FINANCIAL TIMES

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Faulty batteries are slowing electric car rollouts — INSIDE BUSINESS, PAGE 5

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How China's immense data haul has disrupted Big Tech — FT SERIES, PAGE 15

Fountain of youth
Silicon Valley's search for an elixir is growing up — ANJANA AHUJA, PAGE 17

Taliban unveils government of hardliners and terrorist suspects

- Founder's adviser is PM
- Minister on FBI's most wanted list
- No role for opposition

STEPHANIE FINDLAY — NEW DELHI

The Taliban formed its first caretaker government in Afghanistan since it swept to power last month, featuring several members who have been sanctioned by the UN for terrorism and an interior minister on the FBI's most wanted list.

Mohammad Hassan Akhund, a close adviser to the late Taliban founder Mohammad Omar, will be acting prime minister, said Taliban spokesperson Zabihullah Mujahid. Political chief Abdul Ghani Baradar, who led the Taliban's negotiations with the US, has been made deputy.

Mohammad Yaqoob, Taliban founder Omar's son, has been appointed acting defence minister.

The Taliban revealed the line-up as it grapples with a growing humanitarian and economic crisis.

The appointments highlighted the strong role in the movement of the Haqqani network, a group the US has designated a terrorist organisation.

Sirajuddin Haqqani, a senior leader of the Haqqani network who is wanted by the FBI for "cross-border attacks against the United States" and has a $5m bounty on his head, will be interior minister.

The new regime is under increasing pressure to provide government services after weeks of uncertainty and a chaotic mass evacuation of Afghans who worked with the US and its international allies.

Analysts said that the Taliban's new government was dominated by its core leadership, with few representatives from Afghanistan's different ethnic groups or women.

"It is a government dominated by hardliners, many of whom were associated with Taliban founder Mullah Omar," said Husain Haqqani, a former Pakistan ambassador to the US and now a senior fellow at the Hudson Institute. "Their appointments should remove any doubt that there will be much difference in how the Taliban might govern from the last time they were in power," said Haqqani, who is not related to the new interior minister.

Class divide Male and female students separated at a Kabul university

Students attend a class bifurcated by a curtain separating the men from the women at a private university in Kabul yesterday, as they abide by the Taliban's ruling on mixed education

Aamir Qureshi/AFP via Getty Images

> Line-up 'should remove any doubt' group will rule much differently to last time it was in power

The Taliban waited to announce the government until declaring victory over the resistance in Panjshir, Afghanistan's last opposition stronghold, led by Ahmad Massoud, son of a legendary anti-Taliban fighter. Massoud has denied that the Taliban control the region and vowed to continue the fight.

Former Afghanistan president Hamid Karzai and veteran politician Abdullah Abdullah did not secure roles in the new government, despite holding extensive talks with the Taliban leadership.

The formation of the new government, which took place without ceremony, comes after Taliban forces broke up a demonstration in Kabul against Pakistan's support of the regime, detaining journalists filming the march before releasing them.

The Taliban has suggested in recent press conferences that efforts would be made in the future to include political opponents. The US and other regional powers have said that an inclusive government was one precondition for recognising the Taliban government, but analysts said it was unlikely that the Islamists would meet that criterion.

"In our region of the world, every time someone says caretaker or interim it never necessarily means a temporary set-up," said Obaidullah Baheer, a lecturer at the American University in Kabul. "They wouldn't bring top brass leadership in a temporary role."

Baheer added that the Taliban's "indifference to international recognition is alarming".

Additional reporting by Fazelminallah Qazizai in Kabul

Briefing

EU seeks to fine Poland over judges spat
The European Commission has requested that the European Court of Justice fine Poland for ignoring rulings over judicial reforms that Brussels says damage the independence of Polish judges.— PAGE 2

Merkel tries to boost Laschet in polls
Outgoing German chancellor Angela Merkel used her final speech in parliament to urge voters to back Armin Laschet, leader of her centre-right CDU party, which trails in polls for elections this month.— PAGE 2

US jobless to lose Covid benefits
More than 7.5m people in the US will lose pandemic-era jobless benefits this week just as a spike in coronavirus infections has slowed employment growth.— PAGE 3

Bolsonaro rallies put Brazil on edge

Fears of political violence have risen in Brazil after tens of thousands of President Jair Bolsonaro backers protested in support of his attacks on the Supreme Court.— PAGE 4

Toyota bets big on battery development
Japanese carmaker Toyota is to invest $13.6bn in battery development and supply for electric cars during the next decade as it attempts to build on its dominance in hybrid vehicles.— PAGE 5

Bidder drops out of race for Meggitt
US aircraft parts maker TransDigm has quit a potential bidding war for UK aerospace and defence group Meggitt, clearing the way for rival Parker Hannifin to seal a £6.3bn takeover.— PAGE 6

Missing China entrepreneur reappears
Duan Weihong, who was close to some of China's most powerful officials, has briefly resurfaced after a four-year disappearance, according to her former husband.— PAGE 4

Datawatch

Informal sector accounts for less
Value of informal work by country group (% of GDP)

1991-99 | 2010-17
Low-income
Emerging
Advanced
0 10 20 30 40

Sources: IMF; Medina and Schneider (2021); ILO

The informal sector, which represents unregistered and untaxed economic activities, accounts for more than one-third of GDP in low-income countries, far less than in the 1990s. Globally, 2bn people work in the sector

El Salvador's tech problems take shine off debut to make bitcoin legal tender

CHRISTINE MURRAY
MONTERREY, MEXICO

El Salvador's pioneering adoption of bitcoin as legal tender hit snags within hours of launching yesterday after the government took its digital wallet app offline and the global price of the volatile currency slumped.

President Nayib Bukele said on Twitter early yesterday that the app, which stores digital assets, would stop working while server capacity was increased.

The app, called "Chivo" — Salvadoran slang for cool — gives Salvadoran citizens $30 of free bitcoin when they download it. Chivo returned online later yesterday, with Bukele appearing to personally supervise the testing process via Twitter.

The price of bitcoin wobbled, falling as much as 17 per cent to $43,119 before recovering to trade 10 per cent lower. Coinbase, the US crypto exchange, encountered technical problems that delayed or cancelled some transactions.

Bukele took to Twitter to urge citizens to buy the dip. He said El Salvador now held about 550 bitcoins.

The small Central American nation became the first in the world to make bitcoin legal tender. Economists and the international financial community have criticised the decision, which is also unpopular with Salvadorans.

Rating agency Moody's downgraded its debt rating in part because of the law, while the IMF — in talks with the government over a new loan — said such a plan could destabilise the $25bn economy. Under the law, all businesses in El Salvador have to accept bitcoin as payment for goods and services, though citizens can still choose to use the US dollar, which has been the national currency since 2001.

Siobhan Morden, head of Latin America fixed income at Amherst Pierpont, noted that Bukele's bitcoin gambit coincided with a court ruling to allow consecutive re-election — a move that has been sharply criticised by the US.

Crypto fans have fawned over Salvador's move, with some launching a campaign to persuade people to buy $30 of bitcoin to show support.

Bukele said he made the decision to help bring investment to the country and improve access to financial services. But yesterday he said his team was still working to increase server capacity to scan images. "It's a relatively simple problem, but you can't fix it with the system connected," he told his Twitter followers. "A little bit of patience."

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Global logistics woes add fuel to eurozone inflation

Supply chain squeeze ▸ PAGE 3

Austria	€3.90	Malta	€3.70
Bahrain	Din1.8	Morocco	Dh50
Belgium	€3.90	Netherlands	€3.90
Bulgaria	Lev7.50	Norway	NKr40
Croatia	Kn29	Oman	OR1.60
Cyprus	€3.70	Pakistan	Rupee350
Czech Rep	Kc105	Poland	Zl 20
Denmark	DKr38	Portugal	€3.70
Egypt	E£59	Qatar	QR15
Finland	€4.70	Romania	Ron17
France	€3.90	Russia	€5.00
Germany	€3.90	Serbia	NewD420
Gibraltar	£2.90	Slovak Rep	€3.70
Greece	€3.70	Slovenia	€3.70
Hungary	Ft1200	Spain	€3.70
India	Rup220	Sweden	SKr39
Italy	€3.70	Switzerland	SFr6.20
Lithuania	€4.30	Tunisia	Din7.50
Luxembourg	€3.90	Turkey	TL23
North Macedonia	Den220	UAE	Dh20.00

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World Markets

STOCK MARKETS

	Sep 7	prev	%chg
S&P 500	4518.16	4535.43	-0.38
Nasdaq Composite	15370.47	15363.52	0.05
Dow Jones Ind	35097.15	35369.09	-0.77
FTSEurofirst 300	1821.56	1829.93	-0.46
Euro Stoxx 50	4226.05	4246.13	-0.47
FTSE 100	7149.37	7187.18	-0.53
FTSE All-Share	4122.43	4144.51	-0.53
CAC 40	6726.07	6743.50	-0.26
Xetra Dax	15843.09	15932.12	-0.56
Nikkei	29916.14	29659.89	0.86
Hang Seng	26353.63	26163.63	0.73
MSCI World $	3169.64	3163.99	0.18
MSCI EM $	1324.37	1315.91	0.64
MSCI ACWI $	748.21	746.46	0.23

CURRENCIES

	Sep 7	prev		Sep 7	prev
$ per €	1.185	1.186	£ per $	0.725	0.723
$ per £	1.379	1.383	€ per £	1.164	1.166
£ per €	0.859	0.858	¥ per €	130.562	130.305
¥ per $	110.220	109.855	£ index	81.686	81.825
¥ per £	151.944	151.891	SFr per £	1.266	1.267
SFr per €	1.088	1.087			
€ per $	0.844	0.843			

COMMODITIES

	Sep 7	prev	%chg
Oil WTI $	68.14	68.93	-1.15
Oil Brent $	71.59	72.22	-0.87
Gold $	1821.60	1823.70	-0.12

INTEREST RATES

	price	yield	chg
US Gov 10 yr	148.66	1.37	0.05
UK Gov 10 yr		0.64	0.04
Ger Gov 10 yr		-0.32	0.05
Jpn Gov 10 yr	115.76	0.04	0.00
US Gov 30 yr	115.46	1.98	0.03
Ger Gov 2 yr	105.40	-0.70	0.01

	price	prev	chg
Fed Funds Eff	0.10	0.08	0.02
US 3m Bills	0.05	0.05	0.00
Euro Libor 3m	-0.56	-0.56	0.00
UK 3m	0.06	0.06	0.00

Prices are latest for edition | Data provided by Morningstar

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Judicial reforms

Brussels seeks Poland fine for defying court

Some in Warsaw question whether staying in bloc is worth it as spat escalates

HENRY FOY AND SAM FLEMING
BRUSSELS

The European Commission has asked the European Court of Justice to fine Poland for ignoring court rulings over the country's judicial reforms, in a significant escalation of a Brussels-Warsaw stand-off on the supremacy of EU law over national rules.

The long-running confrontation over moves by Poland's conservative nationalist ruling party to gain powers over its judiciary, including a disciplinary chamber with the power to punish judges, has deeply soured relations between Brussels and the EU's fifth-largest member state. It has also hardened Eurosceptic opinion in Warsaw.

Tensions were inflamed further last week when the EU economy commissioner said that disbursement of tens of billions of euros in pandemic recovery funds requested would be affected by Warsaw's response to the commission's insistence on the primacy of EU law.

The commission's request to the ECJ yesterday stems from the country's failure to comply with so-called interim measures imposed in July by Europe's highest court over Warsaw's judicial disciplinary regime.

"The commission is asking the court to impose a daily penalty payment on Poland for as long as the measures imposed by the court's order are not fully implemented," it said. It did not specify the amounts involved.

Brussels added it would set in motion a separate process for Warsaw's failure to comply with a second ECJ ruling that declared that Poland's disciplinary regime was incompatible with EU law. Poland's regime, the court said, had insufficient guarantees of judicial impartiality and independence and did not protect judges from political influence.

> 'The commission is asking the court to impose a daily penalty payment on Poland'

Warsaw responded by accusing the EU of "acts of aggression".

"In every EU member state, including Poland, the executive power is independent from the judiciary," said Piotr Muller, the government's spokesman.

"The organisation of the judiciary in Poland is autonomous and cannot be imposed on by the European Commission, but rather it must implement those directives that are specified in the constitution of our country."

Brussels' potential fine and legal proceedings come despite a pledge in August by Jaroslaw Kaczynski, head of the ruling Law and Justice party and Poland's de facto leader, that the disciplinary system would be amended.

A commission official acknowledged yesterday that seeking fines was a "very uncommon step". But the court had been clear with Poland over what needed to be done regarding the disciplinary chamber, the official added.

The commission is under increasing pressure from parliamentarians to make clear that the bloc will not tolerate a move by Poland to contest the primacy of EU law. Some ruling party politicians equate it to financial blackmail, raising the question of whether Poland would be better off without EU financing.

Poland has asked for €23.9bn under the EU recovery scheme, plus €12.1bn in loans, but it has yet to be approved. Konrad Szymanski, Poland's minister for the EU, hinted on Monday the stand-off was harming the EU's standing there.
Additional reporting by Agata Majos in Warsaw

German election

Merkel urges voters to pick Laschet as centre-right worries grow

GUY CHAZAN — BERLIN

Angela Merkel made her strongest intervention yet in the German election campaign, using her last speech in the Bundestag to implore voters to choose Armin Laschet and warn of the dangers of a leftwing government for Germany.

Merkel said Germans faced a choice between a coalition of Social Democrats, Greens and the hard-left Linke party and a government led by Armin Laschet, of her centre-right Christian Democratic Union/Christian Social Union, "a moderate government which will lead our country into the future".

The unusually partisan intervention by Merkel, who is standing down this year after 16 years as chancellor, reflects the increasing nervousness in the centre-right camp at the commanding poll lead established by the Social Democrats in recent weeks. A new poll by Forsa for RTL/ntv-Trendbarometer put the SPD on 25 per cent, the CDU/CSU on 19 per cent and the Greens on 17 per cent ahead of the September 26 vote.

Until recently, Merkel, who continues to enjoy high approval ratings, preferred to stay out of the campaign. But in recent days, as her party's position in the polls has deteriorated, she has become more active, publicly praising Laschet and lashing out at his main rival, finance minister and SPD chancellor-candidate Olaf Scholz.

Merkel rarely criticises Scholz publicly, but yesterday she slammed his suggestion at a recent campaign event that people who had been vaccinated were "guinea pigs". "None of us are guinea pigs, neither Olaf Scholz nor I," she said. Authorities would not succeed in increasing vaccination rates using "such distorted images".

But her open campaigning for the CDU/CSU and for Laschet's candidacy in a Bundestag debate about the state of the nation was controversial, and at times she was drowned out by heckling from MPs.

"My goodness, what a fuss!" she retorted. "I've been a member of the German Bundestag for more than 30 years and where should we discuss such issues if not here? It is the heart of our democracy."

Polls indicate that Scholz might emerge as winner of the election, with an abundance of coalition options. He could team up with the Greens and the pro-business Free Democrats, or with the Greens and the Linke party — forming a so-called "red-red-green" alliance.

But Die Linke could prove difficult partners. The party, which has its roots in the former East German Communist party, wants to disband the Nato military alliance and replace it with a "collective security system involving Russia which would have disarmament as its central objective". It also advocates a policy of "detente" towards Russia.

Scholz and Annalena Baerbock, the Greens' chancellor candidate, have refused to rule out a tie-up with Die Linke, though Scholz said he would only partner with parties committed to Nato.

Merkel stressed that, unlike the CDU/CSU, the SPD and Greens were prepared to contemplate an alliance with Die Linke "or at least are refusing to rule it out".

Fossil fuels. Green fightback

Norway's oil dominates 'climate election'

Western Europe's largest petroleum producer faces pressure to switch direction

RICHARD MILNE — OSLO

North Sea: the Johan Sverdrup oilfield. Below, Kriss Rokkan Iversen
Carina Johansen/EPA

Norway's voters are to give their verdict next week in what has become a "climate election" — jolted into life by the UN report last month that issued a stark "code red" over the impact of environmental change.

The UN report has forced Norway to examine a big contradiction at the heart of its economy. The country is one of the largest proponents of green solutions such as electric cars and carbon capture storage: seven in 10 new cars sold last month in Norway were fully electric.

But the nation is also western Europe's biggest petroleum producer, with a huge sovereign wealth fund built on the back of oil and gas output.

That dissonance is being tested in the parliamentary election on Sunday and Monday. Support is rising for the Green party, which says it will only join a government that promises an immediate halt to oil and gas exploration. The two other main parties campaigning on climate, the Socialist Left and Liberals, are also rising in the polls. The Greens' membership numbers have jumped by a third in just a few weeks.

"It was a game-changer for Norway when that UN report came out. It is now the most important seven days in Norway's history," said Kriss Rokkan Iversen, deputy leader of the Greens.

Espen Barth Eide, energy spokesman for the centre-left Labour party, agreed: "This is clearly the climate election, even more than people thought it would be." Labour leads in polls but oil is likely to be an obstacle to a viable coalition. Norway's two biggest political parties — Labour and the centre-right Conservatives of prime minister Erna Solberg — stand firmly behind the oil industry, which is responsible for about 160,000 direct jobs, or about 6 per cent of the total.

Tina Bru, the Conservative oil and energy minister, is firmly against ending exploration or setting an end date for Norway's petroleum production, arguing for doing more to cut global demand. "We are preparing for a future with less demand for oil and gas, we're building new green industries, but we won't get there by hurting our economy, destroying jobs and dismantling an industry," she said.

Eide said: "We want to undermine the prospects for a long-term oil industry rather than closing the supply."

Norwegian oil production has risen in recent years following the discovery of the giant Johan Sverdrup field in the North Sea.

It is set to fall again from 2025 or so. Solberg told the Financial Times this summer that she did not act to accelerate that decline but that Norway was on a gradual "shift" to green industries.

Following a tax tweak last year that helped the oil industry, Solberg's government this month proposed another complicated fiscal change that appears mildly positive in the short term for most companies active in Norway, while making speculative exploration costlier.

"It's a sign that the oil market in Norway is becoming mature and is only attractive to fewer companies. But the worry is that this is the second change in two years after years of stability; it shows how oil could become more of a political football," said a senior executive at an oil company active in Norway.

For the Greens, the tax debate is a sideshow. As well as ending exploration, they also want to halt production by 2035.

Iversen said Norway was a petroleum pioneer in the 1960s and 1970s but did not have the same spirit for the "green shift" with, for instance, the world's largest wind farm developer found in neighbouring Denmark.

Of the willingness to stick by the oil industry, she said: "It's a question of feeling and identity for many Norwegians. I don't think it's rational."

Defenders of the oil industry have also stepped up their rhetoric. Sylvi Listhaug, the leader of the populist Progress party, this summer posted a social media picture of her filling her car up, with the caption: "Lovely with the smell of real fuel."

> 'We are preparing for a future with less demand for oil and gas, we're building new green industries'

Eide said Labour, under leader Jonas Gahr Store, would not go into government with a party that insisted on stopping exploration or production. However, its two favourite coalition partners — Centre, and the Socialist Left — hold almost opposing views on Norway's biggest industry.

Eide said a compromise was possible, avoiding over-investing in oil but refusing to put an end-date on either production or exploration. He also hinted that contentious exploration in the Barents Sea, inside the Arctic Circle, could end as companies such as state-controlled Equinor favour proven areas in the North and Norwegian Seas.

Labour is likely to have a much more interventionist industrial policy as it attempts to speed up the green transition. "It has clearly gone too slowly. The pace does not fit with the remaining time," Eide added.

Martin Sandbu see Opinion

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Covid-19

Scepticism drives Romania and Bulgaria jab rates to EU lows

MARTON DUNAI — BUDAPEST

Vaccine scepticism is helping to keep Romania and Bulgaria's Covid-19 vaccination rates at the lowest in the EU, exposing the union's poorest nations to higher risks as the bloc is swept by a fourth wave of the pandemic fuelled by the Delta coronavirus variant.

Fraud is adding to official frustration in Romania over take-up rates, with instances of doctors allowing people to go without jabs while still issuing them with certificates that make it easier to work and travel.

"A lot of people have postponed their vaccination until now," Ioana Mihaila, Romania's health minister, told the Financial Times.

"We understand their concerns and it's their right to do research about all the vaccines and make an informed decision, but now it's the time to make this decision, as the risk of getting infected will surge."

Gindrovel Dumitra, the president of the vaccination group at the National Society of Family Medicine in Romania, said that patients often asked for the certificate but not the jab. Those few doctors who did not resist endangered all of society, he said.

Among doctors implicated in such "sink vaccinations" — so-called in Romania because the vaccine ends up down the drain — is a physician suspected of issuing fake certificates for her husband's football team, which then went on to play in tournaments, the Digi24 channel reported.

It is not clear whether any infections resulted from that incident, but Romanian media have reported on other infections where patients carried fake vaccination certificates.

"Vaccination [going into] the sink and issuing documents based on such a procedure is [illegal] but it is also about medical liability," Dumitra said. "An unvaccinated person can get sick, [and] endanger not only his own health but also that of others."

Andrei Baciu, vice-president of Romania's National Coordinating Committee for Vaccination Activities against Covid-19 (CNCAV), estimated that there had been more than 400 fake cases out of more than 2m certificates issued.

Other estimates are higher, with some doctors saying every vaccination site in the country had received patients trying to get paperwork without jabs.

Just over a quarter of Romania's eligible citizens have received full vaccinations, the second-lowest take-up rate among EU countries behind Bulgaria's 17 per cent, according to the FT's vaccine tracker. Both are also far behind EU peers, show data from the European Centre for Disease Prevention and Control (ECDC). All other EU countries have vaccinated at least half of their populations.

Officials in Romania and Bulgaria attributed the low rates to a rural and less educated population, snags in vaccine deliveries and a general mistrust of medicine, exacerbated by online fake news.

Hesitancy: a woman joins a protest against vaccines in Sofia, Bulgaria

Romania and Bulgaria have recorded quickly rising case numbers, with daily new cases climbing to about 1,500 in each country by early September, the highest since early May.

Both countries suffered badly during the third wave of infections in the spring, when central and south-eastern European countries were among the highest in the world for deaths per capita. Case numbers plummeted in the summer, putting its people at ease again.

"They seemed to believe that we had overcome the pandemic," Bulgarian chief state health inspector Angel Kunchev said in an email interview with the FT, adding that the government had been working hard to try to motivate everyone to get vaccinated.

He said fear of being vaccinated was being exacerbated by fake news on social media but added that as the school year started people began to realise the pandemic was not over.

