the National Football League has drawn up a list of the likely first investors in its teams
Chris Szagola/AP

NFL opens the door to private equity investment

ERIC PLATT — NEW YORK
SAMUEL AGINI — LONDON

The National Football League has approved sweeping changes to its ownership policies that will allow the private equity industry to invest in teams, opening the most lucrative sports league in the US to the buyout industry for the first time.

NFL owners gave the green light to the changes, which would allow team owners to sell minority stakes to private equity firms, at a meeting on Tuesday.

It has picked a handful of investment managers including Ares Management, Arctos Partners, Sixth Street and a consortium made up of Blackstone, Carlyle, CVC, Dynasty Equity and Ludis, which was founded and is led by retired NFL player Curtis Martin, as preferred buyers for owners looking to sell.

The NFL will allow firms to buy a stake of up to 10 per cent of the common equity of individual teams, barring so-called preferred equity investments that have been typical in other leagues.

Each approved investor has committed to invest at least $2bn in the league, including leverage, and can divide that across multiple teams. The total commitment is expected to reach $12bn.

The league has required the buyout shops to hold their stakes in teams for at least six years and has capped each at investing in six teams.

A top NFL executive added that those buyout shops had been chosen in part because they could put a large amount of capital to work on "day one", but that more firms could be added to the list.

The deal will pave the way for team owners looking to cash out, with franchise values soaring into the billions of dollars, and finally bring Wall Street to the richest US sports league.

"The support today in the room was very strong," Greg Penner, Walmart chair and an owner of the Denver Broncos, said of the vote by team owners.

Penner added it was important for the league to give "owners a different option for capital sources but at the same time maintaining how we operate and our core ethos of being partners. Thirty-two owners around the table, making decisions, deliberating, and that won't change with this step today."

The NFL is the last big US sports organisation to open itself to institutional investment. Major League Baseball became the first US league to do so in 2019, followed by US soccer, basketball and hockey leagues.

The NFL's preferred buyers are the cream of the sports investment world. Ares, which manages more than $400bn, has invested in Chelsea FC in the UK Premier League and Inter Miami in the US. Arctos has bought stakes in the National Basketball Association's Golden State Warriors and indirectly in MLB's Boston Red Sox; Sixth Street has invested in the San Antonio Spurs and Real Madrid; and Dynasty owns a stake in English football club Liverpool.

Investors have long coveted an entry into US football, which enjoys the most lucrative and expensive media rights in the country. The $110bn 11-year deal and revenue sharing agreements struck in 2021 have bolstered the valuations of the league's teams. Franchises have also fetched increasingly higher prices.

Walmart heir Rob Walton led a group of investors, including Penner, in 2022 that bought the Denver Broncos for a reported $4.6bn, followed a year later by the $6bn purchase of the Washington Commanders by Apollo Global Management co-founder Josh Harris.

Now that NFL franchises change hands for billions of dollars, it is harder for billionaires to cover the price tag in full. By relaxing its ownership rules, the NFL will make it easier for franchises to raise capital and for existing owners to sell down their stakes or exit.

"They need to institutionalise and they need to increase franchise values," one private equity investor said. "Josh bought the Commanders for $6bn and if he wants to sell it for $10bn to $12bn down the road, not that many people have that money. The law of large numbers is kicking in."

Even so, the NFL's ownership rules remain more stringent than those in other sports, where private equity and other investment firms are permitted to buy outright control of teams.

RedBird Capital Partners owns Italian football club AC Milan, while Los Angeles-based investor Oaktree Capital seized control of rival Inter Milan in May after the club's Chinese owners failed to repay a €400mn loan.

Private equity firm Clearlake Capital and US financier Todd Boehly led the £2.5bn acquisition of Chelsea in 2022.

State-linked entities also have freer rein in European football.

Saudi Arabia's sovereign wealth fund invested in English club Newcastle United in 2021. Qatar Sports Investments owns French champions Paris Saint-Germain, which now counts Arctos as a minority shareholder.

Technology. **Moderation**

Telegram chief's hands-off approach catches up with him

Decade-long effort to avoid state scrutiny backfires with Durov's arrest in France

HANNAH MURPHY — SAN FRANCISCO
ADRIENNE KLASA — PARIS

Telegram chief executive Pavel Durov has spent the past decade positioning his messaging app as a politically neutral safe space away from government interference.

"In some markets, Telegram is one of the few remaining free platforms where people can express themselves," Durov said in an interview with the Financial Times earlier this year, his first in seven years, boasting of its use by protesters, human rights advocates and refugees.

He appeared relaxed over the rise of legislation targeting the clout of tech companies and concerns about the spread of harmful content. "We are confident that we can adapt," said Durov. "We don't expect any significant challenges."

That calculation backfired spectacularly on Saturday, when the Russian-born entrepreneur, who is a French-Emirati citizen, was arrested on touching down at an airport outside Paris.

French prosecutors have said the move is part of a probe that began in July into a failure to moderate alleged criminal activity on the app, including the spread of child sexual abuse content.

Durov has yet to be charged but could be held by investigators until last night.

The arrest, the most drastic attempt to hold a platform chief accountable for content, has thrust the fate of the magnate into the hands of the French judiciary at a time of highly polarised debate over social media's responsibilities.

To some, the arrest has been a long time coming. The platform has achieved growth to 1bn users since launch in 2013, leading its founder to suggest it was on the path to a lucrative IPO. Yet online safety researchers have been sounding the alarm that Telegram has become a breeding ground for criminals, hackers, disinformation pushers, conspiracy theorists and extremists fleeing tighter curbs by rivals such as Meta's Facebook and Google's YouTube.

"On Telegram it seems to be actual crimes going on, so it was also mind-boggling how much they seemed to get away with this," said Megan Squire, deputy director for data analytics at the Southern Poverty Law Center's Intelligence Project.

Squire, who monitors more than 500 out of what she describes as about 30,000 extremist groups on Telegram, said the platform had not attracted the attention of lawmakers sooner because it was based in Dubai and self-funded by Durov. But the hands-off approach to moderation "caught up with them".

Durov was dubbed the Mark Zuckerberg of Russia after co-founding VKontakte, its most popular social media network. But he fled the country in 2014

Free speech advocate: Pavel Durov denies being beholden to Kremlin

after allegedly refusing to comply with Moscow's demands for access to certain Ukrainian user data.

Speaking to the FT in March, he insisted that child abuse material and public calls for violence were "red lines". But his experience of oppression in Russia had shaped his unwavering belief in protecting freedom of expression; some "young people in the west take freedoms for granted".

While his French nationality might have played a role in bringing the case into the prosecutor's jurisdiction, the fact that Telegram was suspected of committing criminal offences on French territory was more relevant, according to lawyers in France.

French prosecutors and law enforcement have developed a level of expertise in investigating cyber criminality led by a specialised unit in the Paris prosecutor's office known as the J3.

One of the charges French prosecutors are pursuing in their investigation into Telegram is the refusal to cooperate with authorities and hand over information and documents "necessary for carrying out and operating interceptions allowed by law".

> 'We are confident that we can adapt. We don't expect any significant challenges'
>
> Pavel Durov earlier this year

Last year Telegram was temporarily banned in Brazil for allegedly not responding to government requests for data related to neo-Nazi activity.

Sam Woolley, a professor and disinformation expert at Pittsburgh university, said that there had been a "deep-seated mistrust" of Telegram in France since it was used for co-ordination by the terrorists who carried out the 2015 Paris attacks.

"Durov has again and again flouted specific [government] requests . . . as well as ongoing concerns about terrorism," said Woolley.

The 39-year old is being hailed as a free speech hero by libertarians such as Elon Musk, who has been agitating publicly against any attempt to more tightly police speech. The hashtag #freepavel has gained traction on X.

In Silicon Valley, some are accusing France of over-reach that could hamper innovation, and others expect sweeping repercussions for some social media operations.

"If I'm Elon, I'm paying close attention," Katie Harbath, global affairs officer at Duco Experts and a former Meta policy director, said.

Durov has sought to distance himself from Russia in recent years, saying speculation that he might remain beholden to the Kremlin given Telegram's prolific use by Moscow leaders was "conspiracy theories".

When asked for his position on Vladimir Putin or the Russia-Ukraine conflict, he said: "Let's not go there."

Moscow lawmakers have labelled the arrest politically motivated, a claim denied by President Emmanuel Macron. Before Durov's arrest, he flew in from Baku in Azerbaijan, where Putin had been at the time. Moscow says the pair did not meet. Telegram has said the entrepreneur has "nothing to hide."

Aleksandra Urman, a Zurich university researcher who has studied extremism on the platform, said: "He refused to choose the authoritarian government of Russia. But he also tried to defy moderation and not give data to any governments. He tries to go in between. It seems like you really can't not take a stance."

Media

India approves Disney-Reliance TV deal

CHRIS KAY — MUMBAI

Disney and Reliance Industries have secured approval from India's competition watchdog to proceed with an $8.5bn merger of their local entertainment businesses, clearing a big hurdle to the deal following concerns about dominance over cricket broadcasting.

The Competition Commission of India yesterday gave the go-ahead to the proposed merger subject to voluntary commitments from the companies.

Officials were concerned about the control Disney and entities largely owned by Reliance, the oil-to-telecoms conglomerate run by India's richest man Mukesh Ambani, would exert over the streaming and broadcast rights to international cricket and the Indian Premier League T20 tournament.

The breakthrough came after the companies agreed to shut down a handful of regional TV channels out of their portfolio of more than 100 stations, people close to the companies said.

The groups also assured the regulator they would not bundle advertisements across their cricket portfolio or raise advertising rates exponentially. The merged powerhouse would have had a "disproportionate" presence in parts of India such as Maharashtra, the richest state, where it accounted for about half the market, one of the people said.

"These were the two major concerns they had," they added. "There's only so much buying capacity in the market, but we have committed to them that we will behave responsibly and not raise the rates unreasonably."

The move paves the way for the creation of an unrivalled Indian entertainment giant in the world's most populous nation, which has lured global media majors, including Netflix and Sony, that have struggled to crack the fast-growing but highly price-conscious market.

Mihir Shah at consultancy Media Partners Asia said the merger "is set to form a formidable entity . . . with ambitions to redefine the media market landscape and compete more effectively with global digital juggernauts".

Disney's pact with Reliance came after it faced competitive pressure from the domestic group and debate within the US entertainment group over the financial underperformance of its India arm after acquiring Star India in 2019.

The decisive blow came in 2022 after Disney lost the five-year IPL streaming rights to Viacom18, a joint venture involving Reliance's JioCinema, in a record $6.2bn auction. Disney kept the event on its TV network, but JioCinema broadcast it free to Indian cricket fans.

Disney declined to comment. Reliance did not respond.

Insurance

Prudential reports slowdown in Hong Kong

CHAN HO-HIM AND ARJUN NEIL ALIM
HONG KONG

Prudential's growth stalled in its key market of Hong Kong in the first half of the year, marking a slowdown following the release of pent-up demand in the wake of the coronavirus pandemic.

New business profit, a measure of expected earnings from recently sold products, dropped 3 per cent year on year in Hong Kong, the insurer's biggest market, in the six months to the end of June, to $651mn. That followed a surge in the same period last year as mainland Chinese visitors returned to the territory to buy insurance after pandemic restrictions lifted.

Prudential's mainland Chinese joint venture also recorded a 33 per cent fall in new business profit, despite chief executive Anil Wadhwani stating in March that it was "starting to see the momentum coming back" in China.

Yesterday, Wadhwani told reporters: "China will continue to provide great potential", pointing to drivers including an ageing population that could fuel an "unmet demand" for long-term savings, retirement and health products.

Prudential, which is jointly listed in London and Hong Kong, shed its US and European operations to focus on Asia and Africa in a sweeping restructure that was completed in 2021. However, it was then hit by zero-Covid policies in its core Hong Kong market, which cut off visitors from mainland China.

Yesterday it reported that group new business profit fell to $1.47bn in the first half, from $1.49bn a year earlier, pulled down by weakness in China and Hong Kong. The insurer said it had "taken steps . . . to reposition our business" in anticipation of "macroeconomic headwinds" in China, while in Hong Kong it expected to continue to see "sustained" growth from mainland Chinese visitors.

The insurer added that overall weak growth in mainland China and concerns over its property sector continued to put pressure on Chinese interest rates.

Prudential has now bought back about $200mn of shares as part of a $2bn buyback plan announced in June. On an adjusted basis, operating profits for the first half increased 6 per cent year on year at actual exchange rates to $1.54bn, from $1.46bn.

The company's shares closed flat in Hong Kong yesterday, having fallen by more than 20 per cent since the start of the year.

In London, the company's stock closed down less than 1 per cent, as Prudential maintained its forward guidance and reported an interim dividend of 6.84 cents per share, based on its "strong capital position".

Pharma sector's $1tn race to conquer cancer offers hope on stubborn forms of the disease

FT series Some conditions appear to have been bypassed but fresh burst of energy for improved therapy stirs investors

OLIVER BARNES — NEW YORK
IAN JOHNSTON — LONDON

People with aggressive forms of breast, lung and prostate cancer have been offered a lifeline in recent years as new treatments hit the market, including AstraZeneca's Enhertu, Merck's Keytruda and Novartis's Pluvicto.

But a new weapon to fight pancreatic cancer, the deadliest common form of the disease that kills seven of eight patients within five years of diagnosis, has not emerged. Go-to treatment Folfirinox is a cocktail of four medicines, one of which was first approved in 1962.

"Almost all patients who come through the door are given a bunch of old drugs put together," said Anirban Maitra, an oncologist researching pancreatic cancer at the MD Anderson Cancer Center in Houston, Texas. "It's the weak link in the fight against cancer."

Tackling the hardest-to-treat tumours will be essential to public health efforts to turn cancer into a more manageable disease — a challenge given added urgency by an increase in the disease among younger people in developed countries.

The struggle to discover needle-moving treatments for pancreatic cancer, along with other types including colon and brain cancer, comes despite pharmaceutical groups spending almost $1tn over the past decade acquiring oncology drug developers, according to industry tracker Evaluate.

Why certain types of cancer have been bypassed in the wake of innovation and dealmaking is partly a result of complex biology that makes them untreatable by broadly targeted products such as Keytruda, approved for 40 forms of the disease. But the problem is also a consequence of where drugmakers, governments and charities place their research and development bets.

> 'Pancreatic cancer doesn't have patient advocates, because they all die'
> Julie Fleshman, PCAN

Almost half of the 2,143 trials launched last year focused on breast, lung and blood cancer, while just under 8 per cent were studying pancreatic cancer treatments, according to data provider IQVIA.

Pancreatic cancer research benefited from just $317 in public and philanthropic funding per death globally between 2016 and 2020, compared with nearly $3,600 of grant money per death for breast cancer, according to a Lancet study published last year.

Grant funding is dwarfed by R&D spending from drugmakers but is vital for more experimental research. Grant funding for cancer totalled $13bn in 2019 against $83bn spent by US pharma groups on research, a large proportion of which would have funded oncology trials, according to the Congressional Budget Office.

Another problem in the battle against harder-to-treat cancers is that their public profile tends to be overshadowed by other cancer types.

"Pancreatic cancer does not have patient advocates, because they all die," said Julie Fleshman, chief executive of the Pancreatic Cancer Action Network. Drug development in the field had been marked by a "long history of failures", where companies often spent hundreds of millions of dollars only for a treatment to flop in clinical trials.

Charlie Fuchs, head of oncology at Roche and its subsidiary Genentech, said that "from a commercial standpoint, there's an easier path forward to consider when it's a highly prevalent cancer like breast cancer".

The dearth of new treatments for certain forms of the disease explains investor excitement over Revolution Medicines. The biotech group's market value has risen about 50 per cent to more than $7bn this year after it released early-stage data showing that its novel targeted therapy stalled tumour growth in the most common type of pancreatic cancer.

For Mark Goldsmith, chief executive, the broader lack of innovation in the field was "an injustice".

He said: "The last thing you can do inside a big company is go to the head of clinical development and tell them: 'I've got a new drug that's going to treat pancreatic cancer.' You'll be sent to the back of the line."

Claire Myerson, a 54-year-old former IT director who lives in Oxfordshire, is among those to have benefited from the pharma industry's focus on highly prevalent cancers.

She has been receiving treatment for advanced metastatic breast cancer since late 2015. While Roche's Perjeta had little initial impact, Kadcyla, another of the company's treatments, has helped hold back the growth of her tumour for eight years.

"It's possible to live with metastatic breast cancer. It's not easy but it's possible," she said.

The drugs tackle cancers such as hers by targeting the HER2 protein present in a quarter of tumours, for which there were once few options.

Progress in this field shows how science can flip the odds in cancer care. Enhertu, developed by AstraZeneca and Daiichi Sankyo, has been the most successful antibody drug conjugate to radically shift survival rates by targeting the protein.

"Originally it was simply bad news if you had HER2 expression," said John Marshall, a gastrointestinal oncologist at the MedStar Washington Hospital Center. "Now the pharmaceutical industry has developed such effective treatments that you want to be HER2-positive."

The main two drugs available to Marshall to treat his colon cancer patients, Cetuximab and Vectibix, were approved nearly two decades ago.

"There's been no fundamental advance in colon cancer care in 20 years," he said.

But new treatments are on the horizon. BioNTech and Genentech are collaborating on a colorectal cancer vaccine aimed at halting tumour regrowth after surgery, following promising results in a small early-stage trial. They are also working on a pancreatic cancer vaccine that is at an earlier stage of clinical development.

Genentech's Fuchs said the companies were aiming for more than "small, incremental benefits". A pancreatic cancer vaccine "really is a major advance in what has been a very difficult disease . . . Not only do we think it's important in terms of global health but I think it will actually have a legitimate business case."

Bristol Myers Squibb this year received an accelerated approval from the US Food and Drug Administration for a new targeted therapy drug aimed at the same gene mutation as Revolution Medicines' lead drug, as a second-line therapy to treat a small subset of colorectal cancer cases.

The mutation in question is KRAS, which until just over a decade ago was considered an undruggable target. Now pharma groups are researching different variants of the gene to test how far-reaching its effects can be.

"Is it easy? Absolutely not," said Samit Hirawat, BMS chief medical officer. "This requires a lot of patience, resilience. And many drugs fail before one succeeds."

KRAS is present in 90 per cent of pancreatic cancers, about 40 per cent of colorectal cancers, and roughly a quarter of cases of the most common lung cancer — the three deadliest forms of the disease.

Pancreatic cancer had been "a wasteland" for new treatments, said Revolution Medicines' Goldsmith, because it was not an immune-responsive type, meaning it never responded to a class of immunotherapy drugs known as checkpoint inhibitors that had redefined large parts of cancer care.

By activating KRAS, these new drugs can turn pancreatic cancer cells into a "hotter tumour" that is more immune-responsive, opening the possibility that it could even respond to checkpoint inhibitors such as the $25bn a year in sales blockbuster Keytruda.

"People have tried immunotherapy in those diseases. People have tried targeted therapy in those diseases. It's not like they've been wilfully left behind," said Jacob Van Naarden, head of Eli Lilly's oncology division, which is also researching a KRAS inhibitor.

> 'This requires patience, resilience. Many drugs fail before one succeeds'
> Samit Hirawat, BMS

"The science of the tumours has not proved to be sensitive to the things that have worked in other places."

While a blood test for prostate cancer has been approved in the US for three decades, it was not until last month that a similar test, known as a liquid biopsy, was approved for colon cancer. Such a test for pancreatic cancer is still a long way off.

Helmy Eltoukhy, chief executive of Guardant Health, the company behind a new colon cancer blood test known as Shield, said liquid biopsies offered the promise of "removing a lot of the health disparity" that existed around getting tested for cancers.

About 30 per cent of eligible adults aged 45 and over in the US miss out on the colonoscopy exam, which requires patients to eschew food for 24 hours before the procedure and be sedated. Uptake is especially low among younger cohorts.

Christy Williams, a 45-year-old mother of three from Davidson, North Carolina, who is free of colon cancer after two surgeries and a dozen rounds of chemotherapy, recalled delaying her colonoscopy because she was busy and embarrassed.

"People often die from embarrassment," she said. "They're too embarrassed to just get the test."

She said she was not put off by the mammogram, which benefits from much higher uptake in western countries.

Expanding blood tests to check for cancers was vital to screening for pancreatic cancer, said Eltoukhy. Only breast, prostate, colon and lung cancer have widescale screening programmes in the US.

But products from device makers Grail, Exact Sciences and Freenome have so far struggled to get off the ground or overcome concerns about false negatives and positives.

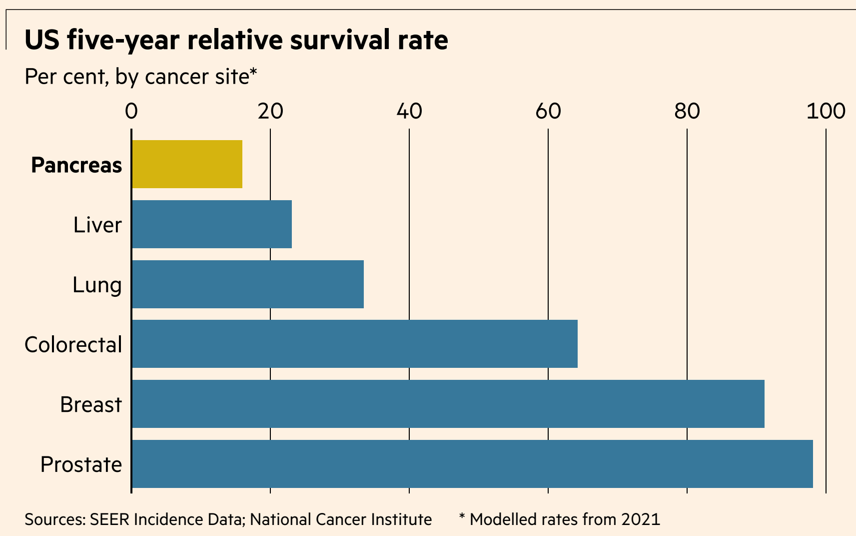
Scientists at the City of Hope National Medical Center in Duarte, California, have developed an early-stage pancreatic cancer test that preliminary findings suggest may have more than 90 per cent accuracy.

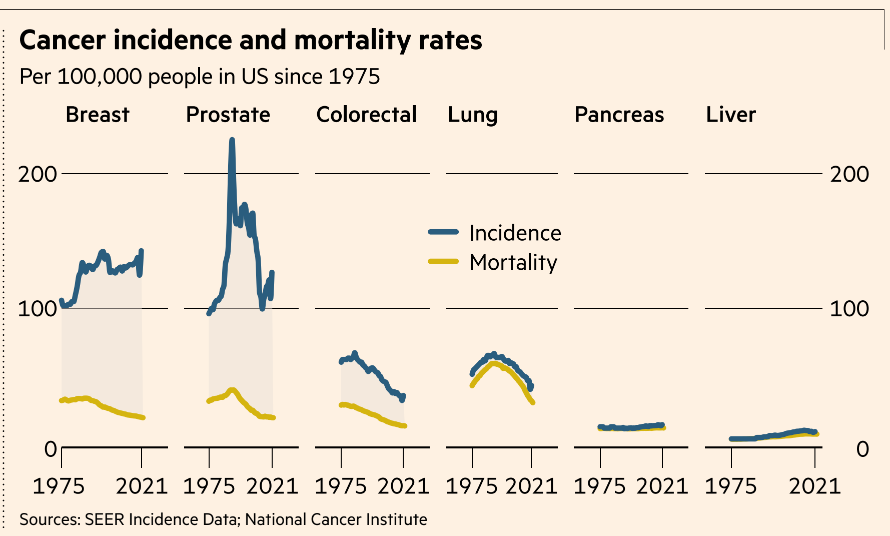
"If you find pancreatic cancer early, you can surgically treat these patients but also use some of the new treatments in development on later-stage patients," said Ajay Goel, who led the research.

Despite the lengthy period for much-needed new treatments and tests to arrive, oncologists specialising in the deadliest cancers have not given up hope.

"I've never been more hopeful — with the better understanding of biology and the huge markets waiting to be seized from screening all the way through to novel therapies — that we are on the verge of breakthrough for the hardest-to-treat cancers," said Marshall.

Claire Myerson, far left, has had her metastatic breast cancer held in check for eight years with Roche's Kadcyla. Left, work is under way to develop cancer vaccines
FT montage/Alamy/Thomas L. Fischer; Zoe Savitz/FT; Patrick Herzog/AFP/Getty





Cracking cancer
An FT series

A three-part series looking at how an influx of money is changing prospects for patients
Part two: Covid jab makers lead race to develop cancer vaccines
Part three: New cancer drugs add to strains on health budgets

Fixed income. Threat to stability

China bond bulls warned of bubble risk over supply

Frenzied buying has driven up the price of 10-year central government debt
Raul Ariano/Bloomberg

People close to central bank highlight impact of plans to issue $376bn more this year

JOE LEAHY AND WENJIE DING — BEIJING
CHENG LENG AND ARJUN NEIL ALIM
HONG KONG

China's plans to issue billions of dollars of government bonds before the end of the year could lead to a correction in the price of the country's treasuries, people close to the central bank have warned, bursting what some have called a bubble in the market.

The warning follows frenzied buying that has driven up the prices of Chinese 10-year central government bonds, pushing yields below 2.2 per cent and leading the People's Bank of China to caution that a sudden reversal could threaten financial stability.

Official data and state media reports indicate that, as of July, the government had yet to issue just over half of its planned 2024 quota of local government and special central government ultra-long treasuries — with a total of about Rmb2.68tn ($376bn) still to come.

"When these government and local government bond issuances, driven by budgetary requirements, explode at the end of the year, it's trillions in volume," one of the people close to the central bank said. "The possibility of a significant reversal in yields is very high."

China's economic slowdown has led to increasing bond issuance in the past few years.

These include special local government bonds — whose proceeds are used by lower authorities for projects and investments — and ultra-long dated special treasury bonds used to help stimulate the economy.

Despite the planned increased issuance, the subdued economic outlook and weak stock market have led investors, including Chinese banks, to pile into government bonds, leading to concerns among regulators that the market is in bubble territory.

The 10-year yield hit an all-time closing low of 2.12 per cent this month.

The PBoC has said it is concerned about leveraged investment funds loading up with the bonds and the risk of failures similar to Silicon Valley Bank in the US, if banks buy treasuries with long maturities and then interest rates reverse.

"Long-term government bond yields have deviated from a reasonable range and show a tendency towards some degree of bubble," Xu Zhong, deputy secretary-general of the National Association of Financial Market Institutional Investors, an organisation under the PBoC, said this month in the Chinese central bank's newspaper, the Financial News.

Ministry of Finance data shows that, as of July, the government had yet to issue about Rmb2.1tn of its Rmb3.9tn full-year quota of special local government bonds while state media reported that it still had yet to issue Rmb582bn of a Rmb1tn issuance of ultra-long central government treasuries.

This has created an overhang of potential new issuance in the government bond market, the people close to the central bank warned.

"Originally, everyone expected government bonds and local government bond [yields] to rise with large-scale issuance," said one of the people close to the central bank.

But the person said "various factors" had impeded this issuance. Now there was a "supply-demand imbalance" that was driving up prices.