INTERNATIONAL

Supply chain squeeze poses threat to post-pandemic economic recovery

Ikea's furniture supply shortages encapsulate broader logistic crunch hitting consumer sector

VALENTINA ROMEI — LONDON
MARTIN ARNOLD — FRANKFURT
DAVIDE GHIGLIONE — ROME

Phillipe Moreau had to get creative to keep Temahome's production lines whirring after shortages of timber, resin and steel left half of his furniture maker's 600-item catalogue out of stock earlier this year.

"We played around," said the chief executive of the French maker of wooden tables, shelves and TV stands. "If black panels weren't available, we switched to oak or white ones."

Across the world, manufacturers of everything from cupboards to cars or computers are still grappling with a logistics crunch that has disrupted supplies of essential inputs, threatening the post-pandemic economic rebound and boosting inflation.

Combined with rising consumer demand as economies reopen, in Europe these shortages have led to inflation reaching a decade high, a factor that may lead the European Central Bank to scale down its €1.85tn pandemic stimulus programme this week.

Furniture, the latest sector to feel the supply chain pinch, encapsulates the broader problems. Even huge companies such as Ikea have been affected. The Swedish flat-pack furniture maker has said it "cannot predict" when normal supplies will resume because of a "perfect storm of issues" that includes a shortage of truck drivers in the UK.

"We're not naive to think that it's over in the next weeks or even months," Henrik Elm, Ikea's global supply manager, said of the disruptions.

A record one in three EU furniture makers say they have been affected by supply shortages, according to a quarterly business survey by the European Commission. At a global level, high shipping costs and delivery delays because of bad weather and Covid-19 shutdowns in large Asian ports are big pinch points.

Transport was a "nightmare" where even "a screw or small component from Asia can take three months", said Temahome's Moreau, who also heads France's furniture trade body. "We had 16 containers being shipped to the US in June and July and they still hadn't got through by August. Lead times to the US have doubled."

Transport costs have soared. Between China and Europe, fees are nearly seven times higher than in August last year, according to data provider Freightos.

To work round that problem, Ikea said it was diverting some supplies on to trains. "We will use rail transport from China to Europe to free up container capacity that we can use to ship more to US," the company added.

In the US, meanwhile, lumber supplies usually transported by truck through the southern states have been disrupted by Hurricane Ida.

Even so, global lumber prices have halved from the record high they reached in May, although they remain above pre-pandemic levels. Other sectors are less fortunate.

Nearly half of EU rubber, machinery and computer producers, and most electrical equipment makers, report supply shortages. Almost 60 per cent of carmakers remain affected.

In Germany, where car production is 30 per cent below pre-Covid levels, Volkswagen plans to add extra shifts to clear an order backlog. But new Asian outbreaks of the Delta variant have shut ports and semiconductor manufacturing facilities there, stymying plans. It is a common problem across the sector.

"If you need to receive goods from Asia, it's hard to find containers, and this is clearly creating difficulties," said Matteo Tiraboschi, executive vice-president of Italy's Brembo Group, which makes automotive brake systems. But Brembo is helped in that it locally sources some supplies, which puts it "in a fairly privileged position".

Others are struggling to meet demand. A DIHK survey of German businesses found 83 per cent reported price increases or delivery problems for raw materials, intermediate products and goods in August.

This has broader economic consequences. Lack of inputs for companies such as Temahome, which sells in more than 45 countries, has constrained exports and dragged on eurozone growth. Meanwhile, the gap between orders and output, which in August reached a record high in IHS Markit's eurozone manufacturers' purchasing manager survey, adds inflationary pressure. In July, eurozone producer prices rose at an annual rate of 12 per cent, the fastest since records began in 2001, while consumer inflation hit a decade high of 3 per cent in August.

VW believes the supply of computer chips "will remain very volatile and strained" in this year's third quarter.

But Ana Boata, head of macroeconomic research at credit insurer Euler Hermes, believes full normalisation will not happen until 2023, the result of a decade of under-investment in maritime shipping. Morten Engelstoft, chief executive of APM Terminals, has also warned of a "vicious circle" created by surging demand and suggested a consumer slowdown was needed for shipping groups to catch up.

Giovanni Arvedi, founder and president of steelmaker Arvedi group, said the market "had a flare-up at the beginning of the year . . . but that is no longer the case" as blast furnaces restarted.

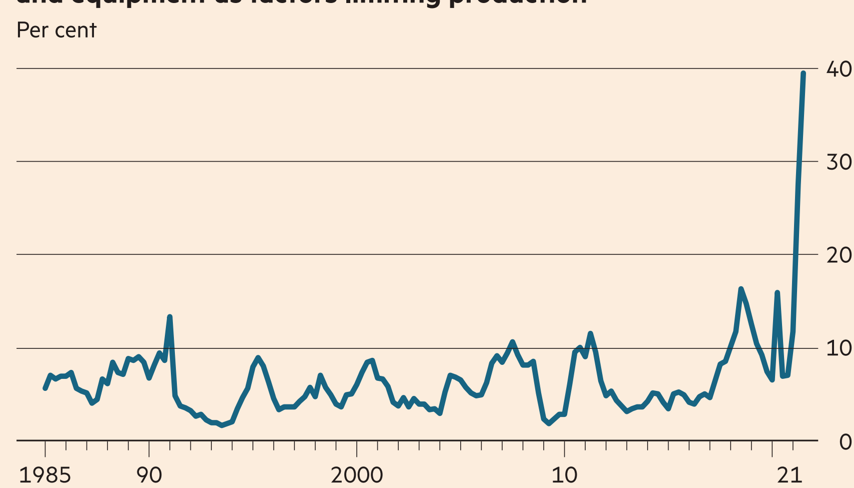
The optimistic view is labour and input shortages will ease as demand in western economies rebounds, leading to a recovery "that is merely more spread out . . . over a few quarters than an overall weaker recovery", said Bert Colijn, senior economist at ING.

The more pessimistic view is that it is too early to tell. "Uncertainty remains as to how the stability of global supply chains and the handling of the coronavirus pandemic will develop, especially in China, Europe and the US," said Andreas Möller, of Trumpf, a German machine tool and laser technology company. "Both factors are the Achilles heel of our operating business worldwide."

Additional reporting by Richard Milne

See Markets Insight

> 'If you need to receive goods from Asia, it's hard to find containers, and this is clearly creating difficulties'



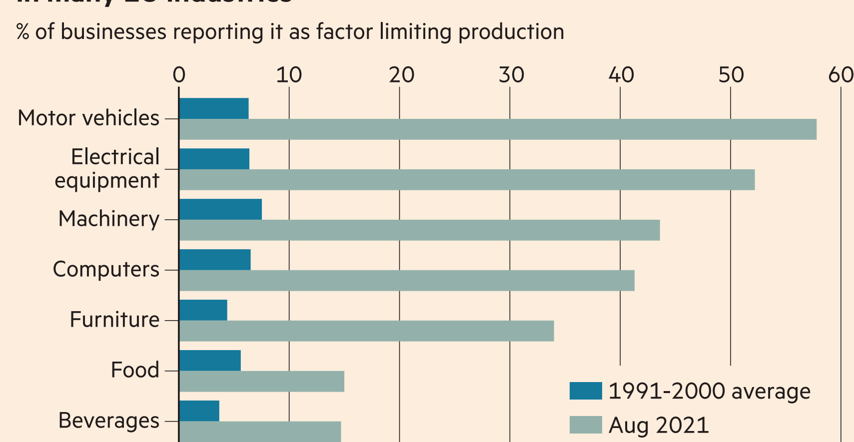
Container shipping costs have surged

$'000 per 40-foot contanier

China/east Asia to north Europe
China/east Asia to Mediterranean

14, 12, 10, 8, 6, 4, 2, 0

2017, 18, 19, 20, 21



Factories across the eurozone report shortages of material and equipment

% of businesses

0, 10, 20, 30, 40, 50, 60, 70

Germany, Czech Rep, Ireland, Eurozone, EU, Austria, Slovakia, Hungary, Netherlands, Poland, Spain, Denmark, Italy, France, Romania, Sweden, Portugal, Greece

Aug 2020
Aug 2021

Sources: Refinitv; Eurostat; Freightos; Eurostat

In a fix: customers shop at Ikea in north London. The Swedish company is dealing with a 'perfect storm' of issues causing delays — Yui Mok/PA

UK

Johnson unveils £12bn yearly tax rise for health and social care

GEORGE PARKER AND LAURA HUGHES
LONDON

UK prime minister Boris Johnson yesterday announced a £12bn annual tax rise to fund a big increase in health and social care spending in England, breaking a core manifesto pledge in a defining moment for his leadership.

Rather than adhering to the traditional Conservative claim to be the party of low taxes, Johnson defended the tax rise and pronounced to cheers from Tory MPs: "We are the party of the NHS."

Johnson, buoyed by opinion polling suggesting the public is prepared to pay more in tax for better hospital and care provision, pressed ahead with the plan despite Tory opposition.

Conservative MPs and some ministers had railed against the planned rise in national insurance rates ahead of the announcement. Jacob Rees-Mogg, leader of the House of Commons, warned this week that Johnson risked a "read my lips" moment in a reference to former US president George HW Bush's broken promise of no new taxes.

But at the cabinet table and in parliament, Tory opposition was muted.

Johnson, whose government broke two manifesto promises in a single day, will try to push his political advantage by putting the health and social care package to a Commons vote today.

"A global pandemic was in no one's manifesto," he told MPs, as he announced £25bn for NHS England, almost £5bn for healthcare in the devolved nations and £5.3bn for social care, over the next three years.

Johnson said more money will be released for social care in future years as the costs of reforms build up, but some Treasury officials fear that the NHS will consume most of the new tax revenue.

The PM said the "tough decision" to raise taxes was to contain a mounting waiting list crisis in hospitals and to carry out long-promised reforms to the care sector. Sajid Javid, health secretary, has warned that the waiting list of 5.5m could rise to 13m without action.

The plan to increase national insurance contributions (NICs) by 1.25 percentage points of salary for employers and employees breaches Johnson's election "guarantee" that he would not put up key taxes. Working pensioners will also pay the levy, which takes effect from April 2022. It will be accompanied by a 1.25 percentage point rise in taxation of dividend income; a move intended to share the burden more widely to include better off households.

Separately, Therese Coffey, work and pensions secretary, announced a one-year suspension of the pensions "triple lock" to avoid a big state pension increase next year. The move breaches another manifesto vow and would have seen pensions rise by more than 8 per cent next year. Instead, they are expected to rise by almost 3 per cent.

Additional reporting by Gill Plimmer

US pandemic response

Biden booster shot plan in regulatory mire

KIRAN STACEY AND JAMES POLITI
WASHINGTON
NIKOU ASGARI — NEW YORK

The Biden administration's plans for widespread vaccine booster shots later this month has become mired in confusion over regulatory approvals, eligibility and logistics, in the latest blow to curbing the outbreak.

US health officials announced last month that they planned to start offering Americans another round of jabs from September 20, following evidence that the effectiveness of some vaccines started to wane after a few months.

But with two weeks left, the rollout is being hampered by uncertainty over the timing and implementation of the programme, wrongfooting the administration.

"Our members have a lot of unanswered questions. People are frustrated that we don't know the hand that is going to be dealt, and I'm worried we will be told on a Friday that we have to get going on a Monday," said Claire Hannan, executive director of the Association of Immunisation Managers, which represents immunisation departments across the US.

Health agencies have said that once boosters are approved, recipients of the BioNTech/Pfizer and Moderna messenger RNA jabs should get a third roughly eight months after the second one.

But now senior health officials are cautioning that only Pfizer vaccine recipients are likely to be able to receive boosters from September 20 while Moderna jab recipients may have to wait.

Former officials say the White House announced the date before booster shots had been approved by the US Food and Drug Administration and recommended by the Centers for Disease Control and Prevention.

William Schaffner, a professor in infectious diseases at Vanderbilt University and a member of the CDC's vaccine advisory committee, called the announcement "a shortcutting of the process".

"These recommendations usually come from the CDC and its advisory committee, but this was turned right around," he said.

The issue has caused such tension within the administration that two senior FDA officials last week announced their retirements from the vaccine department. Allies of Marion Gruber and Philip Krause said they had been upset by the way in which the FDA's role had been undermined for months.

Left jab: a Michigan resident receives his second Moderna vaccination

The FDA declined to comment on the retirements, but one former administration official said: "Those resignations were shocking. And with cases near record highs and booster shots about to be rolled out, they come at the worst possible time."

Scott Gottlieb, a former head of the FDA and a board member at Pfizer, defended the administration: "The Trump administration waited until after regulatory approval before planning the logistics of who should get it and how. There were about 50,000 unnecessary deaths because they didn't plan in advance. This administration is trying to avoid that."

The looming jump in the numbers of doses being shipped and administered is set to put pressure on freight carriers, health departments and hospitals. Some healthcare workers fear a repeat of confusion in December, when vaccine sites did not have enough staff to administer the jabs and millions of doses were left to languish in freezers for weeks.

"Most of these facilities are understaffed and at capacity," Hannan said.

Transport was also a concern, with many delivery companies already facing low staffing levels and high demand as the economy emerged from the pandemic. FedEx, which has shipped about half of doses in the US, is tackling record volumes, but Richard Smith, regional president for the Americas, said deliveries would be the "highest priority".

Unemployment payments

Millions of Americans to lose Covid cash aid

JAMES POLITI — WASHINGTON

A big dose of fiscal support for the US economy will be withdrawn this week as more than 7.5m people lose pandemic-era jobless benefits, testing the strength of the economic recovery amid a resurgence of Covid-19.

The expiry of extra federal unemployment payments highlights a shift in the US's response to the coronavirus crisis — away from emergency measures to support the labour market in favour of long-term changes to the safety net backed by US president Joe Biden.

But the transition comes at an awkward time for the US economy and the Biden administration, with job growth slowing in August due to the spike in coronavirus infections tied to the Delta variant, and fears of a protracted slowdown if the pandemic does not abate.

Supporters of the benefits are worried that the withdrawal could also undermine government efforts to create a more equal economic rebound.

"It's going to slow the recovery, slow demand for jobs and cut against the goal of creating a high-pressure economy that can bring in more workers," said Lindsay Owens, executive director of Groundwork Collaborative, a left-leaning economic policy think-tank.

The unease surrounding the end of the federal jobless benefit top-up, worth $300 per week, comes amid a reversal in sentiment in Washington compared with earlier in the year, when the US economy started rapidly gaining traction, vaccinations picked up, inflation flared and any appetite to extend the programme diminished rapidly.

Republicans blamed the benefits, which were extended in Biden's $1.9tn stimulus in March, for discouraging people from returning to work, and many Republican-led states rushed to stop the federal benefits as early as June.

Democratic-led states kept them going until this week, but within the White House and on Capitol Hill few made the case to renew them again.

> 'It's going to cut against the goal of creating a high pressure economy that can bring in more workers'

Even after state-level labour market data showed no meaningful boost to job creation in states that cut off the jobless benefits early, there has been little impetus to keep the support going into the autumn. Since March, the US unemployment rate has dropped from 6 per cent to 5.2 per cent in August.

"There is no plan to re-evaluate that. As you know, that was temporary," Karine Jean-Pierre, principal deputy White House press secretary, said when asked about the end of the benefits.

The administration is instead focusing on the next stage of the president's economic agenda, which is intended to plough up to $3.5tn into child care, education and tackling climate change.

Biden administration economic officials believe that these policies, even if spread over eight to 10 years, are needed to improve the labour market and promote a more equal recovery in the long run, although Republicans have blasted the plan as a reckless spending splurge.

The White House is urging states to use another $350bn pot of money from the March stimulus to provide assistance for unemployment, but there are scant expectations of a new extension of federal jobless benefits.

Although some households may be able to rely on pent-up savings to weather the hit from the loss of jobless benefits, one concern is that the recent slowdown in job creation has been driven by weakness in leisure and hospitality, the sector most affected by the Delta variant, and will disproportionately hit low-wage workers. "Right now millions of American families are going to lose a lot of income and that takes away a lot of options for them," said Aaron Sojourner, an economics professor at the University of Minnesota.

The debate over benefits comes as the impact of $1,400 stimulus cheques — another core element of Biden's stimulus — has faded. The Federal Reserve is also debating winding down its monetary support for the recovery by shrinking its asset purchases. "We aren't concerned about a 'fiscal cliff', since the end of relief cheques should continue to be offset by gains in employment and wages," said Ed Yardeni, an independent market strategist.

Brazil

Bolsonaro rallies fuel nationwide tension

Protests spark fear of violence against judges after president's criticism

BRYAN HARRIS — BRASILIA
MICHAEL POOLER AND CAROLINA PULICE
SAO PAULO

Tens of thousands of Brazilian president Jair Bolsonaro's supporters gathered in the country's biggest cities for demonstrations yesterday aimed at galvanising support for the populist leader.

The rallies, which took place in the capital, Brasília, and financial centre São Paulo, came after Bolsonaro fired up his base in recent months with an aggressive campaign against several Supreme Court justices, whom he accuses of overstepping their authority.

The former army captain has also heaped doubt on Brazil's electronic voting system, saying it is prone to fraud, and threatened to cancel elections next year if the system was not amended.

The tense political atmosphere has stoked fears demonstrators may storm the Supreme Court in an echo of the assault on the US Capitol by supporters of Donald Trump this year.

On Sunday, federal police arrested a supporter of the president who made death threats against Alexandre de Moraes, a Supreme Court justice. Moraes drew Bolsonaro's ire after he ordered the president to be investigated as part of an inquiry into "fake news".

Police have also expanded the security detail for Luís Roberto Barroso, another justice who has repeatedly clashed with Bolsonaro over the president's unfounded claims of voter fraud.

Clad in the green and yellow of the Brazilian flag, thousands descended on Brasília on Monday, filling up hotels. Scores of buses ferried in supporters from remote towns and cities.

Bolsonaro was due to speak at the expected centre of rallies in São Paulo, the central Paulista Avenue. He has made *liberdade* — liberty — the theme of the day. His supporters say the Supreme Court is encroaching on their personal freedoms and have adopted the slogan: "It is the people who are supreme."

"Our country cannot remain hostage to one or two people, no matter where they are," Bolsonaro said in a video yesterday morning. "These one or two people either fall into line or they will simply be ignored in public life. There is only one rule of the game: respect our constitution, freedom of opinion."

Despite the large crowds expected yesterday, a national holiday, Bolsonaro's popularity has been declining sharply, as his anti-democratic rhetoric has frightened many one-time supporters, such as the business community.

Opinion polls by the Atlas Institute on Monday showed the rejection rate for Bolsonaro stands at a record high of 61 per cent, while his approval rate is 24 per cent. Recent polling also indicated if elections were held now, the rightwing leader would lose by a wide margin to his main political rival, leftwing former president Luiz Inácio Lula da Silva.

On São Paulo's Faria Lima avenue, Brazil's version of Wall Street, executives quietly admit the political turbulence is hurting investment in Latin America's largest economy.

Political analysts say Bolsonaro will use the rallies to unite his base. "We don't want to end up like Venezuela. Our liberty is at stake," said protester Edna Figueiredo from Brasília. "The Supreme Court does not work for the people, they create laws against the people."

Latin America

Venezuela talks raise hopes for vaccination programme

GIDEON LONG — BOGOTA

A fresh round of talks between Venezuela's government and the US-backed opposition has yielded an agreement that could ease access to coronavirus vaccines as well as a common position on a border dispute with neighbouring Guyana.

Although relatively minor in scope, the agreements at the Norwegian-brokered talks in Mexico City offered the first glimmers of hope that progress on wider issues might be possible when the sides meet again later this month.

Once one of Latin America's richest nations, Venezuela has been plunged into political and economic crisis in recent years, triggering the exodus of 5.7m refugees. The US and EU have imposed sanctions on President Nicolás Maduro's socialist government for rigging elections and violating human rights but have been unable to dislodge him from power.

At the start of 2019, the US and EU tried to force regime change by recognising opposition leader Juan Guaidó as Venezuela's interim president. Maduro, backed by the military, responded by cracking down harder on the opposition and tightening his grip on institutions.

Early this year, the EU dropped its recognition of Guaidó as interim president and pushed for fresh talks.

The Norwegian government said one of the two agreements dealt with "social protection for the Venezuelan people". In the other, both government and opposition rejected a territorial claim by neighbouring Guyana over the mineral-rich Essequibo region.

The regime and opposition will meet again on September 24 in Mexico for another round of negotiations, the fourth attempt in five years to resolve the political crisis. The two deals represent an early breakthrough that was absent in the three previous attempts.

Participation in the talks reflected the opposition's relative weakness. The Venezuelan government was accompanied by its ally Russia, while the opposition was supported by the Netherlands, rather than the US. Maduro's son, Nicolasito, was part of the government team but the government vetoed the participation of Guaidó's envoy to the US, Carlos Vecchio, in the opposition team.

As part of the agreement in Mexico, the Norwegians said the sides had agreed to a "national table" made up of three representatives from each side to look at ways to alleviate Venezuela's health and nutritional problems, with emphasis on alleviating the impact of the pandemic. Caracas has struggled to access coronavirus medicines and has one of the region's lowest vaccination rates. Its official death figures are relatively low but the opposition has claimed government fixed the numbers.

Each side will also nominate two people to look at problems from "over-compliance" with international sanctions, which have put off foreign companies from dealing with Venezuela.

However, analysts question Maduro's sincerity. Many say he intends to use the talks to secure a relaxation of sanctions while clinging to power. Those concerns were amplified when Maduro said on Sunday he wanted "severe justice" for Guaidó and referred to the opposition as "all those bandits".

South Korea. Fiscal policy

Seoul breaks debt taboo to tackle inequality

Despite pandemic rebound, concerns remain over old-age poverty and youth joblessness

SONG JUNG-A AND EDWARD WHITE
SEOUL

South Korea may have hauled its economy out of a coronavirus-induced recession, but there is little celebration in Seoul's corridors of power. Instead, the focus has shifted to a plight that has become too widespread to ignore: inequality.

"We are looking at the issue with a sense of crisis," said prime minister Kim Boo-kyum.

Growing inequality and the plight of the country's poverty-stricken elderly population, the generation that rebuilt the country after the Korean war, was particularly "painful", he added.

Booming shipments of computer chips and smartphones as well as cars and ships have helped rescue the world's 10th-largest economy. But the data hides chronic conditions for many Koreans: unparalleled elderly poverty, high youth unemployment, rising property prices, spiralling household debt and soaring education costs.

Ahn Do-geol, vice-finance minister for the government's budget office, said supporting low-income people hit hardest by the pandemic was the priority of the country's fiscal policymakers.

"As the economy recovers, we are seeing a [widening] wealth gap as the income of those who adjusted well during the pandemic rebounds fast, while the job market recovery for socially vulnerable people remains weak," he said.