The person close to the central bank added: "When these [new bond issues] erupt and the Ministry of Finance comes in, with supply and demand [rebalancing], and when the big short comes in, won't the market reverse? Can you understand why the central bank needs to constantly speak out to remind people and guide them to rationally face such big risks?"

Analysts said there was also a deeper risk to financial stability if the yield curve flattened too much because that would put pressure on China's state banks' ability to earn profits.

The PBoC is reforming its monetary toolbox this year, including setting a new benchmark policy rate and fine-tuning the rate transmission mechanism by exerting more influence in the growing bond market.

The move follows a shift in banking liquidity from loans into other assets, such as bonds.

'Can you understand why the central bank speaks out constantly to remind people to rationally face such big risks?'

But Yang Yewei, a fixed-income analyst at Guosen Securities, said the PBoC might face challenges if it adopted yield curve control similar to that used by the Bank of Japan and the Reserve Bank of Australia in the past decade.

Yang said foreign regulators usually used yield curve control to cap yields while the PBoC was trying to set a floor.

"There's little precedent for that," Yang said.

In addition, China's bond market lacked the depth to support such an approach to monetary policy with official data showing it was equivalent to only 65 per cent of national GDP compared with much higher levels overseas.

Haibin Zhu, chief China economist with JPMorgan, said the PBoC was attempting to modernise monetary policy by using interest rates to control credit creation rather than directly controlling the quantity of credit.

"Sooner or later, [the shift in monetary policy] will come," Zhu said, but added that the transition was still at an experimental stage and would be a long process.

"The challenge is that the policy transmission is still not that smooth," Zhu noted. "That's why we see the PBoC is taking actions to control the central government bond yield curves — in which the trades are reflecting very weak market confidence and growing market risks."

Fixed income

US Treasury ETFs snapped up ahead of expected rate cut from Fed

KATE DUGUID AND WILL SCHMITT
NEW YORK

Investors are pouring cash into US government bond exchange traded funds as bond fever spreads through the market ahead of the Federal Reserve's expected interest rate cut in September.

BlackRock's TLT, the biggest ETF tracking long-dated Treasury bonds, pulled in nearly $4bn between the start of August and this Monday, according to data from Morningstar.

The fund has had bigger inflows in only three months since it launched in 2002.

The inflows are the latest sign of a comeback for bonds after two years of weak or negative returns — and heavy outflows from fixed income in 2022.

A slowdown in the US economy has prompted investors to seek the safety of fixed income amid volatile moves in US stocks.

Bond yields, which move inversely to price, have fallen this year as expectations have grown that the Fed will cut interest rates from their current 23-year highs.

The demand for ETFs also points to enthusiasm for bonds spreading beyond big money managers and hedge funds,

'Investors are very keen on securing these yields. People are feeling a bit of urgency around that'

with retail and institutional investors starting to move back into fixed income.

"Investors are very keen on securing these yields before they start falling," said Steve Laipply, global co-head of iShares fixed-income ETFs at BlackRock. "People are feeling a bit of urgency around that."

Across its suite of Treasury bond ETFs, TLT has taken in the largest flows this year, he said.

TLT is popular because it tracks 20- to 30-year Treasury bonds, a traditional haven investment in moments of market turmoil.

It is the third-biggest taxable bond ETF behind Vanguard's BND and BlackRock's own AGG but it has raked in more cash in August than its two far bigger rivals combined, according to Morningstar.

Beyond those three funds, investors have poured $12.2bn into US sovereign bond ETFs so far in August, on track to outpace July, which was the biggest month of inflows since October, according to EPFR data.

In all, taxable bond funds and ETFs pulled in more than $280bn between January and July — outstripping 2023's full-year total of $225bn and contrasting with the $204bn in outflows those funds endured in 2022, according to Morningstar.

Fed chair Jay Powell said last week at the Kansas City Fed's annual symposium in Jackson Hole, Wyoming, that the "time has come" for interest rate cuts.

Automobiles

Xpeng launches budget electric car model with Didi self-drive technology

GLORIA LI — HONG KONG

Chinese carmaker Xpeng has launched a low-priced electric vehicle based on technology acquired from ride-hailing group Didi, which was thwarted in its efforts to break into the country's highly competitive automotive sector.

The Mona M03 saloon, based on an unfinished car project Didi sold to Xpeng for HK$5.84bn ($744mn) last year, features a Tesla-like button-free dashboard and an artificial intelligence-powered self-driving system.

He Xiaopeng, Xpeng co-founder and chief executive, said at a launch event in Beijing that the M03 was "the only car with advanced autonomous driving" selling for less than Rmb200,000. Its Max version with self-driving features starts at Rmb155,000 ($21,700).

The M03 range has a starting price of just Rmb119,800, half that of Tesla's Model 3 standard version, and competes against the US EV manufacturer and models offered by Chinese domestic market leader BYD.

Didi has been forced to rein in its ambitions since becoming a prime victim of Beijing's technology crackdown when it listed on the New York Stock Exchange in 2021. It subsequently delisted and suffered restrictions on signing up new customers and drivers, as well as an Rmb8bn fine for "vile" breaches of China's data security laws.

"Didi sold the project to Xpeng due to financial issues," said Wu Zhefeng, a Mona product manager who moved to Xpeng from Didi after the acquisition. A new car project required heavy investment "that was very challenging for Didi", he added. Didi recently sold its

Xpeng's new Mona M03 electric car launched in Beijing yesterday

smart driving and "cockpit assets" unit to AutoAi, a subsidiary of state-backed digital mapping company NavInfo, for Rmb450mn, said a stock exchange filing yesterday. "The more in-depth cooperation with NavInfo and AutoAi will be centred on the area of smart transport, exploring more scenarios of intelligent mobility," Didi said in a statement.

The sale of its car-related businesses contrasts with the initial success of Chinese tech giant Huawei in establishing itself as a leading supplier to EV makers and its rival Xiaomi's rapid launch of its own electric vehicle.

Xpeng's Wu said Didi's design concept and use of its driver data in the development of self-driving had meant major savings that made it easier to push down the M03's price. The new model was not intended for use in the ride-hailing company's fleet or those of its rivals, he said, adding: "Our vision is instead to [serve] young individual customers who favour autonomous driving technologies."

The Max version can park itself without anyone behind the wheel and drive itself on frequently visited roads.

Additional reporting by Wenjie Ding in Beijing

Equities

Overseas investors abandon frothy India stocks as domestic savers pile in

ARJUN NEIL ALIM — HONG KONG
CHRIS KAY — MUMBAI

Foreign investors are pulling money out of India's equity market, cutting their exposure as the US interest rate cycle turns and millions of domestic savers continue to pile into richly valued stocks.

Foreign institutional investors have turned net sellers of India-listed shares in August with net outflows of more than $1bn, according to data from Bloomberg and the Securities and Exchange Board of India.

Year to date inflows stood at $2.6bn, well below the $22bn recorded last year.

The shift comes after years of strong domestic stock market performance, particularly the blue-chip Nifty 50 index.

Overseas investors sought returns outside China, where the economy has struggled for momentum since the pandemic.

India's weighting in international indices rose to reflect the inflow of money while new domestic investors also helped to drive up valuations.

The country's large internal market and rapid economic growth also insulated it from steep US interest rate rises in 2022 and 2023, which helped to pull money from many emerging markets.

"This is a story of India being in outperformance during this [US Federal Reserve] hiking cycle with geopolitical tailwinds," said Trinh Nguyen, senior economist for emerging Asia at Natixis.

'This cycle is locals rather than foreigners — the previous cycles were the other way around'

"As the cycle turns, there's not a lot of scope to benefit [further]."

Nguyen added: "You can think of the more compelling stories elsewhere that would benefit from the Fed cut cycle," citing investor interest in countries including Malaysia, Indonesia and South Korea.

The MSCI India index has advanced some 52 per cent in the past five years, dwarfing the 11 per cent climb of the MSCI Emerging Market index in the same period.

But global investors are warning over its lofty valuations as retail investors have piled into the market.

"This cycle is locals rather than foreigners — the previous cycles were always the other way around," said Aashish Agarwal, India country head at investment bank Jefferies.

Sat Duhra, a portfolio manager at asset manager Janus Henderson, said domestic investors had been shifting bank deposits into the market, particularly through mutual funds.

Since 2022, a net $70bn of domestic retail money has flowed into Indian equities, said Australian bank Macquarie in a recent note.

Local institutional investors are also struggling to find value in the market, according to Ashish Gupta, chief investment officer at Axis Mutual Fund.

Some foreign funds have taken profits and are waiting for a correction in Indian equity prices before re-entering the market, according to analysts.

"Foreign positioning in India remains light with foreign ownership at an 11-year low and conservative positioning among mutual funds," said Sunil Koul, Asia-Pacific strategist at Goldman Sachs.

The day in the markets

What you need to know

- **Global markets trade cautiously ahead of second-quarter earnings of Nvidia**
- **Crude prices extend falls after better than expected US inventories**
- **Dollar rebounds as traders turn attention towards key US economic data**

Crude prices extended their declines yesterday after higher than expected US inventories helped mitigate traders' concerns about a shutdown in Libya and war in the Middle East.

The Energy Information Administration reported US crude oil inventories were down 846,000 barrels to 425.2mn barrels in the week ending August 23, less than analysts' expectations of a 2.3mn barrel decline in reserves.

Brent crude was lower by 0.8 per cent, at $78.89 a barrel, while the US benchmark, West Texas Intermediate, fell by a similar level to $74.71 a barrel.

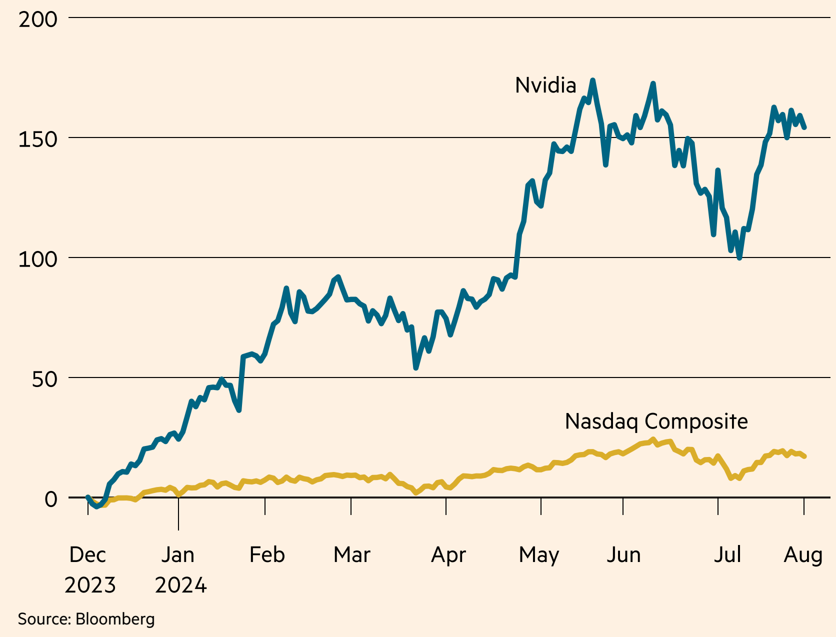
Weaker demand damped concerns over global supplies at the start of the week following reports that production in Libya had ceased due to political wrangling between the country's two governments. Libya exports around 1mn barrels a day of crude, according to Opec figures.

Andrzej Szczepaniak, vice-president of European economics at Nomura, said in the medium term there was still a risk tensions between Iran and Israel escalated and pushed fuel prices up.

The US dollar rebounded as traders turned their attention towards key US economic data at the end of the week, which includes a preliminary estimate of gross domestic product and consumption inflation, the Federal Reserve's preferred measure of inflation.

Nvidia shares have skyrocketed

Share price returns rebased (%)



Source: Bloomberg

The dollar index, which tracks the US currency against six others including the euro and sterling, rose 0.6 per cent to 101.1, having hit its lowest point in more than a year on Tuesday. Gold fell 0.9 per cent to $2,496 per troy ounce as the dollar strengthened.

Global markets traded cautiously ahead of second-quarter earnings of chipmaking giant Nvidia. US markets were lower in early afternoon trading in New York, with the benchmark S&P 500 falling 0.6 per cent. The tech-heavy Nasdaq Composite declined around 1.2 per cent.

The region-wide Stoxx Europe 600 was up 0.3 per cent to extend its rebound following the August sell-off and edge closer to a record high. London's FTSE 100 closed flat, while Germany's Dax was up 0.6 per cent.

Ryan Reardon, vice-president at State Street Global Advisors, said Nvidia, along with the other 'Magnificent Seven' large-cap tech companies, was becoming an 'overcrowded' trade. Nvidia, valued at $3.1tn, accounts for more than 6 per cent of the S&P 500 and was responsible for more than a quarter of the index's 18 per cent gains this year. **Rafe Uddin**

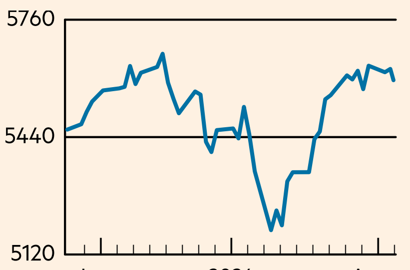
Markets update

	US	Eurozone	Japan	UK	China	Brazil
Stocks	**S&P 500**	**Eurofirst 300**	**Nikkei 225**	**FTSE100**	**Shanghai Comp**	**Bovespa**
Level	5595.07	2064.49	38371.76	8343.85	2837.43	136624.11
% change on day	-0.55	0.33	0.22	-0.02	-0.40	-0.11
Currency	**$ index (DXY)**	**$ per €**	**Yen per $**	**$ per £**	**Rmb per $**	**Real per $**
Level	101.118	1.113	144.515	1.322	7.127	5.526
% change on day	0.563	-0.358	0.184	-0.151	-0.040	0.550
Govt. bonds	**10-year Treasury**	**10-year Bund**	**10-year JGB**	**10-year Gilt**	**10-year bond**	**10-year bond**
Yield	3.830	2.257	0.890	4.072	2.162	11.319
Basis point change on day	-1.850	-3.200	1.470	0.200	-1.700	1.900
World index, Commods	**FTSE All-World**	**Oil - Brent**	**Oil - WTI**	**Gold**	**Silver**	**Metals (LMEX)**
Level	545.26	78.88	74.78	2508.55	29.90	4143.70
% change on day	-0.36	-0.84	-0.99	-0.11	1.58	1.23

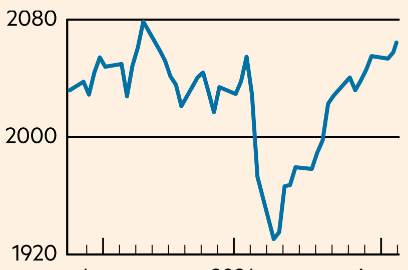
Yesterday's close apart from: Currencies = 16:00 GMT; S&P, Bovespa, All World, Oil = 17:00 GMT; Gold, Silver = London pm fix. Bond data supplied by Tullett Prebon.

Main equity markets

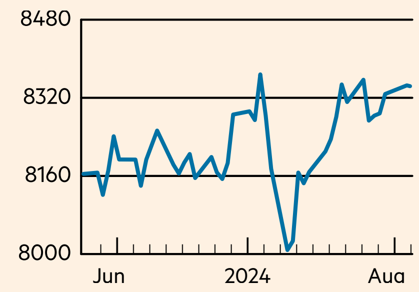
S&P 500 index



Eurofirst 300 index



FTSE 100 index



Biggest movers

%	US		Eurozone		UK	
Ups	Insulet	3.90	Ageas	3.91	Coca-cola Hbc Ag	3.06
	Bristol-myers Squibb Co	2.93	Oci	2.89	Bae Systems	2.12
	Bio-rad Laboratories Inclass A	2.29	Philips	2.04	Gsk	2.07
	Gilead Sciences	1.97	Ferrovial	1.86	United Utilities	1.79
	Int Flavors & Fragrances	1.92	Brenntag	1.75	Aviva	1.45
Downs	Super Micro Computer	-25.08	Hugo Boss	-2.28	Antofagasta	-5.97
	Bath & Body Works	-5.76	Coloplast	-2.12	Jd Sports Fashion	-4.05
	Jm Smucker (the)	-5.48	Tenaris	-1.65	Natwest	-3.26
	Lululemon Athletica	-4.40	A.p. Moller - Maersk B	-1.64	Endeavour Mining	-2.87
	Micron Technology	-4.27	Swatch	-1.54	Barclays	-2.74

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

China's squeeze on aspiring classes will have economic costs

Diana Choyleva

Markets Insight

My friend Wang seems to have it all. A finance professional in shiny Shanghai, Wang has earned his success. He was the first of his farming family to go to college; then the first to go abroad to study and work, in the UK.

China kept calling — his parents were broody for grandchildren — so Wang headed home to a lucrative job in the country's sprawling financial sector.

He married his college sweetheart and this summer showed me their second child, a beautiful, bawling infant who makes Wang's parents happy and his government, too. The couple can expect subsidies and cheaper childcare as the authorities hustle to reverse the population collapse accelerated by China's former "one-child" policy.

For decades, China has grown strongly, delivered higher standards of living nationwide and fired the dreams of millions of fresh graduates hoping to follow in Wang's footsteps.

But Wang worries about being able to support his growing family in an economy that has seen better days. He is working much harder for less money as Chinese leader Xi Jinping clamps down on the finance sector. His apartment is worth less and his savings are earning next to nothing in bank deposits.

Wang, who is considering a move to Hong Kong, is among many in China's financial industry who have told me they are feeling a chill from Xi's wealth and income redistribution efforts.

Plans are afoot to cap annual pay at all state-backed financial institutions at about $412,000 and demand retroactive repayments. Many financial firms have already cut salaries and bonuses and asked staff not to wear expensive watches and clothes to work. China's anti-graft watchdog has vowed to eliminate ideas of a western-style "financial elite" and rectify the hedonism of excessive pursuit of "high-end taste", according to Reuters.

Ambitious finance professionals in China still enjoy rewards that are hard to match in other careers. The average annual salary in urban China remains less than $17,000. But their complaints and the political factors behind them matter: a stagnating, sullen China would weigh heavily on the global economy.

Wang's worries help explain China's extraordinarily weak consumption, the economy's Achilles heel. Household consumption is just 37 per cent of GDP compared with 68 per cent in the US. More spending is crucial to revive China.

> Xi's strategy can succeed only if it doesn't kill off the incentive of the middle class to get on in life

The finance sector is just Xi's latest target. He has previously clamped down on internet platform companies, the after-school tutoring sector and the real estate sector. It is all part of Xi's sweeping mission to narrow China's wide income and wealth gap.

But Xi's strategy can succeed only if it doesn't kill off the incentive of the well-educated middle class to get on in life. In China, the Communist party largely determines interest rates, exchange rates and the flow of credit to companies and households. It is thus able to channel people's savings to those parts of the economy that best serve its interests.

It is also able to peg bank deposit rates below the rate of inflation, punishing savers. And, by means of capital controls, it prevents people from investing much of their money overseas.

Chinese households find it difficult to grow their wealth and receive a decent income from their assets. Most Chinese wealth is invested in real estate so the slide in house prices is cutting deep into household wealth. And the stock market in China is still more of a casino than a trustworthy investment alternative.

The upshot is that households are saving more for a rainy day.

The Communist party's third plenum in July, which set economic priorities for the next half-decade, did produce some good policies supportive of the consumer.

Pledges to give equal status to migrant workers who lack urban residency permits, to improve medical and social security provision and to lower education costs are all welcome. But the plenum was silent about the economy's most pressing need: a redistribution of income from companies to households.

It is true that the government has followed up with a raft of plans to prod consumers to save less and spend more.

Measures include more elderly care, a five-year urbanisation plan and further support for a subsidy scheme to trade in cars and other goods for cleaner replacements. But these measures are just a Band-Aid when what is required is major surgery. They are unlikely to persuade my friend Wang and consumers like him that good times are returning.

Diana Choyleva is founder and chief economist of Enodo Economics. She is also senior fellow on Chinese economy at the Asia Society Policy Institute's Center for China Analysis

Automobiles

BYD's earnings growth slows despite record output after 'fierce domestic competition'

GLORIA LI — HONG KONG

China's largest electric-vehicle maker BYD reported a sharp slowdown in earnings growth for the first half, as a prolonged price war has hit companies in the world's largest car market.

Net profits for the six months to June 30 were Rmb13.6bn ($1.9bn), up 24 per cent from a year earlier, the company said in a stock exchange filing yesterday. That compared with a threefold surge in first-half profits in 2023.

The Shenzhen-based group overtook Honda and Nissan to become the world's seventh-biggest carmaker by sales volume in the three months to June. However, the record delivery of 98,000 units in the quarter translated into lower-than-expected revenues of Rmb176.2bn, according to Financial Times calculations.

BYD's integration of various parts of its supply chain, extending from battery to computer chip production, has long given the group an edge to push down costs. The company rolled out multiple rounds of price cuts since the start of the year, taking some the brand's hybrid models into the low-budget segment below Rmb100,000, dominated by petrol-powered cars made by foreign brands.

China's auto industry is faced with a "complex macro environment" and "greater inventory pressure", said the Warren Buffett-backed company's management, acknowledging the challenges in an interim report.

"Fierce domestic competition is eroding Chinese EV makers' profitability despite strong demand. This challenge, along with their desire to build scale, are driving them to expand to overseas markets," said Gerwin Ho, a vice-president at Moody's Ratings.

However, the outlook for Chinese EV makers' global expansion has been complicated by tariffs introduced by western countries. Canada on Monday became the latest country to increase tariffs on imported China-made EVs, following similar actions by the US and the EU.

BYD's management yesterday said it would continue to provide global consumers with "differentiated and competitive products and quality services" despite rising "protectionism".

"Barriers against more competitively priced Chinese EV imports erected by the US and EU are pushing Chinese EV makers to focus on emerging markets," added Ho.

In July, BYD opened its first wholly owned overseas factory in Thailand and signed a partnership with Uber to bring 100,000 EVs to the ride-hailing platform's fleets around the world.

The group expects "nearly half" of its sales to come from overseas markets in the future, executive vice-president Stella Li told Bloomberg. In the first seven months of 2024, BYD sold 270,000 cars overseas, on track to meet its full-year target of 500,000 units that accounts for about 14 per cent of its overall total.

MARKET DATA

WORLD MARKETS AT A GLANCE

FT.COM/MARKETSDATA

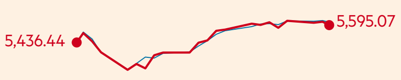
Change during previous day's trading (%)

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%	-1.10%	-0.28%	-0.02%	0.33%	0.22%	-1.02%	-0.36%	-0.358%	-0.151%	0.184%	-0.237%	-1.46%	-0.11%

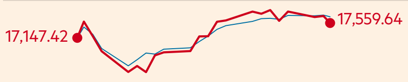
Stock Market movements over last 30 days, with the FTSE All-World in the same currency as a comparison

AMERICAS

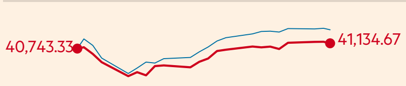
Jul 29 - - — Index — All World

S&P 500 New York


Day -0.55% Month 2.47% Year 26.18%

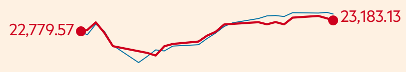
Nasdaq Composite New York


Day -1.10% Month 32.02% Year 76.54%

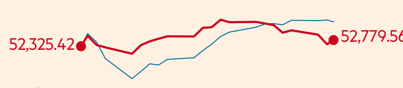
Dow Jones Industrial New York


Day -0.28% Month 1.32% Year 19.00%

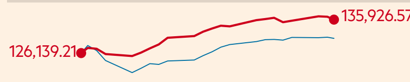
Jul 29 - Aug 28 — Index — All World

S&P/TSX COMP Toronto


Day -0.56% Month 1.37% Year 15.49%

IPC Mexico City


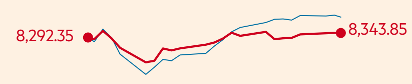
Day -0.15% Month 6.15% Year 36.49%

Bovespa São Paulo


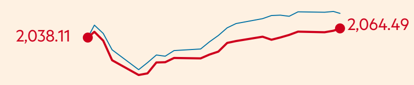
Day -0.11% Month 11.40% Year 41.47%

EUROPE

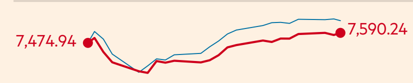
Jul 29 - Aug 28 — Index — All World

FTSE 100 London


Day -0.02% Month 0.71% Year 13.71%

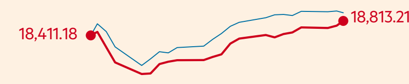
FTSE Eurofirst 300 Europe


Day 0.33% Month 1.51% Year 14.52%

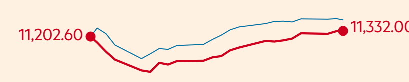
CAC 40 Paris


Day 0.16% Month 0.80% Year 4.81%

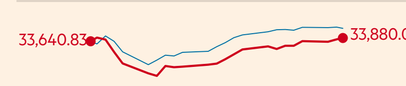
Jul 29 - Aug 28 — Index — All World

Xetra Dax Frankfurt


Day 0.54% Month 2.31% Year NaN%

Ibex 35 Madrid


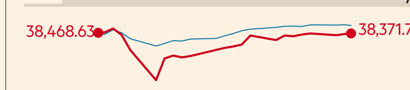
Day 0.05% Month 1.49% Year 21.34%

FTSE MIB Milan


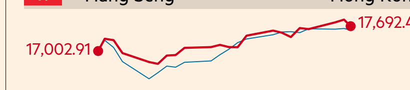
Day 0.30% Month 0.20% Year 20.11%

ASIA

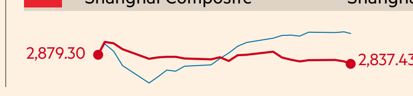
Jul 29 - Aug 28 — Index — All World

Nikkei 225 Tokyo


Day 0.22% Month 1.83% Year 21.29%

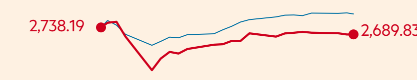
Hang Seng Hong Kong


Day -1.02% Month 3.90% Year -1.51%

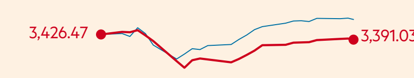
Shanghai Composite Shanghai


Day -0.40% Month -1.85% Year -7.40%

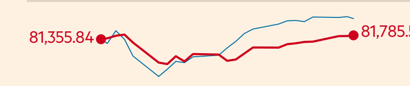
Jul 29 - Aug 28 — Index — All World

Kospi Seoul


Day 0.02% Month -1.54% Year 6.78%

FTSE Straits Times Singapore


Day -0.22% Month -1.07% Year 6.26%

BSE Sensex Mumbai


Day 0.09% Month 0.55% Year 26.03%

Country	Index	Latest	Previous
Argentina	Merval	1606595.80	1616134.16
Australia	All Ordinaries	8291.30	8297.10
	S&P/ASX 200	8071.40	8071.20
	S&P/ASX 200 Res	5326.70	5391.00
Austria	ATX	3700.25	3697.31
Belgium	BEL 20	4132.83	4117.07
	BEL Mid	10704.71	10677.24
Brazil	IBovespa	136624.11	136775.91
Canada	S&P/TSX 60	1387.50	1392.96
	S&P/TSX Comp	23129.99	23259.96
	S&P/TSX Div Met & Min	2043.26	2065.65
Chile	S&P/CLX IGPA Gen	32103.15	32130.40
China	FTSE A200	8794.55	8860.52
	FTSE B35	9000.71	8988.96
	Shanghai A	2973.93	2985.78
	Shanghai B	227.97	227.98
	Shanghai Comp	2837.43	2848.73
	Shenzhen A	1561.97	1561.77
	Shenzhen B	1048.86	1062.48
Colombia	COLCAP	1261.61	1260.21
Croatia	CROBEX	2013.05	2011.29

Country	Index	Latest	Previous
Cyprus	CSE M&P Gen	68.46	68.68
Czech Republic	PX	1573.65	1585.12
Denmark	OMXC Copenahgen 20	2706.45	2710.77
Egypt	EGX 30	30363.15	30133.81
Estonia	OMX Tallinn	1704.55	1709.31
Finland	OMX Helsinki General	10093.01	10095.86
France	CAC 40	7577.67	7565.78
	SBF 120	5740.65	5732.09
Germany	M-DAX	25213.80	25281.22
	TecDAX	3359.72	3348.42
	XETRA Dax	18782.29	18681.81
Greece	Athens Gen	1425.36	1432.46
	FTSE/ASE 20	3464.73	3491.09
Hong Kong	Hang Seng	17692.45	17874.67
	HS China Enterprise	6225.99	6306.36
	HSCC Red Chip	3560.61	3621.12
Hungary	Bux	72838.51	73315.37
India	BSE Sensex	81785.56	81711.76
	Nifty 500	23615.95	23604.85
Indonesia	Jakarta Comp	7658.88	7597.88
Ireland	ISEQ Overall	9672.68	9679.27
Israel	Tel Aviv 125	2064.19	2066.74

Country	Index	Latest	Previous
Italy	FTSE Italia All-Share	36066.45	35957.08
	FTSE Italia Mid Cap	47156.78	46966.36
	FTSE MIB	33880.05	33778.80
Japan	2nd Section	7228.27	7239.06
	Nikkei 225	38371.76	38288.62
	S&P Topix 150	2375.89	2362.01
	Topix	2692.12	2680.80
Jordan	Amman SE	2408.69	2397.75
Kenya	NSE 20	1685.91	1699.29
Kuwait	KSX Market Index	6633.44	6603.51
Latvia	OMX Riga	884.16	884.99
Lithuania	OMX Vilnius	981.60	984.53
Luxembourg	LuxX	1384.24	1375.45
Malaysia	FTSE Bursa KLCI	1675.24	1652.29
Mexico	IPC	52397.40	52474.31
Morocco	MASI	13930.79	13954.07
Netherlands	AEX	910.74	907.94
	AEX All Share	1201.91	1198.37
New Zealand	NZX 50	12470.60	12451.11
Nigeria	SE All Share	97343.42	98255.72
Norway	Oslo All Share	1652.51	1659.74
Pakistan	KSE 100	77992.79	78084.24

Country	Index	Latest	Previous
Philippines	Manila Comp	6958.01	6973.41
Poland	Wig	83738.97	84134.48
Portugal	PSI 20	6718.24	6746.06
	PSI General	4593.87	4616.71
Romania	BET Index	18270.37	18330.81
Russia	Micex Index	2436.57	2445.30
	RTX	1245.71	1212.57
Saudi-Arabia	TADAWUL All Share Index	12182.20	12261.18
Singapore	FTSE Straits Times	3391.03	3398.47
Slovakia	SAX	305.22	301.80
Slovenia	SBI TOP	-	-
South Africa	FTSE/JSE All Share	84018.65	84553.54
	FTSE/JSE Res 20	57209.07	58668.03
	FTSE/JSE Top 40	76526.15	77095.92
South Korea	Kospi	2689.83	2689.25
	Kospi 200	365.28	364.56
Spain	IBEX 35	11332.00	11326.90
Sri Lanka	CSE All Share	10945.81	11093.48
Sweden	OMX Stockholm 30	2562.54	2556.75
	OMX Stockholm AS	991.29	988.64
Switzerland	SMI Index	12348.70	12296.72

Country	Index	Latest	Previous
Taiwan	Weighted Pr	16915.54	16942.30
Thailand	Bangkok SET	1365.72	1364.31
Turkey	BIST 100	9766.79	9748.75
UAE	Abu Dhabi General Index	9222.93	9251.11
UK	FT 30	2861.90	2839.40
	FTSE 100	8343.85	8345.46
	FTSE 4Good UK	7588.60	7597.38
	FTSE All Share	4560.74	4564.68
	FTSE techMARK 100	6929.86	6904.42
USA	DJ Composite	13150.01	13148.71
	DJ Industrial	41134.67	41250.50
	DJ Transport	15911.64	15833.14
	DJ Utilities	1013.15	1007.70
	Nasdaq 100	19360.65	19581.52
	Nasdaq Cmp	17559.64	17754.82
	NYSE Comp	19086.58	19119.31
	S&P 500	5595.07	5625.80
	Wilshire 5000	42053.18	41446.59
Venezuela	IBC	92596.46	93151.24
Vietnam	VNI	1281.44	1280.56

Country	Index	Latest	Previous
Cross-Border	DJ Global Titans ($)	673.60	677.78
	Euro Stoxx 50 (Eur)	4915.77	4898.78
	Euronext 100 ID	1487.40	1483.96
	FTSE 4Good Global ($)	14441.22	14525.06
	FTSE All World ($)	545.26	547.23
	FTSE E300	2064.49	2057.77
	FTSE Eurotop 100	4107.34	4092.23
	FTSE Global 100 ($)	3852.97	3881.34
	FTSE Gold Min ($)	2417.66	2421.56
	FTSE Latibex Top (Eur)	4440.00	4432.20
	FTSE Multinationals ($)	3875.21	3868.56
	FTSE World ($)	1003.86	1007.30
	FTSEurofirst 100 (Eur)	5534.43	5522.14
	FTSEurofirst 80 (Eur)	6586.76	6567.80
	MSCI ACWI Fr ($)	830.81	830.03
	MSCI All World ($)	3647.30	3641.81
	MSCI Europe (Eur)	2070.04	2069.59
	MSCI Pacific ($)	3200.95	3187.86
	S&P Euro (Eur)	2138.90	2132.88
	S&P Europe 350 (Eur)	2114.37	2107.89
	S&P Global 1200 ($)	3998.17	4014.51
	Stoxx 50 (Eur)	4514.83	4498.87

(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	220.5	125.49	-2.81
Super Micro Computer	89.9	410.30	-137.34
Tesla	64.8	205.79	-3.42
Apple	36.5	226.82	-1.21
Advanced Micro Devices	23.6	146.21	-4.29
Meta Platforms	21.6	516.06	-3.04
Microsoft	17.2	408.95	-4.89
Amazon.com	16.6	170.67	-2.45
Micron Technology	11.9	93.68	-4.18
Alphabet	10.9	162.44	-2.24

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Insulet	200.10	7.52	3.90
Bristol-myers Squibb Co	49.53	1.41	2.93
Bio-rad Laboratories Incclass A	326.69	7.32	2.29
Gilead Sciences	78.52	1.52	1.97
Int Flavors & Fragrances	102.76	1.94	1.92
Downs			
Super Micro Computer	410.30	-137.34	-25.08
Bath & Body Works	32.72	-2.00	-5.76
Jm Smucker (the)	114.09	-6.62	-5.48
Lululemon Athletica	259.25	-11.93	-4.40
Micron Technology	93.68	-4.18	-4.27

Based on the constituents of the S&P500

LONDON

ACTIVE STOCKS	stock traded m's	close price	Day's change
Shell	205.2	2696.00	-29.00
Prudential	179.3	657.60	-4.80
Astrazeneca	136.9	13200.00	42.00
Gsk	125.8	1651.50	33.50
Unilever	96.6	4867.00	26.00
Relx	79.4	3522.00	30.00
Hsbc Holdings	75.8	659.70	-1.20
Lloyds Banking	72.6	58.18	-1.02
Tesco	72.2	348.30	-3.40
Bp	69.1	431.55	-0.60

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Genus	1796.00	92.00	5.40
Trustpilot	205.00	8.00	4.06
Coca-cola Hbc Ag	2826.00	84.00	3.06
Puretech Health	169.60	4.60	2.79
Bae Systems	1348.00	28.00	2.12
Downs			
Hochschild Mining	177.80	-16.20	-8.35
Rhi Magnesita N.v.	3300.00	-220.00	-6.25
Antofagasta	1796.50	-114.00	-5.97
Jd Sports Fashion	137.30	-5.80	-4.05
Osb	373.60	-15.40	-3.96

Based on the constituents of the FTSE 350 index

EURO MARKETS

ACTIVE STOCKS	stock traded m's	close price	Day's change
Nestle N	289.5	96.38	0.68
Roche Gs	283.4	301.13	0.21
Novartis N	201.9	108.31	0.79
Zurich Insurance N	175.8	527.77	5.44
Novo Nordisk B A/s	158.6	120.98	-0.24
Intesa Sanpaolo	158.0	3.70	0.00
Asml Holding	157.8	800.20	6.00
Unicredit	134.0	36.55	0.06
Stellantis	124.0	14.99	-0.03
Allianz Se Na O.n.	117.8	280.00	3.70

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Givaudan N	4646.01	166.46	3.72
Siemens Health.ag Na O.n.	52.44	1.00	1.94
Adidas Ag Na O.n.	226.70	4.10	1.84
Wolters Kluwer	152.35	2.70	1.80
Muench.rueckvers.vna O.n.	489.80	8.30	1.72
Downs			
Volkswagen Ag St O.n.	103.20	-1.60	-1.53
Prosus	32.73	-0.41	-1.22
Inditex	48.66	-0.58	-1.18
Richemont N	142.29	-1.33	-0.93
Bay.motoren Werke Ag St	84.02	-0.76	-0.90

Based on the constituents of the FTSEurofirst 300 Eurozone index

TOKYO

ACTIVE STOCKS	stock traded m's	close price	Day's change
Lasertec	1972.7	28735.00	1155.00
Toyota Motor	1233.8	2746.50	102.50
Disco	1189.5	42250.00	600.00
Softbank .	1047.3	8345.00	-196.00
Tokyo Electron	949.8	26190.00	-10.00
Rakuten	918.5	1028.50	86.60
Mitsubishi Heavy Industries,	653.4	1897.50	3.50
Advantest	589.4	6381.00	256.00
Sumitomo Mitsui Fin	541.5	9604.00	72.00
Fast Retailing Co.,	536.1	46200.00	-420.00

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Rakuten	1028.50	86.60	9.19
Lasertec	28735.00	1155.00	4.19
Advantest	6381.00	256.00	4.18
Toyota Motor	2746.50	102.50	3.88
Fujikura	3989.00	138.00	3.58
Downs			
Idemitsu Kosan Co.,	1056.00	-29.50	-2.72
Tse Growth Market Core Index	873.54	-24.22	-2.70
Sumitomo Heavy Industries,	3402.00	-86.00	-2.47
Aozora Bank,	2689.00	-64.50	-2.34
Softbank .	8345.00	-196.00	-2.29

Based on the constituents of the Nikkei 225 index

UK MARKET WINNERS AND LOSERS

FTSE 100	Aug 28 price(p)	%Chg week	%Chg ytd
Winners			
Bunzl	3462.00	8.2	8.5
Jd Sports Fashion	137.30	7.1	-15.9
Easyjet	469.10	6.9	-8.0
Int Consolidated Airlines S.a.	182.05	4.6	17.5
United Utilities	1015.50	4.3	-4.2
Coca-cola Hbc Ag	2826.00	3.7	22.6
Gsk	1651.50	3.5	13.9
Croda Int	4079.00	3.4	-19.2
Sainsbury (j)	288.80	3.2	-4.6
Marks And Spencer	338.70	3.2	24.3
Standard Chartered	767.80	3.1	15.2
Reckitt Benckiser	4402.00	3.0	-18.8
Losers			
Barratt Developments	509.40	-6.2	-9.5
Scottish Mortgage Investment Trust	817.20	-5.4	1.1
Melrose Industries	478.60	-5.2	-15.7
Berkeley Holdings (the)	4980.00	-4.6	6.2
Taylor Wimpey	159.85	-3.5	8.7
Persimmon	1644.00	-3.4	18.4
Endeavour Mining	1591.00	-2.9	-9.4
Legal & General	224.30	-2.9	-10.6
Antofagasta	1796.50	-2.8	7.0
Burberry	677.80	-2.5	-52.1
Natwest	338.00	-2.5	54.1
Hikma Pharmaceuticals	1990.00	-2.5	11.2

FTSE 250	Aug 28 price(p)	%Chg week	%Chg ytd
Winners			
Harbour Energy	300.00	6.2	-2.8
Carnival	1131.50	6.0	-13.8
Bank Of Georgia	4540.00	5.1	14.2
Greencore	186.40	4.4	92.7
Wizz Air Holdings	1317.00	4.3	-40.4
Sirius Real Estate Ld	99.25	3.5	5.2
Trustpilot	205.00	3.5	37.3
North Atlantic Smaller Companies Investment Trust	4220.00	3.4	9.3
Pphe Hotel	1365.00	3.4	13.8
Baltic Classifieds	280.50	3.3	18.6
Tate & Lyle	676.50	3.2	2.7
St. James's Place	721.50	2.9	5.9
Losers			
Hochschild Mining	177.80	-7.8	66.0
Rhi Magnesita N.v.	3300.00	-7.3	-4.6
Ocado	338.80	-6.6	-55.3
Osb	373.60	-6.6	-19.6
Allianz Technology Trust	349.00	-6.2	15.0
Fidelity China Special Situations	175.40	-6.0	-17.1
Diversified Energy	934.00	-5.9	-16.2
Just	142.40	-5.8	65.8
Xps Pensions	303.00	-5.3	30.0
Polar Capital Technology Trust	2950.00	-5.3	13.7
Auction Technology	411.50	-5.2	-21.7
Hg Capital Trust	517.00	-5.1	19.0

FTSE SmallCap	Aug 28 price(p)	%Chg week	%Chg ytd
Winners			
Ocean Wilsons (holdings) Ld	1465.00	13.6	22.1
Chrysalis Investments	82.90	10.4	6.2
Treatt	484.50	7.5	-3.7
Petrofac	15.51	7.5	-58.5
Headlam	154.00	4.8	-28.7
Mcbride	133.00	4.7	70.5
Robert Walters	370.00	4.5	-16.9
Octopus Renewables Infrastructure Trust	77.30	4.0	-14.1
Schroder Eur Real Estate Investment Trust	66.20	3.9	-4.1
Regional Reit	134.00	3.9	-39.8
Wickes	166.40	3.6	17.1
Mears	380.50	3.3	22.7
Losers			
Xaar	110.00	-6.8	-5.6
Jpmorgan China Growth & Income	185.40	-6.6	-16.5
Manchester & London Investment Trust	681.00	-5.4	23.9
Sabre Insurance	149.80	-5.2	-1.1
Rank	74.00	-5.1	-1.3
Tt Electronics	160.00	-4.2	2.4
Macfarlane	115.00	-4.2	-1.7
Galliford Try Holdings	289.00	-4.0	28.4
Pantheon Infrastructure	80.00	-3.8	-4.8
Fdm (holdings)	410.00	-3.8	-10.6
Residential Secure Income	52.80	-3.6	-10.5
Blackrock Latin American Investment Trust	346.50	-3.6	-22.6

Industry Sectors	Aug 28 price(p)	%Chg week	%Chg ytd
Winners			
General Industrials	7755.58	3.2	14.3
Food & Drug Retailers	4532.41	2.7	13.0
Food Producers	8252.48	2.4	12.6
General Financial	15957.49	2.3	9.3
Travel & Leisure	7262.99	2.1	-3.2
Gas Water & Multiutilities index	6128.14	1.9	-0.1
Pharmaceuticals & Biotech.	24499.25	1.8	20.6
Beverages	20843.33	1.7	-7.0
Chemicals	8294.96	1.6	-13.4
Mobile Telecommunications	2088.36	1.6	9.5
Aerospace & Defense	11524.54	1.2	33.8
Tobacco	31899.20	1.0	21.7
Losers			
Household Goods	14639.06	-3.9	12.0
Personal Goods	11310.85	-3.0	-48.2
Mining	10112.71	-2.8	2.3
Industrial Metals	6085.73	-1.9	-10.8
Equity Investment Instruments	11939.32	-1.7	3.6
Health Care Equip.& Services	11998.93	-1.2	11.9
Life Insurance	5667.60	-0.8	-9.2
Electronic & Electrical Equip.	10146.45	-0.5	1.9
Software & Computer Services	2467.61	-0.3	2.3
Oil & Gas Producers	8644.04	-0.3	0.8
Media	12364.85	-0.1	10.9
Real Estate & Investment Servic	2309.52	0.2	0.0

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

CURRENCIES

Aug 28	Currency	DOLLAR Closing Mid	DOLLAR Day's Change	EURO Closing Mid	EURO Day's Change	POUND Closing Mid	POUND Day's Change
Argentina	Argentine Peso	949.2501	0.4953	1056.5185	-2.9036	1254.3940	-1.2370
Australia	Australian Dollar	1.4725	-0.0023	1.6389	-0.0079	1.9459	-0.0060
Bahrain	Bahrainin Dinar	0.3770	0.0001	0.4195	-0.0013	0.4981	-0.0006
Bolivia	Bolivian Boliviano	6.9100	-	7.6909	-0.0252	9.1313	-0.0138
Brazil	Brazilian Real	5.5265	0.0303	6.1510	0.0137	7.3030	0.0290
Canada	Canadian Dollar	1.3456	0.0001	1.4976	-0.0048	1.7781	-0.0026
Chile	Chilean Peso	909.5650	2.3500	1012.3488	-0.6880	1201.9518	1.2967
China	Chinese Yuan	7.1265	-0.0028	7.9319	-0.0291	9.4174	-0.0180
Colombia	Colombian Peso	4067.8150	21.5350	4527.4927	9.2340	5375.4482	20.3919
Costa Rica	Costa Rican Colon	524.8600	1.1400	584.1709	-0.6383	693.5804	0.4623
Czech Republic	Czech Koruna	22.5068	0.0969	25.0501	0.0262	29.7417	0.0833
Denmark	Danish Krone	6.7013	0.0204	7.4585	-0.0016	8.8554	0.0137
Egypt	Egyptian Pound	48.6875	0.0183	54.1893	-0.1569	64.3385	-0.0729
Hong Kong	Hong Kong Dollar	7.7998	-0.0029	8.6812	-0.0317	10.3071	-0.0195
Hungary	Hungarian Forint	353.6164	1.3350	393.5761	0.2030	467.2891	1.0617
India	Indian Rupee	83.9613	0.0350	93.4491	-0.2667	110.9513	-0.1211

Aug 28	Currency	DOLLAR Closing Mid	DOLLAR Day's Change	EURO Closing Mid	EURO Day's Change	POUND Closing Mid	POUND Day's Change
Indonesia	Indonesian Rupiah	15425.0000	-70.0000	17168.0893	-134.3257	20383.4951	-123.3942
Israel	Israeli Shekel	3.6550	-0.0272	4.0680	-0.0437	4.8299	-0.0434
Japan	Japanese Yen	144.5150	0.2650	160.8457	-0.2303	190.9705	0.0626
..One Month		144.5144	0.2637	160.8452	-0.2313	190.9697	0.0610
..Three Month		144.5132	0.2613	160.8443	-0.2331	190.9682	0.0579
..One Year		144.5090	0.2531	160.8412	-0.2393	190.9697	0.0536
Kenya	Kenyan Shilling	128.7500	-0.2500	143.2992	-0.7480	170.1377	-0.5876
Kuwait	Kuwaiti Dinar	0.3053	0.0001	0.3398	-0.0011	0.4034	-0.0005
Malaysia	Malaysian Ringgit	4.3430	-0.0045	4.8338	-0.0208	5.7391	-0.0146
Mexico	Mexican Peso	19.4985	-0.1780	21.7019	-0.2698	25.7664	-0.2744
New Zealand	New Zealand Dollar	1.6001	-0.0044	1.7809	-0.0107	2.1145	-0.0090
Nigeria	Nigerian Naira	1605.0000	-	1786.3705	-5.8444	2120.9403	-3.1996
Norway	Norwegian Krone	10.4807	-0.0034	11.6651	-0.0419	13.8498	-0.0253
Pakistan	Pakistani Rupee	278.7550	-0.4450	310.2552	-1.5120	368.3630	-1.1447
Peru	Peruvian Nuevo Sol	3.7365	-0.0105	4.1587	-0.0254	4.9376	-0.0214
Philippines	Philippine Peso	56.2800	-	62.6398	-0.2049	74.3716	-0.1122

Aug 28	Currency	DOLLAR Closing Mid	DOLLAR Day's Change	EURO Closing Mid	EURO Day's Change	POUND Closing Mid	POUND Day's Change
Poland	Polish Zloty	3.8582	0.0189	4.2942	0.0071	5.0985	0.0174
Romania	Romanian Leu	4.4720	0.0145	4.9774	-0.0001	5.9096	0.0103
Russia	Russian Ruble	91.5750	0.0750	101.9233	-0.2497	121.0125	-0.0833
Saudi Arabia	Saudi Riyal	3.7526	0.0003	4.1767	-0.0133	4.9589	-0.0071
Singapore	Singapore Dollar	1.3018	-0.0015	1.4489	-0.0064	1.7203	-0.0045
South Africa	South African Rand	17.8050	0.0662	19.8170	0.0091	23.5286	0.0522
South Korea	South Korean Won	1339.0000	7.8000	1490.3114	3.8338	1769.4323	7.6534
Sweden	Swedish Krona	10.1752	-0.0062	11.3250	-0.0439	13.4461	-0.0284
Switzerland	Swiss Franc	0.8420	-0.0008	0.9371	-0.0039	1.1127	-0.0027
Taiwan	New Taiwan Dollar	31.9880	0.0625	35.6027	-0.0467	42.2708	0.0189
Thailand	Thai Baht	33.9925	-0.0750	37.8338	-0.2075	44.9197	-0.1670
Tunisia	Tunisian Dinar	3.0353	-0.0044	3.3783	-0.0160	4.0110	-0.0119
Turkey	Turkish Lira	34.0612	0.0282	37.9102	-0.0926	45.0104	-0.0307
United Arab Emirates	UAE Dirham	3.6729	-0.0001	4.0879	-0.0134	4.8535	-0.0074
United Kingdom	Pound Sterling	0.7567	0.0011	0.8423	-0.0015	-	-
..One Month		0.7568	0.0011	0.8422	-0.0015	-	-

Aug 28	Currency	DOLLAR Closing Mid	DOLLAR Day's Change	EURO Closing Mid	EURO Day's Change	POUND Closing Mid	POUND Day's Change
..Three Month		0.7568	0.0011	0.8420	-0.0015	-	-
..One Year		0.7565	0.0011	0.8409	-0.0015	-	-
United States	United States Dollar	-	-	1.1130	-0.0036	1.3215	-0.0020
..One Month		-	-	1.1128	-0.2104	1.3215	-0.0020
..Three Month		-	-	1.1125	-0.2104	1.3215	-0.0020
..One Year		-	-	1.1114	-0.2104	1.3212	-0.0020
Vietnam	Vietnamese Dong	24857.0000	27.0000	27665.9612	-60.3688	32847.5185	-13.8165
European Union	Euro	0.8985	0.0029	-	-	1.1873	0.0021
..One Month		0.8983	0.0029	-	-	1.1872	0.0021
..Three Month		0.8980	0.0029	-	-	1.1870	0.0021
..One Year		0.8969	0.0029	-	-	1.1859	0.0021