Household debt has nearly doubled over the past decade to a record Won1,806tn ($1.55tn) in the second quarter. The income of many self-employed, almost a third of the labour force, has been slashed after months-long restrictions hit small businesses.

Middle-class households have been priced out of the property market, with apartment prices in Seoul nearly doubling since President Moon Jae-in took power in 2017, despite at least 20 policy initiatives to rein in rising prices.

Poverty now affects more than 40 per cent of over 65s, the highest percentage among OECD members, while nearly one in 10 young South Koreans is jobless.

Last month, despite uncertainties posed by the Delta variant, South Korea's central bank bucked expectations and raised interest rates, citing financial imbalances. It was one of the first central banks to raise rates since the start of the pandemic.

Social divide: an elderly South Korean pulls a cart in a poor part of Seoul near the wealthy Gangnam district — Jean Chung/Bloomberg

At the heart of the government's response to inequality is a decision to shatter a debt taboo for Korean economic planners since the dark days of the 1997-98 Asian financial crisis. Seoul is now comfortable extending the national debt beyond the 40 per cent of gross domestic product threshold that policymakers kept for the past decade.

Under a record budget plan announced this month, Seoul will spend Won604.4tn next year, an 8.3 per cent rise on this year's initial outlay, on expanding welfare benefits, creating jobs and developing emerging technologies.

The spending will push debt to 50.2 per cent of GDP next year from 36 per cent in 2017. According to government proposals, it has established a midterm debt ceiling at 60 per cent of GDP by 2025 on 47.3 per cent this year.

"The coronavirus crisis has exposed social polarisation. If left as it is, this will cause a big problem to social unity. We need to respond to this," said Ahn.

The IMF has estimated that South Korea's debt ratio will still be less than a third of Japan's and just half of that for the US by 2025. But concerns linger. Worries over the fast pace of rising government debt have been exacerbated by a rapidly ageing population and the world's lowest birth rates.

If the national debt continues to increase at this rate, each newborn baby will owe more than Won100m when they join high school, according to the Korea Economic Research Institute.

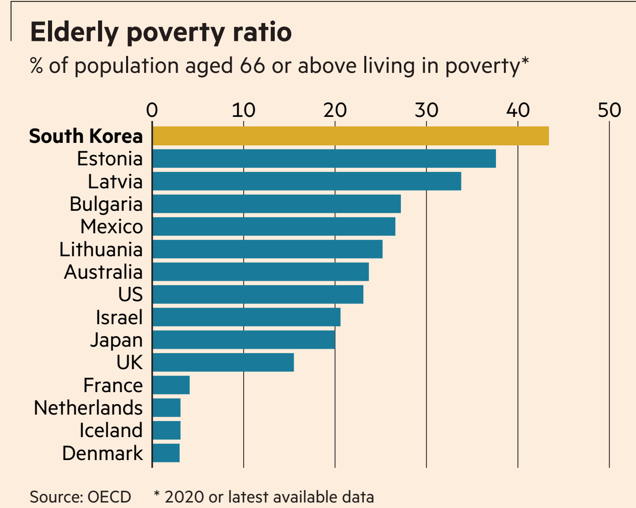
> 'The coronavirus crisis has exposed social polarisation. If left as it is, this will cause a big problem to social unity'

"The country needs a countercyclical fiscal policy for stable and sustainable growth," said Park Seok-gil, an economist at JPMorgan.

"But it is unclear if the government is willing to reduce spending when the economy recovers. Once you make commitments to welfare policies such as cash handout programmes earmarked for target groups, it is hard to roll them back. Anyhow, rigid welfare spending is bound to increase given the fast-ageing society."

The government has also been criticised for stimulus packages, coupled with low interest rates, which have flooded markets with cheap money, inflating asset prices. "We are seeing growing financial imbalances such as asset bubbles because of increased liquidity. It is time to roll back the expansionary policy," said Taeyoon Sung, economics professor at Yonsei University.

Even so, Ahn did not rule out the chance of the debt ratio rising further to allow investment in growth drivers such as non-memory chips, electric vehicle batteries and biopharmaceuticals.



US drugmaker

Pfizer says WHO Covid jab goal achieved

HANNAH KUCHLER — LONDON

Pfizer chief executive Albert Bourla has said there are enough vaccines to meet the World Health Organization's goal to increase equitable distribution, as pharmaceutical leaders argue that increased supply should mean patent waivers are taken off the table.

The US drugmaker will have delivered 41 per cent of its vaccines to low- and middle-income countries by the end of the year, while Johnson & Johnson will have sent more than half, as production soars in the second half.

Bourla said he believed it was "feasible" to fulfil the WHO's target of inoculating at least 10 per cent of the population in every country in the world. He said the US's donation of 200m Pfizer doses this year could cover about 15 to 18 per cent of the population of the world's 92 poorest countries.

"I think yes, we will be covering [the goal]. I think next year, we should be having enough doses for all that they want to receive, then we will reach the same problems that we are reaching in the high-income countries, with people refusing to get the vaccination," he said.

Vaccine makers have been pushing back against a proposal to waive intellectual property rights on Covid-19 shots — put forward by South Africa and India and backed by the US — in the hope of expanding access for developing countries.

Bourla said the vaccines had been created by "two miracles": the original development and the scale-up of manufacturing. "I'm not sure what is the point of transferring a technology, that it is going to take years to transfer," he said.

Thomas Cueni, the director-general of the International Federation of Pharmaceutical Manufacturers & Associations, said the IP waiver would have been a "distraction".

He said: "We really see that we are turning the tide from having too few, to enough, to probably more than enough in the future."

The comments come after a new study from Airfinity, a life sciences analytics firm, that said developed countries were sitting on 500m doses they could be distributing this month, and will have an extra 1.1bn by the end of the year.

Airfinity said the surplus had only become clear last month, as vaccine production soared. Until now, politicians had been reluctant to trust manufacturers' forecasts due to setbacks in production and the supply chain.

Paul Stoffels, J&J chief scientific officer, said accelerating immunisations around the world could help the fight against new variants that might evade the vaccines.

"It's so important that vaccination happens quickly, so that we limit the replication and therefore limit the arrival of new mutants in the world."

Duan disappearance

Missing Chinese entrepreneur briefly surfaces

TOM MITCHELL — SINGAPORE

Chinese entrepreneur Duan Weihong who struck deals with some of the country's most powerful officials and their families has briefly surfaced after a four-year disappearance, according to her former husband and business partner.

Duan's business dealings with Zhang Beili, wife of former premier Wen Jiabao, are the subject of a new book by Desmond Shum, scheduled for publication yesterday.

Shum, who lives in the UK, said he had received two calls from Duan, also known by her English name, Whitney, on the eve of *Red Roulette's* release. "I believe [the calls] were made at the behest of high-placed Communist party officials and monitored by China's security services," Shum said.

"Whitney told me that she's on temporary release and could be re-detained at any time. She asked me to cancel the book's publication . . . [and] used the Chinese warning: 'No good comes to those who oppose the state'."

Shum added: "I believe Whitney was calling me under duress . . . I believe she was forced to do this because the Chinese Communist party is afraid of what I have written."

Duan also spoke to her 12-year-old son, who lives with his father in the UK and was just eight when she disappeared in September 2017.

> 'I believe Whitney was calling me under duress. I believe the party is afraid of what I have written'

Duan's reappearance was first reported by National Public Radio.

In an interview with the Financial Times last month, Shum said he hoped the book would force Chinese authorities to confirm Duan's whereabouts.

He added he had been warned by a well-connected friend in Beijing that "they are not going to let her come out alive" or would only release her in a vegetative state. "I was shocked when I heard that," Shum said. "That always circulates in my mind."

Apart from her dealings with Wen's family, Duan was also close to Sun Zhengcai, the youngest member of the Chinese Communist party's politburo and a possible successor to President Xi Jinping until he was arrested for alleged corruption in July 2017.

It is widely expected that Xi will take an unprecedented third term as general secretary at the party's 20th congress late next year.

It is still unclear who has been holding Duan. While it is common for senior Chinese business and political figures to disappear for long periods during party or national security investigations, their detentions are usually confirmed by either the party's Central Commission for Discipline Inspection or the prosecutors and courts that deal with their cases.

In January 2017, Xiao Jianhua, a financier with links to senior party officials, was abducted from the Four Seasons Hotel in Hong Kong by Chinese public security agents and taken across the border, according to people familiar with his disappearance. His whereabouts are unknown.

Sustainable interest The flush of green sovereign bonds represents a step in the right direction, not an end point ➔ LEX

Companies & Markets

Toyota set for $13.6bn outlay on batteries in next 10 years

- Effort to silence critics of EV effort
- Next-gen solid state tech by 2025

KANA INAGAKI — TOKYO
SONG JUNG-A — SEOUL

Toyota will invest ¥1.5tn ($13.6bn) in battery development and supply over the next decade as the largest carmaker aims to stay ahead in the race for electric and hybrid vehicles.

The Japanese group outlined its plans as it attempted to quell criticism it had been slow to shift to electric cars because of its dominance in hybrid vehicles that use both petrol and battery power.

Executives said the company, which has a partnership with Tesla supplier Panasonic, also remained on track to develop next-generation solid state batteries by 2025. Solid state batteries offer faster charging times and greater range, and are safer than the current generation of batteries that use liquid solutions, though Toyota said the short lifetime was a serious drawback.

> The biggest carmaker 'can't be optimistic yet and there are challenges'
> Masahiko Maeda, Toyota tech boss

"We can't be optimistic yet and there are challenges," said Masahiko Maeda, Toyota's chief technology officer, at a briefing yesterday. "We feel that having identified the [short lifetime as an] issue has brought us one step closer to commercialisation." The company would use solid state batteries in hybrids as a way to bring the technology to the market faster.

Other heavyweights including Samsung, BMW and Honda are working to bring the tech to the market around the same time.

To achieve the shift to electric vehicles to meet carbon reduction targets, Volkswagen has placed a $14bn order for batteries from Northvolt in the next decade. The German carmaker has said it will build or open six battery factories across Europe by 2030.

Geely has said it will spend $5bn building a battery factory in Ganzhou, while Stellantis will spend more than €30bn over the next four years developing electric cars.

Toyota did not disclose any plans for battery plants or the geographical breakdown of its investment plan, but Masamichi Okada, chief product officer, said the group would spend almost ¥1tn to build 70 manufacturing lines for electric vehicles by 2030.

Hyundai Motor is aiming to be the first carmaker to power all its commercial vehicle models with fuel cell systems by 2028 as it seeks to popularise hydrogen vehicles by cutting the cost of the technology.

The announcement came as the group steps up its shift from petrol engines to batteries and hydrogen power to meet growing demand for vehicles with cleaner fuels.

Hyundai, which together with affiliate Kia is the fifth-largest automaker, has invested heavily in developing hydrogen tech in the hope that it will prove more popular than electric power in the transition.

The carmaker said yesterday it would introduce next-generation fuel cell systems in 2023 while cutting costs more than 50 per cent, to bring prices in line with those of electric vehicles by 2030.

Hyundai said its "daring strategy" would put it "at the vanguard of the commercial vehicle sector, in the process helping reshape the industry and realise a sustainable clean future".

The group outlined a goal of cutting carbon emissions for its products and operations by 70 per cent by 2040, and of reaching carbon neutrality by 2045.

See Inside Business

Loud and clear UK competition watchdog warns against dangers of Sony deal for artists

The CMA is probing the acquisition of AWAL, which is home to artists including Little Simz — Richard Nicholson/Shutterstock

KATE BEIOLEY — LONDON

The UK competition watchdog has raised concerns over Sony's recent $430m acquisition of independent record label AWAL, warning it could lead to "worse terms for artists and less innovation in the music sector".

Sony signed a deal with Kobalt Music Group in February to buy AWAL, a label that represents artists including Jungle and Little Simz.

The Competition and Markets Authority launched a formal phase 1 investigation into the acquisition five months later and said yesterday it planned to escalate this into a more detailed probe.

The body argued that AWAL could have been a valuable competitor to Sony in a highly concentrated market. It added it was "an important emerging player, recognised for its innovative business model" and "one of the few suppliers outside the major labels that has succeeded in gaining a meaningful foothold in the market and has grown significantly in recent years".

Sony called the CMA decision "perplexing and based on an incorrect understanding of AWAL's position in the UK".

"We strongly believe this transaction is unambiguously pro-competitive and that our investment in AWAL is key to its continued growth, and future success," it said. "Every other regulatory body that has reviewed this transaction has agreed with our view and approved it quickly. We will continue to work closely with the CMA to resolve any questions they might have."

AWAL is one of several new digital music companies to have emerged offering artists an alternative to traditional labels to promote and develop their work. It provides musicians with a DIY platform to upload their music as well as services such as global marketing, radio promotion and distribution, and claims to offer better creative control and shares of revenue than mainstream labels.

The CMA said competition between Sony and AWAL could have benefited artists by improving the terms of their deals and allowing them to keep a bigger share of their earnings.

AWAL did not immediately respond to a request for comment. Both it and Sony now have five days to address the CMA's concerns. If they are not able to do so, the watchdog will begin an in-depth investigation.

It comes after the Department of Digital, Culture, Media and Sport committee raised concerns over the rate of consolidation in the record label industry in a report on music streaming in July. The committee said the government should take advice from the CMA on whether "competition in the recorded music market is being distorted".

Nvidia faces EU opposition in push to seal Arm takeover

JAVIER ESPINOZA — BRUSSELS
KATE BEIOLEY — LONDON

Nvidia is running into fresh opposition over its $54bn plan to buy UK chip design company Arm, this time from EU officials who say that concessions made by the US chipmaker do not go far enough to mitigate potential damage to rivals.

The concerns come after the UK's Competition and Markets Authority (CMA) said last month that the transaction risked suffocating innovation and harming competitors.

Nvidia is preparing to file for regulatory clearance in Brussels this week. But worries have emerged among officials in the EU's competition unit, which will be in charge of probing the merger.

"It's not certain the deal will get easily cleared here," said one official, adding that regulators are sceptical about Nvidia's promise to allow rivals to have continued fair access to Arm's designs.

However, people with direct knowledge of the Brussels probe warned that it was too early to say whether the deal would be blocked, and that the two sides could still reach an agreement. Officials' concerns are based on extensive preliminary conversations between the company and the regulator.

EU regulators are not the only ones who think the deal still faces an uphill struggle. Some people advising Nvidia say they are growing concerned that the acquisition is doomed after the UK's competition watchdog recommended an in-depth investigation following serious concerns of harm to rivals.

Faced with growing antitrust hurdles, Nvidia itself has even publicly acknowledged that its bid to acquire Arm will go beyond its original 18-month timeline.

Nvidia had offered the CMA a concession, saying it would not disadvantage Arm's licensees by cutting off their access to the chip designer's technology, or changing its list of products, according to an individual close to the deal. However, the regulator did not accept those undertakings at the end of its phase 1 investigation.

"The CMA has been very aggressive. If they are not willing to accept [the] concessions, it will be a matter of trying to convince them until the very end," one person with direct knowledge of the deal said. "It will go down to the wire."

Nvidia declined to comment but it is likely to argue that the deal is good for innovation and its competitors.

Battery recalls and rising costs challenge electric car revolution

INSIDE BUSINESS
ASIA

June Yoon

Do electric cars have a higher chance of catching fire? Probably not. But when they do, battery fires last longer, resulting in a more damaged car and delayed discovery of the root cause. Under those ashes lies the true cost of electrification.

A string of fires and recalls has drawn fresh attention to the risks of batteries. GM has recalled 142,000 cars and Hyundai 82,000, both due to the risk that the batteries can, in unusual circumstances, burst into flames.

Unlike components of traditional petrol cars, the world's automakers source all their electric car batteries from a handful of Asian companies. Of them, just four — LG, Samsung SDI, Panasonic and CATL — supply high-end batteries. They are all running at close to full capacity.

Replacing existing batteries therefore displaces production of new ones, raising the prospect of a shortage as carmakers seek to increase production. Recalls are also highly expensive, challenging the business models of battery producers. Increased costs may then have to be passed on to automobile makers and their customers.

Part of the increase in recalls is natural given the record number of electric cars on the roads, with global sales nearly doubling in July. Governments and automakers have set ambitious targets of going all electric. Volvo, Jaguar and Cadillac are just some of the automakers planning to give up petrol-powered cars by 2030. Beijing wants a fifth of all new cars sold to be new energy vehicles by 2025. The EU has proposed what is in effect a ban on the sale of new fossil-fuel cars from 2035.

Reaching those targets is based on two assumptions: battery makers are able to build capacity to meet that demand, while keeping prices down.

Until now, the trend has been encouraging. The prices of batteries — the most expensive component of an electric car — are falling. The price gap between electric cars and petrol peers has been narrowing, with parity just three years away, says UBS. Prices of battery cells have fallen nearly 90 per cent in the past decade to about $110 per kilowatt-hour last year, according to consultancy Benchmark Mineral Intelligence.

> Replacing existing batteries after a string of fires displaces production of new ones, raising the prospect of a shortage

Yet while those have fallen, the costs of recalls involving batteries are climbing. A short circuit or defect within the battery cells can be explosive as the chemicals inside lithium-ion batteries are highly flammable. But then, so is petrol. There were about 174,000 vehicle fires in the US in 2015, according to the National Fire Protection Association, when electric cars accounted for less than 0.3 per cent of cars on the road.

The difference is the price of fixing the problem. Nearly all petrol car recalls involve faulty components, such as airbags, floor mats and ignition switches, which are inexpensive to replace. Ford Motor's recall of 3m vehicles for airbag issues in January cost $610m, which works out to an average cost of $200 per car.

For recalls of electric cars, average costs are inevitably higher because the battery pack accounts for about 40 per cent of the total car price. The latest GM Chevy Bolt recall cost $1.8bn to an average of $12,700 per car. Hyundai's total cost of this recall was estimated at $900m — about $11,000 per car.

That, in turn, puts a disproportionate amount of the financial burden on battery makers — which already run on razor thin margins. For LG Chem, which supplies batteries to Tesla, Porsche and BMW among others, operating margins of its electric car batteries unit are just 1.4 per cent in the second quarter. Over the past two full years, those were negative. Tesla supplier Panasonic's counterpart booked a loss every year, but one, since production started at Tesla's battery "Gigafactory" four years ago.

Critically, rising costs are compounding the challenge. The average price for lithium carbonate, one of the two main compounds used in batteries, has more than doubled since the start of this year, reaching $16,500 a ton in August. Increasing production capacity is costly — LG, for example, will spend $12bn to the end of 2025 to build plants needed to meet demand. Then, shipping prices from Asia to Europe, which are up 10-fold since May last year, according to the Drewry World Container Index, add to supply chain pressures and costs.

Combined, those factors have the makings of a supply crunch, drawing parallels with the months leading up to the current chip shortage. This is not only likely to see costs rise, but make it more challenging for auto companies to meet targets for ushering in the electric car revolution.

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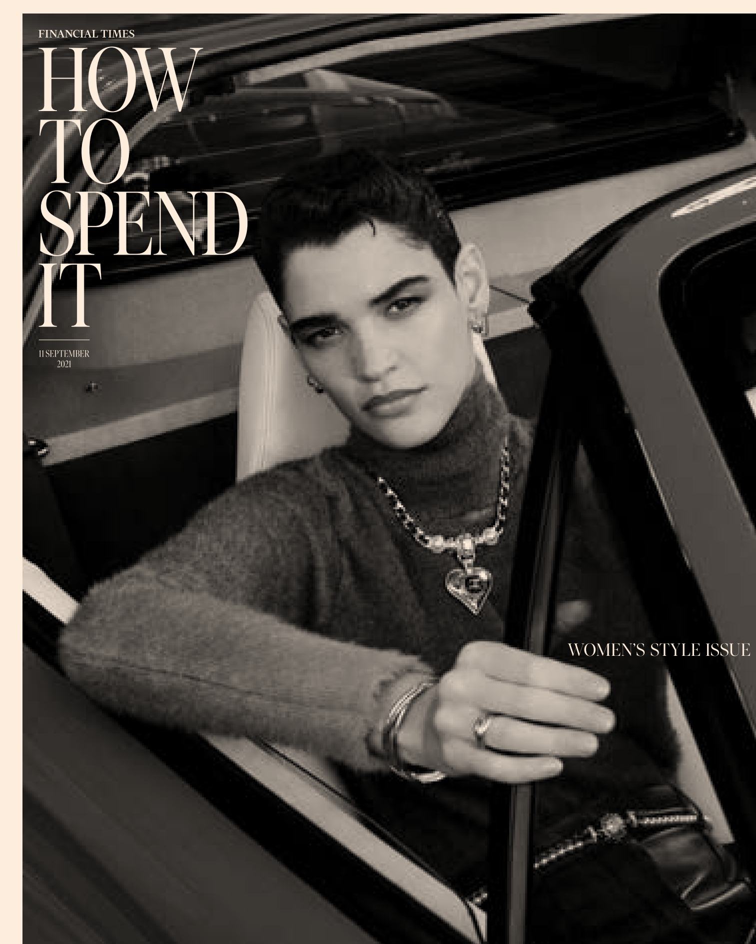
FT Weekend



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Aerospace & defence

Suitor drops out of running for Meggitt

TransDigm decision paves way for Parker Hannifin to seal £6.3bn takeover

SYLVIA PFEIFER

Shares in Meggitt dropped 12 per cent yesterday after US aircraft parts maker TransDigm bowed out of a potential bidding war for the UK aerospace and defence group.

The decision by TransDigm not to proceed with a firm offer paves the way for US rival Parker Hannifin to seal its agreed £6.3bn takeover of the FTSE 100 group pending a vote by shareholders later this month.

TransDigm, which had made a preliminary offer of 900p a share for Meggitt last month — 100p above the agreed offer from Parker Hannifin — said that it had decided not to proceed with a formal offer based on the "quite limited" due diligence information it had access to.

Nicholas Howley, TransDigm's chair, indicated that the company had had an offer ready to go.

The company, he said, had arranged the "necessary financing" for the purchase and reached a memorandum of understanding with Meggitt's pension plan trustees.

It had communicated its commitments to the UK government "comparable" to those offered by its US rival. Parker Hannifin had made a number of pledges to the government to alleviate concerns over jobs and national security when it made its original offer to buy Meggitt.

However, "consistent with our disciplined approach to capital allocation, we make acquisitions only when we see a clear path to achieving our investment return goals with a reasonable degree of certainty", Howley said.

> Analysts had raised fears about the high debt the US aircraft parts maker would have had to take on

Meggitt, which said that it continued to recommend the Parker Hannifin offer, said it had engaged on a "constructive basis" with TransDigm and advisers. It had provided both groups with "equivalent access to both confirmatory due diligence information and management.

"In addition, in response to a request from TransDigm, further due diligence information was provided to both parties after the announcement of Parker's cash offer for Meggitt."

Analysts had previously raised concerns about the high level of debt that TransDigm would have to take on to fund a prospective offer.

They estimated that the US company's net debt could rise to close to 10 times prospective earnings if it made an offer at 900p a share for Meggitt.

The US company, which has talked unapologetically about its ambition to offer "private-equity-style returns" to investors, also faced an uphill battle persuading stakeholders in the UK that it would not break up Meggitt.

TransDigm's business practices have been scrutinised in the US after a report in 2019 by the US Department of Defense's inspector-general found that the company had overcharged taxpayers on a number of contracts between January 2015 and January 2017.

Kevin Stein, TransDigm's chief executive, defended the company's record in an interview with the Financial Times last month, insisting that it was a long-term owner of aerospace assets.

The UK government is known to be looking at the current spate of takeover bids in the defence sector. These include the bid for Ultra Electronics by private equity-owned Cobham.

Industrials

Siemens Gamesa builds first recyclable blades for wind turbines

NATHALIE THOMAS
ENERGY CORRESPONDENT

Siemens Gamesa says it has developed the first offshore wind turbine blades that can be fully recycled, potentially saving hundreds of thousands from landfill and resolving an issue long highlighted by industry critics.

Blades, which can be longer than a football pitch and are made of materials including balsa wood, glass and carbon fibre, are difficult and costly to reuse.

Renewable energy sceptics have used images of blades piled in landfills to question the green credentials of wind power, which produces no emissions but requires materials such as steel and copper whose production remains carbon-intensive.

About 85 per cent of a turbine, including the steel towers, can be recycled but the blades have proved more challenging. The materials are bound with a resin that ensures they are stiff enough to withstand typhoon conditions but makes it difficult to separate the parts.

Although some blades have been used in alternatives such as in playgrounds, Siemens Gamesa said the majority go to landfill, typically after 25 years.

As many early projects are reaching the end of their lives or are "re-powered" with new, more powerful turbines, about 6,650 blades will be removed each year in Europe until 2025, according to BloombergNEF. About 1,400 blades will be removed annually in the US over the same period.

> Sceptics have used images of blades piled in landfills to question the green credentials of wind power

Siemens Gamesa has produced its first six recyclable blades at a factory in Aalborg in Denmark using a resin whose chemical structure ensures it can be more easily separated from the other components when heated in a mild acidic solution. The turbine maker is also evaluating the technology for use in onshore projects.

Marc Becker, global offshore chief executive, said although the separated materials would not be suitable for new blades as they would no longer withstand typhoon conditions, they could be used "in boats or a lot of other applications where you don't need this ultra strength any more".

He declined to detail how much the recyclable blades would cost compared with standard ones but insisted they were not "prohibitively expensive" and that prices would decline as greater volumes were produced.

"It's not something we [will] do in 2030 or 50, we can do it from now," he added.

The company has pledged to develop fully recyclable wind turbines by 2040 as many European countries introduce tighter restrictions on what materials can be sent to landfill.

Gregorio Acero, head of health, safety and environment at Siemens Gamesa, said with the new blades, only 5-7 per cent of a turbine could not be recycled at present, including hydraulic fluids.

Siemens Gamesa estimates that the recyclable blades, if taken up by offshore wind developers, could save as many as 200,000 from ending up in landfill sites as more are expected to be deployed globally.

Telecoms. Strategic pivot

Deutsche Telekom agrees SoftBank swap deal

Shareholding in T-Mobile US increased as operator deepens its bet on lucrative market

ARASH MASSOUDI AND KAYE WIGGINS

Deutsche Telekom has agreed a multi-pronged deal with SoftBank that deepens its bet on the lucrative US market and will lead to the Japanese group taking a roughly $5bn stake in Germany's dominant telecoms operator.

The arrangement was unveiled as Deutsche Telekom also announced the sale of its T-Mobile Netherlands unit to private equity groups Warburg Pincus and Apax in a deal valuing that business at €5.1bn.

The transactions highlight how Deutsche Telekom is focusing on the US market where the merger of T-Mobile US, in which it is already the biggest shareholder, with SoftBank-backed Sprint last year has helped it take on Verizon and AT&T.

The new deal restructures a previous arrangement struck between the German and Japanese groups following that tie-up, allowing SoftBank to unload a large portion of fixed price options it holds in T-Mobile US, which are capped at a price well below the level where the business trades, in exchange for Deutsche Telekom shares.

Deutsche Telekom plans to issue 225m in new shares to SoftBank at a price of €20, roughly a 12 per cent premium to the level they sat at before the start of trading yesterday.

This will give SoftBank a 4.5 per cent stake, making it Deutsche Telekom's third-biggest shareholder behind the German government and BlackRock.

Deutsche Telekom also said it would support a SoftBank proposal at its next annual meeting to elect Marcelo Claure, a senior executive at the Japanese group and the former chief executive of Sprint, to its supervisory board.

SoftBank has agreed to a lock-up on its shares in Deutsche Telekom until December 2024.

In exchange, the German group will increase its control of T-Mobile US by acquiring 45m shares owned by SoftBank. It also said it planned to purchase a further 20m shares for $2.4bn, funded by part of the proceeds from the sale of its Dutch unit.

The Japanese company will take a $5bn stake in the German group. Marcelo Claure, below, may join Deutsche Telekom's supervisory board — Klaus W. Schmidt/Imago; Andrew Harrer/Bloomberg

"This agreement furthers Deutsche Telekom's strategic objective of increasing its ownership stake in T-Mobile US to more than 50 per cent in order to maintain long-term control and consolidation of T-Mobile US," the German group said.

The deal will lift its stake in T-Mobile US by 5 per cent to 48.4 per cent.

Jefferies analyst Ulrich Rathe said increasing the T-Mobile US stake "had been stated management strategy", but "using Deutsche Telekom shares for that purpose comes as a surprise".

SoftBank's position in T-Mobile US is held through a combination of floating and fixed priced options, which are capped at $101 per share and mean the Japanese group is unable to benefit as the US group has soared well past that.

By swapping into Deutsche Telekom shares, SoftBank has the chance to capture future gains in the German group instead.

After the deals are completed, SoftBank will be left with a 3.3 per cent stake in T-Mobile US, comprised of 7m fixed priced options and 34m floating price ones. It has the chance to increase its holding to 6.9 per cent if the T-Mobile US stock stays above $150 per share for 45 days.

It is SoftBank's most aggressive foray into Germany, where it is best known for its start-up investment in online car reseller Auto1 and its backing of the now-defunct and scandal-ridden payments company Wirecard.

It highlights how the Japanese company remains enmeshed in the telecoms business, even as it tries to pivot to be an investment group focused on start-ups and public market stake building.

Alongside stakes in Deutsche Telekom and T-Mobile US, SoftBank owns 41 per cent of its Japan telecoms subsidiary.

Kirk Boodry, a tech analyst who publishes research on Smartkarma, said the deal gave SoftBank better options on its equity stakes, though with lower upfront cash proceeds.

He said: "That doesn't justify a 10 per cent move in SoftBank shares today, but with cash coming in, markets may see this as a precursor to a buyback announcement. Alternatively, there has been such a lack of good news this quarter that any positive developments may be enough to generate some excitement."

> 'With cash coming in, markets may see this as a precursor to a buyback'

The sale of Deutsche Telekom's Dutch mobile unit comes after the group sold its Romanian business to Orange and its Dutch towers unit to Spain's Cellnex over the past year.

It values T-Mobile Netherlands at €5.1bn, or 8.7 times its €582m in earnings before interest, tax depreciation and amortisation in the year to June. Warburg Pincus and Apax will each own 50 per cent of the newly separated Dutch company.

At Warburg Pincus, the deal is being led by René Obermann, who was chief executive of Deutsche Telekom from 2006-13.

Apax has previously bought stakes in Danish communications group TDC and Orange Switzerland while Warburg Pincus has previously invested in German fibre group Inexio and Dutch cable company Ziggo.

See Markets and Lex

Oil & gas

Enbridge snaps up largest US oil export hub

JUSTIN JACOBS — HOUSTON
MYLES MCCORMICK — NEW YORK

Enbridge, the Canadian pipeline company, is betting on sustained strength in US energy production with a $3bn purchase of assets including a crude oil export terminal in Texas that is North America's largest by volume.

The company will acquire the Ingleside Energy Center near the port of Corpus Christi and stakes in several pipelines from inland oilfields to the Gulf of Mexico coast, as part of an all-cash deal for assets owned by private-equity backed Moda Midstream.

The deal comes even as US oil drillers pull back output targets after a decade-long growth blitz, shifting their focus to profits over pumping more crude. The deal from Calgary-based Enbridge is predicated on continued strong exports.

"Over the last several years we've been building a strong position in the US Gulf coast through both natural gas and crude infrastructure," said Al Monaco, Enbridge chief executive.

"Our strategy is driven by the important role that low-cost, sustainable North America energy supply will play in meeting growing global demand."

Most US crude oil exports were banned as recently as 2015. Shipments surged after Congress overturned the prohibition in response to rapidly rising production from shale regions such as the Permian Basin and Eagle Ford in Texas.

US crude oil exports have held up over the past 18 months despite a major hit to production from the pandemic. Enbridge said the deal would "significantly advance" its Gulf coast export plans. About a quarter of all US crude oil exports passed through Ingleside in 2020.

Enbridge's shares were trading up around 1 per cent after the deal was announced.

Last year's crash in oil prices accelerated US producers' strategic pivot from growth at all costs. US crude oil production currently averages about 11.3m barrels a day, far below its peak of nearly 13m b/d just before the pandemic.

Still, US exports have held up relatively well with about 3.4m b/d of oil shipped out in June, compared to 3.6m b/d in March 2020. Analysts said that production growth from Texas would drive future export prospects.

"The Permian is still poised to grow for the next decade, and with it export availability," said Karim Fawaz, an analyst at consultancy IHS Markit.

The pipeline stakes acquired alongside the Ingleside export facility also gives Enbridge "clear integration benefits", Fawaz added.

The deal could be the start of a new wave of consolidation in the so-called midstream part of the oil and gas business, which analysts have been predicting as prospects dim for building major new pipelines.

Airlines

BA threatens unions with Gatwick slots sale

PHILIP GEORGIADIS

British Airways has warned it could sell its landing slots for short-haul flights from Gatwick unless unions agree to a lower-cost subsidiary at the airport.

Sean Doyle, chief executive, said the airline was in "advanced negotiations" over the creation of the unit, which was needed to create a "competitive cost platform" once the industry emerges from the pandemic.

While the unit would offer BA's normal branding and service, the airline wants to cut costs at the airport by mirroring the more agile business practices of rivals such as easyJet.

This includes lower staffing costs and more flexible contracts, which would allow BA to step up its operations during the peak summer months and wind them down without burning money during the winter.

Balpa, the pilots' union, is backing the proposals and this week began a ballot of members, while BA is still in discussions with Unite. Pilots would be paid about £100,000 a year, roughly in line with easyJet's salaries but below those with BA at Heathrow, according to one person briefed on the discussions.

If unions accept the proposals, BA would base up to 17 A320 aircraft from Gatwick for the summer 2022 season.

If talks fail, Doyle said BA "would consider alternatives for the slot portfolio".

BA has built up a formidable operation at Heathrow thanks to its stranglehold on slots at the hub, where it can use its short-haul network to funnel passengers on to long-haul flights. Gatwick pitches BA into direct competition with no-frills rivals.

The IAG carrier has lost money at the airport for more than a decade

The airline, which used 18 per cent of Gatwick's slots before the pandemic, has not run short-haul services from the airport since last year. It says it cannot return under its old business model, which has lost money at the airport for more than a decade.

Analysts said BA would face two choices if it gave up on short-haul at Gatwick: pass the slots to another airline in parent International Airlines Group or sell them to a rival such as easyJet.

Doyle was speaking as BA unveiled a set of environmental initiatives ahead of COP26 UN climate change conference in Glasgow, including running flights on sustainable aviation fuel between London, Edinburgh and Glasgow during the event.

Swiss conglomerate's collapse puts focus on EY

Uzbekistan-focused Zeromax bought luxury jewellery and made irregular transfers while Big Four firm gave clean audits

SAM JONES

EY auditors failed to raise the alarm over multimillion-dollar jewellery purchases and approved huge payments to opaque offshore companies in the years before one of Switzerland's biggest corporate collapses.

Zeromax, a conglomerate based in the Swiss canton of Zug, had a business empire in Uzbekistan with interests ranging from textile processing to natural gas extraction that made it the country's largest employer, accounting for as much as 10 per cent of GDP.

It collapsed in 2010 amid a political power struggle in Tashkent, leaving debts, it has recently been discovered, of more than SFr5.6bn ($6.1bn). This makes it the second-largest bankruptcy in Switzerland after Swissair in 2001. At least SFr2.5bn of its assets are missing, according to creditors.

Due to Switzerland's opaque legal system and disclosure regime, details of the business's complex structure and labyrinthine network of offshore holding groups are only now coming to light as creditors push to recover assets.

Dozens of documents seen by the Financial Times, including police reports, corporate bank statements, internal emails and receipts, as well as claims made in ongoing litigation, raise questions about the work of EY's Swiss partnership, which gave Zeromax a clean bill of health for 2005, 2006 and 2007.

The firm continued to be employed as Zeromax's auditor for a further three years until the company collapsed but did not publish any further audit opinions on its annual accounts.

EY Switzerland is being sued in Zug for $1bn in damages by US hedge fund Lion Point, which acquired a tranche of outstanding Zeromax debt from the bankruptcy estate in 2019, lawyers familiar with the case said. Lion Point declined to comment.

Hundreds of European creditors — including many small businesses in Germany and central Europe — are owed billions by Zeromax.

EY declined to answer detailed questions from the FT about its role auditing Zeromax's accounts. It said: "Court decisions in Uzbekistan in 2010 caused a de facto expropriation of Zeromax assets and its bankruptcy. This matter is subject to ongoing litigation and EY Switzerland will vigorously defend its position to vexatious claims. We cannot comment further."

Zeromax was at one time closely associated with Gulnara Karimova, a daughter of former Uzbek president Islam Karimov. Karimova — a flamboyant socialite once known as the "princess" of Uzbekistan — denies any connection to the group. She has been imprisoned in Tashkent since 2015 after falling from favour with the new Uzbek regime.

Zeromax was incorporated in Delaware in 1999 and redomiciled to Switzerland in 2005, with the stated purpose of channelling investment into a range of Uzbek sectors.

Investors took succour from the company's Swiss domicile and the fact that it was audited by one of the biggest accounting firms. Yet accounts show that in the four years before its collapse, many of the funds that passed through

EY audited the accounts of Zeromax, which had extensive interests in Uzbekistan and was at one time closely associated with ex-president's daughter Gulnara Karimova, below — Jack Taylor/Yves Forestier/Getty Images

the company went into a sprawling network of opaque offshore entities. Many of these funnelled money to Uzbekistan but many did not.

Some transactions seem particularly hard to explain as business expenses. In 2006 and 2007, for example, Zeromax spent more than $13m on luxury jewellery, including $2m in the Christian Dior store in Geneva alone. The following two years, it spent a further $25m on jewellery, including $6m at British jeweller Graff Diamonds.

At least some of the jewellery acquired was used by Karimova. In 2016, Swiss Federal Police obtained a warrant to search safety deposit boxes rented by her at Lombard Odier in Geneva. They found luxury jewellery — including a diamond ring from Boucheron worth $2.5m — that had been paid for by Zeromax. The owner of one Geneva jewellery shop told the police, according to police documents seen by the FT, that Karimova had personally bought the jewellery and had the money wired to the business from a bank account controlled by Zeromax.

EY also failed to raise the alarm when money had been moved to opaque, offshore companies, sometimes with pretexts that look perfunctory, such as generic contracts for "consulting services". Between 2004 and 2007, the company transferred at least $288m to offshore companies.

In at least one instance, transfers involved sending millions that ultimately went to an entity alleged to have been involved in criminal activity. Between mid-2006 and 2007, Zeromax transferred $180m to a wholly owned subsidiary, BVI-based Galat Enterprises.

Galat, in turn, transferred at least $5m to Gibraltar-based group Takilant, controlled by Karimova. Takilant was found in judgments in US and Swedish criminal cases to have been the central corporate conduit in a massive bribery scheme through which telecoms companies paid Karimova in exchange for lucrative Uzbek government contracts.

Zeromax also transferred at least $2m to offshore companies Merkony and Belphil Capital, which between them sent $33m to Takilant, according to Swedish court files.

On at least one occasion, EY was aware of the irregular nature of a Zeromax offshore transfer.

> 'We are not trying to hide anything, maybe just it was not done properly'

An email from a senior EY executive to Zeromax management in 2008 noted the lack of documentation for $5.5m being sent from Zeromax to a company called Ystral. The email highlighted the need for a "business reason" for the transfer, to satisfy Swiss tax authorities. "We are aware that some of our questions may touch 'sensitive matters'. In case you wanna discuss the above listed points with us (personally or by phone), please let us know and we will set up a meeting/call," the EY executive wrote.

Zeromax's management responded that the business reason was "self-explanatory".

In instances where other irregular transactions were questioned by EY and reversed as a result, they did not result in any wider questions being asked about the operations of the company or the trustworthiness of its executives.

A discovery by EY that in 2007, $250,000 had been spent at the ultra-exclusive Montreux sanatorium Clinique La Prairie by the wife of the chief executive was not subject to any further inquiry, after the CEO promised to reimburse Zeromax. "We are not trying to hide anything, maybe just [sic] it was not done properly," he wrote to EY.

In 2008, a year when EY did not issue an audit opinion on Zeromax but was still its auditor, the financial irregularities increased.

The company spent $29m on a penthouse flat in Hong Kong, for example, which it declared was for use as office space. Four months later it sold the flat for $14m to Karimova's then-boyfriend, Rustam Madumarov.

It spent $27m on football in 2008 and 2009, paying to hire some of the sport's best-known names to work for Uzbek club FK Bunyodkor. This included a $15m, 18-month contract with Luiz Felipe Scolari that made him the highest-paid football manager. Zeromax also paid $12m to hire Brazilian player Rivaldo.

> State department diplomats regarded Karimova as a 'robber baron' and the group as her 'personal entity'

Since its collapse, creditors have faced an arduous battle to reclaim assets and understand Zeromax's structure. Karimova's own complicated financial and political situation has proved a big impediment.

Karimova's Geneva lawyer, Grégoire Mangeat, said that his client "has always strongly denied any implication in the company Zeromax", and pointed out that Swiss prosecutors rejected a case in 2017 that sought to connect her to it.

At least one US official has taken a different view.

According to correspondence that was made public as part of the WikiLeaks trove, state department diplomats regarded Karimova as a "robber baron".

A January 2010 cable from Richard Norland, the US ambassador to Tashkent, to Washington just months before Zeromax's collapse described the group as Karimova's "personal entity".

He wrote: "The embassy's message to those proposing to enter into business arrangements with Zeromax or its affiliates . . . is to carry out full due diligence."

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Zurich pledges to cut flight emissions

IAN SMITH AND PHILIP GEORGIADIS
LONDON

Zurich has pledged to slash emissions from air travel, the latest big employer to seize on working practices introduced during the pandemic to cut its carbon footprint.

The Swiss company said yesterday that from next year it would cut emissions generated from flights for employees to 70 per cent below pre-pandemic levels, one of a number of changes designed to help the group meet an existing goal of halving its greenhouse gas emissions by 2025.

Zurich, which employs 55,000 people in more than 200 countries, said it would achieve the target by holding fewer internal meetings that involved travel and using video conference tech.

"The experience of the global pandemic has shown us a pathway to improving many aspects of our daily and working lives, and there's no going back," chief executive Mario Greco said.

The move comes as airlines anxiously await the return of lucrative business travel.

The pandemic has forced companies to replace face-to-face meetings with digital communication and cut travel budgets.

Some airline executives such as Ryanair's Michael O'Leary are expecting a full recovery while others such as Shai Weiss, Virgin Atlantic chief executive, are braced for a 20 per cent reduction in coming years.

Lloyds has pledged to keep emissions from travel to under than 50 per cent of 2019 levels, while Dutch bank ABN Amro is aiming to halve its air travel compared with 2017. Consultancies Deloitte and PwC, and consumer group Nestle, have pledged to reduce travel.

A permanent reduction would be a big blow to hotels and airlines, given that corporate travel can generate up to 75 per cent of airlines' revenues on some international flights, according to PwC.

Equities. Japan surge

SoftBank pushes Nikkei past 30,000 amid election fever

Step change: the resignation announcement of Yoshihide Suga, Japan's prime minister, triggered gains for local stocks
Carl Court/Getty

Prime minister's resignation and stimulus hopes help drive gains for stocks, say analysts

LEO LEWIS — TOKYO
HUDSON LOCKETT — HONG KONG

Traders have declared a return of animal spirits to the Japanese stock market on hopes that a new political shake-up could unlock vast economic stimulus and give further impetus to global funds adjusting heavily underweight positions in many portfolios.

Technology and investment group SoftBank led the rally yesterday with stocks jumping almost 10 per cent and pulling the Nikkei 225 Average above 30,000 points for the first time since April — up 8 per cent in just six trading days — before later easing back.

The surge, which carried other tech names such as Murata and Tokyo Electron close to multi-decade highs, came as investors prepared for a leadership contest in the ruling party and later national elections after Prime Minister Yoshihide Suga last week announced his resignation.

The three leading candidates are all expected to campaign on plans to revitalise the economy with potentially gargantuan stimulus packages.

But the rally also suggests that Tokyo stocks are warming up after a long period of drab performance. The Nikkei 225 has gained just 2 per cent in dollar terms this year while many leading markets are well into double digits.

"It's very important to realise that it is not just election fever," said Yunosuke Ikeda, Nomura's chief equity strategist. "It is a catch-up process for Japanese stocks after a long period of undervaluation against other markets."

The broader Topix index, which has underperformed for much of the year, hit a 30-year high on Monday, building on a rally that began late last month.

The Nikkei gauge, which is highly influential over the mood of Japanese retail investors, is up more than 1,200 points or about 4.2 per cent since Friday morning when Suga announced his resignation.

Oki Matsumoto, chief executive of the online brokerage Monex, said the imminent change of political leadership had made a profound impact on retail investors. "The process has given the market an atmosphere of change after a long period of feeling stagnant and congested," he said.