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 Aug 28	Day's chge%	Euro Index	£ Strlg Aug 27	£ Strlg Aug 23	Year ago	Div yield%	Cover	P/E ratio	X/D adj	Total Return
FTSE 100 (100)	8343.85	-0.02	7715.12	8345.46	8327.78	7338.58	3.67	2.00	13.57	229.46	9176.95
FTSE 250 (250)	21066.87	-0.45	19479.43	21162.07	21189.48	18131.02	3.22	1.62	19.10	453.70	18567.13
FTSE 250 ex Inv Co (166)	22224.22	-0.31	20549.57	22292.55	22298.73	18745.00	3.30	1.34	22.59	497.61	20031.50
FTSE 350 (350)	4605.15	-0.08	4258.14	4608.79	4601.22	4037.89	3.61	1.96	14.14	122.79	10034.88
FTSE 350 ex Investment Trusts (263)	4552.13	-0.04	4209.11	4554.12	4544.30	3989.34	3.66	1.90	14.35	123.69	5132.32
FTSE 350 Higher Yield (125)	3855.98	-0.35	3565.42	3869.44	3854.00	3385.69	5.21	1.93	9.92	148.39	9748.15
FTSE 350 Lower Yield (225)	4913.97	0.19	4543.69	4904.56	4908.09	4300.02	2.01	2.02	24.65	71.93	6287.21
FTSE SmallCap (211)	6933.57	-0.45	6411.11	6964.72	6957.71	6011.11	4.02	0.62	40.26	163.44	12411.95
FTSE SmallCap ex Inv Co (110)	5997.84	-0.69	5545.89	6039.24	6027.25	4962.40	4.19	0.03	735.97	135.33	11154.53
FTSE All-Share (561)	4560.74	-0.09	4217.08	4564.68	4557.24	3998.05	3.62	1.93	14.32	121.32	10034.52
FTSE All-Share ex Inv Co (373)	4473.02	-0.05	4135.96	4475.27	4465.64	3917.63	3.67	1.88	14.50	121.31	5119.93
FTSE All-Share ex Multinationals (507)	1233.88	-0.62	947.32	1241.54	1245.03	1028.80	3.67	1.93	14.13	32.25	2818.44
FTSE Fledgling (55)	12017.46	0.06	11111.91	12010.13	11969.68	10341.86	2.23	-4.95	-9.06	170.83	27318.45
FTSE Fledgling ex Inv Co (23)	19098.53	-0.20	17659.41	19137.61	19032.55	14675.03	2.40	-4.69	-8.87	309.17	42159.49
FTSE All-Small (266)	4817.24	-0.43	4454.25	4838.06	4832.80	4174.38	3.96	0.51	49.21	111.81	11053.57
FTSE All-Small ex Inv Co (133)	4522.74	-0.67	4181.94	4553.41	4543.97	3730.72	4.15	-0.04	-670.80	101.30	10647.92
FTSE AIM All-Share (620)	770.30	-1.14	712.25	779.18	777.69	733.67	2.01	1.54	32.42	8.57	933.76
FTSE All-Share Technology (16)	2599.42	-0.02	2363.42	2599.92	2590.93	2120.59	1.60	1.99	31.45	30.09	3878.71
FTSE All-Share Telecommunications (6)	1342.03	0.20	1220.19	1339.32	1330.83	1207.27	7.85	0.68	18.83	57.12	2338.89
FTSE All-Share Health Care (10)	16979.60	0.71	15438.03	16860.01	16759.86	14111.22	2.20	1.86	24.45	334.83	16468.87
FTSE All-Share Financials (254)	5381.85	-0.58	4893.23	5413.08	5410.40	4497.44	4.35	2.31	9.97	188.04	6513.15
FTSE All-Share Real Estate (49)	858.59	-0.65	816.64	864.18	867.69	753.62	4.28	-0.53	-44.21	26.79	979.89
FTSE All-Share Consumer Discretionary (74)	5703.61	-0.07	5185.78	5707.36	5744.04	4921.22	2.40	0.79	52.81	96.55	6301.44
FTSE All-Share Consumer Staples (25)	18895.14	0.34	17179.66	18830.24	18733.08	18096.31	4.17	1.53	15.70	496.33	18685.52
FTSE All-Share Industrials (83)	8666.47	0.77	7879.64	8600.04	8604.00	6895.35	1.79	2.53	22.13	116.76	10418.91
FTSE All-Share Basic Materials (21)	7236.37	-1.56	6579.38	7351.06	7305.31	7185.12	5.16	1.88	10.33	262.59	10850.23
FTSE All-Share Energy (15)	8926.25	-0.78	8115.84	8996.81	8962.02	8480.35	4.50	2.78	7.99	300.00	11704.99
FTSE All-Share Utilities (8)	9193.99	0.75	8359.27	9125.87	9133.77	8362.08	4.84	2.16	9.55	280.57	15235.23
FTSE All-Share Software and Computer Services (15)	2822.45	0.01	2566.20	2822.29	2812.44	2295.84	1.57	2.06	30.94	32.24	4453.98
FTSE All-Share Technology Hardware and Equipment (1)	3986.77	-2.74	3624.81	4098.90	4098.90	4325.65	4.25	-0.64	-36.69	115.87	5510.91
FTSE All-Share Telecommunications Equipment (1)	393.65	-1.07	357.91	397.90	397.45	332.40	3.55	0.29	97.70	0.00	583.94
FTSE All-Share Telecommunications Service Providers (5)	2085.20	0.25	1895.89	2080.07	2066.50	1879.75	8.00	0.68	18.31	91.87	3322.58
FTSE All-Share Health Care Providers (1)	12720.70	-0.39	11565.79	12771.08	12821.46	10755.92	1.03	2.57	37.79	105.80	11946.94
FTSE All-Share Medical Equipment and Services (2)	5809.57	-0.17	5282.12	5819.54	5822.79	5384.88	2.45	0.63	64.74	99.59	5868.90
FTSE All-Share Pharmaceuticals and Biotechnology (7)	24419.78	0.75	22202.71	24236.90	24084.75	20181.78	2.19	1.93	23.73	485.39	21335.98
FTSE All-Share Banks (12)	4228.16	-1.05	3844.29	4273.17	4246.67	3399.42	5.88	2.56	6.64	216.94	4210.66
FTSE All-Share Finance and Credit Services (8)	13688.27	0.61	12445.51	13605.67	13451.28	10974.65	1.59	1.47	42.88	212.43	19093.71
FTSE All-Share Investment Banking and Brokerage Services (34)	11582.06	-0.40	10530.53	11628.04	11678.97	8457.42	3.74	2.15	12.41	287.07	17708.40
FTSE All-Share Closed End Investments (188)	12237.50	-0.64	11126.46	12316.34	12395.10	10880.73	2.86	2.90	12.08	226.64	8054.86
FTSE All-Share Life Insurance (6)	5770.52	0.06	5246.61	5767.13	5817.22	6041.38	5.92	0.73	23.03	268.88	7764.68
FTSE All-Share Nonlife Insurance (6)	4389.81	0.10	3991.26	4385.65	4404.40	3483.31	2.78	2.12	16.99	81.17	9768.37
FTSE All-Share Real Estate Investment and Services (10)	2238.63	-0.39	2035.38	2247.40	2263.54	2035.29	2.32	0.51	84.29	31.01	6963.22
FTSE All-Share Real Estate Investment Trusts (39)	2121.22	-0.69	1928.63	2135.98	2143.48	1849.71	4.62	-0.62	-34.89	72.83	3514.84
FTSE All-Share Automobiles and Parts (3)	1069.32	-1.35	972.24	1084.00	1076.26	1772.92	4.60	-1.37	-15.89	35.30	1159.13
FTSE All-Share Consumer Services (1)	3924.84	0.63	3568.51	3900.12	3918.25	3328.12	1.86	1.99	26.99	72.89	5174.19
FTSE All-Share Household Goods and Home Construction (10)	12152.80	-0.36	11049.45	12196.25	12719.00	8393.15	3.69	1.48	18.27	179.47	11809.62
FTSE All-Share Leisure Goods (2)	28934.68	0.72	26307.71	28726.74	29113.36	28853.02	3.64	1.32	20.73	876.74	34905.83
FTSE All-Share Personal Goods (3)	9695.43	-2.38	8815.18	9931.78	10162.68	25601.76	6.69	1.75	8.53	416.92	8113.93
FTSE All-Share Media (10)	12706.59	0.47	11552.96	12646.80	12670.53	9807.41	2.27	-0.99	-44.55	257.27	9361.99
FTSE All-Share Retailers (21)	2650.44	-0.75	2409.81	2670.43	2697.25	2224.87	2.62	2.28	16.70	45.75	3617.64
FTSE All-Share Travel and Leisure (24)	7164.74	-0.85	6514.26	7226.01	7131.49	7012.95	1.49	1.48	45.20	54.49	7527.48
FTSE All-Share Beverages (5)	20932.21	-0.07	19031.78	20946.49	20942.10	25439.61	3.14	1.53	20.82	290.17	17424.19
FTSE All-Share Food Producers (9)	8502.63	0.48	7730.67	8462.29	8470.61	6609.35	2.15	2.84	16.38	99.15	8580.95
FTSE All-Share Tobacco (2)	31899.25	0.59	29003.13	31711.44	31422.46	28614.69	7.95	1.56	8.07	1349.05	34743.62
FTSE All-Share Construction and Materials (15)	12403.96	-0.03	11277.80	12408.00	12423.40	9378.38	2.80	2.42	14.80	244.81	16008.11
FTSE All-Share Aerospace and Defense (8)	12065.53	1.49	10970.11	11888.18	11908.16	7395.38	1.12	4.10	21.73	90.78	15107.09
FTSE All-Share Electronic and Electrical Equipment (11)	11877.50	0.46	10799.15	11822.62	11919.04	10591.68	1.62	2.25	27.43	139.20	12101.77
FTSE All-Share General Industrials (7)	6238.62	0.19	5672.22	6226.96	6063.94	4933.63	2.84	1.68	21.00	117.59	8727.08
FTSE All-Share Industrial Engineering (6)	13322.64	0.72	12113.08	13227.63	13243.24	14700.80	2.38	1.99	21.16	222.38	18537.11
FTSE All-Share Industrial Support Services (28)	11112.44	0.54	10103.54	11053.06	11087.80	9610.92	1.94	1.49	34.59	178.26	13299.46
FTSE All-Share Industrial Transportation (8)	5986.32	0.38	5442.83	5963.93	6033.66	5785.10	1.80	4.74	11.72	89.09	6475.93
FTSE All-Share Industrial Materials (1)	23554.39	0.43	813.59	23454.38	23604.40	18003.36	1.52	2.84	23.10	245.05	30682.75
FTSE All-Share Industrial Metals and Mining (8)	6555.13	-1.64	5959.99	6664.68	6617.39	6449.12	5.42	1.91	9.64	251.26	11143.97
FTSE All-Share Precious Metals and Mining (5)	9610.28	-2.82	8737.77	9889.26	9910.47	8669.93	2.88	1.82	19.13	149.58	7115.99
FTSE All-Share Chemicals (7)	9145.64	0.08	8315.31	9138.16	9131.51	10539.52	3.36	1.21	24.57	217.15	9635.78
FTSE All-Share Oil. Gas and Coal (14)	8672.54	-0.78	7885.16	8741.01	8706.99	8232.96	4.50	2.79	7.97	291.74	11794.56
FTSE Sector Indices											
Non Financials (307)	**5478.17**	**0.07**	**5065.38**	**5474.17**	**5463.21**	**4873.71**	**3.39**	**1.77**	**16.68**	**131.14**	**10550.95**

Hourly movements	8.00	9.00	10.00	11.00	12.00	13.00	14.00	15.00	16.00	High/day	Low/day
FTSE 100	8346.75	8346.27	8341.27	8359.65	8345.95	8336.98	8331.93	8356.28	8354.92	8365.15	8326.83
FTSE 250	20434.41	20439.13	20429.32	20430.92	20434.39	20407.98	20379.30	20419.95	20447.74	20491.99	20378.45
FTSE SmallCap	6630.05	6633.65	6631.83	6633.16	6641.41	6635.72	6632.59	6632.47	6639.74	6647.90	6624.73
FTSE All-Share	4538.91	4538.92	4536.30	4544.82	4538.74	4533.75	4530.53	4542.93	4543.24	4547.23	4528.35

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

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FT 30 INDEX

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

FT 30 hourly changes

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

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

FT WILSHIRE 5000 INDEX SERIES

	Aug 27		Aug 27
FT Wilshire 5000	56310.40	FT Wilshire Mid Cap	6579.64
FT Wilshire 2500	7236.21	FT Wilshire Small Cap	6089.79
FT Wilshire Mega Cap	7563.45	FT Wilshire Micro Cap	5304.36
FT Wilshire Large Cap	7398.22		

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FTSE SECTORS: LEADERS & LAGGARDS

Year to date percentage changes

Aerospace & Defense	34.20	Consumer Goods	8.92	Utilities	0.98
Industrial Transport	34.19	Financials	8.86	Oil & Gas Producers	0.72
Construct & Material	26.13	Mobile Telecomms	8.21	Oil & Gas	0.66
Personal Goods	22.50	FTSE SmallCap Index	7.92	Industrial Transport	32.39
Tobacco	21.77	FTSE 100 Index	7.90	Gas Water & Multi	0.00
Pharmace & Biotech	20.74	FTSE All{HY-}Share Index	7.77	Industrial Metals &	-1.42
Health Care	19.88	Consumer Services	7.25	Real Est Invest & Tr	-2.05
Banks	16.42	NON FINANCIALS Index	7.07	Technology	-3.16
Nonlife Insurance	15.65	FTSE 250 Index	6.99	Software & Comp Serv	-3.79
Financial Services	14.68	Support Services	6.31	Household Goods & Ho	-5.75
Industrials	14.39	Food & Drug Retailer	5.72	Beverages	-7.31
Food Producers	13.28	Tech Hardware & Eq	5.21	Industrial Eng	-7.47
Media	12.11	Health Care Eq & Srv	4.99	Oil Equipment & Serv	-8.84
Fixed Line Telecomms	12.00	Electricity	4.16	Life Insurance	-9.17
Telecommunications	9.53	Equity Invest Instr	3.67	Mining	-10.44
General Retailers	9.43	Travel & Leisure	2.57	Basic Materials	-10.47
Leisure Goods	9.38	Real Est Invest & Se	2.25	Chemicals	-11.86
		Electronic & Elec Eq	1.53	Automobiles & Parts	-33.02

FTSE 100 SUMMARY

FTSE 100	Closing Price	Day's Change	FTSE 100	Closing Price	Day's Change
3I Group PLC	3160	-30.00	International Consolidated Airlines Group S.A.	182.05	-1.20
Admiral Group PLC	2928	-7.00	Intertek Group PLC	4852	48.00
Airtel Africa PLC	116.10	0.70	Jd Sports Fashion PLC	137.30	-5.80
Anglo American PLC	2235	-44.00	Kingfisher PLC	283.30	-3.50
Antofagasta PLC	1796.5	-114.00	Land Securities Group PLC	626.00	-8.50
Ashtead Group PLC	5252	24.00	Legal & General Group PLC	224.30	-0.40
Associated British Foods PLC	2504	5.00	Lloyds Banking Group PLC	58.18	-1.02
Astrazeneca PLC	13200	42.00	London Stock Exchange Group PLC	10220	85.00
Auto Trader Group PLC	845.60	2.40	Londonmetric Property PLC	206.00	-1.60
Aviva PLC	505.20	7.20	M&G PLC	214.70	1.90
B&M European Value Retail S.A.	438.10	-6.80	Marks And Spencer Group PLC	338.70	0.70
Bae Systems PLC	1348	28.00	Melrose Industries PLC	478.60	2.50
Barclays PLC	223.90	-6.30	Mondi PLC	1465	-2.00
Barratt Developments PLC	509.40	-6.20	National Grid PLC	1004.5	11.30
Beazley PLC	750.00	-	Natwest Group PLC	338.00	-11.40
Berkeley Group Holdings (The) PLC	4980	-	Next PLC	10105	-
BP PLC	431.55	-0.60	Pearson PLC	1044	3.50
British American Tobacco PLC	2808	19.00	Pershing Square Holdings LTD	3652	16.00
Bt Group PLC	137.85	0.65	Persimmon PLC	1644	12.00
Bunzl PLC	3462	-8.00	Phoenix Group Holdings PLC	566.50	2.50
Burberry Group PLC	677.80	-15.00	Prudential PLC	657.60	-4.80
Centrica PLC	126.30	-1.25	Reckitt Benckiser Group PLC	4402	54.00
Coca-Cola Hbc AG	2826	84.00	Relx PLC	3522	30.00
Compass Group PLC	2381	15.00	Rentokil Initial PLC	478.80	-2.20
Convatec Group PLC	232.40	-1.20	Rightmove PLC	550.80	-1.20
Croda International PLC	4079	24.00	Rio Tinto PLC	4757.5	-56.50
Darktrace PLC	580.00	0.40	Rolls-Royce Holdings PLC	500.20	6.00
Dcc PLC	5335	15.00	Sage Group PLC	1004.5	-0.50
Diageo PLC	2519.5	-10.50	Sainsbury (J) PLC	288.80	0.80
Diploma PLC	4388	40.00	Schroders PLC	345.00	-
Easyjet PLC	469.10	-9.70	Scottish Mortgage Investment Trust PLC	817.20	-9.00
Endeavour Mining PLC	1591	-47.00	Segro PLC	877.00	-3.60
Entain PLC	630.80	-17.40	Severn Trent PLC	2531	20.00
Experian PLC	3657	40.00	Shell PLC	2696	-29.00
F&C Investment Trust PLC	1024	-2.00	Smith & Nephew PLC	1173	-0.50
Frasers Group PLC	850.00	-7.50	Smith (Ds) PLC	478.80	4.80
Fresnillo PLC	546.50	-8.00	Smiths Group PLC	1776	13.00
Glaxosmithkline PLC	1651.5	33.50	Spirax-Sarco Engineering PLC	7410	70.00
Glencore PLC	404.55	-5.95	Sse PLC	1882	7.00
Haleon PLC	374.50	2.70	Standard Chartered PLC	767.80	-3.80
Halma PLC	2556	18.00	Taylor Wimpey PLC	159.85	-0.90
Hargreaves Lansdown PLC	1104	2.00	Tesco PLC	348.30	-3.40
Hikma Pharmaceuticals PLC	1990	-7.00	Unilever PLC	4867	26.00
Howden Joinery Group PLC	940.00	7.50	Unite Group PLC	963.00	-1.00
HSBC Holdings PLC	659.70	-1.20	United Utilities Group PLC	1015.5	17.90
Imi PLC	1812	6.00	Vistry Group PLC	1348	-
Imperial Brands PLC	2159	7.00	Vodafone Group PLC	74.84	0.10
Informa PLC	826.20	1.20	Weir Group PLC	1949	22.00
Intercontinental Hotels Group PLC	7548	36.00	Whitbread PLC	2832	-66.00
Intermediate Capital Group PLC	2146	-	Wpp PLC	720.60	-1.80

FTSE GLOBAL EQUITY INDEX SERIES

Aug 27 Regions & countries	No of stocks	US $ indices	Day %	Mth %	YTD %	Total retn	YTD %	Gr Div Yield
FTSE Global All Cap	10028	922.34	0.1	3.2	13.5	1535.42	15.1	1.9
FTSE Global Large Cap	2034	850.34	0.1	3.4	15.3	1459.13	16.9	1.8
FTSE Global Mid Cap	2248	1093.98	0.0	3.6	9.0	1715.77	10.6	2.2
FTSE Global Small Cap	5746	1122.49	-0.2	0.8	7.3	1676.84	8.7	1.9
FTSE All-World	4282	547.23	0.1	3.4	14.1	964.99	15.8	1.9
FTSE World	2585	1007.30	0.1	3.6	14.6	2382.39	16.1	1.8
FTSE Global All Cap ex UNITED KINGDOM In	9757	976.40	0.1	3.2	13.5	1592.28	15.1	1.8
FTSE Global All Cap ex USA	8301	596.59	0.0	3.9	8.4	1121.58	10.8	2.9
FTSE Global All Cap ex JAPAN	8605	964.30	0.0	3.0	13.7	1619.32	15.3	1.9
FTSE Global All Cap ex Eurozone	9401	978.99	0.1	3.2	14.0	1591.09	15.4	1.8
FTSE Developed	2068	926.98	0.2	3.5	14.7	1550.83	16.3	1.8
FTSE Developed All Cap	5620	955.56	0.1	3.3	14.0	1574.70	15.5	1.8
FTSE Developed Large Cap	758	890.72	0.2	3.5	16.0	1516.04	17.5	1.7
FTSE Developed Europe Large Cap	197	487.86	0.1	4.1	10.1	1027.98	13.2	3.1
FTSE Developed Europe Mid Cap	328	710.97	0.0	4.0	7.1	1296.04	9.9	3.2
FTSE Dev Europe Small Cap	726	961.40	0.0	2.8	7.5	1682.98	10.3	3.1
FTSE North America Large Cap	212	1243.06	0.2	3.2	19.0	1918.68	20.1	1.2
FTSE North America Mid Cap	414	1370.19	-0.1	3.1	10.3	1966.20	11.5	1.8
FTSE North America Small Cap	1268	1354.46	-0.4	-0.3	8.4	1854.75	9.4	1.4
FTSE North America	626	788.35	0.1	3.2	17.3	1245.29	18.4	1.3
FTSE Developed ex North America	1442	325.59	0.2	4.4	8.6	659.28	11.1	2.9
FTSE Japan Large Cap	164	492.78	0.6	5.4	11.8	751.78	13.1	2.0
FTSE Japan Mid Cap	338	629.79	0.8	7.7	7.9	917.18	9.3	2.4
FTSE Global wi JAPAN Small Cap	921	702.51	1.2	6.7	5.7	1066.36	7.3	2.6
FTSE Japan	502	199.05	0.6	5.8	11.0	340.35	12.3	2.1
FTSE Asia Pacific Large Cap ex Japan	1254	764.44	-0.3	2.9	8.8	1468.30	11.0	2.6
FTSE Asia Pacific Mid Cap ex Japan	875	1148.60	-0.1	3.9	7.3	2120.24	9.3	2.6
FTSE Asia Pacific Small Cap ex Japan	2548	629.01	-0.1	2.1	4.0	1122.43	5.7	2.2
FTSE Asia Pacific Ex Japan	2129	612.39	-0.3	3.0	8.6	1249.68	10.8	2.6
FTSE Emerging All Cap	4408	812.52	-0.3	2.5	8.2	1498.22	10.7	2.8
FTSE Emerging Large Cap	1276	743.18	-0.4	2.4	9.3	1379.80	11.9	2.8
FTSE Emerging Mid Cap	938	1206.38	-0.1	3.2	4.1	2233.90	6.4	3.0
FTSE Emerging Small Cap	2194	907.06	0.1	2.1	4.5	1589.42	6.5	2.5
FTSE Emerging Europe	165	156.28	0.6	-6.2	11.6	352.57	15.1	3.5
FTSE Latin America All Cap	245	740.71	-1.0	3.9	-15.4	1644.52	-11.8	6.8
FTSE Middle East and Africa All Cap	325	766.53	-0.1	3.2	4.6	1500.66	7.7	3.6
FTSE Global wi UNITED KINGDOM All Cap In	271	391.69	0.4	3.5	12.3	857.80	15.4	3.6
FTSE Global wi USA All Cap	1727	1344.90	0.1	2.8	16.7	2000.42	17.8	1.3
FTSE Europe All Cap	1464	546.80	0.1	3.8	9.4	1105.33	12.4	3.1
FTSE Eurozone All Cap	627	533.16	0.0	3.5	7.6	1069.33	10.6	3.1
FTSE EDHEC-Risk Efficient All-World	4282	569.36	0.0	3.4	10.0	938.56	11.8	2.3
FTSE EDHEC-Risk Efficient Developed Europe	525	389.48	0.1	4.1	7.3	728.62	10.3	3.3
Oil & Gas	139	438.43	-0.5	0.5	7.4	969.60	10.4	4.0
Oil & Gas Producers	89	442.18	-0.5	0.0	6.9	1006.56	10.1	4.1
Oil Equipment & Services	26	307.69	-0.4	2.5	9.4	617.59	12.8	4.3

Aug 27 Sectors	No of stocks	US $ indices	Day %	Mth %	YTD %	Total retn	YTD %	Gr Div Yield
Basic Materials	423	626.39	0.2	2.2	-1.9	1223.57	0.0	3.2
Chemicals	208	838.98	0.1	2.8	-0.4	1555.48	1.1	2.4
Forestry & Paper	18	260.74	-0.4	4.0	-1.0	561.83	1.0	3.7
Industrial Metals & Mining	113	523.78	0.1	-0.8	-9.5	1070.70	-7.4	4.0
Mining	84	979.17	0.5	3.0	0.6	2057.22	3.2	3.9
Industrials	847	643.54	0.0	3.1	11.8	1063.02	13.2	1.7
Construction & Materials	161	786.77	-0.5	2.1	9.2	1374.15	10.7	1.8
Aerospace & Defense	38	1224.06	0.2	4.5	17.4	1961.01	18.5	1.3
General Industrials	78	347.74	0.4	2.5	18.3	639.98	20.0	1.9
Electronic & Electrical Equipment	173	781.75	-0.3	3.4	15.7	1154.16	16.8	1.3
Industrial Engineering	171	1290.48	-0.3	0.9	9.3	2127.63	10.7	1.8
Industrial Transportation	138	989.79	-0.1	1.6	-0.7	1699.16	1.1	2.7
Support Services	88	671.70	0.4	6.1	13.2	1026.20	14.2	1.3
Consumer Goods	568	603.08	-0.1	2.5	1.8	1060.98	3.6	2.5
Automobiles & Parts	140	583.85	-0.2	-1.0	-5.0	986.61	-3.2	2.2
Beverages	73	755.68	0.3	1.8	1.0	1340.07	2.5	2.7
Food Producers	132	695.82	0.0	4.8	-0.3	1260.03	2.0	2.8
Household Goods & Home Construction	59	662.32	-0.6	2.3	12.7	1166.48	14.8	2.3
Leisure Goods	54	293.28	0.6	5.6	5.3	425.16	6.2	1.3
Personal Goods	99	960.96	-0.4	4.3	0.1	1529.22	1.4	2.0
Tobacco	11	1146.36	0.8	6.0	26.3	3658.10	30.7	5.7
Health Care	346	863.74	0.2	5.2	15.8	1422.03	17.3	1.6
Health Care Equipment & Services	132	1564.20	0.4	4.9	10.5	1953.82	11.1	1.0
Pharmaceuticals & Biotechnology	214	603.62	0.0	5.4	19.4	1078.52	21.4	2.0
Consumer Services	431	699.67	-0.1	3.3	10.4	1020.69	11.3	1.1
Food & Drug Retailers	63	314.62	-0.2	1.5	-0.7	523.05	1.1	2.5
General Retailers	140	1313.40	-0.6	2.4	14.9	1825.49	15.6	0.8
Media	79	411.07	0.2	4.2	12.7	604.41	13.7	1.2
Travel & Leisure	149	534.29	1.1	6.4	0.5	799.01	1.5	1.5
Telecommunication	78	148.53	0.3	5.7	11.5	378.63	15.0	4.1
Fixed Line Telecommuniations	28	106.34	-0.1	3.9	5.7	317.64	9.9	5.3
Mobile Telecommunications	50	183.31	0.5	6.6	14.4	398.59	17.6	3.5
Utilities	214	364.99	-0.4	4.9	14.0	910.47	16.9	3.3
Electricity	156	421.10	-0.5	5.5	17.1	1029.83	19.8	3.0
Gas Water & Multiutilities	58	343.00	-0.3	3.5	6.6	895.69	10.0	4.1
Financials	851	332.48	0.3	3.5	14.3	679.30	17.1	3.0
Banks	272	253.21	0.0	1.5	15.7	591.02	19.9	4.2
Nonlife Insurance	71	514.15	0.5	6.0	24.5	905.55	27.4	2.5
Life Insurance	50	242.80	0.3	4.6	8.6	502.84	11.9	3.9
Financial Services	219	581.63	0.6	3.6	14.1	909.89	15.3	1.4
Technology	385	866.38	0.3	3.5	24.7	1148.12	25.3	0.7
Software & Computer Services	182	1192.20	-0.1	1.6	13.8	1457.79	14.3	0.5
Technology Hardware & Equipment	203	839.01	0.5	5.3	36.0	1202.08	36.8	0.8
Alternative Energy	24	128.37	-0.1	0.8	3.8	185.42	4.1	0.3
Real Estate Investment & Services	138	259.75	-0.3	5.2	1.3	530.77	3.3	2.7
Real Estate Investment Trusts	101	493.93	0.3	6.8	6.5	1242.27	9.0	3.7

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

UK STOCK MARKET TRADING DATA

	Aug 28	Aug 27	Aug 23	Aug 22	Aug 21	Yr Ago
Order Book Turnover (m)	85.88	30.48	29.81	29.81	29.81	84.25
Order Book Bargains	486682.00	476510.00	476446.00	476446.00	476446.00	464525.00
Order Book Shares Traded (m)	2796.00	1284.00	1238.00	1238.00	1238.00	1785.00
Total Equity Turnover (£m)	5854.06	7514.35	6272.56	6272.56	6272.56	6133.21
Total Mkt Bargains	1304919.00	1460723.00	1412719.00	1412719.00	1412719.00	1319698.00
Total Shares Traded (m)	8171.00	7638.00	8489.00	8489.00	8489.00	6923.00

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

UK RIGHTS OFFERS

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

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

UK COMPANY RESULTS

Company		Turnover		Pre-tax		EPS(p)		Div(p)		Pay day	Total	
Argo Blockchain	Int	**30.648**	25.769	**32.394L**	18.563L	**0.060L**	0.040L	**0.00000**	0.00000	-	**0.000**	0.000
Hochschild Mining	Int	**391.740**	314.023	**69.360**	66.115L	**0.000**	0.000	**0.00000**	0.00000	-	**0.000**	0.000
Naked Wines	Pre	**290.412**	354.045	**16.327L**	15.020L	**28.300L**	23.600L	**0.00000**	0.00000	-	**0.000**	0.000
Prudential	Int	**5836.000**	10241.000	**394.000**	1175.000	**0.044**	0.345	**6.84000**	6.50200	Oct 23	**21.200**	19.200
PureTech Health	Int	**0.000**	0.750	**55.030L**	13.744L	**0.150L**	0.090L	**0.00000**	0.00000	-	**0.000**	0.000

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

UK RECENT EQUITY ISSUES

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

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

MARKET DATA

FT500: THE WORLD'S LARGEST COMPANIES

FT 500: TOP 20

	Close price	Prev price	Day change	Day change %	Week change	Week change %	Month change %
Midea	0.30	0.26	0.05	17.65	0.00	17.6	0.00
Zoom	70.42	71.90	-1.48	-2.06	11.67	16.9	17.12
KoreaElePwr	22550.00	22750.00	-200.00	-0.88	2780.00	12.9	16.25
Workday	260.41	264.68	-4.28	-1.62	31.17	11.5	13.89
MitsuiFud	873.54	897.76	-24.22	-2.70	93.84	8.7	5.93
Seven & I	2100.00	2122.00	-22.00	-1.04	189.00	8.6	-57.22
Sinopec Corp	5.36	5.43	-0.07	-1.29	0.47	8.1	10.49
VF Cp	18.33	17.79	0.54	3.04	0.76	7.6	11.84
BhartiartI	1556.35	1522.75	33.60	2.21	73.60	7.4	2.77
Carnival	16.62	17.04	-0.43	-2.49	1.55	7.3	-3.82
Sony	14095.00	13780.00	315.00	2.29	510.00	6.2	36.43
AstellasPh	1814.50	1816.00	-1.50	-0.08	104.00	6.0	7.56
AIA	55.20	55.65	-0.45	-0.81	3.55	6.0	6.67
USBancorp	46.21	45.73	0.48	1.04	2.03	5.7	1.64
CNOOC	21.30	21.40	-0.10	-0.47	1.25	5.7	7.04
GenMotors	49.21	49.25	-0.05	-0.09	2.69	5.7	11.48
New Ch Life Ins	15.72	15.30	0.42	2.75	0.42	5.6	7.01
Citic Ltd	7.80	7.77	0.03	0.39	0.38	5.5	9.73
Swiss Re	117.05	115.45	1.60	1.39	4.55	5.5	8.08
MuenchRkv	489.80	481.50	8.30	1.72	17.30	5.5	5.56

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 %
Walgreen	9.23	9.45	-0.23	-2.38	-0.94	-11.2	-21.91
SK Hynix	175000.00	175000.00	4300.00	2.46	-24700.00	-10.2	-8.76
Intel	19.63	20.07	-0.44	-2.19	-1.34	-8.3	-37.37
Tesla Mtrs	205.79	209.21	-3.42	-1.63	-14.06	-7.8	-6.32
Intuit	619.01	626.32	-7.31	-1.17	-44.17	-7.7	-2.23
Applied Materi.	193.16	195.77	-2.61	-1.33	-13.35	-7.6	-6.43
Cadence Design	263.32	268.93	-5.61	-2.09	-15.63	-7.5	1.79
Pwr Cons Corp	5.09	5.21	-0.12	-2.30	-0.29	-7.5	-4.32
Advanced Micro	146.21	150.50	-4.29	-2.85	-7.31	-7.4	4.51
CSR	4.89	4.97	-0.08	-1.61	-0.30	-7.2	-0.20
Ch OSLnd&Inv	11.64	12.20	-0.56	-4.59	-0.34	-7.2	-7.32
BkMontrl	110.18	112.04	-1.86	-1.66	-5.95	-6.6	-8.75
China Vanke	3.70	3.86	-0.16	-4.15	-0.10	-6.6	-11.46
LasVegasSd	38.95	39.94	-1.00	-2.49	-1.35	-5.7	-0.57
ShenwanHong	0.05	0.05	0.00	0.00	0.00	-5.3	-19.40
Amazon	170.67	173.12	-2.45	-1.42	-6.99	-5.2	-6.45
ASML Hld	800.20	794.20	6.00	0.76	-49.10	-5.1	-2.35
Nissan Mt	427.70	430.50	-2.80	-0.65	-17.30	-4.5	-20.74
Tesco	347.90	350.00	-2.10	-0.60	-3.32	-4.2	4.83
Broadcom	158.61	161.39	-2.59	-1.60	-4.39	-4.2	4.83

Based on the FT Global 500 companies in local currency

INTEREST RATES: OFFICIAL

Aug 28	Rate	Current	Since	Last
US	Fed Funds	5.25-5.50	26-07-2023	5.00-5.25
US	Prime	8.50	26-07-2023	8.25
US	Discount	5.50	01-08-2023	5.25
Euro	Repo	4.00	14-09-2023	3.438
UK	Repo	5.00	01-08-2024	5.25
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

Aug 28 (Libor: Aug 27)	Over night	Change Day	Change Week	Change Month	One month	Three month	Six month	One year
US$ Libor	5.06157	0.010	0.000	-0.024	5.36661	5.32358	5.17070	6.04143
Euro Libor	-0.64957	-0.064	0.000	0.001	-0.61943	-0.58057	-0.55600	-0.48571
£ Libor	0.18063	-0.005	0.000	0.001	4.20130	5.30370	4.74470	0.81363
Swiss Fr Libor	-0.77860	0.009	0.000	-0.002	-0.77540	-0.75300	-0.70280	-0.55320
Yen Libor	-0.09217	-0.001	0.000	0.000	-0.06005	-0.02617	0.07165	0.04867
Euro Euribor				0.001	3.58400	3.51500	3.38500	3.09500
Sterling CDs				0.000	0.50000	0.63000	0.78500	
US$ CDs				0.000	5.29000	5.12000	4.87000	
Euro CDs				0.000	3.61000	3.51000	3.36000	

Aug 28	Short term		7 Days notice		One month		Three month		Six month		One year	
Euro	3.39	3.69	3.51	3.81	3.46	3.76	3.36	3.66	3.21	3.51	2.94	3.24
Sterling	0.45	0.55			0.45	0.55	0.58	0.68	0.71	0.86	0.90	1.05
US Dollar	5.02	5.22	5.23	5.43	5.19	5.39	5.02	5.22	4.77	4.97	4.36	4.56
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	223.67	-0.28	3.82	3.87	4.72	9.56
Corporates(£)	361.19		0.24	1.88	0.84	11.14
Corporates(€)	229.91	-0.12	0.24	2.41	0.68	7.66
Eurozone Sov(€)	223.54	-0.39	0.30	0.52	1.04	5.69
Gilts(£)	277.68		0.52	0.48	1.50	7.67
Overall(£)	292.85		0.50	0.16	1.34	8.37
Overall(€)	221.29	-0.29	0.37	1.11	1.01	6.23
FTSE						
Sterling Corporate (£)						
Euro Corporate (€)	104.47	-0.05			0.54	-1.73
Euro Emerging Mkts (€)	843.66	-0.19			1.18	23.20
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	286.38	1.65	-5.74	-11.73	358.71	281.11
Europe 5Y	52.13	0.42	-1.26	-2.87	68.88	49.53
Japan 5Y	51.33	-0.12	-1.09	-0.22	62.58	45.14
Senior Financials 5Y	59.84	0.58	-0.96	-2.76	78.08	57.39
Markit CDX						
Emerging Markets 5Y	158.89	0.58	-4.55	-9.56	187.46	156.34
Nth Amer High Yld 5Y	331.23	-0.74	-11.52	-16.81	382.60	316.75
Nth Amer Inv Grade 5Y	49.21	-0.27	-1.96	-3.46	61.08	48.00

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

VOLATILITY INDICES

	Aug 28	Day Chng	Prev	52 wk high	52 wk low
VIX	16.59	1.16	15.43	16.75	15.37
VXD	14.68	1.00	13.68	19.09	13.38
VXN	22.05	1.14	20.91	23.04	20.87
VDAX	14.50	0.35	14.16	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

BONDS: INDEX-LINKED

	Price Aug 27	Yield Aug 27	Yield Prev	Month return	Value stock	Market weight	No of stocks
Can 4.25%' 26	106.18	1.452	1.420	0.02	5.25	72902.33	8
Fr 0.10%' 26	98.36	1.205	1.163	0.52	12.74	260287.04	18
Swe 0.12%' 26	129.73	1.360	1.335	0.05	33.86	204634.56	6
UK 0.125%' 26	98.94	0.807	0.822	0.15	13.45	551770.07	0
UK 2.00%' 35	249.51	0.637	0.606	0.44	9.08	551770.07	32
US 0.625%' 26	97.49	2.487	2.495	0.59	42.16	1684775.78	48
US 3.625%' 28	106.57	1.751	1.752	0.77	16.78	1684775.78	48

Representative stocks from each major market Source: Merrill 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	3.82	1.69	0.11	Netherlands	2.44	0.21	-1.37
Austria	2.52	0.39	-1.19	New Zealand	4.03	1.90	0.32
Canada	2.93	0.80	-0.78	Norway	3.21	1.08	-0.50
Denmark	2.11	-0.02	-1.60	Portugal	2.41	0.28	-1.30
Finland	2.57	0.44	-1.14	Spain	2.67	0.54	-1.04
Germany	2.13	0.00	-1.58	Sweden	0.64	-1.49	-3.07
Italy	1.52	-0.61	-2.19	Switzerland	0.51	-1.62	-3.20
Japan	0.50	-1.63	-3.21	United States	3.71	1.58	0.00

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

COMMODITIES

www.ft.com/commodities

Energy		Price*	Change	Agricultural & Cattle Futures		Price*	Change
Crude Oil†	Oct	74.43	-1.10	Corn♦	Sep	365.00	-2.25
Brent Crude Oil‡		78.88	-0.67	Wheat♦	Sep	507.75	-0.50
RBOB Gasoline†	Sep	2.21	-0.04	Soybeans♦	Sep	955.75	-11.75
Natural Gas†	Sep	2.01	-0.04	Soybeans Meal♦	Sep	314.40	-2.90
Base Metals (♠ LME 3 Months)				Cocoa (ICE Liffe)♠		5646.00	-87.00
Aluminium		2504.50	-42.00	Cocoa (ICE US)♥	Sep	9700.00	-85.00
Aluminium Alloy		2400.00	60.00	Coffee(Robusta)♠		5261.00	2.00
Copper		9283.00	-136.50	Coffee (Arabica)♥	Sep	260.25	6.60
Lead		2083.50	-42.50	White Sugar♠		543.60	-4.40
Nickel		16995.00	-170.00	Sugar 11♥		19.46	-0.14
Tin		32470.00	-685.00	Cotton♥	Oct	69.55	-0.47
Zinc		2870.50	-63.50	Orange Juice♥	Sep	470.10	1.55
Precious Metals (PM London Fix)				Live Cattle♦	Oct	179.18	2.20
Gold		2508.55	-2.65	Feeder Cattle♦	May	134.88	-
Silver (US cents)		2990.00	46.50	Lean Hogs♦	Oct	82.20	1.80
Platinum		959.00	11.00				
Palladium		966.00	24.00		Aug 27	% Chg Month	% Chg Year
Bulk Commodities							
Iron Ore		101.50	1.15	S&P GSCI Spt	539.36	6.33	64.68
Baltic Dry Index		1755.00	34.00	DJ UBS Spot	96.41	0.48	-8.74
Richards Bay ICE Futures		115.20	-0.15	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: HIGH YIELD & EMERGING MARKET

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

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.

GILTS: UK CASH MARKET

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

GILTS: UK FTSE ACTUARIES INDICES

Index Linked	Aug 28	Day's chg %	Month chg %	Year's chg %	Total Return	Return 1 year
1 Up to 5 Years	341.93	0.01	0.18	4.89	2941.75	0.19
2 Over 5 years	520.91	-0.33	1.11	3.03	4014.24	1.14
3 5-15 years	467.55	-0.12	0.51	5.34	4.34	0.51
4 Over 15 years	557.02	-0.48	1.56	1.54	4149.23	1.56
5 All stocks	502.49	-0.27	0.96	3.45	3955.02	0.97

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

MANAGED FUNDS SERVICE

Algebris Investments (IRL)
Regulated

Fund	Bid	Offer	D+/-	Yield
Algebris Financial Credit I EUR	€ 206.26	-	0.19	0.00
Algebris Financial Credit R EUR	€ 175.70	-	0.15	0.00
Algebris Financial Credit Rd EUR	€ 96.56	-	0.08	6.08
Algebris Financial Income I EUR	€ 230.11	-	0.27	-
Algebris Financial Income R EUR	€ 206.17	-	0.22	-
Algebris Financial Income Rd EUR	€ 115.50	-	0.13	-
Algebris Financial Equity B EUR	€ 237.41	-	0.27	0.00
Algebris Financial Equity R EUR	€ 196.25	-	0.20	0.00
Algebris IG Financial Credit I EUR	€ 111.74	-	-0.06	0.00
Algebris IG Financial Credit R EUR	€ 109.07	-	-0.06	0.00
Algebris Global Credit Opportunities I EUR	€ 146.50	-	0.12	-
Algebris Global Credit Opportunities R EUR	€ 142.03	-	0.12	-
Algebris Global Credit Opportunities Rd EUR	€ 115.59	-	0.09	-
Algebris Core Italy I EUR	€ 156.99	-	-0.05	0.00
Algebris Core Italy R EUR	€ 147.11	-	-0.06	0.00
Algebris Sust. World B	€ 127.84	-	-0.93	0.00
Algebris Sust. World R	€ 124.80	-	-0.93	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	2881.65	-	-4.78	3.20
Artemis European Select I Acc	109.54	-	0.19	5.07
Artemis Global Income I Inc	566.66	-	0.19	2.62
Artemis Global Select I Acc	154.38	-	0.49	1.66
Artemis High Income I Q Inc	197.69	-	-0.56	-
Artemis Income I Inc	452.37	-	0.40	2.44
Artemis Monthly Dist I Inc	133.29	-	0.15	3.05
Artemis Positive Future Fund	188.83	-	0.67	0.55
Artemis Short-Dn Strat Bond	119.80	-	0.08	4.63
Artemis SmartGARP Eur Eq I Acc	73.31	-	-0.01	5.78
Artemis SmartGARP GloEmr Eq I Acc	288.17	-	-0.49	3.46
Artemis SmartGARP Glo Eq I Acc	77.46	-	0.01	4.36
Artemis SmartGARP UK Eq I Acc	64.25	-	0.21	0.00
Artemis Strategic Assets I Acc	101.09	-	-0.33	1.58
Artemis Strategic Bond I Q Acc	114.18	-	0.14	4.52
Artemis UK Select Fund Class I Acc	1014.01	-	-8.95	2.13
Artemis UK Smaller Cos I Acc	2507.76	-	-8.16	2.05
Artemis UK Special Sits I Acc	936.92	-	-7.00	2.03
Artemis US Extended Alpha I Acc	434.47	-	1.76	0.00
Artemis US Select I Acc	396.63	-	0.99	0.00
Artemis US Smlr Cos I Acc	365.87	-	-1.06	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	$ 58.71	-	-0.15	4.50
Emerging Markets Equity ESG Fund	$ 156.28	-	0.27	0.00
Emerging Markets Equity Fund	$ 140.24	-	0.11	0.00
Emerging Markets Active Equity Fund	$ 130.93	-	0.04	0.00
Emerging Markets Corporate Debt Fund	$ 62.29	-	0.06	4.25
Emerging Markets Debt Fund	$ 64.95	-	-0.11	4.81
Emerging Markets Frontier Equity Fund	$ 233.30	-	0.94	1.50
Emerging Markets Local Currency Bond Fund	$ 64.41	-	-0.18	4.89
Emerging Markets Sovereign Debt Fund	$ 87.21	-	-0.99	0.00

Atlantas Sicav (LUX)
Regulated

Fund	Bid	Offer	D+/-	Yield
American Dynamic	$ 8314.84	-	90.68	0.00
American One	$ 8872.98	-	28.13	-
Bond Global	€ 1614.50	-	-1.75	-
Eurocroissance	€ 1439.59	-	9.32	0.00
Far East	$ 992.36	-	10.48	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	$ 13.59	-	0.07	-

Brooks Macdonald International Fund Managers Limited (JER)
Third Floor, No 1 Grenville Street, St Helier, Jersey, JE2 4UF
+44 (0) 1534 700 104 (Int.) +44 (0) 800 735 8000 (UK)
Brooks Macdonald International Investment Funds Limited

Fund	Bid	Offer	D+/-	Yield
Euro High Income	€ 1.2495	-	0.0003	2.50
High Income	£ 0.6665	-	0.0002	3.77
Sterling Bond	£ 1.2973	-	0.0003	2.06

Brooks Macdonald International Multi Strategy Fund Limited

Fund	Bid	Offer	D+/-	Yield
Balanced Strategy A	£ 1.0121	-	-0.0017	1.32
Balanced Strategy	£ 1.0122	-	-0.0018	0.85
Cautious Balanced Strategy A	£ 0.9479	-	-0.0014	1.87
Growth Strategy A	£ 1.0494	-	-0.0015	-
High Growth Strategy A	£ 1.0590	-	-0.0018	-
Cautious Balanced Strategy	£ 1.3274	-	-0.0019	0.00
Growth Strategy	£ 2.1980	-	-0.0031	0.00
High Growth Strategy	£ 3.1086	-	-0.0052	0.00
US$ Growth Strategy	$ 2.1105	-	0.0013	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	$ 28.23	-	0.09	0.00
Global Leaders Sustainable Fund USD C	$ 16.89	-	0.06	0.00
Global Sustainable Total Return Bond GBP B	£ 9.72	-	-0.01	2.60
Global Sustainable Total Return Bond USD B	$ 10.34	-	-0.01	0.00
US Equity Growth Fund USD B	$ 65.33	-	0.39	-
US Flexible Equity Fund USD B	$ 34.14	-	0.09	-
US Mid-Cap Growth Fund USD C	$ 21.23	-	0.02	-
US Small Cap Blend Fund USD B	$ 25.88	-	-0.10	0.00
US Smaller Companies Fund USD B	$ 39.62	-	-0.14	0.00
US Sustainable Growth Fund USD C	$ 34.04	-	0.21	-
US Sustainable Value Fund USD C Acc	$ 13.84	-	-0.02	0.00

CG Asset Management Limited (IRL)
25 Moorgate, London, EC2R 6AY
Dealing: Tel. +353 1434 5098 Fax. +353 1542 2859
FCA Recognised
CG Portfolio Fund Plc

Fund	Bid	Offer	D+/-	Yield
Absolute Return Cls M Inc	£ 137.48	138.10	-0.18	2.09
Capital Gearing Portfolio GBP P	£ 37674.97	37882.70	-49.20	1.70
Capital Gearing Portfolio GBP V	£ 183.21	184.22	-0.24	1.71
Dollar Fund Cls D Inc	£ 157.89	158.36	-0.47	1.84
Dollar Hedged GBP Inc	£ 95.57	95.86	0.02	1.75
Real Return Cls A Inc	£ 187.60	188.17	-0.46	2.35
UK Index-Linked Bond G Inc	£ 104.84	104.99	-0.10	-

Candriam Investors Group (LUX)
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Candriam Abs Ret Eqt Mkt Neutral-C-Cap	€ 221.32	-	-0.28	0.00
Candriam Bds Euro High Yield Cap	€ 1344.19	-	1.22	0.00
Candriam Bonds Glb Hi Yield -C-Cap	€ 271.04	-	0.08	0.00
Candriam Bonds Glbl Infl Sh Dtion-I-Cap	€ 158.88	-	0.00	0.00
Candriam Bonds Total Return - C - Cap	€ 139.26	-	-0.02	0.00
Candriam Diversified Futures-I-Cap *	€ 13489.10	-	-24.68	0.00
Candriam Eqts L Australia Cap	A$ 2138.49	-	2.91	0.00
Candriam Eqts L Emerging Mkts Cap	€ 936.89	-	1.47	0.00
Candriam Equities L Biotech-C-Cap	$ 950.53	-	-0.44	0.00
Candriam Equities L Europe Innov-R-Cap	€ 276.89	-	1.26	0.00
Candriam Index Arbitrage-C - Cap	€ 1496.78	-	-0.04	0.00
Candriam Long Short Credit-R - Cap	€ 113.61	-	0.01	0.00
Candriam Risk Arbitrage - C - Cap	€ 2599.05	-	-0.81	0.00
Candriam Sust Bond Emerg Mkts-I-DIST	$ 821.11	-	-0.14	8.29
Candriam Sust Bond Euro Corp-R-Cap	€ 105.87	-	-0.10	0.00
Candriam Sust Bond GlobalHighYield-I-Cap	€ 1193.57	-	0.21	0.00
Candriam Sust Eq Cirl Econ-R-Cap	$ 147.70	-	0.11	0.00
Candriam Sust Eq Climt Action- I - Cap	$ 1691.26	-	-4.14	0.00
Candriam Sust Eq Emerging Mkts-C-Cap	€ 118.63	-	0.24	0.00
Candriam Sust Eq EMU-C-Cap	€ 187.42	-	0.38	0.00
Candriam Sust Eq Eurp S&M Caps-I-Cap	€ 2444.22	-	5.61	0.00
Candriam Sust Eq World -C-Cap	€ 36.63	-	0.13	0.00
NYLIM GF US HighYieldCorp Bond-R-Cap	$ 157.37	-	-0.04	0.00

Candriam Investors Group
Other International Funds

Fund	Bid	Offer	D+/-	Yield
Candriam Bds Euro Sh.Term Cap	€ 2100.21	-	-0.21	0.00
Candriam Bonds Credit Opportunities	€ 210.62	-	0.17	0.00
Candriam Bonds Emerg Mkt -C-Cap	$ 2749.27	-	-0.11	0.00
Candriam Equities L Eurp Opt Qlit-I-Cap	€ 220.95	-	0.47	0.00
Candriam Equities L Global Demg-R-Cap	€ 313.98	-	0.45	0.00
Candriam Equities L Onco impt-I-Cap	$ 3121.06	-	0.18	0.00
Candriam Equities L Robt& InnvTech-I-Cap	$ 4500.98	-	4.14	0.00

Cantab Asset Management Ltd (UK)
01223 522000
www.cantabam.com
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
VT Cantab Balanced A GBP Acc	£ 1.14	-	0.01	1.48
VT Cantab Moderate A GBP Acc	£ 1.16	-	0.00	1.75
VT Cantab Sustainable Glbl Eq A GBP Acc	£ 1.43	-	0.00	1.54

Chartered Asset Management Pte Ltd
Other International Funds

Fund	Bid	Offer	D+/-	Yield
CAM-GTF VCC	$ 332764.04	332764.04	3334.26	-
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
Dodge & Cox Worldwide Funds - Global Bond Fund

Fund	Bid	Offer	D+/-	Yield
EUR Accumulating Class	€ 17.46	-	-0.05	-
EUR Accumulating Class (H)	€ 11.72	-	0.00	0.00
EUR Distributing Class	€ 11.80	-	-0.03	-
EUR Distributing Class (H)	€ 7.87	-	0.00	4.32
GBP Distributing Class	£ 12.22	-	-0.08	-
GBP Distributing Class (H)	£ 8.57	-	0.00	4.91
USD Accumulating Class	$ 14.09	-	-0.01	-

Dodge & Cox Worldwide Funds -Global Stock Fund

Fund	Bid	Offer	D+/-	Yield
USD Accumulating Share Class	$ 37.39	-	0.11	-
GBP Accumulating Share Class	£ 46.37	-	-0.14	0.00
GBP Distributing Share class	£ 30.48	-	-0.08	-
EUR Accumulating Share Class	€ 50.21	-	0.04	-
GBP Distributing Class (H)	£ 16.60	-	0.05	1.93

Dodge & Cox Worldwide Funds-U.S. Stock Fund

Fund	Bid	Offer	D+/-	Yield
USD Accumulating Share Class	$ 49.11	-	0.04	0.00
GBP Accumulating Share Class	£ 57.61	-	-0.29	0.00
GBP Distributing Share Class	£ 34.06	-	-0.17	0.80
EUR Accumulating Share Class	€ 56.94	-	-0.08	0.00
GBP Distributing Class (H)	£ 18.99	-	0.01	0.79

Dragon Capital
www.dragoncapital.com
Fund information:info@dragoncapital.com
Other International Funds

Fund	Bid	Offer	D+/-	Yield
Vietnam Equity (UCITS) Fund A USD	$ 33.12	-	0.04	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	96.16	-	0.07	3.10

Euronova Asset Management UK LLP (CYM)
Regulated

Fund	Bid	Offer	D+/-	Yield
Smaller Cos Cls One Shares	€ 55.68	-	0.09	0.00
Smaller Cos Cls Two Shares	€ 35.24	-	0.05	0.00
Smaller Cos Cls Three Shares	€ 17.59	-	0.03	0.00
Smaller Cos Cls Four Shares	€ 23.18	-	0.03	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	4.03
Sustainable Multi Asset Balanced Fund W-ACC-GBP	£ 1.05	-	-0.01	1.69
American Fund W-ACC-GBP	£ 68.70	-	-0.59	0.00
Cash Fund W-ACC-GBP	£ 1.11	-	0.00	4.58
Emerging Mkts NAV	£ 7.21	-	-0.16	2.02
Sustainable Emerg Mkts Equity Fund A-ACC Shares	£ 1.52	-	0.01	-
Sustainable Global Equity Fund W-ACC-GBP	£ 36.95	-	-0.10	0.38
Japan Fund W-ACC-GBP	£ 6.80	-	0.00	1.09
Japan Smaller Companies Fund W-ACC-GBP	£ 3.66	-	-0.01	0.40
Select 50 Balanced Fund PI-ACC-GBP	£ 1.26	-	0.00	1.50
Special Situations Fund W-ACC-GBP	£ 52.83	-	0.19	2.89
Short Dated Corporate Bond Fund W-ACC-GBP	£ 11.58	-	0.01	4.35
Sustainable Water & Waste W-ACC-GBP	£ 1.27	-	0.00	0.68
Sustainable Water & Waste W-INC-GBP	£ 1.24	-	0.00	0.68
UK Select Fund W-ACC-GBP	£ 4.22	-	0.02	2.24
Global Enhanced Income W-ACC-GBP	£ 2.78	-	-0.01	4.19
Index UK Gilt Fund P-ACC-GBP	£ 0.76	-	0.00	3.39
Sustainable Multi Asset Conservative Fund W-ACC-GBP	£ 0.98	-	0.00	2.11
Sustainable Multi Asset Growth Fund W-ACC-GBP	£ 1.10	-	0.00	1.67

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	€ 202.66	-	0.26	-
American Fund USD Class	$ 226.36	-	0.05	-
American Fund GBP Hedged	£ 109.59	-	0.02	0.06
American Fund GBP Unhedged	£ 171.01	-	-0.54	-

Foord Asset Management
Website: www.foord.com - Email: info@foord.com
FCA Recognised - Luxembourg UCITS

Fund	Bid	Offer	D+/-	Yield
Foord International Fund | R	$ 49.38	-	-0.02	0.00
Foord Global Equity Fund (Lux) | R	$ 18.45	-	-0.03	0.00

Regulated

Fund	Bid	Offer	D+/-	Yield
Foord Global Equity Fund (Sing) | B	$ 22.12	-	-0.03	0.00
Foord International Trust (Gsy)	$ 48.14	-	0.19	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	692.89	-	2.99	0.30
Fundsmith Equity T Inc	629.03	-	2.71	-