The market is feeding on speculation that Suga's successor could unveil a stimulus package, possibly worth as much as ¥30tn ($272bn), to rescue the ruling Liberal Democratic party from potential humiliation at a general election scheduled before the end of November.

Favourites to follow Suga's one-year tenure include Fumio Kishida, a former foreign and defence minister and a top LDP figure, who told Japanese media that he would have the Bank of Japan maintain both its 2 per cent inflation target and its expansive stimulus programme.

Elections for the lower house of Japan's Diet have a record of generating market rallies regardless of the policy issues of the day, according to analysts at Nomura.

In the seven weeks before the five lower house elections since 2005, foreign investors, who own about one-third of the Japanese market and account for most of daily trading volumes, have been net buyers of an average of ¥3.1tn.

That equates to an average rise of about 1,500 points on the Nikkei 225, according to Nomura's calculations.

The latest surge in buying interest stands in contrast to a slow crawl in Tokyo stocks compared with global markets.

Shortly before Suga's resignation, the value of just four big US tech companies eclipsed the entire Topix index or all 2,187 companies on the main board of the Tokyo Stock Exchange.

Foreign investors were net sellers of Tokyo equities between May and July, contributing to the underperformance of the country's benchmark indices against international counterparts. In 2020, the Topix rose less than 5 per cent. A global pandemic relief rally drove the US S&P 500 benchmark to gains of more than three times that figure.

Of late, the Suga administration's perceived mishandling of the Covid-19 crisis and his tumbling approval rating appeared to derail any prospect of reform — holding back markets, according to analysts.

The Tokyo Olympics, held without spectators, underlined the collapse of Japan's inbound tourism, doing little to raise the mood.

But that has left many Japanese stocks looking cheap. As a whole, the market trades on a lower price to earnings multiple than US and European counterparts, despite corporate Japan delivering sparkling earnings growth.

A particularly significant gap had opened up between the price-to-earnings ratio of the Japanese market and European benchmarks, strategists said.

But the market mood switched sharply over the past 10 days as Covid infection numbers in Tokyo began to fall and attention shifted to what a new leader might do to boost the economy.

Global fund managers who had been heavily underweight on Japan in recent months were caught out by the speed of the reversal and were turning buyers, said John Vail, chief global strategist at Nikko Asset Management.

One derivatives trader in Tokyo said: "There is usually a big jump in Tokyo when the big global fund managers get back from holiday."

The trader added: "Japan is a headache to manage actively so you underweight it when you're on the beach. This year, particularly in Europe, people went . . . even more underweight, so the sense of panic that they might miss a big Japan rally is that much bigger."

Japanese stocks swept up in a return of 'animal spirits'

Nikkei 225 index

Source: Refinitiv

'There is usually a big jump in Tokyo when the big global fund managers get back from holiday'

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Fixed income

Evergrande woes shake China's real estate sector

THOMAS HALE — HONG KONG

Trading in China Evergrande bonds was suspended for the second time in days yesterday and rating agency Moody's downgraded the property developer for a third time since June, sending jitters through the country's real estate debt market.

The bonds were suspended temporarily after falling more than 20 per cent in Shenzhen, according to a statement from the city's stock exchange that echoed a similar intervention on Friday.

The volatility came as a rapidly unfolding liquidity crisis at the world's most indebted property developer added to fears over the wider Chinese sector's battle to deleverage.

The bonds of Guangzhou R&F, another Chinese property developer, edged lower in Shanghai yesterday to about 60 per cent of their face value, following falls of more than 20 per cent a day earlier. Moody's had also downgraded the group's credit rating and warned over its ability to refinance.

Fantasia Group, a third property group facing refinancing concerns, said in a statement to the Hong Kong stock exchange on Monday evening that it had made several purchases of its own bonds, one of which matures in December. Its bonds sank to 78 cents on the dollar.

Refinancing worries across the sector have grown following a sustained sell-off in the debt and equity of Evergrande, which last week warned about the risk of default. Shares in Evergrande were down as much as 8.5 per cent in Hong Kong yesterday.

'Funding conditions have tightened and the offshore bond market is also getting more volatile'

As well as choppy trading on international markets, where they are some of Asia's biggest high-yield borrowers, Chinese property developers are also grappling with tighter credit conditions and weaker sales within China. Beijing introduced rules last year to constrain developers' leverage.

"Overall, the funding conditions have tightened and the offshore bond market is also getting more volatile," said Kaven Tsang, a senior vice-president at Moody's.

"That actually has some negative implications on the market as a whole," he added. "The refinancing risk has increased."

The issues facing Evergrande, which has rushed to dispose of assets to raise cash to pay off its debts, have already helped push up borrowing costs across China's high-yield market.

Average yields rose to 13 per cent in late August compared with less than 10 per cent in June, according to an index from ICE and Bank of America.

Fantasia said in the filing that the purchases of its own bonds would "reduce the company's future financial expenses and lower its financial gearing level".

Additional reporting by Hudson Lockett in Hong Kong

Fixed income

Brussels set to issue Covid green debt in push to boost bloc's pandemic recovery

MEHREEN KHAN — BRUSSELS
TOMMY STUBBINGTON — LONDON

Brussels is to issue its first Covid-19 green bond as part of its efforts to become the world's biggest issuer of sustainable debt.

The European Commission yesterday said it would tap debt markets for a sale of green bonds in October, raising funds for environmentally friendly reforms and investment in EU member states as part of the pandemic recovery effort.

It will be the first of an expected €250bn of EU green bonds, making up about 30 per cent of the bloc's €800bn Covid-19 recovery fund. "This will make the EU the largest green bond issuer in the world, and foster investments and innovation," said Johannes Hahn, EU budget commissioner.

The commission has sought to position itself as a global leader in green finance and regulation, setting out rules to help investors define what is or is not sustainable economic activity.

The global green bonds market has boomed in recent months, with total issuance in the asset class topping $200bn this year.

"Judging from our experience with previous issuances, we expect a high demand for Next Generation EU green bonds," said Hahn, adding that issuance could expand if there was sufficient investor interest.

As part of its green bonds programme, the commission will screen the spending plans of EU member states to assure investors that proceeds will be used to fund genuinely sustainable activity and stamp out so-called "greenwashing". EU governments must spend at least 37 per cent of their total recovery fund money on green aims, such as energy efficiency, transport and nature protection.

Official Johannes Hahn says the bonds will help to foster innovation

EU countries will have to regularly update Brussels on how the money is spent, with the commission reporting to investors on the funding every year. "We have a very robust framework to give investors the confirmation that their investments are actually green," said an EU official.

The commission's green bonds will be based largely on the EU's sustainable finance rules known as the taxonomy — although this has yet to be finalised with EU governments divided over whether to include gas and nuclear as green activity.

Hahn said the green recovery bonds cannot be used to fund nuclear power in the EU, which has proven to be among the most contentious stipulations. An EU official added that natural gas projects would also be excluded from the green bond rules.

Brussels started issuing bonds to fund its €800bn pandemic recovery programme in July and has so far raised €45bn. The first EU green bond sale is due to take place on October 21.

Fixed income

Real yields on European junk bonds go negative for first time in hunt for returns

NAOMI ROVNICK — LONDON
MARTIN ARNOLD — FRANKFURT

Investors in European junk bonds have begun accepting interest payments that are lower than eurozone inflation levels for the first time ever in the latest sign that central banks' crisis-era debt purchases have shifted the balance between risk and reward.

The yield on ICE and Bank of America's European high-yield index of sub-investment grade bonds was pushed down to 2.34 per cent this week — marking the first time that buyers of so-called high-yield European currency bonds have accepted payments below consumer price inflation in the eurozone, which hit a decade high of 3 per cent in August.

Analysts said investors' willingness to extend credit to the riskiest borrowers while losing money in real terms reflected the scarcity of other opportunities to earn returns in debt markets.

At the same time, Europe's strong recovery from the pandemic following a bumper earnings season has reduced the risk that junk bond issuers would default.

"It is a reach for yield," said Ian Samson, multi-asset fund manager at Fidelity International. "High-yield bonds are one of our preferred ways to take risk at the moment because the investment outlook may be strong enough that we don't get a big default cycle."

The European Central Bank meets tomorrow and investors expect it to announce a slowdown in the pace of bond purchases in response to a recent improvement in the economic outlook and a drop in financing costs for governments, businesses and households.

'It is a reach for yield. High-yield bonds are one of our preferred ways to take risk at the moment'

The ECB's €1.85tn pandemic emergency purchase programme has been buying €80bn of bonds a month for much of this year with the objective of keeping financing conditions favourable. Analysts expect these to slow to about €60bn.

However, most investors still believe it will be several years before the ECB stops buying bonds and starts raising its deposit rate from its record low level of minus 0.5 per cent, especially after it changed its strategy in July to set a higher bar on inflation for policy to be tightened.

The central bank's ultra-loose monetary policy has already driven other yields on other kinds of eurozone debt into negative territory, leaving investors rushing to earn a return on their capital.

The yield on Germany's benchmark 10-year bonds has risen from close to record lows in recent weeks but is still running at about minus 0.35 per cent.

The effective yield on the ICE BofA index covering investment grade European corporate bonds stands at 0.2 per cent.

Barnaby Martin, credit strategist at BofA, said the brightening eurozone economy had inspired some investors to buy junk bonds because they believed some issuers' fortunes could improve to the point they would obtain investment-grade ratings. "There is an expectation of downgraded names going back into investment grade," he said.

The day in the markets

What you need to know

- Stocks on Wall Street retreat after Labor Day break
- Dollar strengthens alongside a slide in Treasury prices
- Yields on core European government debt rise ahead of central bank meeting

Government bond prices fell on both sides of the Atlantic ahead of central bank meetings that could mark the beginning of the end of crisis-era monetary stimulus.

The yield on the 10-year US Treasury note, which moves inversely to its price, added 5 basis points to 1.37 per cent as traders placed bets that the US Federal Reserve would reduce the $120bn of monthly bond purchases that it has conducted to ease borrowing costs throughout the pandemic.

The US Dollar index, which tracks the US currency against six peers, climbed 0.5 per cent.

In equity markets, Wall Street's S&P 500 index was down 0.5 per cent at lunchtime in New York while the tech-focused Nasdaq Composite edged up 0.1 per cent.

Jay Powell, Fed chair, signalled in a speech at the Jackson Hole summit of central bankers last month that investors should expect a slow reduction in bond purchases to begin later this year.

Markets at first reacted calmly, although weekly data from the Commodities and Futures Trading Commission showed traders were buying more contracts that bet on a rise in Treasury yields than those that would profit from them falling.

Ross Mayfield, US investment strategist at RW Baird, said expectations that the European Central Bank would discuss reining in its own monetary stimulus this week "could put some fire to the heels of the Fed" to offer more clarity about its tapering timeline.

Germany's 10-year government bond rose 5bp to minus 0.32 per cent. The yield on Italy's 10-year bond added 7bp to 0.76 per cent.

The ECB, which has been buying €80bn a month of government and corporate bonds to keep borrowing costs low during the pandemic, is expected to reduce such purchases to about €60bn.

After a brief recession last year, the eurozone economy grew 2 per cent in the second quarter of 2021 from the first, which was faster than expected.

"The market is already very well prepared for ECB tapering and I do not see any major reactions in bond prices from here," said Elisa Belgacem, senior credit strategist at Generali Investment.

The region-wide Stoxx Europe 600 equity gauge fell 0.5 per cent, remaining just shy of its all-time high reached last month.

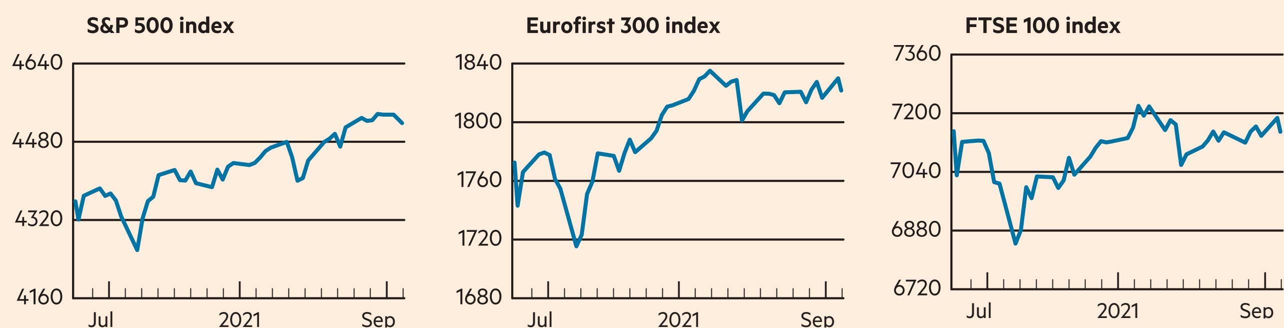
Brent, the global oil benchmark, fell 0.8 per cent to $71.65 a barrel. **Naomi Rovnick**

Markets update

	US	Eurozone	Japan	UK	China	Brazil
Stocks	**S&P 500**	**Eurofirst 300**	**Nikkei 225**	**FTSE100**	**Shanghai Comp**	**Bovespa**
Level	4518.16	1821.56	29916.14	7149.37	3676.59	117868.63
% change on day	-0.38	-0.46	0.86	-0.53	1.51	0.80
Currency	**$ index (DXY)**	**$ per €**	**Yen per $**	**$ per £**	**Rmb per $**	**Real per $**
Level	92.358	1.185	110.220	1.379	6.460	5.170
% change on day	0.351	-0.084	0.332	-0.289	0.107	0.092
Govt. bonds	**10-year Treasury**	**10-year Bund**	**10-year JGB**	**10-year Gilt**	**10-year bond**	**10-year bond**
Yield	1.370	-0.323	0.036	0.641	2.854	10.519
Basis point change on day	4.580	4.500	-0.410	4.300	2.000	0.000
World index, Commods	**FTSE All-World**	**Oil - Brent**	**Oil - WTI**	**Gold**	**Silver**	**Metals (LMEX)**
Level	491.72	71.59	68.14	1821.60	24.71	4285.10
% change on day	-0.24	-0.71	-1.00	-0.12	2.70	0.38

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



Biggest movers

%	US		Eurozone		UK	
Ups	Netflix	3.82	Kpn	4.13	Smith (ds)	2.80
	Arconic	3.57	Commerzbank	3.44	Whitbread	2.39
	Svb Fin	2.37	Hugo Boss	2.68	Reckitt Benckiser	2.17
	Wynn Resorts	2.03	Swatch	2.56	Flutter Entertainment	1.23
	Expedia	1.82	Sodexo	2.41	Rightmove	1.20
Downs	Vf	-4.87	Akzo Nobel	-2.50	Berkeley Holdings (the)	-2.96
	Deere &	-4.39	Danone	-2.49	Ocado	-2.58
	Stanley Black & Decker	-4.00	Thales	-2.28	Weir	-2.46
	State Street	-3.97	Edp	-2.23	Legal & General	-2.40
	Udr	-3.43	Linde	-2.18	Smiths	-2.23

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

Wall Street

Paints group **PPG Industries** was in the red following a downgrade to its revenue projections.

For the third quarter, the group said sales volumes would be lower than it had expected.

Worsening supply disruptions and customer parts shortages in areas such as semiconductors were to blame for the revision, it said, adding that raw material prices were also trending higher.

BioMarin Pharmaceutical sank after disclosing that the Food and Drug Administration had paused a study into BMN 307, its experimental gene therapy for adults with phenylketonuria, an illness that can result in intellectual disability, seizures, tremors and psychiatric symptoms.

In a pre-clinical study for BMN 307, tumours were discovered in a minority of mice, leading BioMarin to halt further enrolment in its global phase 1/2 study "until the investigation of these findings is completed". Similar findings had not been found in larger animals or humans, said the biotech group.

Dating company **Match Group** jumped on news that it was entering the S&P 500 index, replacing Perrigo, which provides over-the-counter health products such as Ibuprofen.

Match will join the blue-chip index on September 20. *Ray Douglas*

Europe

Sweden's **Storytel** jumped on news that private equity firm EQT had bought 6.6m shares in the audiobook streamer, representing close to a 10 per cent stake.

The group announced that Stefan Blom, who had held positions at music peer Spotify, would be put forward as the new chair, replacing Rustan Panday.

Joakim Rubin, a representative of EQT, would also join the board.

Last month, Storytel cut to its full-year outlook, saying it was "experiencing slower growth than anticipated" in Spain and the Latin America region.

A contract win pushed **McPhy Energy** French hydrogen storage group higher.

It announced that it had been selected by R-Hynoca — a subsidiary of energy company R-GDS1 and Haffner Energy — to set up the first hydrogen station in Strasbourg in north-east France.

At R-Hynoca, which aims to produce carbon-neutral hydrogen from local biomass, McPhy will provide a station equipped with two terminals to refuel light vehicles, buses and trucks.

Telenet fell after Citi downgraded the TV, internet and telephony group to a "neutral" rating from "buy".

Analysts said the primary reason behind the revision was "a possibly aggressive fourth mobile entrant" into the Belgium market, increasing competition for the group. *Ray Douglas*

London

Interdealer broker **TP ICAP** dived after reporting a drop in first-half profits and issuing a cautious guidance.

Pre-tax profit reached £88m, down from £136m a year earlier, as "more normal trading conditions" returned "compared to the exceptionally high volumes" during the first quarter of last year.

There was strong appetite for London-listed food business **DP Eurasia**, which runs Domino's Pizza in Turkey, Russia, Azerbaijan and Georgia.

For the six months ending June 30, group revenue rose 50.3 per cent off "the back of unprecedented demand in Turkey", it said.

This prompted the Netherlands-based group to raise its guidance for full-year like-for-like growth rates in Turkey, which was expected to reach between 35 per cent and 40 per cent, up from the 21 per cent to 25 per cent range stated previously.

Adjusted earnings before interest, taxes, depreciation and amortisation was also forecast "to be slightly ahead of . . . market's current expectations", it said.

Ted Baker climbed on news that its quarterly revenue grew 50 per cent year on year as the fashion retailer "snapped back from the material negative impact from the Covid pandemic", it said.

Ray Douglas

Slowing ECB asset purchases would send wrong signal

Elga Bartsch

Markets Insight

The European Central Bank achieved the first important step of its strategic revamp when it launched its new monetary policy framework in early July.

Its governing council meeting this week offers a chance for the ECB to communicate how the new framework will be implemented in practice, particularly when it comes to guidance on its asset-buying programmes that are intended to stimulate the economy by keeping bond yields low.

The ECB's persistent undershooting of its inflation target over the past decade has led to eurozone inflation expectations becoming unanchored and falling well below the central bank's inflation objective.

Against this backdrop, it is perhaps unsurprising that markets have previously been pessimistic about the ECB's ability to deliver on its mandate.

Under its new framework, the ECB embraces a "symmetric" inflation target of 2 per cent with undershoots and overshoots considered equivalent.

When the policy rate is close to the effective level below which interest rates cannot be reduced further, the ECB will tolerate a temporary overshoot of its inflation target.

This is partly because policy support can be stronger than it otherwise would have been under the previous 2003 strategy framework.

At its late July policy meeting, the ECB governing council took a first practical implementation step by changing its forward guidance for interest rates. For now, this also implies a change for the duration of its asset purchases, subject to a future debate on the council.

By committing to keep interest rates at current or lower levels until inflation is forecast to return to 2 per cent on a sustained basis, the ECB caused many forecasters to push out further their projection of a first rate rise.

But the ECB still needs to follow through with a decision on the pace of its asset purchases. This is not about the quarterly review of the pace of its programme tied to its emergency response to the Covid-19 pandemic. It is about its "regular" asset purchase programme.

Given that staff inflation projections still show inflation rates over the medium term well below the new inflation objective of 2 per cent, it seems clear that the pace of the APP needs to be stepped up as it takes over from the pandemic programme that is due to expire in March.

> There is a risk markets interpret a decision to reduce pandemic support as a tapering decision

The APP is determined by the medium-term economic outlook of the governing council. The decision on the pace of the pandemic programme, by contrast, is more about the near-term prospects and is finely balanced given the improved financial conditions over the summer and a slightly upgraded inflation outlook.

There is a risk that markets interpret an operational decision to reduce the pace of the pandemic support as a tapering decision by the ECB, even though it is not intended to be a monetary policy signal. Such an interpretation could cause financial conditions to tighten.

The new policy framework clearly calls for further easing, which needs to come through a higher pace of the APP.

Slowing pandemic programme purchases would send the wrong signal before the new framework has even been fully put into practice. The ECB's concern over inflation should be that it looks to be too low in the medium term, not that pandemic-related distortions are driving it temporarily higher.

For its new framework to become credible, eventually the ECB's own projections would need to show inflation temporarily moving above 2 per cent.

Additional fiscal policy support might be needed. While European fiscal policy support has broadly stabilised household disposable incomes during the pandemic, US households' incomes were materially boosted by a range of public policy measures.

Until the ECB has better visibility on the extent to which it can count on fiscal policy in coming years, it cannot let up in pursuing its price stability objective.

The ECB has been struggling to steer inflation back to its price stability objective since the financial crisis. As a result, the equilibrium level of interest rates has fallen further, eroding the space for monetary policy responses to events.

It is thus vital that the governing council demonstrates how its new framework will change how it reacts to macroeconomic conditions. The new strategy gives the ECB more room for bold policy action. The July policy meeting showed this was the case for forward guidance on interest rates. Now is the time for the ECB to do the same with the pace of its asset purchases.

Elga Bartsch is head of macro research at the BlackRock Investment Institute

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Digital acceleration: building the future of SME banking in CEE

15 September | 11am BST/12pm CEE

As the new digital era unfolds, the importance of the small and medium-sized enterprise (SME) sector is clearer than ever.

But there is a continuing lack of support provided by banks despite the many growth opportunities the SME sector offers, specifically in the Central and Eastern European region.

Join us for this one-hour webinar, hosted by The Banker editor, Joy Macknight, as our expert panel explores how to overcome these key hurdles, as well as delivering insights on their digital transformation and innovation journeys in the SME space.