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	-
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	£ 21.60	-	-0.04	1.91
Guinness Global Innovators Y GBP Acc	£ 36.57	-	-0.13	0.00
Guinness Sustainable Global Equity Y GBP Acc	£ 12.63	-	-0.11	-

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	1186.00	-	-2.00	-
Janus Henderson Asian Dividend Income Unit Trust Inc	75.04	-	-0.05	5.11
Janus Henderson Cautious Managed Fund A Acc	314.50	-	-0.40	3.72
Janus Henderson Cautious Managed Fund A Inc	146.20	-	-0.20	3.81
Janus Henderson China Opportunities Fund A Acc	888.60	-	-3.90	0.82
Janus Henderson Emerging Markets Opportunities Fund A Acc	203.00	-	-0.20	0.08
Janus Henderson Mid & Large Cap Fund	334.70	-	1.60	0.66
Janus Henderson European Selected Opportunities Fund A Acc	2617.00	-	13.00	0.75
Janus Henderson Fixed Interest Monthly Income Fund Inc	17.82	-	0.02	4.49
Janus Henderson Global Equity Fund Acc	5155.00	-	8.00	0.00
Janus Henderson Global Equity Income Fund A Inc	69.33	-	0.03	3.15
Janus Henderson Global Sustainable Equity Fund A Inc	580.40	-	1.90	0.00
Janus Henderson Global Technology Leaders Fund A Acc	4343.00	-	16.00	-
Janus Henderson Instl UK Index Opportunities A Acc	£ 1.32	-	-0.01	2.77
Janus Henderson Multi-Asset Absolute Return Fund A Acc	175.30	-	-0.70	1.34
Janus Henderson Multi-Manager Active Fund A Acc	283.60	-	-0.10	-
Janus Henderson Multi-Manager Distribution Fund A Inc	128.50	-	0.10	3.32
Janus Henderson Multi-Manager Diversified Fund A Acc	93.94	-	0.04	3.89
Janus Henderson Multi-Manager Global Select Fund Acc	362.80	-	0.20	-
Janus Henderson Multi-Manager Income & Growth Fund A Acc	205.00	-	0.20	3.38
Janus Henderson Multi-Manager Income & Growth Fund A Inc	151.00	-	0.10	3.45
Janus Henderson Multi-Manager Managed Fund A Acc	345.60	-	-0.30	1.37
Janus Henderson Multi-Manager Managed Fund A Inc	328.30	-	-0.20	1.51
Janus Henderson Sterling Bond Unit Trust Acc	218.30	-	0.30	3.46
Janus Henderson Sterling Bond Unit Trust Inc	56.78	-	0.07	3.53
Janus Henderson Strategic Bond Fund A Inc	101.40	-	0.10	-
Janus Henderson Absolute Return Fund A Acc	186.20	-	0.00	2.24
Janus Henderson UK Alpha Fund A Acc	161.90	-	-1.00	1.35
Janus Henderson UK Equity Income & Growth Fund A Inc	545.80	-	-2.60	-
Janus Henderson US Growth Fund A Acc	2378.00	-	1.00	0.00

LGT Wealth Management (CI) Limited (JER)
IFC1, The Esplanade, St Helier, Jersey, JE1 4BP
FCA Recognised
Volare Offshore Strategy Fund Limited

Fund	Bid	Offer	D+/-	Yield
Bridge Fund	£ 2.3603	-	-0.0016	2.35
Global Equity Fund	£ 3.8160	-	0.0035	1.29
Global Fixed Interest Fund	£ 0.7723	-	0.0000	4.62
Income Fund	£ 0.6834	-	-0.0010	2.96
Sterling Fixed Interest Fund	£ 0.6965	-	0.0006	4.69
UK Equity Fund	£ 1.9079	-	-0.0098	3.41

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	3.88
M&G Charibond Charities Fixed Interest Fund (Charibond) Acc	£ 42.03	-	0.08	3.51
M&G Charity Multi Asset Fund Inc	£ 0.94	-	0.00	-
M&G Charity Multi Asset Fund Acc	£ 121.18	-	-0.18	3.66

MMIP Investment Management Limited (GSY)
Regulated
Multi-Manager Investment Programmes PCC Limited

Fund	Bid	Offer	D+/-	Yield
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	6178.90	-	16.80	1.40
Income Fund Personal Class Units	3004.40	-	-6.80	2.40
Emerging Markets Fund Personal Class Units	2049.10	-	-4.20	1.48
Smaller Companies Fund Personal Class Units	6383.10	-	14.40	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	$ 89.31	-	0.80	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	$ 87.49	-	-0.37	0.00
Milltrust Laurium Africa Fund SP A	$ 112.23	-	0.41	0.00
Milltrust Marcellus India Fund SP	$ 165.09	-	0.27	0.00
Milltrust Singular ASEAN Fund SP Founders	$ 151.60	-	-1.54	0.00
Milltrust SPARX Korea Equity Fund SP A	$ 134.17	-	-0.77	0.00
Milltrust Xingtai China Fund SP A	$ 72.98	-	-0.25	0.00
The Climate Impact Asia Fund SP A	$ 68.59	-	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	2140.00	-	-8.00	2.29

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	$ 129.26	-	0.00	0.00
Mir. - DiscEur D Cap GBP	£ 193.52	-	-0.51	0.00

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

Fund	Bid	Offer	D+/-	Yield
Oasis Crescent Global Equity Fund USD A (Dist)	$ 39.61	-	-0.15	0.77
Oasis Crescent Global Income Fund USD A (Dist)	$ 10.28	-	-0.02	-
Oasis Crescent Global Low Equity Fund USD D (Dist)	$ 13.42	-	-0.01	1.50
Oasis Crescent Global Medium Equity Fund USD A (Dist)	$ 15.09	-	-0.02	1.05
Oasis Crescent Global Property Equity Fund USD A (Dist)	$ 9.70	-	0.04	-
Oasis Crescent Global Short Term Income Fund USD A (Dist)	$ 0.95	-	0.00	-
Oasis Crescent Variable Fund GBP A (Dist)	£ 10.36	-	-0.03	0.70

Omnia Fund Ltd
Other International Funds

Fund	Bid	Offer	D+/-	Yield
Estimated NAV	$ 1183.07	-	24.07	0.00

Platinum Capital Management Ltd
Other International Funds

Fund	Bid	Offer	D+/-	Yield
Platinum All Star Fund - A	$ 166.21	-	-	-
Platinum Global Growth UCITS Fund	$ 10.18	-	-0.03	0.00
Platinum Essential Resources UCITS Fund SICAV USD Class E	$ 9.42	-	-0.70	0.00
Platinum Global Dividend UCITS Fund	$ 49.28	-	-0.01	0.00

Private Fund Mgrs (Guernsey) Ltd (GSY)
Regulated

Fund	Bid	Offer	D+/-	Yield
Monument Growth 27/08/2024	£ 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	$ 174.01	-	0.34	-

Purisima Investment Fds (UK) (1200)F (UK)
3rd Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL
Order Desk and Enquiries: 0345 922 0044
Authorised Inv Funds
Authorised Corporate Director - Waystone Management (UK) Limited

Fund	Bid	Offer	D+/-	Yield
Global Total Fd PCG A	520.50	-	1.40	0.26
Global Total Fd PCG B	512.94	-	1.37	0.07
Global Total Fd PCG INT	501.71	-	1.35	0.00

Purisima Investment Fds (CI) Ltd (JER)
Regulated

Fund	Bid	Offer	D+/-	Yield
PCG B ✠	416.34	-	0.18	0.00
PCG C ✠	403.53	-	0.17	0.00

Ram Active Investments SA
www.ram-ai.com
Other International Funds

Fund	Bid	Offer	D+/-	Yield
RAM Systematic Emerg Markets Eq	$ 258.37	258.37	-0.36	-
RAM Systematic European Eq	€ 618.09	618.09	2.03	-
RAM Systematic Funds Global Sustainable Income Eq	$ 186.53	186.53	-0.21	0.00
RAM Systematic Long/Short European Eq	€ 171.64	171.64	0.78	-

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
Authorised Corporate Director - Waystone Management (UK) Limited

Fund	Bid	Offer	D+/-	Yield
WS Ruffer Diversified Rtrn C Acc	102.01	-	-0.12	1.14
WS Ruffer Diversified Rtrn C Inc	98.97	-	-0.12	1.15
WS Ruffer Equity & General C Acc	638.13	-	3.52	1.21
WS Ruffer Equity & General C Inc	568.77	-	3.13	1.23
WS Ruffer Gold C Acc	334.90	-	-4.66	0.31
WS Ruffer Gold C Inc	201.83	-	-2.82	0.33
WS Ruffer Total Return C Acc	545.55	-	-1.95	1.96
WS Ruffer Total Return C Inc	329.09	-	-1.18	1.99

Rubrics Global UCITS Funds Plc (IRL)
www.rubricsam.com
Regulated

Fund	Bid	Offer	D+/-	Yield
Rubrics Emerging Markets Fixed Income UCITS Fund	$ 144.91	-	-0.14	-
Rubrics Global Credit UCITS Fund	$ 18.08	-	0.00	-
Rubrics Global Fixed Income UCITS Fund	$ 180.01	-	-0.09	0.00

STONEHAGE FLEMING
GLOBAL BEST IDEAS EQUITY FUND

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	$ 277.03	-	0.52	-
SF Global Best Ideas Eq D GBP INC	£ 317.57	-	-0.16	-

Superfund Asset Management GmbH
www.superfund.com, +43 (1) 247 00
Other International Funds
Other International Funds

Fund	Bid	Offer	D+/-	Yield
Superfund Green Gold	$ 1053.87	-	-6.65	-
Superfund Green Silver	$ 884.15	-	-5.56	-

Regulated

Fund	Bid	Offer	D+/-	Yield
Superfund Green US$	$ 655.80	-	-3.55	0.00
Superfund Black Blockchain EUR	€ 18.21	-	0.02	0.00
Superfund Gold Silver & Mining EUR	€ 11.76	-	0.00	-

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
Authorised Corporate Director - Waystone Management (UK) Limited
Trojan Investment Funds

Fund	Bid	Offer	D+/-	Yield
Trojan Ethical Global Inc O Acc	110.75	-	0.30	2.41
Trojan Ethical Global Inc O Inc	103.17	-	0.28	2.44
Trojan Ethical O Acc	137.82	-	0.12	1.22
Trojan Ethical O Inc	135.70	-	0.12	1.43
Trojan Ethical Income O Acc	155.19	-	0.83	-
Trojan Ethical Income O Inc	123.21	-	0.67	2.64
Trojan Fund O Acc	406.85	-	0.19	1.01
Trojan Fund O Inc	325.03	-	0.15	1.02
Trojan Global Equity O Acc	598.94	-	2.42	0.21
Trojan Global Equity O Inc	493.05	-	1.98	0.21
Trojan Global Income O Acc	165.08	-	0.43	2.91
Trojan Global Income O Inc	130.57	-	0.34	2.96
Trojan Income O Acc	375.54	-	1.80	2.85
Trojan Income O Inc	175.15	-	0.84	2.93

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

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

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.

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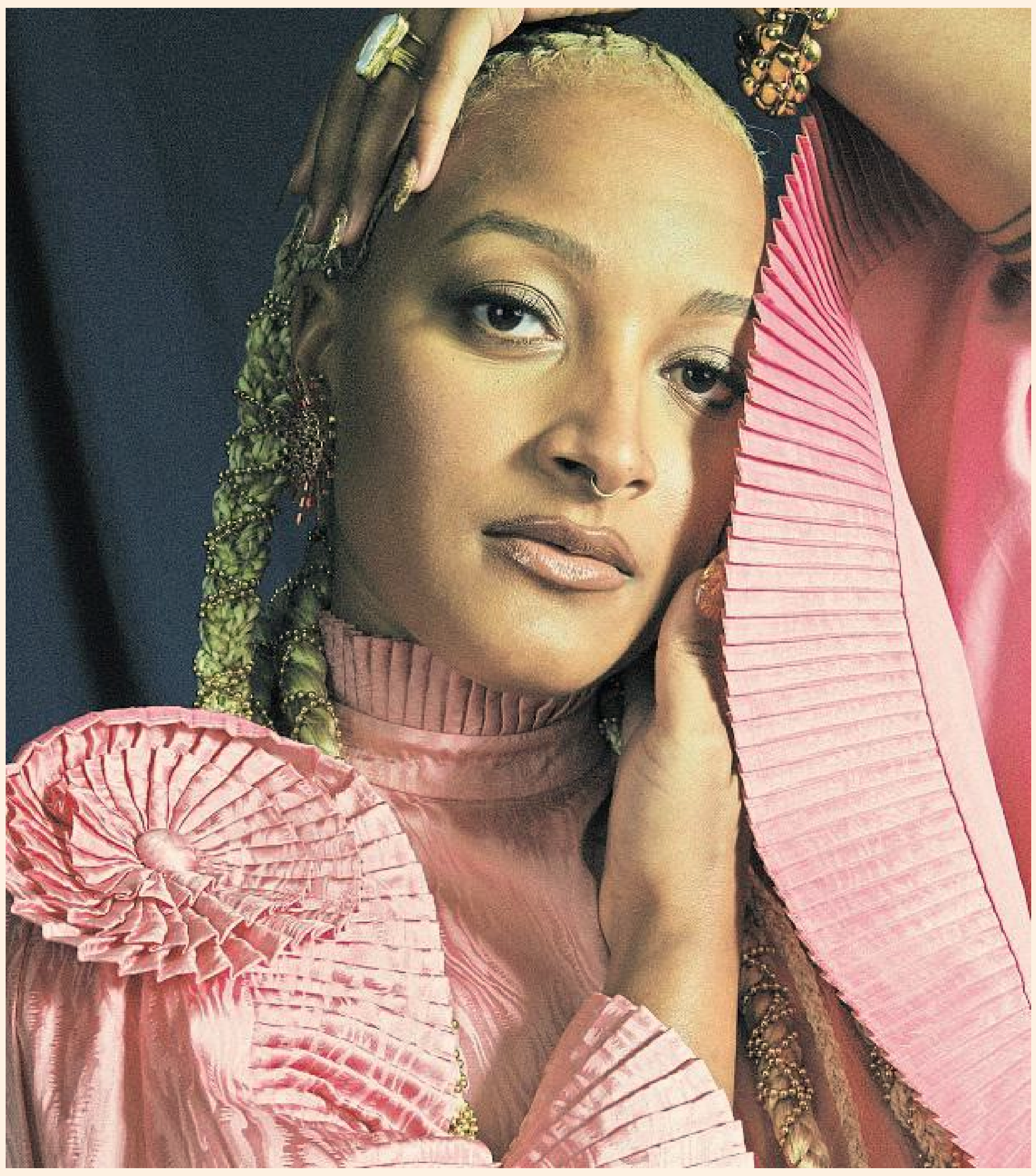
ARTS

‘I want listeners to feel like they can dream’

Saxophonist Nubya Garcia believes our relationship to music and the way we hear it has changed. She talks to Emma Russell



Letting go: saxophonist Nubya Garcia Danika Lawrence

Nubya Garcia doesn’t want to talk on the dance floor. “If we’re at a sound system and it’s dub and reggae, if I’m at a club or I’m at a gig, I don’t mind a couple words here and there or a sentence but I am not having a deep meaningful chat with you,” the saxophonist says with a hearty laugh. “Let yourself be there and listen.”

Garcia hopes to bring back the art of collective listening with the release of her second album, *Odyssey*, in September. The album will also be played as part of an “immersive audio experience” in a central London space, along with a film showing behind-the-scenes imagery from the album’s creation. That means starting from the first track and exploring how the tension rises and falls in the room, ideally reaching a state of euphoria.

“I’ve obviously heard the record a million times. I’ve mixed it, mastered it and written the thing, but it sounds different in every single room,” she says. “You pick up on different things. The way that someone sways or has their eyes closed reaches someone else.”

At the All Points East festival in east London earlier in the month, Garcia’s presence transformed the music too: commanding the sun-saturated stage in a glistening earth-toned dress, she flicked her long blonde hair out of the way to play powerful, dub-inflected jazz harmonies on her saxophone. Garcia started with the title track of her debut album, *Source* — a love letter to sound-system culture, calypso and soca — before a medley that built up to the energy of “Triumphance”, which closes her new album.

“There’s a joy in knowing when you’re performing, it’s never going to be like that again,” says Garcia at a studio in Kentish Town after the performance. “There’s a freedom in being able to fully let go.”

In recent years, London’s buzzy young jazz scene has exploded. Musicians have gained mainstream traction at home and abroad for their blend of hip-hop, cumbia, dancehall, Afrobeat and high-life with jazz. Today’s sound draws on music from Africa and the Caribbean, as much as London itself. For Garcia, who grew up in a music-loving household in Camden with her Guyanese mother and British-Trinidadian father, it has meant drawing on the classical music her mum played, “which wasn’t my bag then but it is now”, as well as dub, reggae, funk, soul and Cuban music.

Her parents encouraged her to learn the violin at the age of three, and she soon took an interest in the piano and the clarinet her sister played. But the saxophone stole her heart at age 10. “It feels like the easiest and clearest way that I want to communicate musically,” she says.

Around that time, Garcia began taking courses at Camden’s Roundhouse music venue and with the publicly funded Camden Music Service, which helped get her first show at the Jazz Cafe when she was 12. Camden was “a really eclectic space” to come of age. She attended a plethora of gigs that helped her appreciate a wide spectrum of sounds: “It allows you to really imagine yourself as anything.”

It is this sense of limitlessness that Garcia hopes people will experience when they’re listening to *Odyssey*. “I want them to feel like they can dream, I want them to feel like their imagination knows no bounds and that whatever part of their journey they’re on or within, that it can have as many twists and turns or yeses and nos. It doesn’t mean that will stop them from continuing the journey.”

Four years after *Source*, which was nominated for the Mercury Prize and drew on the sounds of Garcia’s childhood, *Odyssey* is all about growth and discipline. It feels more melancholy and spiritual, tugging at the heartstrings with big beats and vast orchestral compositions. On the record, Grammy-winning singer-songwriter esperanza spalding writes haunting vocals to “Dawn”,

> ‘I’d never been in a place playing music with that many Black young people. I felt at ease immediately’

where she reflects on the story of Icarus, while Georgia Anne Muldrow soulfully croons about hope, purpose and dedication on the reverent “We Walk in Gold”.

British singer-songwriter Richie Seivwright, who rose to prominence playing trombone for the jazz collective Kokoroko, adds buttery neo-soul. Garcia and Seivwright met through mentorship programme Tomorrow’s Warriors, like many of the scene’s most prolific musicians: Moses Boyd, Theon Cross, the original line-up of Kokoroko and Ezra Collective. “I’d never been in a place playing music with that many Black young people,” she says. “I felt at ease immediately.”

One of the core tenets of Tomorrow’s Warriors was to create a safe space for female instrumentalists to thrive. The big, all-female jazz group Nérija, which Garcia was a part of, was born from these sessions. But the mixed jams were just as important for building Garcia’s jazz community: she has known her drummer Sam Jones since he was 14, her bassist Daniel Casimir a little later, and Joe Armon-Jones has played keys with her on and off since they were teens.

Garcia is thankful for all the opportunities she had as “a bursary kid” in the early 2000s: from the Roundhouse offering courses for £2 to Tomorrow’s Warriors, which was free of charge. But the saxophonist points to the cuts in funding over the past decade and thinks now, “It’s completely different.” She taught classes at the Camden Music Service in her last year of university and says that “To see the real, tangible difference in resources was really sad.” Whereas lessons used to be one-on-one, they were being taught in groups with too few instruments to go round.

Despite the growth of jazz, London has become a more difficult place for musicians, says the Music Venue Trust: from the cost of living crisis to noise complaints and post-pandemic hangover, gig venues closed at a rate of two a week nationally in 2023. Now, when musicians come to London and ask what’s happening after the gig, “What can we say?” says Garcia. All the venues have shut. “This is the sleepiest, early city.”

“People need, want, love culture,” she adds. “Music accompanies most parts of people’s day and people’s lives. You wouldn’t have a quiet wedding or a quiet funeral. You wouldn’t have a quiet party. But our relationship to it has changed, and somewhere along the way, people started to value it differently.” That itself needs to change, she says. “I truly do believe that music is for everyone, and that includes, hopefully, what I do.”

‘Odyssey’ is released on September 20 by Concord Jazz and can be heard at KEF Music Gallery, London, September 20-28, uk.kef.com. Nubya Garcia performs on September 19 at the ICA, London, ica.art

Nubya Garcia at London’s All Points East festival in August — Joseph Okpako/WireImage

Touching romcom plays tricks with time

THEATRE

Shifters
Duke of York’s Theatre, London
★★★★☆

Sarah Hemming

At the start of this beautiful, funny two-hander by the Congolese British writer Benedict Lombe, Dre is at his grandmother’s funeral, talking us through the best tactics for filling your plate at the buffet. Timing is of the essence, he warns: “I look up, just in time to see the disappointed, frozen smile on the face of a guest who just figured this out, and I think: Too slow.”

He could just as well be talking about his love life: Des, the woman he has loved since he was 16, still haunts him at twice that age. After years of dancing round each other, they did get together, only to part painfully in their twenties. So when Des walks into the reception, time stands still. And when the pair go back to his Nana’s house, shifting boxes and working through a bottle of whiskey, the past comes rolling in.

Lombe’s play is a romcom, one of several new shows on the London stage that play with that genre, including *Two Strangers (Carry a Cake Across New York)* and *Peanut Butter & Blueberries*. It shares qualities too with Nick Payne’s time-twisting drama *Constellations*, using the flexibility of live theatre to collapse the distance between past and present. But Lombe has a warm, seductive style of her own, slipping from sharp comedy to meditative soulfulness in an instant. In Lynette Linton’s deftly modulated production, the show plays like a piece of jazz, looping back and forth between past and present, returning to one highly charged encounter in particular.

It’s hard to imagine it better performed than by Heather Agyepong (Des) and Tosin Cole (Dre), who build up a wonderfully intimate rapport with the audience, even in this bigger space (the production premiered at the small-scale Bush Theatre, where Linton is artistic director). They shift seamlessly from being gawky 16-year-olds — as Dre says, “two little Black kids destined to oppose each other”, she all prickly intelligence, he all blustering charm — to their wiser, weightier 32-year-old selves and everything in between.

Cole drops wisecracks with pinpoint accuracy, and does the same with a piece of bombshell news. Agyepong is less impulsive, but gradually unfolds the personal history which has made her that way.

Both use body language expertly, not least when they are trying to best each other in a Nigerian-Congolese dance-off. And as the play pieces together their shared history, we begin to see the pressures, complex heritage and family traumas that have shaped them.

Alex Berry’s simple open set keeps us in a sort of timeless limbo, props concealed in black boxes alongside the memories they evoke. Neil Austin’s overhanging array of fluorescent light tubes switch colour to flip us between scenes from the past and the present, and to shape the mood.

It’s another gorgeous winner from Linton and her theatre.

To October 12, shiftersthe play.co.uk

Tosin Cole and Heather Agyepong in ‘Shifters’ Marc Brenner

FT BIG READ. AFRICAN ECONOMY

Benin is trying to achieve what few countries on the continent have managed: transform its prized raw materials into finished goods and put the nation on the path to long-term prosperity.
By David Pilling

The economic promise of the T-shirt

The apparel industry, which relies on cheap labour, has long been considered one of the most accessible rungs on the ladder of economic development, drawing workers from the countryside into factories
FT montage/Getty Images/Yanick Folly

A plain cotton T-shirt is a pretty ordinary item of clothing. But for Benin, a sliver of a country on the west coast of Africa with little manufacturing tradition, it could be the start of an industrial revolution.

"We call it farm to fashion," says Ramakrishnan Janarthanan, chief development officer at Arise Integrated Industrial Platforms, a Dubai-based industrial group that is investing €550mn in textiles and apparel alongside Benin's sovereign wealth fund and a consortium of local cotton-ginning companies.

The T-shirt, Janarthanan explains, holding up the modest-looking item, has come from cotton that has been grown, picked, ginned, spun, woven into fabric and dyed in Benin, before being cut and stitched. "Can you imagine there are so many processes before you make a shirt? We want to capture the whole value chain," he says.

The apparel industry, which relies on cheap labour once machines have churned out the yarn and fabric, has long been considered one of the most accessible rungs on the ladder of industrialisation, drawing workers from the countryside into factories and putting countries on the road out of poverty.

Benin, a nation of 13mn people, is trying to achieve what few African countries have managed: systematically transform raw materials — not just cotton, but also raw cashew nuts, soya, shea and even human hair for wigs — into finished goods. Until now, like many poor countries, Benin has been trapped in a trading pattern in which it sells cheap raw commodities and imports expensive finished goods.

"The industrialisation that we see now is part of a strategy to bring prosperity to our people," says Romuald Wadagni, the finance minister, a former Deloitte consultant brought into government to help push Benin into the manufacturing age.

Virtually its entire cotton crop, of about 300,000 tonnes of lint cotton, is exported raw, mostly to Bangladesh, where it is transformed into clothing for the world's $1.5tn fast-fashion industry. In selling raw cotton, Benin, Africa's biggest producer, is missing out on more than 90 per cent of the value, according to industry experts.

Twenty years ago, the economist Pietra Rivoli, in her book *The Travels of a T-Shirt in the Global Economy*, described the cotton mill and the sweatshop as "the ignition switch for the urbanisation, industrialisation and economic diversification that followed".

Arkebe Oqubay, a government official who was in charge of Ethiopia's successful, if stalled, attempt to build a shoe and clothing export industry, says that the UK, Germany, Japan, South Korea and China all began their journey towards prosperity via textiles, an industry that has recently triggered economic take-off in countries such as Bangladesh.

"If any country is thinking of industrialisation, garments is the most important avenue," he says, adding that the apparel industry is uniquely capable of absorbing what he estimates to be the 30mn new jobs Africa's bulging young population needs each year.

In the Glo-Djigbé industrial park north of Cotonou, Benin's commercial capital, the vast air-conditioned integrated textile factory — at 160,000 sq metres equivalent to about 22 football pitches — is filled with rows of whirring machines from Switzerland, Germany and Japan. More than a thousand new recruits are cutting and sewing fabric that is being produced at the rate of 50,000 kilos a day. "If you see a modern factory anywhere in the world, you'll see exactly the same," Janarthanan says.

"Today 1,000 people are working here. They did not have these jobs or these skills before," says Letondji Beheton, chief executive of the company that manages the 1,650-hectare industrial zone, a joint venture between Arise and the government of Benin. "This is how you transform a country."

'Can you imagine there are so many processes before you make a shirt? We want to capture the whole value chain'

Industrialisation in Africa has been a mantra for decades. But in reality, many countries on the continent have gone backwards as their fragile manufacturing sectors have buckled under global competition, especially from China.

Poor roads, corrupt and inefficient ports, lack of power, the high cost of capital and an elite that is often more interested in extracting rent from raw materials or import-export licences have done the rest.

According to the World Bank, the percentage of manufacturing value added in GDP for sub-Saharan African states, excluding high-income countries, has fallen from 18 per cent in 1981 to 11 per cent in 2023. Benin, with a GDP per capita of about $1,400 at market prices, is only at 10 per cent.

A few African countries are bucking that trend. Mauritius, now a high-end tourist destination and financial services hub, began its journey from poverty to upper-middle-income status via the apparel sector. It now has a GDP per capita above $11,000.

Botswana, another upper-middle-income country, with a GDP per capita of $7,200, has achieved relative success through its diamond industry. Instead of exporting uncut diamonds, it has struck progressively better deals with diamond company De Beers to ensure that value-added activities, such as cutting and polishing, is done at home.

In north Africa, Morocco has combined excellent infrastructure, skilled labour and easy access to European markets to build a competitive auto and aerospace industry from scratch.

Benin, under President Patrice Talon — a business tycoon known as the "King of Cotton" for his involvement in the industry — is trying to emulate these success stories. The textile and apparel factory in Glo-Djigbé, which will also produce bed linen, towels and garments such as polo shirts and leggings, is part of a national industrialisation strategy intended to quintuple the country's manufacturing capacity by 2030.

The finance ministry estimates that manufacturing contributes 9.8 per cent to GDP, but says that more than two-thirds of this is artisanal manufacturing. The formal industrial sector, restricted to a few activities such as cotton ginning, contributes only 3 per cent to GDP. If the entire cotton crop were processed into apparel, it would add $12bn to Benin's $17bn economy, experts say.

Talon says the country's politicians and business class has traditionally lacked the ambition to industrialise, finding easier profits in trading. "Leaders were always willing to take commissions on the trade of raw materials. They never tried to get into the transformation phase," he says. "We want to change that."

Though the president, now in his second term and thought to be contemplating a third, has been criticised by the opposition for curbing civil liberties and stifling democracy, his administration has won grudging praise for its no-nonsense, business-friendly style that some compare with Rwanda's president Paul Kagame. Talon's government has simplified the formalities for registering a business, brought in one of Africa's quickest visa procedures, offered incentives to foreign investors and upgraded infrastructure, including roads, power and Cotonou port.

45 days	**6%**
Time it takes to ship raw cotton to Asia from Benin to be processed	Benin's average annual growth rate since Patrice Talon became president

Since Talon became president eight years ago, Benin's growth rate has rarely dipped below 6 per cent, even during the Covid pandemic, making it one of the continent's best-performing economies. Beheton, who runs the Glo-Djigbé industrial zone, vouches for the president's pro-business attitude. "If I call him, I'll say, 'Mr President, we are having this issue.' And he's available 24/7. You can call him at night," he enthuses.

The government, according to the managers at the textile factory, has helped solve many potential obstacles. It supplies electricity at a competitive eight cents a kilowatt hour and has established an on-site one-stop shop to smooth the licence procedures and co-ordinate various government departments. "No more going here and there to avoid any corruption or administrative issues," says Herbert Semassa Moutangou, the industrial zone's senior marketing officer, referring to endless stamps investors often have to obtain.

Gagan Gupta, founder and chief executive of Arise, which has invested in manufacturing in 11 African countries, says Benin's government has impressed him with its seriousness. In just 18 months, five factories have been built to transform the country's entire crop of cashew nuts into packaged goods. Previously they were all sent to Vietnam for processing and packaging, but this change increases their value to Benin's economy 10-fold, he says.

Textiles is the big play, says Gupta, who claims Benin can become a significant textile hub for Europe, the Americas and west Africa. The fact that its cotton is rain-fed, not irrigated, and that raw cotton does not have to spend 45 days on a ship to factories in Asia and 45 days on the return leg means "made in Benin" garments will be up to two-thirds less carbon intensive, he says.

As Europe erects barriers to discourage carbon-intensive goods, that ought to become a competitive advantage. The Arise factory will embed a pigment into its fabric that acts like a serial code containing supply chain information, using a patented technology called Fibre-Trace. Gupta says this will provide buyers with assurances over issues like farm labour and pesticide use.

Arise says Benin's workers have already reached productivity levels on a par with Bangladesh and Sri Lanka and command similar wages of about $140 a month, up to a third cheaper than for similar jobs in China.

Gupta says the factory has already shipped orders for garments such as shirts and trousers to The Children's Place, a US clothing outlet, and Kiabi, a French fashion chain. For woven towels and bedsheets, there are "expressions of interest" from Carrefour, El Corte Inglés, Walmart and others. It has also been making camouflage uniforms for Benin's army far more cheaply than its previous supplier. "In the end you need to be able to produce goods competitively on a global scale," Gupta says. "Otherwise all this is just a good photo op."

'In the end you need to be able to produce goods on a global scale. Otherwise all of this is just a good photo op'

Even if Arise meets its targets, it will only be transforming 40,000 tonnes, or about 13 per cent, of Benin's cotton crop by the end of 2026. To meet Benin's goal of manufacturing its entire cotton crop at home would mean attracting investments in around 25 new factories.

Oqubay, who ran Ethiopia's industrialisation drive and is now an academic at Soas University of London, is sceptical about Benin's chances. Building a manufacturing sector from scratch, he says, adding that scale, single-minded determination and constant adjustment of strategy are required.

Ethiopia — with 120mn people and cheap hydroelectric energy — made steady progress in apparel, leather and shoes, but its success was interrupted by war and its subsequent removal in 2022 from tariff-free access to the US market under the African Growth and Opportunity Act, a heavy blow.

Even before that, it took years of study, experimentation and false starts to get an industry off the ground, Oqubay says. He questions Benin's integrated factory approach, saying it is better to get specialist investors in yarn and fabric to create economies of scale. "My understanding of Benin is that the investment is too small, but it could be a good beginning," he says. "There is no single prescription you can read from a textbook. You need to be pragmatic."

Joe Studwell, who is writing a book on African industrialisation, says he has not studied Benin's efforts specifically. But, he argues, African countries, after years of expanding education, have finally achieved the literacy levels, as well as the population densities, to begin much-delayed industrial take-off.

A big problem in many African countries, he says, has been weak leadership and bureaucracies that are far less competent than those that steered manufacturing revolutions in some Asian countries.

"States continue to be pretty hopeless, so an awful lot of what is happening is driven by the private sector," adds Studwell, an academic who has written extensively on factors leading to industrial take-off in Asian economies.

He singles out Bakhresa, a Tanzanian agricultural processor, with 15 product divisions, and Nigeria's Aliko Dangote, whose company has moved steadily up the industrial value chain, beginning with salt, flour and cement and ending up by building a $20bn oil refinery, Africa's biggest.

Studwell says that, even without strong states, industrialisation can still occur. He cites Cambodia, where Chinese companies have invested as they have looked for lower-cost alternatives to manufacturing at home. "Cambodia is now exporting over $10bn of textiles a year, not because they got their act together but because the Chinese needed somewhere to go."

Dani Rodrik, a Harvard economist, is more pessimistic about the chances of Benin, or any other country, emulating the growth-through-factories model that has been so successful in Asia.

In an age of automation, he argues, there will be fewer manufacturing jobs required for labour in low-cost countries. "The escalator of development has become much flatter."

Ha-Joon Chang, a South Korean economist who has also studied African industrialisation, disagrees. Manufacturing jobs are not disappearing, he says. He points to an academic study by Nobuya Haraguchi of the UN Industrial Development Organization showing that the manufacturing sector's employment and value-added contribution to global GDP has not changed significantly since the 1970s.

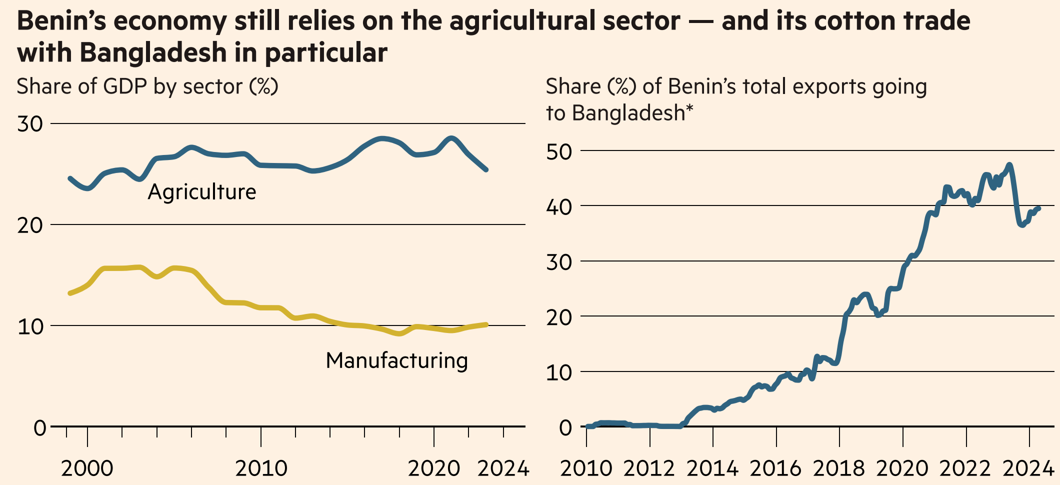
Chang says he also detects greater ambition among African governments to industrialise. "There are stirrings. And ambition is the start," he says.

Alongside its aspirations in textiles, factories in Benin's Glo-Djigbé will also produce ceramic tiles and, possibly, electric motorbikes, initially from knockdown kits. Packaging companies have started producing some, not all, of the plastic and cardboard needed to ship finished goods, though even apparently simple items for the apparel sector such as buttons, zips and labels are imported from China and India.

"When people tell me that none of these countries will amount to much, I always draw their attention to the fact that South Korea had less than half the per capita income of Ghana in the early '60s," Chang says. Today, it is eight times richer in purchasing power parity terms, a sign of what Chang says can be achieved through industrialisation.

There is nothing to prevent at least some African countries starting on an Asian-style trajectory, says Studwell. "I don't expect 55 countries to get their act together in unison," he adds. "But if five do, it will have a very positive demonstration effect."

Benin's economy still relies on the agricultural sector — and its cotton trade with Bangladesh in particular



Sources: Haver Analytics; IMF DOTS
* Sum over previous 12 months

Data visualisation by Keith Fray

The FT View

FINANCIAL TIMES
'Without fear and without favour'

ft.com/opinion

The disappointing international response to mpox

Wealthy world must help Africa prevent a potential regional health catastrophe

As Africa's mpox epidemic gathers pace, the world has another opportunity to demonstrate collective commitment to tackling an international health crisis. The challenge is to provide effective diagnostics, vaccines and treatments to regions with poor medical infrastructure — and to do so more promptly and efficiently than during the Covid-19 pandemic and previous outbreaks of viral infection.

The signs so far are not encouraging. The World Health Organization first declared mpox, previously known as monkeypox, to be a public health emergency of international concern in 2022. That outbreak, transmitted mainly by sexual contact, ebbed sufficiently for the WHO to let its emergency call lapse last year, before significant steps had been taken to develop tools to tackle the disease.

This year mpox has surged back, driven by a new viral variant called clade 1b, which seems to cause more severe symptoms and to be more transmissible, especially to children. Almost 4,000 cases and about 80 deaths have been reported in the past week, according to the Africa Centres for Disease Control and Prevention, bringing the total recorded in the current outbreak above 22,000 cases and 600 deaths.

With the world little better prepared than in 2022, the WHO has revived its emergency declaration and this week launched a strategic response plan, which it said would cost $135mn over the next six months, plus $100mn to $150mn to buy 2mn doses of vaccine. Donors — public, private and philanthropic — should not hesitate to provide the funds required to implement this well-prepared programme.

Although the virus was first discovered in 1958 in captive monkeys and detected in a human patient in 1970, remarkably little is known about mpox.

Besides physical assistance in the form of diagnostics, medicines and vaccines, a global scientific effort is needed to investigate the epidemiology, routes of transmission, symptoms and genetic evolution of mpox. Robust surveillance systems must be set up, especially in sub-Saharan Africa where the virus is endemic in wild animals. Symptoms are sometimes confused with other infections that cause fever and skin lesions such as chickenpox, so health workers need access to diagnostic facilities where samples can be tested quickly.

No antiviral medicine works well to treat mpox but vaccines originally developed for smallpox, a closely related virus, can prevent infection. The supply of these mpox vaccines — made by Denmark's Bavarian Nordic and Japan's KM Biologics — to Africa has so far been lamentably slow, held up by regulatory and administrative hitches as well as funding shortages, though wealthy countries are at last beginning to pledge doses from their stockpiles.

> Pledges should be turned into firm donations and the required vaccination infrastructure set up without delay

The pledges should be turned into firm donations and the required vaccination infrastructure set up without delay. It would make sense to give scarce supplies first to essential health workers, then there could be "ring vaccination" with jabs offered to contacts of confirmed mpox patients. After the vaccines' safety and efficacy have been confirmed, there could then be a campaign to inoculate infants and children.

Mpox is very unlikely to mutate into a form that could cause a global pandemic on the scale of Covid or Aids, though this is not completely out of the question. But high-income countries must rise to the task of helping those with fewer health resources prevent what threatens to become a regional disaster. Their failure to share vaccines and other countermeasures against Covid caused understandable resentment. Both equity and self-interest demand a much better response to mpox.

Opinion Asia

Japan must slay its start-up zombies

Maria Hergueta

Leo Lewis

In a courageous bit of cross-platform marketing, the chief executive of Japanese investment bank Nomura has begun appearing in adverts for the country's most aggressive online job-seeking platform, Bizreach.

"Let's take on exciting challenges together," says Kentaro Okuda, who may prefer not to know exactly what percentage of his staff have quietly uploaded their CVs to Bizreach and are seeking those exciting challenges outside Nomura. Probably, these days, at a start-up.

Okuda is by no means alone. The CEOs of five other big Japanese corporations (Asahi, JFE Steel, Lotte, NEC and Dai-ichi Life) have also appeared in the Bizreach adverts clearly hoping that, in a time of acute labour shortage, they will project an image of open-armed hirers in the now hard-fought mid-career recruitment game.

> The country has shown a low tolerance for carnage. If private money is to flow, that won't work this time

But the message underlying the adverts is unmistakable: corporate metabolism has resumed in Japan after a long dormancy. A system that once inefficiently hoarded human resources is now watching those self-deploy elsewhere. Recruitment-themed TV commercials in Japan are at an all-time high, say ad-industry executives, because the potential for movement has risen so quickly. According to the research firm Teikoku Databank, a record number of new Japanese companies — roughly 153,000 — were established in 2023, despite Japan's shrinking population.

Attitudes are shifting fast too. Quitting a high-end corporate job to join or establish a start-up is deemed less a risky punt than a mark of decisiveness and self-interest.

After decades of resource misallocation, risk-aversion and stagnancy, Japan's job market looks more liquid. Critically, it feels like an environment where start-ups can aspire to recruiting the nation's best people, say managers at venture capital funds.

All this provides a strong tailwind for the Japanese government, which has invested a great deal of hope and funding into transforming the country's once anaemic start-up scene. It is, on one viewing, a grasp for panacea. The ambitions are charged with the faith that start-ups can drive GDP growth and productivity, rescue the country from a long-term innovative tailspin and channel its talent in the right — or at least less wrong — direction. It has a belated, even desperate feel to it, but start-ups now seem to be Japan's core industrial policy.

The extent of both central and local government backing is striking. In addition to the many subsidies now on offer, state-backed entities like the Japan External Trade Organization have been drafted into the effort by providing acceleration programmes and other services. The government-backed Japan Investment Corporation has invested close to $1bn into 32 private venture capital funds.

Under heavy government pressure, Japan's three biggest banks have begun offering start-ups loans backed against current and future cash flow, breaking their entrepreneurialism-crushing habit of only lending against hard collateral such as the property of a would-be start-up founder.

By many metrics, all this is working. In 2013, said the Ministry of Economy, Trade and Industry in a recent paper, the total investment into Japan's start-ups was a minuscule $600mn; a decade later, it was over $6bn. Between 2014 and 2023, the number of university start-ups rose more than doubled to 4,288, with the paper showing about half of university students would prefer to start their careers at one.

Looming over this success is a coming moment when, if it wants the private sector to come in as a big investor in its start-up market, Japan must confront what it means to have a working capitalist metabolism. After decades of holding the cost of money as low as it can go, the country has shown a high tolerance for zombies and a low tolerance for carnage. If private money is to flow, that won't work this time.

A start-up-driven economy, with lots of private investment, only works if participants and overseers accept that failure is as necessary a function of this metabolism as success. Investment in start-ups is driven by a promise of extraordinary returns, but that promise can only be kept if everyone is tested against a pressing threat of demise. For too long, Japan's deflationary economy and ultra-low interest rates meant that low profitability survival was a valid corporate option: that would never — and did never — bring in the VCs and risk capital.

But Japan is now normalising, and there is a real sense that things are going to break. The problem with an industrial policy, for all the good intentions, is that it draws legitimacy from the pledge of long-term nurture. Japan will soon see if it has a taste for state-backed destruction.

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Accounting standards setting has some catching up to do

Andy Haldane raises an important issue in "Blessed are the bean counters except when it comes to growth" (Opinion, August 5), though his conclusion may be open to challenge.

Accounting standards setting has been subject to incremental change over many decades and the question rightly arises whether it is time for a more fundamental review. However, on the specific question he poses — about the relative impacts of using fair value or historic cost as the basis for asset valuation — the real issue is which better reflects the economic substance of the matter and provides better information to investors.

The fact that some assets have gained significantly in terms of their carrying amount — and some boards decide to take undue advantage of this for dividends and buybacks rather than building their businesses for the future — is not so much a problem of accounting as of corporate governance, and possibly a problem of taxation, with boards, presumably supported by their investors, finding it acceptable to take an unduly short-term approach.

Even leaving aside the thorny issue of accounting for the impact of inflation — which the profession backed away from over 40 years ago and which has probably been less of an issue until recently with inflation at historically low levels, especially post the financial crisis — there are, however, very significant issues that standards setting needs to address if it is to remain fit for the present let alone the future.

To name just two, how we account for intangible assets has not kept up with economic and societal developments such that for many leading businesses only a small proportion of their total assets are shown on the balance sheet and with rather limited information on those that are not provided in the accompanying narrative reporting.

Second, we are developing international sustainability standards alongside, rather than integrated with, financial reporting and perhaps while understandable for a transition period this needs to be reviewed.

We need a full discussion on how to measure and report on the performance, prospects and position of businesses in modern society and this will need far more focus on human, intellectual and social capital, the key drivers of success today, in order that all stakeholders know which companies deserve their support.

Anthony Carey
London HA5, UK

UN security council veto arrangement works well

Kishore Mahbubani's argument that in order to restore the credibility of the UN, the UK should cede its security council seat to India is nothing more than a tongue-in-cheek remark. Rethinking the veto has been debated at the UN for over two decades, and there are more claimants to it than India alone (Opinion, August 12).

If the size of the economy and market were the criteria then Brazil, South Korea and Japan should also be permanent members of the security council. If nuclear power status is the criteria, then Pakistan and Israel should also be given the veto at the UN.

Historically, the UK has already ceded to India twice by changing the rules of the Commonwealth in 1949 to allow it to keep its membership of the former colonies' club as a republic, and by allowing India to advance the country's time by 30 minutes more than what the Greenwich mean time GMT convention for world timeline allowed.

The threat that India could announce that "it will not abide by the UNSC decisions if it's not a permanent member of the council", as Mahbubani says, simply does not fly. India has already violated the UNSC resolutions on Kashmir and so have other countries since the founding of the organisation in 1945.

India does not have the nuclear deterrent to strike back on the high seas, something that the UK retains through Trident despite its loss of empire. India does not have the GDP per capita of some other emerging economies. Nor does India have the credibility to be taken seriously by all countries in its own neighbourhood, let alone beyond its region.

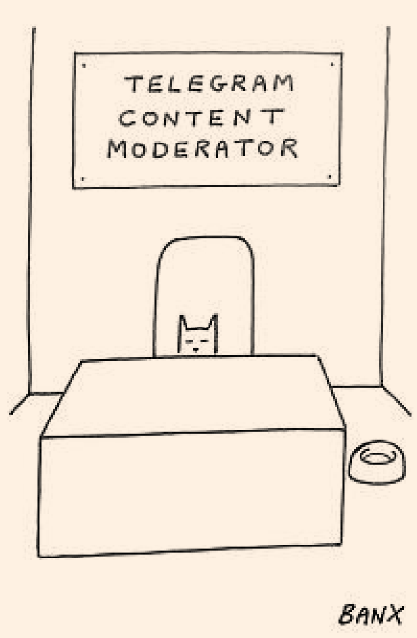
The current UN arrangement has ensured global peace and security despite contained regional conflicts and limited genocides. If the veto must change to reflect the new world, then let us wait until the present system fails, and if and when a new UN emerges from the ashes of a third world war.

Syed Sharfuddin
Former Pakistan Diplomat; Special Adviser, Commonwealth Secretariat (2000 to 2006), London SW20, UK

EU can do more to blunt Putin's energy squeeze

In her opinion piece (August 19), Kadri Simson, the EU energy commissioner, reminds us that "the weaponisation of energy" in Ukraine "is unprecedented in modern conflicts", and calls for the rollout of distributed local and renewable energy generation among the proposed supports for Ukraine.

Simson's words underline the



urgency of an accelerated fossil fuel phaseout, particularly for essential winter home heating. Heating and cooling in the EU accounts for almost half of energy demand, and is still mostly powered by fossil fuels, despite the availability of clean heat technologies such as heat pumps, solar thermal, and geothermal. For example, one-quarter of EU gas demand is for household heating and cooking, and thus a significant part of the EU's fossil gas import dependency of 90 per cent. EU imports of Russian gas have shrunk by two-thirds since 2021. However the continued reliance on "indirect" Russian pipeline gas or LNG is problematic, funding Russian aggression in Ukraine and leaving us vulnerable to the weaponisation of energy.

Energy security begins at home, and with the widespread rollout of decarbonised, renewable and affordable clean heating solutions.

Heating provided through distributed and local renewables is inherently more secure than centralised generation. Going forward, resilience must be integral to the design of the energy sector as a cornerstone of energy security. As Simson's article makes clear, lowering energy demand and ensuring distributed generation now has a new geopolitical meaning which requires a corresponding shift in energy policy.

For Ukraine to build back better, investments should be directed towards projects that involve building systems based on renewable energy solutions and that support climate change adaptation. At the same time, the universal provision of decarbonised and renewable heating and cooling must be a central priority as part of a pragmatic, long-term and sustainable EU energy security policy.

Delia Villagrasa
Director, Cool Heating Coalition, Brussels, Belgium

A teaching avatar — what's not to like?

The editorial on the use of artificial intelligence in the classroom (FT View, August 26) is helpful, but only tells half the story.

The argument that "AI is in reality unlikely to replace teachers any time soon, and nor should it" may be wishful thinking, even when ignoring the cost-saving side of things. Many AI experts believe that AI will, in only a few years, reach human cognitive abilities. Then, why should AI not be able to provide (eg, through teaching avatars) the same "social" learning, involving teacher-student interaction, except that AI would of course be faster, more precise and more efficient?

Much discussion in the academic literature focuses on human elements, which AI can apparently not provide. But, which human elements are really needed to create a perfect teaching and learning environment and why should teaching avatars not be in a position to offer what is needed?

After all, isn't the whole idea of AI to mimic and eventually supersede human behaviour and intelligence? In any event, AI would be able to eliminate biases and other shortcomings of human teaching if the underlying algorithm is designed accordingly.

Finally, it is the beauty of AI-based education that teaching and learning can be designed according to each student's individual needs if the system has access to relevant data.

In contrast, human teachers normally have to teach to the lowest common denominator of the class because individualised, student-centred education is impossible except in (rare) one-on-one scenarios.

The real question is therefore not whether technical or pedagogical considerations prevent us from delegating teaching to machines, but to what extent we want to allow machines to take over.

Lutz-Christian Wolff
Dean of The Chinese University of Hong Kong
Wei Lun
Professor of Law, The Chinese University of Hong Kong

On tax, who does Starmer have in mind? It's not clear

Reading the reports of Sir Keir Starmer's speech on the economy (Report, August 28), I'm not sure if I am one of the "working people" whom Labour indicates will not be hit with higher taxes or one of those with the broadest shoulders whom the PM says "will bear the heavier burden". Could readers help with definitions, please.

Mark Solon
London E1, UK

Let's make the winter fuel payment a taxable benefit

Two sets of government data that are already connected are those of the Pensions Service and HM Revenue & Customs ("Data is key to support Britain's poorest pensioners", FT Money, FT Weekend, August 24).

Making the winter fuel payment a taxable benefit, as with the standard state pension, would save money for the Treasury without any new schemes for data sharing between government departments. This is because the additional tax could be collected together with the income tax on the state pension.

The savings to the Treasury would be less than if the payment was completely withdrawn, but those on very low incomes would continue to benefit in full, whereas rich pensioners would lose 40 per cent or 45 per cent.

These fortunate individuals may choose to donate their residual winter fuel payment to Age UK or similar charities.

David Baulcombe
Norwich, Norfolk, UK

Channel port nostalgia for that day trip to France

I read about the latest proposals on visa waivers (Report, August 23) and enhanced passport bureaucracy at the Channel ports with a feeling of sadness and dread.

The pleasure of a day out to France has diminished significantly in the past 20 years, long before Brexit. Delays sometimes of over an hour at border control take the shine off what should be a pleasant day out.

My experience contrasts markedly with that of my grandparents, who in the 20s, 30s and even after the second world war would regularly enjoy a "no passport" day out from the Kent coast (as Londoners did from Tower Pier) with three or four hours ashore in Calais or Boulogne.

One can fairly put the blame on international terrorism and people smuggling for this. Terrorists have in effect won their battle to degrade our way of life.

We have come a long way from the 1951 statement in The Spectator by Labour's Ernest Bevin (then I think the foreign secretary) who said: "My foreign policy is to be able to take a ticket at Victoria Station and go anywhere I damn well please."

Michael Matthews
Sandwich, Kent, UK

OPINION ON FT.COM
Jamaica: IMF joke to star pupil
The island's finance minister is soon to join the fund's board, writes *Robin Wigglesworth*
www.ft.com/alphaville

Opinion

Harris versus the media

AMERICA

Edward Luce

One swallow does not a summer make. Nor does a hitch-free convention spell election victory. That Kamala Harris has been averse to giving interviews is a problem. Harris's opponents think it is because she is scared of flubbing her answers, as she has a couple of times as vice-president. The cure is to sit down for a grilling. She will do her first with CNN today. The same applies to the debates. If, as Harris's supporters believe, she would wipe the floor with Donald Trump, then she should press for more than one.

Why has she been so reluctant? For two reasons. The first is that many in the Democratic world are convinced that the traditional media is both losing relevance and secretly hoping for a close race; the more challenged old media's business model, the more journalists crave the subsidy of an exciting finish, or even a Trump win.

That gives them an incentive to trip her up. There is some truth to this. In 2016, Les Moonves, then head of CBS, said a Trump victory "may not be good for America, but it's damn good for CBS".

There is also some falsehood. The idea that the so-called legacy media is monolithic is less true than at any time in the modern era. The ideological gap between Fox News and MSNBC, or the Washington Examiner and the Washington Post, is wider than ever.

Some outlets are making money. Others are not. The criticisms Democrats make are not that far from what Trump says of the "corrupt" media and hard to distinguish from what Elon Musk posts several times a day on his platform, X. Given that the media is supposedly irrelevant, it is attracting a lot of attention.