Register your free place at
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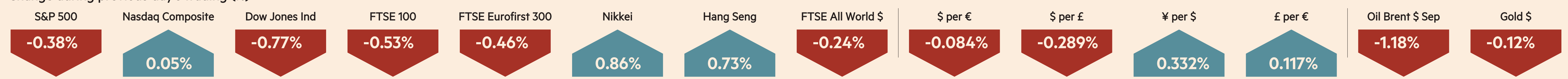
MARKET DATA

WORLD MARKETS AT A GLANCE

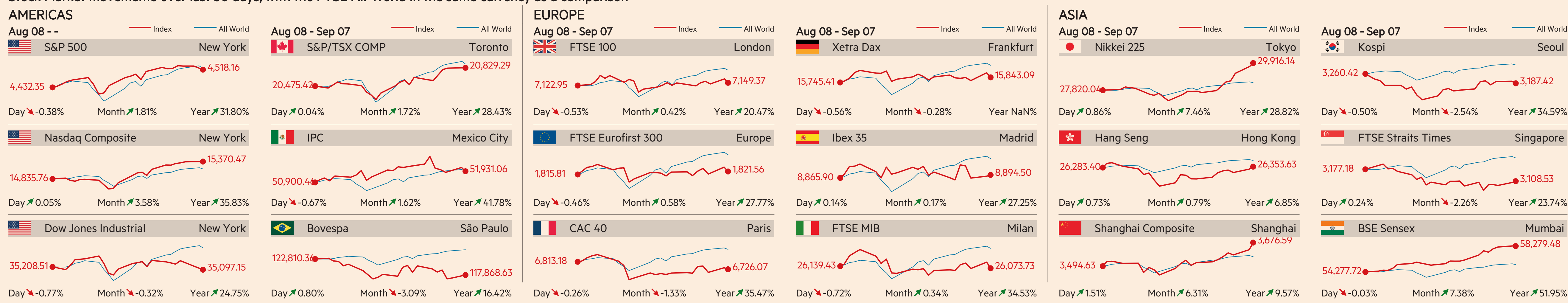
FT.COM/MARKETSDATA

Change during previous day's trading (%)



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

AMERICAS — EUROPE — ASIA



Country	Index	Latest	Previous
Argentina	Merval	77608.51	76002.98
Australia	All Ordinaries	7826.40	7823.80
	S&P/ASX 200	7530.30	7528.50
	S&P/ASX 200 Res	5078.10	5119.30
Austria	ATX	3670.93	3669.23
Belgium	BEL 20	4294.47	4314.66
	BEL Mid	10199.18	10167.84
Brazil	IBovespa	117868.63	116933.24
Canada	S&P/TSX 60	1247.44	1245.66
	S&P/TSX Comp	20829.29	20821.43
	S&P/TSX Div Met & Min	914.59	890.82
Chile	S&P/CLX IGPA Gen	22109.19	22257.60
China	FTSE A200	13279.75	13136.29
	FTSE B35	9000.71	8988.96
	Shanghai A	3853.39	3796.01
	Shanghai B	275.37	272.11
	Shanghai Comp	3676.59	3621.86
	Shenzhen A	2606.09	2577.54
	Shenzhen B	1236.42	1225.18
Colombia	COLCAP	1261.61	1260.21
Croatia	CROBEX	2013.05	2011.29
Cyprus	CSE M&P Gen	68.46	68.68
Czech Republic	PX	1290.67	1290.73
Denmark	OMXC Copenahgen 20	1829.51	1833.88
Egypt	EGX 30	11064.17	11095.89
Estonia	OMX Tallinn	2007.59	2093.18
Finland	OMX Helsinki General	13448.52	13448.06
France	CAC 40	6726.07	6743.50
	SBF 120	5270.27	5280.68
Germany	M-DAX	36255.87	36215.73
	TecDAX	3979.11	3967.92
	XETRA Dax	15843.09	15932.12
Greece	Athens Gen	909.29	915.62
	FTSE/ASE 20	2184.70	2204.16
Hong Kong	Hang Seng	26353.63	26163.63
	HS China Enterprise	9468.22	9371.15
	HSCC Red Chip	3997.53	4006.61
Hungary	Bux	52623.96	52743.09
India	BSE Sensex	58279.48	58296.91
	Nifty 500	14784.25	14805.85
Indonesia	Jakarta Comp	6112.40	6126.94
Ireland	ISEQ Overall	8847.79	8836.59
Israel	Tel Aviv 125	1836.00	1824.11
Italy	FTSE Italia All-Share	28736.20	28922.85
	FTSE Italia Mid Cap	50799.67	51086.68
	FTSE MIB	26073.73	26263.43
Japan	2nd Section	7745.57	7740.23
	Nikkei 225	29916.14	29659.89
	S&P Topix 150	1754.04	1734.74
	Topix	2063.38	2041.22
Jordan	Amman SE	2059.30	2059.16
Kenya	NSE 20	2024.40	2024.40
Kuwait	KSX Market Index	6633.44	6603.51
Latvia	OMX Riga	1298.12	1298.73
Lithuania	OMX Vilnius	1027.49	1028.74
Luxembourg	LuxX	1712.52	1708.31
Malaysia	FTSE Bursa KLCI	1583.48	1581.59
Mexico	IPC	51931.06	52283.11
Morocco	MASI	12767.48	12714.26
Netherlands	AEX	794.73	798.55
	AEX All Share	1124.51	1128.55
New Zealand	NZX 50	13321.99	13300.03
Nigeria	SE All Share	39261.01	39252.19
Norway	Oslo All Share	1017.37	1006.88
Pakistan	KSE 100	46729.96	46918.52
Philippines	Manila Comp	6912.71	6877.10
Poland	Wig	71733.35	72170.41
Portugal	PSI 20	5425.66	5478.27
	PSI General	4078.12	4134.30
Romania	BET Index	12341.58	12356.75
Russia	Micex Index	4015.30	4028.25
	RTX	1725.24	1737.01
Saudi-Arabia	TADAWUL All Share Index	11407.91	11335.92
Singapore	FTSE Straits Times	3108.53	3101.08
Slovakia	SAX	393.42	387.26
Slovenia	SBI TOP	-	-
South Africa	FTSE/JSE All Share	66514.91	66253.80
	FTSE/JSE Res 20	63021.63	62892.42
	FTSE/JSE Top 40	60340.77	60035.80
South Korea	Kospi	3187.42	3203.33
	Kospi 200	417.80	420.37
Spain	IBEX 35	8894.50	8882.30
Sri Lanka	CSE All Share	9092.74	9227.88
Sweden	OMX Stockholm 30	2377.94	2394.26
	OMX Stockholm AS	994.82	1001.41
Switzerland	SMI Index	12344.38	12430.23
Taiwan	Weighted Pr	17428.87	17495.30
Thailand	Bangkok SET	1636.45	1648.37
Turkey	BIST 100	1454.74	1474.72
UAE	Abu Dhabi General Index	7628.48	7636.88
UK	FT 30	2794.60	2777.30
	FTSE 100	7149.37	7187.18
	FTSE 4Good UK	6728.80	6765.12
	FTSE All Share	4122.43	4144.51
	FTSE techMARK 100	7576.89	7674.13
USA	DJ Composite	11560.62	11656.37
	DJ Industrial	35097.15	35369.09
	DJ Transport	14646.08	14751.62
	DJ Utilities	933.07	944.93
	Nasdaq 100	15666.94	15652.86
	Nasdaq Cmp	15370.47	15363.52
	NYSE Comp	16813.30	16909.72
	S&P 500	4518.16	4535.43
	Wilshire 5000	47009.85	47198.27
Venezuela	IBC	6235.96	6371.79
Vietnam	VNI	1341.90	1346.39
Cross-Border	DJ Global Titans ($)	526.79	526.79
	Euro Stoxx 50 (Eur)	4226.05	4246.13
	Euronext 100 ID	1322.59	1326.86
	FTSE 4Good Global ($)	11184.89	11201.36
	FTSE All World ($)	491.72	492.91
	FTSE E300	1821.56	1829.93
	FTSE Eurotop 100	3397.95	3415.42
	FTSE Global 100 ($)	2962.33	2962.75
	FTSE Gold Min ($)	2081.22	2081.41
	FTSE Latibex Top (Eur)	4440.00	4432.20
	FTSE Multinationals ($)	3216.42	3209.70
	FTSE World ($)	882.63	885.38
	FTSEurofirst 100 (Eur)	4618.53	4641.28
	FTSEurofirst 80 (Eur)	5827.63	5848.65
	MSCI ACWI Fr ($)	748.21	746.46
	MSCI All World ($)	3169.64	3163.99
	MSCI Europe (Eur)	1898.09	1883.88
	MSCI Pacific ($)	3311.87	3283.53
	S&P Euro (Eur)	1970.64	1976.21
	S&P Europe 350 (Eur)	1876.31	1884.69
	S&P Global 1200 ($)	3462.40	3474.05
	Stoxx 50 (Eur)	3622.97	3645.00

(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
Apple	59.5	155.81	1.51
Amazon.com	46.0	3519.62	41.57
Nvidia	25.5	226.50	-1.93
Microsoft	24.4	300.40	-0.74
Netflix	20.7	613.07	22.54
Advanced Micro Devices	19.9	109.27	-0.66
Facebook	17.3	379.86	3.60
Boeing	14.9	212.77	-5.40
Alphabet	14.0	2884.00	9.21
Alphabet	10.7	2908.36	12.86
BIGGEST MOVERS	**Close price**	**Day's change**	**Day's chng%**
Ups			
Netflix	613.07	22.54	3.82
Arconic	35.51	1.23	3.57
Svb Fin	585.05	13.54	2.37
Wynn Resorts	102.34	2.04	2.03
Expedia	145.23	2.59	1.82
Downs			
Vf	72.52	-3.71	-4.87
Deere &	372.24	-17.10	-4.39
Stanley Black & Decker	183.46	-7.65	-4.00
State Street	89.20	-3.69	-3.97
Udr	53.47	-1.90	-3.43

Based on the constituents of the S&P500

LONDON

ACTIVE STOCKS	stock traded m's	close price	Day's change
Bhp	166.3	2111.50	-6.50
Meggitt	165.5	737.80	-101.40
Rio Tinto	120.4	5360.00	23.00
Astrazeneca	113.3	8470.00	-175.00
Reckitt Benckiser	97.2	5844.00	124.00
Diageo	88.8	3516.00	-45.50
Unilever	80.1	3989.00	-13.00
Avast	78.6	592.60	0.60
Legal & General	78.2	276.60	-6.80
Glencore	78.1	337.60	-0.60
BIGGEST MOVERS	**Close price**	**Day's change**	**Day's chng%**
Ups			
Marks And Spencer	187.10	6.05	3.34
Smith (ds)	462.30	12.60	2.80
Ao World	233.60	5.80	2.55
Whitbread	3260.00	76.00	2.39
Apax Global Alpha	217.00	5.00	2.36
Downs			
Meggitt	737.80	-101.40	-12.08
Tp Icap	176.00	-21.06	-10.69
Integrafin Holdings	559.00	-31.00	-5.25
Centamin	95.10	-3.46	-3.51
National Express	241.40	-8.60	-3.44

Based on the constituents of the FTSE 350 index

EURO MARKETS

ACTIVE STOCKS	stock traded m's	close price	Day's change
Asml Holding	554.6	730.20	-10.70
Lvmh	222.3	653.00	4.30
Dt.telekom Ag Na	204.1	17.91	0.01
Linde Eo 0,001	189.0	265.35	-5.90
Enel	181.3	7.59	-0.12
Siemens Ag Na O.n.	177.1	146.08	-0.72
Vivendi Se	169.1	33.00	-0.41
Sap Se O.n.	138.5	126.68	-0.98
Unicredit	134.2	10.91	-0.08
Intesa Sanpaolo	130.5	2.38	-0.02
BIGGEST MOVERS	**Close price**	**Day's change**	**Day's chng%**
Ups			
Kpn Kon	2.72	0.11	4.13
Commerzbank Ag	5.74	0.19	3.44
Hugo Boss Ag Na O.n.	50.62	1.32	2.68
Swatch N	47.88	1.19	2.56
Sodexo	71.28	1.68	2.41
Downs			
Akzo Nobel	99.84	-2.56	-2.50
Danone	60.22	-1.54	-2.49
Thales	84.04	-1.96	-2.28
Edp	4.68	-0.11	-2.23
Kinnevik Ab Ser. B	33.96	-0.77	-2.21

Based on the constituents of the FTSEurofirst 300 Eurozone index

TOKYO

ACTIVE STOCKS	stock traded m's	close price	Day's change
Softbank .	2491.0	6943.00	623.00
Nippon Yusen Kabushiki Kaisha	1298.6	9820.00	-10.00
Mitsui O.s.k.lines,	595.2	8930.00	-50.00
Toyota Motor	541.3	10005.00	43.00
Sony	540.6	11985.00	35.00
Tokyo Electron	515.9	50660.00	480.00
Fast Retailing Co.,	435.0	75950.00	-670.00
Jfe Holdings,.	355.8	1912.00	15.00
Softbank	330.0	1564.00	28.50
Shin-etsu Chemical Co.,	303.6	19835.00	360.00
BIGGEST MOVERS	**Close price**	**Day's change**	**Day's chng%**
Ups			
Toho Z Co.,	2450.00	248.00	11.26
Softbank .	6943.00	623.00	9.86
Maruha Nichiro	2624.00	139.00	5.59
Pacific Metals Co.,	1890.00	88.00	4.88
West Japan Railway	5302.00	191.00	3.74
Downs			
Toyo Seikan Kaisha,	1367.00	-247.00	-15.30
Nisshinbo Holdings .	844.00	-104.00	-10.97
Z Holdings	717.20	-23.10	-3.12
Nikon	1219.00	-30.00	-2.40
Oji Holdings	584.00	-12.00	-2.01

Based on the constituents of the Nikkei 225 index

UK MARKET WINNERS AND LOSERS

FTSE 100	Sep 07 price(p)	%Chg week	%Chg ytd
Winners			
Melrose Industries	189.40	12.9	5.8
Just Eat Takeaway.com N.v.	7015.00	7.0	-
Rightmove	740.40	5.6	13.1
Reckitt Benckiser	5844.00	5.5	-6.7
Flutter Entertainment	14780.00	4.7	-3.5
Smith (ds)	462.30	4.5	21.6
Burberry	1941.50	4.4	8.1
Dcc	6400.00	3.6	19.4
Land Securities	733.80	3.5	6.4
Informa	549.40	3.5	-1.4
St. James's Place	1663.00	3.3	46.4
Smurfit Kappa	4305.00	3.3	24.0
Losers			
Bhp	2111.50	-6.5	7.8
Barratt Developments	708.60	-4.1	4.2
Taylor Wimpey	176.05	-3.7	6.2
Persimmon	2831.00	-3.7	-0.1
Berkeley Holdings (the)	4658.00	-3.5	-3.8
Rolls-royce Holdings	110.88	-3.5	-1.0
B&m Eur Value Retail S.a.	540.60	-3.3	3.8
Admiral	3495.00	-3.2	17.1
Antofagasta	1411.50	-3.1	-2.8
Bt	164.65	-3.0	22.5
Pershing Square Holdings Ltd	2545.00	-2.9	0.4
Int Consolidated Airlines S.a.	154.86	-2.8	-7.5

FTSE 250	Sep 07 price(p)	%Chg week	%Chg ytd
Winners			
Discoverie	1196.00	18.9	75.9
Ip	147.60	16.2	49.5
Energean	742.50	9.6	2.5
Herald Investment Trust	2630.00	8.5	16.1
Harbour Energy	385.20	8.0	-93.9
Homeserve	1011.00	7.9	-4.1
Rotork	356.00	6.7	9.4
Tyman	442.00	6.5	24.5
4imprint	3045.00	6.1	14.9
Jpmorgan Japanese Investment Trust	700.00	5.9	-4.5
Fidelity China Special Situations	368.50	5.9	-1.6
Games Workshop	12220.00	5.6	8.0
Losers			
Cmc Markets	297.00	-29.5	-
Tp Icap	176.00	-13.4	-
Meggitt	737.80	-11.0	54.4
Auction Technology	1474.00	-9.1	-
Syncona	184.00	-8.5	-30.2
Wh Smith	1497.50	-8.2	-4.0
Dechra Pharmaceuticals	4832.00	-7.8	36.3
Ig Holdings	870.50	-7.0	-0.9
Investec	286.40	-6.4	49.3
Greencore	133.40	-6.1	13.1
National Express	241.40	-6.0	1.1
Ashmore	376.20	-5.8	-

FTSE SmallCap	Sep 07 price(p)	%Chg week	%Chg ytd
Winners			
Ricardo	413.00	8.7	18.7
Ted Baker	167.00	8.5	44.9
Kin And Carta	296.00	8.0	-
Rps	120.00	7.5	65.3
Renewi	580.00	6.2	42.5
Cc Japan ome & Growth Trust	149.00	6.0	28.2
Clipper Logistics	867.00	6.0	50.3
Sthree	551.00	5.8	83.7
Value And Indexed Property ome Trust	222.50	5.7	4.5
Fidelity Japan Trust	248.00	5.5	13.8
Jpmorgan Japan Small Cap Growth & ome	536.00	5.5	1.9
Schroder Japan Growth Fund	222.00	4.5	10.7
Losers			
Kkv Secured Loan Fund	22.95	-44.4	-
Enquest	21.25	-16.0	87.1
Kkv Secured Loan Fund	14.20	-14.3	-
Lindsell Train Investment Trust	1455.00	-10.7	2.8
Stv	327.00	-10.2	9.7
Record	79.20	-9.0	61.6
Porvair	602.00	-8.8	15.4
Menzies(john)	296.00	-8.6	15.6
U And I	81.00	-8.0	29.0
Luceco	421.50	-7.2	68.4
Bank Of Georgia	1562.00	-6.5	24.2
Int Personal Finance	138.80	-6.3	68.7

Industry Sectors	Sep 07 price(p)	%Chg week	%Chg ytd
Winners			
Real Estate & Investment Servic	3144.82	28.8	10.6
Industrial Transportation	4508.31	28.6	-0.1
Health Care Equip.& Services	7869.30	27.7	6.4
Electronic & Electrical Equip.	12266.65	24.5	7.0
Industrial Engineering	19183.20	23.4	7.4
Chemicals	17350.65	21.6	5.3
Software & Computer Services	2346.86	21.3	7.0
Real Estate Investment Trusts	3369.08	21.2	6.5
Pharmaceuticals & Biotech.	18005.75	20.3	-0.9
Support Services	12133.02	19.7	5.4
Electricity	9640.04	17.6	4.4
Beverages	27513.73	16.6	0.5
Losers			
Mining	21199.75	-13.4	-7.2
Food Producers	6854.07	-9.0	-3.4
Travel & Leisure	8582.03	-8.9	5.5
Oil & Gas Producers	5141.37	-7.4	0.0
Banks	2762.20	-3.6	-2.7
General Retailers	2592.80	-2.3	0.2
Mobile Telecommunications	2983.83	-1.7	-2.0
Automobiles & Parts	4815.53	1.3	2.8
Life Insurance	8316.63	1.4	10.0
Household Goods	17958.85	1.7	2.0
Personal Goods	34833.70	2.2	-2.3
Food & Drug Retailers	4307.36	2.7	-4.9

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

CURRENCIES

Sep 7	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	98.0057	0.0453	116.0930	-0.1033	135.1057	-0.3391
Australia	Australian Dollar	1.3540	0.0086	1.6039	0.0080	1.8666	0.0063
Bahrain	Bahrainin Dinar	0.3770	0.0001	0.4465	-0.0005	0.5196	-0.0015
Bolivia	Bolivian Boliviano	6.9100	-	8.1853	-0.0111	9.5258	-0.0283
Brazil	Brazilian Real	5.1702	0.0048	6.1243	-0.0026	7.1273	-0.0146
Canada	Canadian Dollar	1.2635	0.0094	1.4967	0.0091	1.7418	0.0078
Chile	Chilean Peso	778.4750	7.9850	922.1453	8.2246	1073.1666	7.8502
China	Chinese Yuan	6.4605	0.0069	7.6528	-0.0022	8.9061	-0.0169
Colombia	Colombian Peso	3815.1250	15.1250	4519.2205	11.9939	5259.3407	5.2779
Costa Rica	Costa Rican Colon	624.1100	0.7500	739.2917	-0.1100	860.3667	-1.5207
Czech Republic	Czech Koruna	21.4339	0.0255	25.3895	-0.0041	29.5476	-0.0526
Denmark	Danish Krone	6.2774	0.0085	7.4359	0.0000	8.6536	-0.0140
Egypt	Egyptian Pound	15.7141	0.0394	18.6142	0.0216	21.6627	-0.0099
Hong Kong	Hong Kong Dollar	7.7740	0.0007	9.2087	-0.0116	10.7168	-0.0309
Hungary	Hungarian Forint	294.5211	1.2953	348.8760	1.0695	406.0120	0.5896
India	Indian Rupee	73.4288	0.3250	86.9803	0.2679	101.2252	0.1484
Indonesia	Indonesian Rupiah	14212.5000	-10.0000	16835.4703	-34.6500	19592.6684	-72.0482
Israel	Israeli Shekel	3.2044	0.0015	3.7957	-0.0034	4.4174	-0.0111
Japan	Japanese Yen	110.2200	0.3650	130.5615	0.2564	151.9438	0.0530
..One Month		110.2200	0.3649	130.5615	0.2565	151.9437	0.0529
..Three Month		110.2199	0.3648	130.5616	0.2567	151.9437	0.0528
..One Year		110.2196	0.3641	130.5620	0.2574	151.9437	0.0523
Kenya	Kenyan Shilling	110.0600	0.0100	130.3720	-0.1644	151.7232	-0.4372
Kuwait	Kuwaiti Dinar	0.3007	-0.0001	0.3561	-0.0005	0.4145	-0.0013
Malaysia	Malaysian Ringgit	4.1555	0.0075	4.9224	-0.0005	5.7286	-0.0067
Mexico	Mexican Peso	19.9305	0.0445	23.6087	0.0209	27.4752	-0.0201
New Zealand	New Zealand Dollar	1.4091	0.0068	1.6691	0.0058	1.9424	0.0037
Nigeria	Nigerian Naira	411.7500	-	487.7399	-0.0595	567.6179	-1.6873
Norway	Norwegian Krone	8.6862	0.0107	10.2893	-0.0012	11.9744	-0.0208
Pakistan	Pakistani Rupee	167.5000	0.3500	198.4127	0.1469	230.9071	-0.2025
Peru	Peruvian Nuevo Sol	4.1084	0.0068	4.8667	0.0015	5.6637	-0.0074
Philippines	Philippine Peso	50.0150	0.0850	59.2454	0.0207	68.9482	-0.0874
Poland	Polish Zloty	3.8110	-0.0029	4.5143	-0.0095	5.2537	-0.0196
Romania	Romanian Leu	4.1794	0.0078	4.9507	0.0026	5.7615	-0.0063
Russia	Russian Ruble	73.3138	0.2750	86.8441	0.2088	101.0667	0.0798
Saudi Arabia	Saudi Riyal	3.7505	0.0001	4.4427	-0.0059	5.1703	-0.0152
Singapore	Singapore Dollar	1.3455	0.0029	1.5938	0.0012	1.8548	-0.0016
South Africa	South African Rand	14.3094	0.0637	16.9502	0.0527	19.7262	0.0295
South Korea	South Korean Won	1157.8000	1.3500	1371.4761	-0.2532	1596.0851	-2.8780
Sweden	Swedish Krona	8.5803	0.0101	10.1638	-0.0018	11.8283	-0.0212
Switzerland	Swiss Franc	0.9185	0.0023	1.0881	0.0013	1.2663	-0.0006
Taiwan	New Taiwan Dollar	27.6120	0.0160	32.7079	-0.0252	38.0645	-0.0910
Thailand	Thai Baht	32.6325	0.1450	38.6549	0.1197	44.9855	0.0668
Tunisia	Tunisian Dinar	2.7865	-0.0054	3.3007	-0.0109	3.8413	-0.0190
Turkey	Turkish Lira	8.3410	0.0550	9.8804	0.0519	11.4985	0.0442
United Arab Emirates	UAE Dirham	3.6732	-	4.3510	-0.0059	5.0636	-0.0151
United Kingdom	Pound Sterling	0.7254	0.0021	0.8593	0.0014	-	-
..One Month		0.7254	0.0022	0.8592	0.0014	-	-
..Three Month		0.7254	0.0021	0.8591	0.0014	-	-
..One Year		0.7254	0.0021	0.8586	0.0014	-	-
United States	United States Dollar	-	-	1.1846	-0.0016	1.3785	-0.0041
..One Month		-	-	1.1845	-0.1981	1.3786	-0.0041
..Three Month		-	-	1.1843	-0.1981	1.3786	-0.0041
..One Year		-	-	1.1836	-0.1981	1.3785	-0.0041
Vietnam	Vietnamese Dong	22759.5000	-3.0000	26959.8460	-40.0352	31375.1082	-97.4618
European Union	Euro	0.8442	0.0011	-	-	1.1638	-0.0019
..One Month		0.8441	0.0011	-	-	1.1637	-0.0019
..Three Month		0.8440	0.0011	-	-	1.1636	-0.0019
..One Year		0.8433	0.0011	-	-	1.1631	-0.0019