It was only a few weeks ago that Joe Biden's team was complaining that the push to get him to quit was a media conspiracy. Trump's team, meanwhile, thought that Biden's visible ageing was not exposed sooner because the media had been covering it up.

For a politician of any stripe, the beauty of the word "media" is that it is fungible. It brings to mind whatever the listener most hates. Everybody reviles the media, including most of the media. But most people make exceptions for the particular bits of it that they like. "Media" has thus joined "elite" and "fascist" as terms of abuse that have lost any useful meaning.

> The Democrats should pay heed to the non-trivial right to interrogate governments-in-waiting

The second reason for Harris's relative scarcity is that, "If it ain't broke don't fix it". Things have been going so well for her campaign without much media exposure, why take the risk? It would be easier to stick to her exuberant rallies and the occasional TikTok encounter. Social media influencers do not pose awkward questions about price gouging or border controls.

The problem with this tactic is that most Americans still do not know Harris well. They want to see more. The election remains close, which means she will have to convince independents. Not every anti-Trumper is caught up in Kamalamentum.

Any self-respecting journalist would try to catch Harris out in an interview. It is their job to kick the tyres. The nominee's prep is to make sure there are no big punctures. Since Democrats quite reasonably say that democracy is on the line in November, they should pay heed to that non-trivial right to interrogate governments-in-waiting.

For Harris, or any presidential aspirant, coping with tough interviewers is child's play compared to parlaying with foreign autocrats. This is especially true if you bring your running mate along — as Harris will do with Tim Walz in the CNN interview.

No matter how unfair the interviewer, Trump will be far worse.

The challenge Harris faces is to sustain her five weeks of momentum for another 10. But the very thing that catapulted her into her party's top slot makes complacency a temptation. She did not face any primaries, which means she does not now have to walk back the radical stances she just took to win over the party's base. Every Democrat, from progressive to centrist, can project their fondest hopes on to Harris as president. The party's infighting for the spoils can begin on November 6.

But undecided voters do not want to wait and see. It is no use insisting that even the local dog catcher would be better than Trump; if they shared liberal America's existential dread of Trump they would not be undecideds. It is clear that they did not think Biden was fit to serve a second term.

With Harris, they are newly open-minded. As Harris herself might say, they should not be left thinking that she fell out of a coconut tree. The more debates and interviews she does, the better.

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Starmer can't escape politics of performance

Ellie Foreman-Peck

BRITAIN

Robert Shrimsley

Shortly after their calamitous 1997 election defeat, I asked a Conservative MP who he was backing as the next leader. His choice was a notably insipid figure, thoughtful but understated. "He's the 'unBlair'," the MP declared. This was a bold call given the success of the original. The unBlair's candidacy duly sank under the weight of his diffidence.

The incident came to mind this week as Keir Starmer reopened the political season with a denunciation of the "politics of performance" at a carefully choreographed press conference in the Downing Street garden.

The purpose of his non-performative performance was to drive home the message of the inherited Tory mess and prepare the ground for the "hard choices" of a tax-raising Budget. All of Labour's performances since its victory have been designed to embed this narrative in the minds of both voters and Labour supporters, along with the idea that it will take years to effect change.

Many of Starmer's arguments on the state of the country and public services hold water. It is clearly absurd that the criminal justice system must think twice about jailing rioters because the previous government had failed to ensure there were enough prison places.

But there was another underlying aspect to his message that should concern his party. For Starmer has a touch of the unBlair himself, though he is more forceful than that dry Tory. His assault on the politics of performance is not only an argument for substance over flash but also a show in itself, designed to make a virtue of his own limitations.

There is an argument for this, though Blair, of course, had both substance and flair. Government does need to find a way past shallow soundbites and the tyranny of media management. Too much time is consumed with performative politics, from the "grid" of daily policy announcements to the endless reannouncement of empty initiatives whose sole purpose is to secure a good headline. This all displaces the harder work of structural reform.

Starmer is not wrong to lament these illusions and distractions of political performance. A leader's job is to set strategic direction and oversee implementation. Even so, while the ability to inspire with rhetoric is no alternative to real substance, it is a mistake to think it does not matter.

Those who dream of technocrats and managers and decry charisma miss the essentials of politics. It is a debate over ideas and priorities and you have to be able to make your case. The ability to rouse, to give direction, to make the weather is essential ordnance in a leader's armoury. Starmer's performances are solid but it is hard to think of a memorable speech or phrase, one that shows he can capture a wind and harness it to his cause.

For leaders have to be able to carry the country and — no less importantly — their parties to accept those hard choices. At other times, as with the recent riots, they need to crystallise and mobilise public opinion. Above all, they need to be a coach or a teacher, coaxing voters down a particular path.

It remains far from clear Starmer can be that man. His press conference after the riots lacked force and visible sincerity, mainly because he read from a printed text, regularly looking down for the next sentence. The words were fine — as was his policy response — but the impact was deadened.

> Until he can deliver, he has to inspire. Voters must see the pay-off for the sacrifices demanded of them

This matters more for Starmer than for many of his predecessors for three clear reasons. First, the constant and consuming nature of the media, both social and traditional, now demands leaders with an instinctive ability to shape the agenda. If you cannot command attention, someone else will. Just look at the negative summer stories over Labour's decision to settle pay disputes with the unions or the row over recent appointments to see the dangers of failing to set your own narrative.

The second reason is that the UK, as Starmer acknowledges, faces a long period of hardship. Until he can deliver, he needs to inspire. They must see the pay-off for the sacrifices demanded of them. Telling people they must be patient is not sustainable for long. Voters do not want to hear how tough things are. They want evidence that you are fixing them. A non-performative performance will not suffice.

Most important, Starmer starts with a shallower reservoir of goodwill than any modern predecessor. For all the undeniable efficiency of his campaign, his loveless landslide was built with the lowest number of votes — just 9.7mn — of any first-time prime minister since the war. Labour's vote share was only 33.7 per cent of the second-lowest election turnout in more than a century, against a government voters were desperate to remove.

Starmer is determined and strategic. But he needs to be able to persuade the country and his own MPs to keep faith with his message of higher taxes and slow progress. The lack of a world-class communicator poses real risks for Labour. Quiet competence is attractive but it increases the pressure to show early evidence of success.

While he will never be a natural orator, prime ministers do grow into the role, although it is rare to acquire skills that have eluded you into your sixties. If the going is as tough as Starmer argues, both party and country will require inspiration to stay the course. At that point, the politics of performance might suddenly seem important.

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For business, DEI should be an economic priority

EMPLOYMENT

Anne-Marie Slaughter

For 200 years, roughly 80 per cent of the American population had European origins. It is hardly surprising then that the thickest global flows of trade and investment run across the north Atlantic. Today, however, the "old country" is equally likely to be in Latin America, Africa or Asia.

If you are a leader, manager, strategist or planner you must take note of where your workforce, customers, clients, suppliers, donors and supporters come from and adapt accordingly. In the US, that means acknowledging some dramatic demographic shifts. One way to achieve this is with a business coalition for diversity, equity and inclusion.

DEI has become a politicised term. Indeed, some Republican politicians have called Democratic presidential candidate Kamala Harris a "DEI hire", implying that she was selected because of her racial identity rather than her talent and experience.

But if you are a business person, you should read DEI as short for demographic and economic imperative. This is not a fad or a woke conspiracy, but a simple matter of maths and marketing.

Look at college campuses across the US. The 2020 census was the first in which less than half of children under 18 identified as white. By 2027, Americans under 30 will be a plurality nation, with no majority ethnic or racial group.

They are a large market. In 20 more years, the demographics of that market will become the entire American population.

For businesspeople, regardless of your political stripe, adapting to the demographic change should be an economic priority.

Recall the 19th century and early 20th centuries, when US population change was largely driven by European immigrants. Chicago, which has always been a mosaic of communities, boasted a Little Italy, Greektown, Pilsen (Czech), Polish Downtown, Little Lithuania, Ukrainian Village, Swede Town, Germans, Norwegians, and Russians on the North Side, Irish on the South Side, and a number of mixed Slavic and eastern European neighbourhoods on the West Side.

These communities generated their own businesses. But over time any Chicago business owner wanting to expand their market share would have figure out how to design and sell products that took account of cultural differences and practices. The best way to do that was to hire people from different communities who were able to participate in every dimension of the business, from strategy to sales.

> Companies that have the sense to plug into many different groups get an extra bonus

Many of these neighbourhoods are now filled with newer concentrations of immigrants from Central and Latin America and Asia.

You might hate or fear these changes. But even with mass deportations of the sort suggested by Trump, you cannot stop the generation currently in their twenties from ageing, marrying, and having children any more than you can change the ageing and dying of European-American baby boomers.

In a world full of digital communications and purchasing, businesses that have the sense to plug into many different groups get an extra bonus.

Reading DEI to stand for demographic and economic imperative does not exclude a simultaneous embrace of diversity, equity and inclusion. Indeed, diverse workforces are unlikely to work well together without strategies of equity and inclusion to ensure that everyone gets the training and support they need to succeed and to create the cohesion and productivity that happen when everyone feels they belong. Many employers will find that those strategies are equally necessary to navigate harsh political divides that make it harder for employees to trust one another.

Indeed, major changes in the US have long been achieved through coalitions of individuals and groups who are convinced that at least some members of the coalition are doing the right thing for the wrong reasons. That is the origin of the phrase "Baptist-bootlegger coalition": Prohibition was brought about through a combination of those who wanted no drinking at all, on religious grounds, and black marketeers who saw a huge opportunity to make a profit.

A business coalition for DEI should have a simple goal. Your workforce should look like America, at every dimension and level. To recruit, hire and retain that workforce and to ensure that your employees can work together, you must ensure that everyone feels both fairly treated and included.

Anything else is just bad business.

The writer is chief executive of the New America think-tank and an FT contributing editor

What Budget? There's a more important date coming up

ECONOMICS

Chris Giles

The Budget on October 30 is set to be an important tax raising statement, but it might not be the most crucial UK economic decision to be made this autumn. For that, you should look to Bank of England's monetary policy committee meeting on September 19. Its significance lies not in the likely decision to hold interest rates at 5 per cent, but what is set for the path ahead for quantitative tightening. The BoE has already reduced stock of money printed under the quantitative easing schemes that ran from 2009 to 2021 from £895bn to £688bn. Officials have suggested that at the September MPC meeting they are likely to keep the pace of QT similar in the year ahead, suggesting the stock of assets held by the central bank is likely to fall roughly another £100bn. That would leave the stock in September 2025 around £550bn.

The decision on future QT matters for three reasons. First, at the margin, more quantitative tightening puts upwards pressure on gilt yields because the private sector has to absorb the assets the BoE offloads, either when it sells them or they mature and the government issues new debt. They will demand compensation. The BoE believes the additional government borrowing costs of QT is small — about a 0.1 percentage point increase in interest rates on 10-year government debt for every £80bn sold — but these estimates have a margin of error you can drive a truck through. The MPC can, of course, offset higher government borrowing costs with lower official interest rates, so the more QT it chooses, the more interest rates are likely to fall.

> Next month's MPC meeting is likely to shape rates, normalise risk taking and kill a silly fiscal rule

Second, the decision to reduce the QE stock will all but eliminate the excess money held in the banking system. The BoE thinks that UK banks require somewhere in the region of £345bn to £490bn of liquid reserves to be able to meet regulatory requirements and have sufficient balances to ensure they meet daily payment needs.

Governor Andrew Bailey wants to go further with QT, ensuring that as the level of reserves falls below the amount banks desire, they meet their needs by borrowing from the BoE against pledged collateral. Currently, reserves are indirectly created when the BoE buys gilts and the proceeds are parked by the commercial banks at the central bank. In future, if banks fund their needs more directly by borrowing from the BoE that would leave the bank — and the public sector — with less interest rate risk. More, appropriately, risk would be taken by the private sector. That is welcome.

The third reason also relates to the relationship between fiscal and monetary policy and, frankly, sounds unbelievable. Since January 2022, the government's fiscal mandate has been linked to an official measure called "public sector net debt (excluding the BoE)". The intended idea was to ensure that central bank decisions did not have important fiscal consequences.

The unintended impact though has been that the most important variable is the action of the central bank itself. Without highlighting the gory details, the more active sales of assets the BoE undertakes, the worse is the government's fiscal outlook on this measure. Even more absurd is that the Office for Budget Responsibility must forecast the level of active BoE QT five year's hence. Currently, this reduces the fiscal headroom by £20bn. It goes without saying that the UK should not set fiscal policy based on the OBR's forecast on QT five years into the future.

So, the most important consequence of the September MPC meeting should be that chancellor Rachel Reeves changes the measure of debt targeted by the government. Action here would give her significant additional room for manoeuvre. The September 19 MPC meeting is likely therefore to shape interest rates, normalise risk taking and kill a silly fiscal rule. This is far more consequential than most MPC meetings and Budgets.

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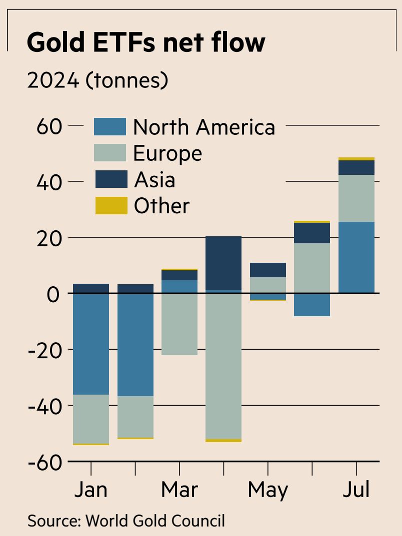
Lex.

Simon Mundy
Virtual power plants offer demand-led route to achieving energy efficiency
MORAL MONEY

This gold rush shows staying power beyond the rate cycle



If this year's rally in the gold price shows anything, it is that the precious metal is no longer inextricably tied to the interest rate cycle. But that doesn't mean lower rates will have no impact: talk last week at the Jackson Hole symposium in Wyoming of coming cuts will give gold some extra shine.

Traditionally, gold is seen as a better investment when rates are low and when other asset classes are not up to much. By this token, it should have had a dim start to 2024 given the unexpectedly strong performance of US equities, the resilience of the economy and a delay to expected Federal Reserve rate cuts. Yet it has risen 22 per cent this year, outperforming the S&P 500, and has recently crossed $2,500 a troy ounce.

Clearly, there were some buyers out there whose main concern was not the opportunity cost of holding gold. Enter central banks, which in the first half of the year bought 483 tonnes of the precious metal, says the World Gold Council. That's the highest amount since the body started collecting data.

It is hard not to attribute some of this colossal buying spree to the Russia-Ukraine crisis, and in particular to the freezing of Russian central bank assets that occurred in 2022. That, predictably, sparked a desire in large emerging economies to shift away from the dollar.

While on a quarterly basis purchases will fluctuate — and indeed they were lower in the second quarter compared with the first — that looks like a structural tailwind for gold demand that is independent of everything else happening in the financial system.

Overlaying this trend is the traditional portfolio rotation into gold, which occurs when interest rates fall. Rich individuals and financial investors have been filling their vaults. Inflows into gold-backed exchange traded funds resumed in May, and July was the third consecutive positive month with inflows of $3.7bn.

While this is cyclical rather than structural, it does not look like it will turn any time soon. The market whiplash this summer should also help drive interest in gold, insofar as it reawakens concerns about equity market volatility.

There is, of course, many a scenario in which the gloss comes off the gold trade. An acceleration in the equity market rally, higher-for-longer rates and declining geopolitical risk could all conspire to reduce demand for the metal. But, as it stands, the case for all of these appears to lack lustre.

The UK businesses that demonstrate the sheer beauty of being boring

Plastic spoons and personal protective equipment are far from racy. But Boring Bunzl defied its nickname this week by upping profit guidance and announcing £250mn of buybacks for this year.

In response, shares in the distributor of dull but essential products for businesses rose as much as 9 per cent on Tuesday to a record.

Bunzl is a member of Lex's XFT index, created in 2017 for a group of FTSE 100 groups that rarely generate eye-catching headlines but deliver steady, stable and outperforming returns for shareholders. In Bunzl's case, it continues to tick all of the boxes.

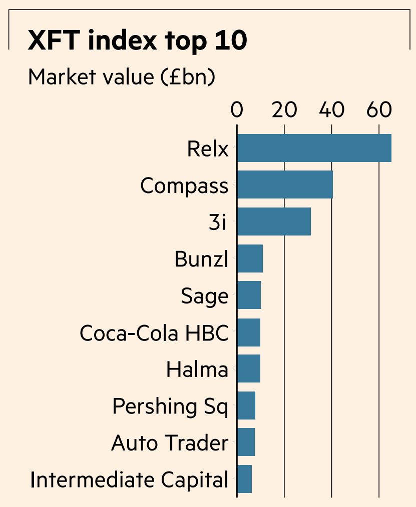
Lex wanted to see if its 2017 thesis still held.

The XFT has been updated to 27 stocks. Included are those with two or fewer mentions in decent-length Financial Times articles in the past year. New entrants to the index include engineer Weir Group and IMI.

Taking the index as a whole, Bunzl came eighth in terms of total returns over the past five years, delivering 93 per cent.

It had a pandemic boost. This shows few signs of reversing. Revenues this year will be only a few hundred million below the £12bn peak reached in 2022, according to Visible Alpha estimates.

What has changed is operating margins, for the better: they have moved up close to 8 per cent, helped by US acquisitions, from 7 per cent in 2021.



Buyout business 3i came top in the revamped XFT, as its Dutch discount retailer Action continued to churn out cash. In the past five years, 3i has generated returns of 250 per cent.

Diploma, a supplier of technical bits and bobs such as wires and seals, was next. Its returns over the same period were 205 per cent. Like Bunzl, Diploma pursues a strategy of organic growth supplemented with bolt-on acquisitions.

Long-term XFT members such as Sage and Relx were in the top 10. Halma and Compass, also both in previous iterations of the index, generated mid-table returns.

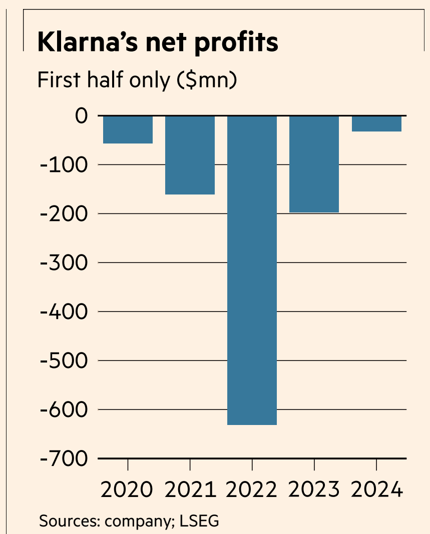
Even with a few members making negative returns over five years, such as Premier Inn owner Whitbread, the XFT as a whole outperformed the wider FTSE 100. It rose 82 per cent versus the FTSE 100's 41 per cent over the past five years.

"There is no such thing as bad publicity" is an overused phrase. Lack of limelight continues to be a good thing for these reliable returners.

BNPL specialist Klarna cost-cuts its way into investors' good books

Investors in buy now, pay later companies are channelling *Jerry Maguire*, howling "show me the money!" at management teams. Sebastian Siemiatkowski, co-founder and chief executive of Swedish BNPL group Klarna, is listening. Results this week highlighted a rush to rip out costs and get profits up as the company prepares to go public.

Klarna has suffered the same fate as others in the fintech sector. Rising interest rates took the shine off fast-growing business models as the focus inevitably shifted to profits. Worth $46bn in 2021, Klarna's valuation fell to $6.7bn just a year later. It has been working hard to get that number up. Second-quarter net losses were just SKr10mn. That should put the group in better stead when it presses the button on an initial public offering, with a valuation goal of $20bn.



Headcount reductions are getting costs down — more than 5,000 employees have become just 3,800 in the past year. Siemiatkowski thinks the figure can go as low as 2,000.

Losses do not appear to be hitting growth. Revenues of $1.3bn in the first half were still more than a quarter higher than last year. Assume that Siemiatkowski is right about headcount levels, then operating margins would have been about 15 per cent in the first half, Lex estimates.

That should make Klarna an appealing proposition to any potential public market investors, especially given that rival BNPL group Affirm is not expected to generate positive earnings per share until 2028, according to analyst estimates on Visible Alpha. Australia's Zip is expected to make a small net profit this year.

Both companies trade on an enterprise value to forward revenue multiple of about five times, pretty much the top of the range for listed fintechs. A similar multiple would get Klarna close to its $20bn target. On the current growth path, revenues will easily push through $4bn by 2026 — from which Klarna should be able to extract a decent profit.

There are still plenty of reasons to be cautious. The first is competition, which is heating up. Klarna's take rate — how much it makes from each transaction — is still rising for now. Bad credit is another. Losses remain very low but the model at today's scale remains untested in an economic downturn. Then there are regulators that are tightening the screws on BNPL standards globally. The money is not in the bank just yet.

Chinese mythology games breathe life into Sony's PlayStation 5

Chinese mythology has become a hot topic for gamers. A game based on *Journey to the West*, one of the classics of Chinese literature, is breaking records and delivering an unexpected sales boost to Sony's PlayStation 5.

Sony is raising the price of its PlayStation 5 console by about 19 per cent to around $550 in Japan, effective September 2. It is increasing prices of accessories, including its wireless controller and headset. During normal times, a rise of that size for the PS5 — given that it is nearly four years old — would not have been received well.

The lifecycle of a console is typically about five years. Sales of the PS5 had started showing signs of slowing during fiscal 2023, with sales narrowly missing Sony's target of 21mn units. This had been revised down from a previous forecast for 25mn units.

But Sony's timing works. Wages are increasing in Japan, with average base pay rising at the fastest pace in more than three decades earlier this year. Elsewhere, launches including shooting game *Helldivers 2* this year has sparked new demand for the PS5, making it the best-selling console in the US in July.

In China, *Black Myth: Wukong*, an action role-playing game rooted in Chinese mythology, could also change sales expectations for the PS5. Sales had hit 10mn copies within three days of its release last week, making it one of the fastest-selling games.

That has meant a surge in PS5 sales in China. PS5 transaction volumes more than doubled on Alibaba's platform during the week before the launch. That is a feat, given that China has historically been a relatively weak market for PlayStation sales. Mobile and PC games dominate the country's gaming market, with only about 15 per cent of China's gamers on consoles.

Sony's stock rose yesterday, bringing gains to 18 per cent in the past year. This reflects growth expectations for its gaming business. China's video games market has been expanding, with domestic revenue up 13 per cent to $43bn last year. The number of gamers in the country rose to a record 668mn. That should leave room for growth for Sony in the biggest gaming market.

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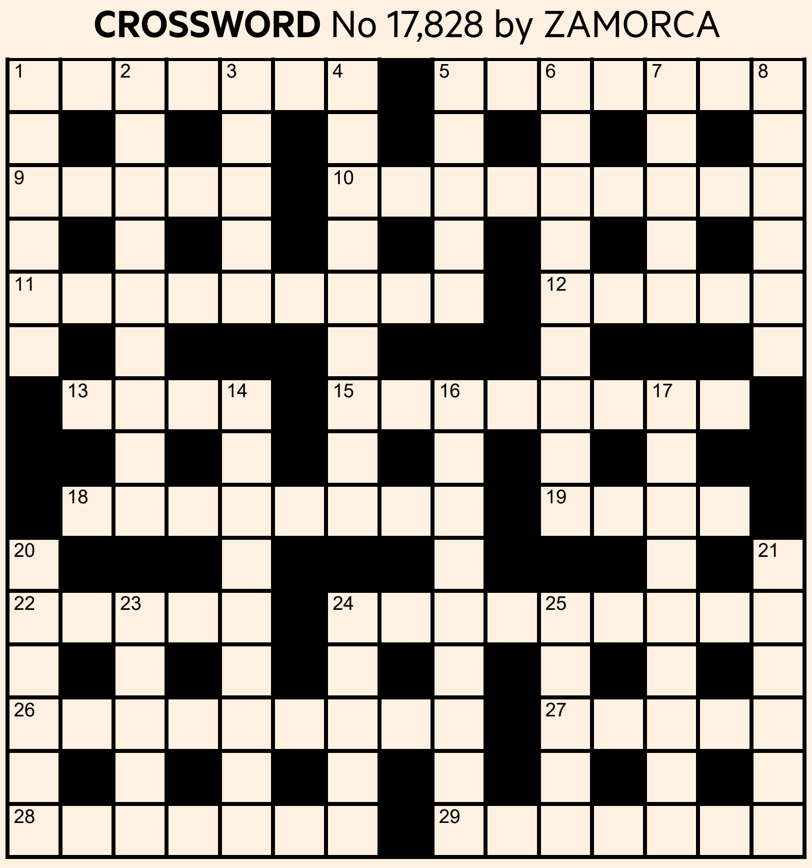


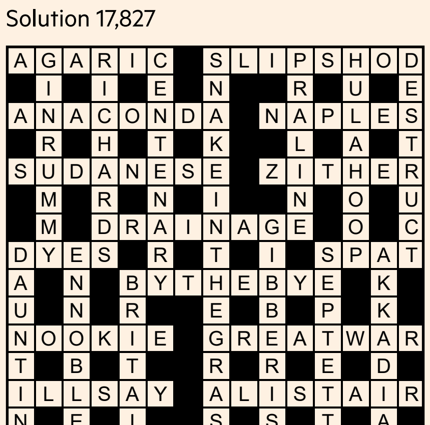
ACROSS

1 Dispute offset on company books (7)
5 Absurd version of Faust contains nothing unusual initially (7)
9 Sustain calm front amid potential ruin (5)
10 Waver when getting very big moggy to swallow vile tablet (9)
11 Satanists manipulated acolyte (9)
12 Flower of university leaving to go across water to study (5)
13 Beginning to berate fool in a low voice (4)
15 Beetle's white eggs wife found in bedroom (8)
18 Incredible case of baby rescue ending in ravine (2,6)
19 Spot agent on plane's wing (4)
22 Single unwanted worker's dismissed (5)
24 Starting to knit throw, find central section dead detailed (7,2)
26 European articles occasionally fail soldiers being shot at (5,4)
27 Joanna from the East End recalled working with first class priest (5)
28 Precipitous ladder evidently leads to church tower (7)
29 Friend races in phone company colours (7)

DOWN

1 Highlight first of cinemas having large high resolution film screen (6)
2 Required church head to go round area on trains (9)
3 Exchange or use cash in Italy (5)
4 Sore and disheartened Navajo rest after mounting legendary conflict (6,3)
5 Female champion's heading for Tyne Side (5)
6 Heard dog's sad woof echo in mournful story (4,2,3)
7 Speak of betrayer after love's finally gone (5)
8 Run through using underground channel to hide King (6)
14 Device to slow traffic succeeded and went with standard model set up (5,4)
16 See lover out quietly then wake up late (9)
17 Agent turning gun on soldier is disgusting (9)
20 Trains that French use work (6)
21 Sleep with Australian after brief kiss, ecstasy! (6)
23 Squeeze women's advantage (5)
24 Herb found amongst rustic hives (5)
25 Push salvageable PM into partially making a u-turn (5)

Solution 17,827



JOTTER PAD

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