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

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	£ Strlg Sep 07	Day's chge%	Euro Index	£ Strlg Sep 06	£ Strlg Sep 03	Year ago	Div yield%	Cover	P/E ratio	X/D adj	Total Return
FTSE 100 (102)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE 250 (250)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE 250 ex Inv Co (185)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE 350 (352)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE 350 ex Investment Trusts (285)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE 350 Higher Yield (116)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE 350 Lower Yield (236)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE SmallCap (251)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE SmallCap ex Inv Co (131)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE All-Share (603)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE All-Share ex Inv Co (416)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE All-Share ex Multinationals (534)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE Fledgling (86)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE Fledgling ex Inv Co (37)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE All-Small (337)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE All-Small ex Inv Co (168)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE AIM All-Share (725)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE All-Share Technology (21)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE All-Share Telecommunications (7)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE All-Share Health Care (14)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE All-Share Financials (252)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE All-Share Real Estate (56)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE All-Share Consumer Discretionary (90)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE All-Share Consumer Staples (27)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE All-Share Industrials (87)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
FTSE All-Share Basic Materials (25)	8329.40	0.01	7931.81	8328.39	8293.08	5982.54	6.39	2.28	6.87	357.02	10653.19
FTSE All-Share Energy (14)	5333.17	0.64	5078.60	5299.06	5369.24	4158.97	3.97	0.78	32.23	111.54	6183.07
FTSE All-Share Utilities (10)	8017.50	-0.33	7634.80	8044.09	8035.47	6586.50	4.45	1.67	13.41	236.94	11602.29
FTSE All-Share Software and Computer Services (19)	2735.52	1.48	2604.94	2695.67	2707.52	2277.64	1.08	0.71	130.07	17.54	4100.97
FTSE All-Share Technology Hardware and Equipment (2)	7878.58	-2.94	7502.51	8117.45	7086.81	4381.96	1.10	1.28	70.93	72.63	9972.04
FTSE All-Share Telecommunications Equipment (2)	703.29	0.02	669.72	703.13	700.44	676.12	1.28	2.69	29.06	5.80	984.36
FTSE All-Share Telecommunications Service Providers (5)	2969.87	0.93	2828.11	2942.48	2950.33	2350.40	4.46	0.70	32.12	64.75	3807.89
FTSE All-Share Health Care Providers (3)	8286.28	0.09	7890.74	8278.77	8314.05	5261.98	0.12	49.03	16.57	3.06	7646.45
FTSE All-Share Medical Equipment and Services (2)	6578.67	-0.28	6264.64	6597.20	6648.34	6656.53	1.95	1.06	48.31	87.94	6153.70
FTSE All-Share Pharmaceuticals and Biotechnology (9)	18249.90	1.13	17378.77	18046.13	18187.38	16760.41	3.25	0.66	46.43	255.46	14739.15
FTSE All-Share Banks (11)	2754.08	0.71	2622.62	2734.58	2752.10	1950.53	2.86	5.43	6.44	43.85	2338.09
FTSE All-Share Finance and Credit Services (8)	11439.04	1.49	10893.01	11271.00	11308.88	9093.22	1.23	1.42	56.97	126.28	15079.48
FTSE All-Share Investment Banking and Brokerage Services (32)	11058.10	0.52	10530.26	11000.46	11039.80	8442.29	3.62	2.28	12.12	244.80	14740.37
FTSE All-Share Closed End Investments (187)	14192.03	0.38	13514.59	14138.31	14169.91	10838.98	1.99	10.56	4.75	136.95	8619.32
FTSE All-Share Life Insurance (7)	8514.42	1.03	8108.00	8427.94	8417.93	6075.18	3.15	2.29	13.88	266.29	9992.87
FTSE All-Share Nonlife Insurance (7)	4051.39	0.35	3858.01	4037.39	4028.71	3112.69	3.50	1.69	16.89	125.32	8302.17
FTSE All-Share Real Estate Investment and Services (15)	3044.85	0.38	2899.51	3033.44	3031.53	2270.24	1.41	2.76	25.72	28.51	8877.69
FTSE All-Share Real Estate Investment Trusts (41)	3004.56	-0.73	2861.14	3026.63	3028.33	2234.89	2.58	-0.07	-546.36	36.52	4371.23
FTSE All-Share Automobiles and Parts (2)	4941.69	1.08	4705.81	4888.83	4934.56	2881.02	0.96	-7.85	-13.21	10.66	5103.68
FTSE All-Share Consumer Services (3)	2472.50	-0.93	2354.48	2495.73	2523.63	2185.71	0.01	-73.22	-97.38	0.13	3094.65
FTSE All-Share Household Goods and Home Construction (12)	15307.12	0.77	14576.46	15190.42	15164.00	11042.02	3.62	1.91	14.45	245.01	12603.24
FTSE All-Share Leisure Goods (2)	30556.83	1.29	29098.24	30167.94	30350.95	21581.85	1.55	2.12	30.36	328.09	32501.86
FTSE All-Share Personal Goods (5)	30302.34	1.93	28855.90	29727.81	29912.98	20597.14	1.39	1.34	53.72	419.78	23220.61
FTSE All-Share Media (11)	9747.79	1.00	9282.50	9651.26	9722.86	6812.57	1.73	1.06	54.87	158.76	6686.64
FTSE All-Share Retailers (22)	2766.87	0.22	2634.80	2760.83	2764.41	1904.47	0.92	4.41	24.55	22.49	3492.04
FTSE All-Share Travel and Leisure (33)	8441.88	0.05	8038.92	8437.80	8479.35	6213.13	0.13	-80.24	-9.29	9.68	8673.33
FTSE All-Share Beverages (6)	28015.90	0.82	26678.60	27788.62	27966.12	19841.92	2.03	1.52	32.46	353.01	21992.84
FTSE All-Share Food Producers (10)	7078.43	0.06	6740.55	7074.05	7062.74	6719.94	1.63	3.06	20.11	86.73	6660.44
FTSE All-Share Tobacco (2)	29160.94	0.98	27768.99	28878.63	28911.99	26636.70	7.97	1.45	8.67	1078.50	24982.89
FTSE All-Share Construction and Materials (15)	9145.55	-0.05	8709.00	9149.99	9130.95	6233.68	1.91	0.35	150.65	30.53	10758.11
FTSE All-Share Aerospace and Defense (9)	4571.31	0.10	4353.10	4566.74	4597.99	3387.36	2.09	8.10	5.89	60.09	5420.00
FTSE All-Share Electronic and Electrical Equipment (10)	14529.04	0.39	13835.52	14472.01	14522.69	10094.26	1.07	2.21	42.39	123.48	14100.34
FTSE All-Share General Industrials (9)	5995.00	0.76	5708.84	5949.68	5945.64	4322.56	2.55	0.94	41.66	84.43	7625.19
FTSE All-Share Industrial Engineering (5)	21143.95	0.81	20134.67	20974.67	21168.52	13503.13	0.70	3.26	43.78	121.74	27833.80
FTSE All-Share Industrial Support Services (31)	11741.64	1.60	11181.17	11556.86	11593.09	8779.82	1.42	1.56	45.18	98.07	13196.11
FTSE All-Share Industrial Transportation (8)	6758.39	0.75	6435.79	6708.36	6793.24	3166.09	1.06	2.74	34.36	61.48	6932.20
FTSE All-Share Industrial Materials (1)	20903.90	-1.65	756.23	21253.97	21403.99	16232.79	1.51	2.67	24.89	213.54	25736.85
FTSE All-Share Industrial Metals and Mining (12)	6860.77	-0.10	6533.28	6867.66	6835.86	4735.60	7.08	2.29	6.16	325.73	9840.35
FTSE All-Share Precious Metals and Mining (5)	20732.88	-0.10	19743.22	20753.47	20225.00	30223.39	4.97	1.90	10.61	761.67	13929.50
FTSE All-Share Chemicals (7)	19502.20	0.96	18571.29	19316.28	19444.32	13250.92	1.56	2.10	30.54	191.93	18993.25
FTSE All-Share Oil. Gas and Coal (14)	5175.78	0.64	4928.73	5142.68	5210.79	4036.24	3.97	0.78	32.23	108.26	6223.11
FTSE Sector Indices											
Non Financials (351)	**4975.95**	**0.56**	**4520.63**	**4948.30**	**4964.01**	**82.09**	**3.18**	**1.30**	**24.17**	**91.54**	**8644.26**

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	7169.39	7172.04	7173.02	7165.37	7166.61	7171.84	7175.00	7166.45	7156.23	7176.69	7148.30
FTSE 250	24253.92	24237.56	24228.24	24215.83	24206.02	24213.93	24176.12	24150.38	24129.24	24266.33	24097.48
FTSE SmallCap	7614.68	7617.25	7623.20	7629.39	7629.01	7626.18	7625.76	7629.60	7620.22	7630.36	7580.29
FTSE All-Share	4136.92	4137.67	4137.95	4134.21	4134.47	4137.03	4137.31	4132.64	4127.26	4139.85	4122.43

Time of FTSE 100 Day's high:07:33:45 Day's Low15:16:15 FTSE 100 2010/11 High: 7220.14(11/08/2021) Low: 6407.46(29/01/2021)
Time of FTSE All-Share Day's high:07:32:00 Day's Low15:50:00 FTSE 100 2010/11 High: 4144.51(06/09/2021) Low: 3641.93(29/01/2021)

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FT 30 INDEX

	Sep 07	Sep 06	Sep 03	Sep 02	Sep 01	Yr Ago	High	Low
FT 30	2779.60	2794.60	2777.30	2784.30	2779.10	0.00	2870.10	2450.90
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
	2794.6	2792.9	2792	2791	2791.2	2790.5	2789.6	2788.3	2787.2	2794.6	2779.4

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

FX: EFFECTIVE INDICES

	Sep 06	Sep 03	Mnth Ago		Sep 07	Sep 06	Mnth Ago
UK	81.69	81.82	82.45				

Source: Bank of England. New Sterling ERI base Jan 2005 = 100. Other indices base average 1990 = 100. Index rebased 1/2/95. for further information about ERIs see www.bankofengland.co.uk

FTSE SECTORS: LEADERS & LAGGARDS

Year to date percentage changes

Industrial Metals &	33.46	FTSE 250 Index	17.62	Banks	10.58
Tech Hardware & Eq	27.87	Aerospace & Defense	16.21	Equity Invest Instr	10.21
Technology	27.47	Basic Materials	15.77	Personal Goods	9.93
Software & Comp Serv	27.47	Life Insurance	15.43	Electricity	8.82
Chemicals	27.41	Pharmace & Biotech	14.14	Nonlife Insurance	8.81
Industrial Eng	26.38	Food & Drug Retailer	14.14	Travel & Leisure	8.15
Support Services	26.15	Oil & Gas Producers	13.98	Health Care Eq & Srv	7.76
Electronic & Elec Eq	25.41	Mining	13.81	Telecommunications	7.07
Construct & Material	25.33	General Retailers	13.78	Automobiles & Parts	4.45
Industrials	22.88	Consumer Services	13.52	Mobile Telecomms	2.06
Real Est Invest & Tr	22.06	Oil & Gas	13.33	Consumer Goods	1.67
Real Est Invest & Se	22.00	Health Care	13.01	Tobacco	0.64
FTSE SmallCap Index	21.96	NON FINANCIALS Index	12.95	Industrial Metals &	40.74
Financial Services	21.33	Gas Water & Multi	12.88	Food Producers	-1.32
Beverages	20.89	FTSE All{HY-}Share Index	12.22	Household Goods & Ho	-1.51
Media	20.57	Financials	11.61	Personal Goods	-7.20
Fixed Line Telecomms	19.93	Utilities	11.39	Oil Equipment & Serv	-22.31
Industrial Transport		FTSE 100 Index	10.66		

FTSE GLOBAL EQUITY INDEX SERIES

Sep 7 Regions & countries	No of stocks	US $ indices	Day %	Mth %	YTD %	Total retn	YTD %	Gr Div Yield
FTSE Global All Cap	9120	842.76	0.2	2.4	15.8	1316.31	17.3	1.7
FTSE Global All Cap	9121	840.06	0.2	2.4	15.4	1311.99	16.9	1.7
FTSE Global Large Cap	1739	751.57	0.2	2.4	15.0	1209.88	16.7	1.7
FTSE Global Mid Cap	2287	1074.94	0.2	2.3	17.3	1578.82	18.7	1.7
FTSE Global Small Cap	5094	1168.36	0.0	2.6	16.1	1645.68	17.3	1.4
FTSE All-World	4026	492.91	0.2	2.3	15.7	815.06	17.3	1.7
FTSE World	2623	885.38	0.2	2.2	17.0	1964.83	18.6	1.7
FTSE Global All Cap ex UNITED KINGDOM In	8833	891.89	0.2	2.4	15.9	1367.14	17.3	1.6
FTSE Global All Cap ex USA	7359	623.28	0.5	2.6	10.6	1068.33	12.6	2.2
FTSE Global All Cap ex JAPAN	7729	875.30	0.2	2.1	16.5	1380.05	18.1	1.6
FTSE Global All Cap ex Eurozone	8469	887.07	0.2	2.4	15.8	1356.31	17.3	1.6
FTSE Developed	2176	811.79	0.2	2.2	17.3	1278.18	18.8	1.6
FTSE Developed All Cap	5692	850.97	0.2	2.2	17.2	1320.45	18.7	1.6
FTSE Developed Large Cap	865	760.07	0.2	2.2	17.2	1218.22	18.8	1.6
FTSE Developed Europe Large Cap	233	452.31	0.6	1.9	15.1	865.30	17.8	2.4
FTSE Developed Europe Mid Cap	343	809.29	0.3	1.7	15.9	1348.53	18.1	2.0
FTSE Dev Europe Small Cap	706	1164.30	-0.1	3.5	20.8	1863.29	22.7	1.7
FTSE North America Large Cap	240	1000.37	0.0	2.2	20.5	1475.04	21.7	1.3
FTSE North America Mid Cap	420	1268.35	0.0	1.9	19.6	1724.75	20.8	1.4
FTSE North America Small Cap	1280	1333.67	0.0	2.5	16.6	1744.96	17.4	1.2
FTSE North America	660	651.27	0.0	2.1	20.3	981.27	21.5	1.3
FTSE Developed ex North America	1516	326.45	0.6	2.3	11.4	603.10	13.6	2.3
FTSE Japan Large Cap	174	483.05	1.2	6.3	6.5	686.05	7.7	1.9
FTSE Japan Mid Cap	333	691.01	0.9	5.5	7.2	932.07	8.6	2.1
FTSE Global wi JAPAN Small Cap	884	758.69	0.9	5.3	6.4	1060.67	7.8	2.0
FTSE Japan	507	199.45	1.1	6.1	6.6	317.19	7.8	1.9
FTSE Asia Pacific Large Cap ex Japan	913	891.45	0.6	2.0	1.9	1570.88	3.7	2.1
FTSE Asia Pacific Mid Cap ex Japan	927	1162.08	0.2	3.1	13.2	1969.12	15.3	2.3
FTSE Asia Pacific Small Cap ex Japan	1932	733.23	0.1	1.2	12.8	1211.55	14.7	2.0
FTSE Asia Pacific Ex Japan	1840	703.75	0.6	2.1	3.0	1317.61	4.8	2.2
FTSE Emerging All Cap	3428	933.12	0.6	3.3	4.9	1563.80	6.8	2.2
FTSE Emerging Large Cap	874	880.19	0.8	3.6	2.6	1483.79	4.5	2.2
FTSE Emerging Mid Cap	976	1196.20	0.2	3.5	14.2	2009.71	16.7	2.6
FTSE Emerging Small Cap	1578	973.27	0.1	1.0	14.2	1565.10	16.4	2.2
FTSE Emerging Europe	85	444.47	0.2	6.1	20.0	878.92	25.1	4.4
FTSE Latin America All Cap	250	831.46	0.7	-1.2	1.2	1466.49	4.1	3.8
FTSE Middle East and Africa All Cap	328	780.00	0.0	2.6	19.4	1375.91	21.9	2.3
FTSE Global wi UNITED KINGDOM All Cap In	287	361.60	0.3	1.0	14.1	710.18	17.2	3.2
FTSE Global wi USA All Cap	1761	1125.77	0.0	2.2	19.8	1600.87	20.9	1.3
FTSE Europe All Cap	1439	545.84	0.5	2.1	15.9	1003.01	18.4	2.3
FTSE Eurozone All Cap	651	537.61	0.6	2.2	16.0	980.84	18.2	1.9
FTSE EDHEC-Risk Efficient All-World	4026	548.09	0.1	1.9	16.1	838.07	17.8	1.9
FTSE EDHEC-Risk Efficient Developed Europe	576	429.91	0.3	1.6	15.1	730.87	17.3	2.0
Oil & Gas	132	303.83	0.1	0.3	17.7	586.33	21.5	4.1
Oil & Gas Producers	90	287.47	0.2	0.1	19.0	567.41	22.9	4.3

Sector	No of stocks	US $ indices	Day %	Mth %	YTD %	Total retn	YTD %	Gr Div Yield
Oil Equipment & Services	27	229.11	0.0	0.0	21.0	402.30	25.3	4.9
Basic Materials	365	691.34	0.0	0.0	13.3	1209.52	16.7	3.4
Chemicals	170	970.54	0.3	0.3	11.5	1658.59	13.3	2.1
Forestry & Paper	21	342.85	0.1	0.1	4.4	666.32	10.7	2.4
Industrial Metals & Mining	94	604.84	-0.2	-0.2	29.1	1074.76	33.6	4.1
Mining	80	950.31	-0.3	-0.3	7.9	1734.49	13.5	5.5
Industrials	747	616.24	0.3	0.3	17.6	960.23	19.0	1.4
Construction & Materials	147	755.04	0.1	0.1	22.6	1240.00	24.4	1.7
Aerospace & Defense	34	814.13	0.1	0.1	11.0	1248.00	12.2	1.4
General Industrials	72	290.62	0.4	0.4	14.8	498.69	16.6	1.9
Electronic & Electrical Equipment	142	808.16	0.5	0.5	20.8	1140.41	22.0	1.1
Industrial Engineering	143	1198.33	0.6	0.6	16.9	1860.10	18.3	1.5
Industrial Transportation	124	1074.54	0.2	0.2	17.2	1687.17	18.6	1.5
Support Services	85	758.56	0.4	0.4	18.0	1109.94	18.8	0.9
Consumer Goods	533	656.17	0.4	0.4	7.4	1074.62	8.8	1.9
Automobiles & Parts	125	674.23	0.6	0.6	10.1	1069.21	11.0	1.0
Beverages	67	768.80	0.4	0.4	4.0	1271.98	5.6	2.2
Food Producers	133	754.61	0.1	0.1	5.1	1266.83	7.1	2.2
Household Goods & Home Construction	60	615.47	0.1	0.1	6.8	1005.65	8.8	2.3
Leisure Goods	45	327.88	0.6	0.6	-0.7	455.88	0.1	1.2
Personal Goods	88	1161.31	0.5	0.5	10.2	1750.18	11.3	1.3
Tobacco	15	1034.26	0.1	0.1	13.9	2714.90	17.5	5.8
Health Care	324	794.71	0.2	0.2	15.8	1240.93	17.3	1.6
Health Care Equipment & Services	123	1650.62	0.2	0.2	18.6	2000.99	19.3	0.8
Pharmaceuticals & Biotechnology	201	505.83	0.3	0.3	13.8	843.99	15.9	2.1
Consumer Services	448	732.06	0.2	0.2	6.1	1032.11	6.8	0.8
Food & Drug Retailers	72	344.79	-0.1	-0.1	15.4	533.05	17.6	2.2
General Retailers	152	1311.66	0.3	0.3	3.6	1774.70	4.1	0.6
Media	83	518.22	0.2	0.2	10.4	735.12	11.1	0.7
Travel & Leisure	141	528.67	0.0	0.0	6.1	761.87	6.8	0.8
Telecommunication	88	159.12	0.5	0.5	3.3	356.75	6.3	4.0
Fixed Line Telecommunications	36	119.22	0.4	0.4	2.5	303.63	6.7	5.5
Mobile Telecommunications	52	192.33	0.6	0.6	4.5	373.82	6.4	3.2
Utilities	197	337.99	-0.2	-0.2	5.4	761.19	8.1	3.2
Electricity	137	379.60	-0.2	-0.2	5.1	842.56	7.8	3.2
Gas Water & Multiutilities	60	339.94	-0.2	-0.2	6.0	790.77	8.9	3.3
Financials	863	298.54	0.2	0.2	18.3	553.21	20.7	2.4
Banks	266	223.49	0.2	0.2	21.2	456.29	24.1	2.8
Nonlife Insurance	71	343.94	0.2	0.2	14.9	554.66	18.0	2.9
Life Insurance	54	254.77	0.7	0.7	9.6	470.34	12.7	3.2
Financial Services	212	496.98	0.2	0.2	18.3	739.73	19.6	1.4
Technology	329	651.94	0.3	0.3	25.3	841.15	26.0	0.7
Software & Computer Services	175	1085.96	0.3	0.3	29.2	1304.96	29.7	0.4
Technology Hardware & Equipment	154	514.34	0.4	0.4	20.6	710.17	21.6	1.1
Alternative Energy	15	230.84	-0.5	-0.5	-14.1	329.87	-13.6	0.5
Real Estate Investment & Services	161	359.15	-0.1	-0.1	0.1	676.17	2.2	2.7
Real Estate Investment Trusts	99	574.60	0.0	0.0	26.4	1290.86	28.8	2.7
FTSE Global Large Cap	1739	748.47	0.2	0.2	14.9	1204.58	16.5	1.7

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¤cy=USD&rtn=CAP&segment=global-developed--emerging. The trade names Fundamental Index® and RAFI® are registered trademarks and the patented and patent-pending proprietary intellectual property of Research Affiliates, LLC (US Patent Nos. 7,620,577; 7,747,502; 7,778,905; 7,792,719; Patent Pending Publ. Nos. US-2006-0149645-A1, US-2007-0055598-A1, US-2008-0288416-A1, US-2010- 0063942-A1, WO 2005/076812, WO 2007/078399 A2, WO 2008/118372, EPN 1733352, and HK1099110). "EDHEC™" is a trade mark of EDHEC Business School As of January 2nd 2006, FTSE is basing its sector indices on the Industrial Classification Benchmark - please see www.ftse.com/icb. For constituent changes and other information about FTSE, please see www.ftse.com. © FTSE International Limited. 2013. All Rights reserved. "FTSE®" is a trade mark of the London Stock Exchange Group companies and is used by FTSE International Limited under licence.

FTSE 100 SUMMARY

FTSE 100	Closing Price	Day's Change	FTSE 100	Closing Price	Day's Change
3i Group PLC	1330.5	-8.50	Just Eat Takeaway.Com N.V.	7015	-38.00
Abrdn PLC	265.40	-4.00	Kingfisher PLC	347.70	-5.00
Admiral Group PLC	3495	-15.00	Land Securities Group PLC	733.80	1.80
Anglo American PLC	3096	17.50	Legal & General Group PLC	276.60	-6.80
Antofagasta PLC	1411.5	-23.00	Lloyds Banking Group PLC	43.25	-0.53
Ashtead Group PLC	5802	14.00	London Stock Exchange Group PLC	8200	-2.00
Associated British Foods PLC	1958.5	-3.00	M&G PLC	201.70	-1.90
Astrazeneca PLC	8470	-175.00	Melrose Industries PLC	189.40	-1.40
Auto Trader Group PLC	640.60	-2.20	Mondi PLC	2063	13.00
Avast PLC	592.60	0.60	National Grid PLC	930.50	-5.90
Aveva Group PLC	4204	-16.00	Natwest Group PLC	213.60	-1.60
Aviva PLC	411.70	-4.00	Next PLC	7944	20.00
B&M European Value Retail S.A.	540.60	-8.80	Ocado Group PLC	1965	52.00
Bae Systems PLC	556.80	-7.60	Pearson PLC	760.00	-6.80
Barclays PLC	185.38	-0.22	Pershing Square Holdings Ltd	2545	-20.00
Barratt Developments PLC	708.60	-30.40	Persimmon PLC	2831	-109.00
Berkeley Group Holdings (The) PLC	4658	-182.00	Phoenix Group Holdings PLC	636.80	6.80
Bhp Group Plc	2111.5	-6.50	Polymetal International PLC	1440	-28.50
Bp PLC	298.40	-0.25	Prudential PLC	1552.5	-1.00
British American Tobacco PLC	2722.5	-15.50	Reckitt Benckiser Group PLC	5844	124.00
British Land Company PLC	536.60	-0.40	Relx PLC	2205	-8.00
Bt Group PLC	164.65	-0.15	Rentokil Initial PLC	583.40	-9.40
Bunzl PLC	2673	18.00	Rightmove PLC	740.40	8.80
Burberry Group PLC	1941.5	6.50	Rio Tinto PLC	5360	23.00
Coca-Cola Hbc AG	2589	-46.00	Rolls-Royce Holdings PLC	110.88	-1.16
Compass Group PLC	1478	-4.50	Royal Dutch Shell PLC	1440.6	-0.80
Crh PLC	3784	-40.00	Royal Dutch Shell PLC	1442.2	-1.00
Croda International PLC	9168	-136.00	Royal Mail PLC	495.50	0.50
Dcc PLC	6400	2.00	Sage Group PLC	752.40	-4.20
Diageo PLC	3516	-45.50	Sainsbury (J) PLC	301.30	-2.20
Entain PLC	1949.5	1.00	Schroders PLC	3821	-13.00
Evraz PLC	597.80	-5.60	Scottish Mortgage Investment Trust PLC	1402	7.50
Experian PLC	3292	-21.00	Segro PLC	1285	-1.50
Ferguson PLC	10700	-65.00	Severn Trent PLC	2806	-7.00
Flutter Entertainment PLC	14780	180.00	Smith & Nephew PLC	1383.5	-12.00
Fresnillo PLC	848.40	-9.60	Smith (Ds) PLC	462.30	12.60
Glaxosmithkline PLC	1470.8	-17.40	Smiths Group PLC	1422.5	-32.50
Glencore PLC	337.60	-0.60	Smurfit Kappa Group PLC	4305	29.00
Halma PLC	3036	-21.00	Spirax-Sarco Engineering PLC	16485	-115.00
Hargreaves Lansdown PLC	1485	-14.50	Sse PLC	1630	-20.50
Hikma Pharmaceuticals PLC	2576	-27.00	St. James's Place PLC	1663	-29.00
HSBC Holdings PLC	382.50	-4.75	Standard Chartered PLC	459.10	-0.20
Imperial Brands PLC	1552	-17.50	Taylor Wimpey PLC	176.05	-1.85
Informa PLC	549.40	-5.20	Tesco PLC	258.40	1.00
Intercontinental Hotels Group PLC	4563	-44.00	Unilever PLC	3989	-13.00
Intermediate Capital Group PLC	2264	-35.00	United Utilities Group PLC	1056	-5.00
International Consolidated Airlines Group S.A.	154.86	-1.56	Vodafone Group PLC	122.28	0.68
Intertek Group PLC	5374	-52.00	Weir Group PLC	1723	-43.50
Itv PLC	116.60	-0.45	Whitbread PLC	3260	76.00
Jd Sports Fashion PLC	1041.5	-7.50	Wpp PLC	995.20	-10.30
Johnson Matthey PLC	2901	-36.00			

UK STOCK MARKET TRADING DATA

	Sep 07	Sep 06	Sep 03	Sep 02	Sep 01	Yr Ago
Order Book Turnover (m)	297.14	568.32	568.32	568.32	330.08	36.38
Order Book Bargains	719469.00	792467.00	792467.00	792467.00	786263.00	897996.00
Order Book Shares Traded (m)	975.00	1073.00	1073.00	1073.00	1037.00	1050.00
Total Equity Turnover (£m)	4880.60	6609.47	6609.47	6609.47	5677.47	4756.71
Total Mkt Bargains	968224.00	1016525.00	1016525.00	1016525.00	1032210.00	1176922.00
Total Shares Traded (m)	5421.00	5681.00	5681.00	5681.00	5934.00	7129.00

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

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

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

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

UK COMPANY RESULTS

Company		Turnover		Pre-tax		EPS(p)		Div(p)		Pay day	Total	
Altitude Group	Pre	**7.707**	8.308	**1.323L**	2.666L	**0.000**	0.000	**0.00000**	0.00000	-	**0.000**	0.000
Alumasc Group	Pre	**90.465**	75.992	**9.801**	2.359	**21.200**	6.300	**6.25000**	2.00000	Oct 29	**9.500**	2.000
Bango	Int	**7.129**	4.770	**0.450L**	0.668L	**0.510L**	4.940	**0.00000**	0.00000	-	**0.000**	0.000
Cairn Energy	Int	**0.500**	0.200	**87.400L**	83.800L	**0.201L**	0.656L	**0.00000**	0.00000	-	**0.000**	0.000
Concurrent Technologies	Int	**9.316**	9.191	**1.592**	1.221	**2.090**	1.620	**1.15000**	1.10000	Oct 1	**2.600**	2.542
Fisher (James) & Sons	Int	**233.700**	258.100	**8.100**	7.100	**26.800**	9.900	**0.00000**	8.00000	-	**0.000**	8.000
Flowtech Fluidpower	Int	**55.294**	46.567	**2.292**	0.929L	**3.020**	1.370L	**0.00000**	0.00000	-	**0.000**	0.000
Gamma Communications	Int	**217.400**	177.300	**32.400**	26.200	**27.400**	22.300	**4.40000**	3.90000	Oct 21	**12.200**	10.862
GRC International Group	Pre	**11.760**	14.146	**2.835L**	3.651L	**2.580L**	4.670L	**0.00000**	0.00000	-	**0.000**	0.000
IQE	Int	**79.544**	89.862	**3.001L**	6.160L	**0.340L**	0.660L	**0.00000**	0.00000	-	**0.000**	0.000
Lloyds Banking Group	Int	**16529.000**	12537.000	**3251.000L**	1296.000	**3.400L**	0.900	**0.00000**	0.00000	-	**0.000**	0.000
Luceco	Int	**108.200**	71.600	**16.600**	8.400	**8.700**	4.400	**2.60000**	3.20000	Oct 22	**7.300**	3.200
Maintel Holdings	Int	**53.469**	53.395	**3.817**	0.799L	**27.000**	6.400L	**0.00000**	0.00000	-	**0.000**	0.000
Vistry Group	Int	**1102.703**	606.375	**156.213**	12.238L	**54.800**	5.300L	**20.00000**	0.00000	Nov 19	**40.000**	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)
08/25	4.00		CRES	Citius Resources PLC	5.13	0.38	5.10	4.75	221.7
08/18	25.00	AIM	LIKE	Likewise Group PLC	37.00	1.50	37.00	25.00	7117.8
08/11	20.00	AIM	BVX	BiVictriX Therapeutics PLC	20.00	0.50	29.25	19.00	1322.3
07/30	100.00		HGEN	HydrogenOne Capital Growth PLC	115.50	1.50	117.81	99.18	12398.9
07/28	200.00	AIM	BIG	Big Technologies PLC	355.75	14.00	385.00	250.00	102625.0

§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

Stock	Price	Day Chg	52 Week High	52 Week Low	Yld	P/E	MCap m
Australia (A$)							
ANZ	28.08	-0.03	29.64	16.40	2.20	16.47	59040
BHPBilltn	42.04	-0.15	54.55	33.73	3.90	22.39	91601.59
CmwBkAu	102.14	-0.02	109.03	62.64	3.07	26.38	133830.29
CSL	310.25	4.45	320.42	242.00	0.86	38.87	104387.34
NatAusBk	28.67	-0.19	28.88	16.56	2.16	18.24	69652.18
Telstra	3.92	0.02	4.03	2.66	2.69	24.97	34432.64
Wesfarmers	57.44	-0.40	67.20	43.50	2.79	32.74	48100.28
Westpc	26.03	0.04	27.12	16.00	1.23	21.61	70526.92
Woolworths	40.54	-0.19	42.66	30.48	2.44	34.32	37954.7
Belgium (€)							
AnBshInBv	50.21	-0.04	65.86	43.87	1.02	20.91	100708
KBC Grp	72.34	0.24	72.68	40.88	-	15.56	35706.8
Brazil (R$)							
Ambev	17.19	0.63	19.86	12.04	2.61	23.08	52338.13
Bradesco	19.38	0.19	24.57	16.11	2.73	12.42	18257.07
Cielo	2.63	0.04	4.88	2.54	2.14	13.84	1382.02
ItauHldFin	28.09	0.61	30.15	21.10	2.17	15.90	26938.94
Petrobras	27.37	0.07	32.34	17.74	0.88	6.31	39399.24
Vale	97.06	-1.55	120.45	57.06	8.71	5.74	99206.24
Canada (C$)							
Bausch Hlth	36.69	-0.04	43.97	19.88	-	-10.16	10407.23
BCE	66.22	0.49	66.54	52.52	5.12	26.58	47480.06
BkMontrl	128.50	0.77	132.35	75.92	3.28	15.76	65889.66
BkNvaS	78.25	0.13	82.35	53.54	4.70	12.34	75244.38
Brookfield	71.41	0.20	72.52	38.77	0.87	66.55	92628.91
CanadPcR	89.60	-0.99	100.00	74.66	0.86	18.24	47288.76
CanImp	146.05	0.48	152.84	96.42	4.09	12.04	51986.43
CanNatRs	43.57	-0.25	46.36	19.77	3.90	-117.74	40907.69
CanNatRy	155.96	-3.06	161.15	125.00	1.55	27.16	87508.54
Enbridge	50.51	0.39	50.62	35.80	6.63	16.53	80973.13
GtWesLif	38.54	-0.17	39.73	25.17	4.55	12.15	28354.65
ImpOil	33.99	-0.33	42.36	14.86	2.59	-13.43	18873.78
Manulife	24.63	0.21	27.68	17.58	4.55	8.40	37858.81
Nutrien	78.20	1.60	80.82	48.30	2.93	75.77	35345.72
RylBkC	130.09	0.61	134.23	90.75	3.40	12.93	146717.26
Suncor En	23.49	0.02	31.38	14.28	3.64	23.07	27569.88
ThmReut	149.23	0.42	151.64	98.68	1.31	9.81	58564.19
TntoDom	82.98	0.53	89.12	57.44	3.89	10.44	119693.29
TrnCan	61.10	0.53	65.44	50.61	5.60	28.99	47351.85
China (HK$)							
AgricBkCh	2.72	0.03	3.30	2.38	7.94	3.89	10755.21
Bk China	2.77	0.01	3.17	2.33	8.19	3.77	29796.29
BkofComm	4.61	0.02	5.26	3.66	8.11	3.74	20762.38
BOE Tech	1.12	0.02	1.13	0.55	-	-11.42	28.66
Ch Coms Cons	4.58	-0.04	4.70	3.21	6.03	3.79	2603.15
Ch Evrbrght	2.89	0.01	3.54	2.40	8.75	4.00	4713.32
Ch Rail Cons	5.83	0.06	6.03	4.07	4.23	3.15	1557.1
Ch Rail Gp	4.50	0.01	4.51	3.33	4.41	3.55	2435.49
ChConstBk	5.71	-0.01	6.74	4.93	6.64	4.50	176586.52
China Vanke	21.35	-0.10	35.00	19.20	5.61	4.98	5221.32
ChinaCitic	3.67	0.01	4.29	2.93	7.77	3.52	7025.72
ChinaLife	13.54	0.04	19.20	12.56	6.48	6.38	12960.37
ChinaMBank	67.05	2.00	72.45	35.60	2.12	14.29	39596.34
ChinaMob	49.45	0.35	59.20	39.00	7.14	7.83	130244.34
ChinaPcIns	24.45	-0.10	42.75	20.85	5.87	7.97	8728.65
ChMinsheng	3.38	0.03	5.01	3.14	12.99	4.26	3617.58
ChMrchSecs	19.63	0.25	28.18	16.01	1.68	17.49	22551.47
Chna Utd Coms	4.33	0.07	5.14	4.01	1.37	23.39	20613.36
ChShenEgy	18.10	0.32	18.32	12.96	8.32	7.41	7863.76
ChShpbldng	4.62	0.22	4.75	3.78	-	-293.07	15792.35
ChStConEng	5.20	0.05	5.61	4.38	3.50	4.55	32714.42
ChUncHK	4.18	0.02	6.12	3.95	4.23	8.16	16452.31
CNNC Intl	5.89	-0.01	5.95	4.35	2.04	14.99	15506.26
CSR	3.92	-	4.22	2.53	4.54	8.07	2204.11
Daqin	6.30	0.06	7.11	5.80	7.50	8.53	14497.58
GuosenSec	12.39	-0.23	15.00	10.32	1.59	17.47	16928.74
HaitongSecs	7.59	0.10	7.93	6.31	4.36	6.54	3328.9
Hngzh HikVDT	52.92	-0.51	70.48	35.25	1.51	32.22	66701.26
Hunng Pwr	4.32	-0.15	4.91	2.44	4.98	-51.42	2612
IM Baotou Stl	3.75	0.17	4.14	1.12	-	144.20	18387.04
In&CmBkCh	4.46	-	5.75	3.96	6.99	4.38	49794.61
IndstrlBk	19.90	0.54	28.07	15.90	3.77	6.28	60420.07
Kweichow	1669	-1.67	2627.88	1525.5	1.15	43.10	324525.11
Midea	0.62	-	0.85	0.52	-	-3.90	24.01
New Ch Life Ins	24.15	0.10	35.35	20.55	6.85	3.99	3212.48
PetroChina	3.54	0.02	3.96	2.16	4.43	28.80	9607.81
PingAnIns	61.25	0.50	103.60	57.65	4.06	6.37	58678.57
PngAnBnk	19.24	0.79	25.31	14.76	-	13.76	57792.28
Pwr Cons Corp	8.09	0.74	8.09	3.57	0.48	16.15	13955.35
SaicMtr	20.94	0.99	28.80	18.03	4.14	9.46	37868.9
ShenwanHong	0.06	0.01	0.10	0.04	-	-6.51	67.62
ShgPdgBk	9.34	0.13	11.24	8.92	6.33	5.36	42434.71
Sinopec Corp	3.96	0.05	4.69	2.95	5.73	5.74	12996.29
Sinopec Oil	2.41	0.08	2.43	1.74	-	102.11	5061.92
Denmark (kr)							
DanskeBk	107.10	-0.45	125.60	80.28	1.87	9.60	14710.02
MollerMrsk	19500	280.00	19720	9130	0.72	21.24	27671.25
NovoB	637.20	0.20	684.50	406.90	1.40	34.00	179929.07
Finland (€)							
Nokia	5.13	0.02	5.38	2.70	-	-15.27	34461.51
SampoA	43.87	-0.08	44.30	31.73	3.39	70.24	28797.25
France (€)							
Airbus Grp	114.10	-1.78	121.00	57.87	-	-29.74	106236.65
AirLiquide	150.50	-1.32	153.26	123.60	1.83	27.54	84457.66
AXA	23.65	-0.12	24.45	13.34	6.04	10.20	67764.89
BNP Paribas	54.33	0.21	57.92	28.79	2.04	8.80	80433.02
ChristianDior	665.50	2.00	728.00	345.40	0.90	30.90	142297.74
Cred Agr	12.24	0.03	13.49	6.51	-	13.36	44845.63
Danone	60.22	-1.54	65.30	46.03	3.63	19.33	49051.98
EDF	10.81	-0.11	13.58	8.06	1.94	6.81	40436.1
Engie SA	11.89	-0.17	13.87	10.10	-	-15.07	34293.61
EssilorLuxottica	169.14	0.04	170.88	103.05	0.71	854.58	88510.1
Hermes Intl	1294.5	17.00	1354.5	719.40	0.35	61.12	161880.6
LOreal	393.05	-3.30	406.25	269.30	1.02	59.51	259645.68
LVMH	653.00	4.30	716.60	390.70	0.92	34.82	390436.56
Orange	9.51	-0.02	10.87	8.63	7.35	28.86	29978.41
PernodRic	185.50	-0.35	190.60	131.65	1.49	169.20	57543.36
Renault	29.74	-0.42	41.42	20.37	-	-0.97	10416.14
Safran	102.86	-1.36	127.74	80.64	-	123.43	52056.11
Sanofi	86.95	-0.85	91.14	74.92	3.68	18.91	130129.71
Sant Gbn	61.06	-0.14	64.93	31.23	2.18	14.94	38519.31
Schneider	154.40	-0.22	155.38	100.65	1.68	29.70	104073.4
SocGen	26.84	0.17	27.72	10.77	2.05	7.63	27126.54
Total	39.69	0.07	42.19	24.57	-	28.53	124408.73
UnibailR	70.24	0.11	85.65	29.08	-	-2.37	11531.48
Vinci	90.80	-0.18	96.95	64.86	2.24	23.19	64280.94
Vivendi	33.00	-0.41	33.48	23.06	1.82	31.46	43331.83
Germany (€)							
Allianz	197.70	-0.74	223.50	148.60	4.81	10.39	96553.37
BASF	65.25	-0.05	72.88	45.92	5.05	30.81	70991.16
Bayer	47.39	-0.36	57.73	39.91	4.22	-6.16	55149.35
BMW	80.47	0.62	96.39	57.25	3.24	13.48	57382.79
Continental	110.26	0.66	132.68	84.34	2.83	-22.01	26122.55
Daimler	70.38	0.29	80.41	43.09	3.51	5.62	89191.14
Deut Bank	10.87	0.11	12.56	6.75	-	17.40	26607.08
Deut Tlkm	17.91	0.01	18.92	12.59	6.64	20.30	101038.58
DeutsPost	59.54	-0.06	61.38	37.29	2.01	24.22	87388.77
E.ON	11.01	-0.09	11.43	8.27	4.35	25.77	34441.63
Fresenius Med	65.78	0.20	75.08	55.18	3.86	19.31	22820.92
Fresenius SE	43.35	-0.42	47.60	31.03	3.96	13.91	23223.32
HenkelKgaA	75.05	0.65	86.50	73.35	2.54	22.31	23096.04
Linde	265.35	-5.90	271.55	183.15	1.28	50.56	162319.05
MuenchRkv	241.20	-0.70	269.30	194.10	4.03	21.53	40028.27
SAP	126.68	-0.98	138.48	89.93	1.46	25.56	184348.4
Siemens	146.08	-0.72	147.58	98.50	2.78	27.12	147083.63
Volkswgn	287.40	-1.00	357.40	131.80	1.67	8.18	100460.57
Hong Kong (HK$)							
AIA	94.95	0.15	109.30	73.05	1.37	25.23	147746.75
BOC Hold	23.75	0.25	29.55	20.05	6.13	9.38	32300.58
Ch OSLnd&Inv	17.82	-0.22	21.95	14.57	6.17	3.73	25088.47
ChngKng	47.90	-0.50	56.05	35.65	4.05	10.72	22450.31
Citic Ltd	9.72	-0.11	10.10	5.20	4.00	4.93	36372.43
Citic Secs	21.10	0.30	22.00	15.22	2.81	14.36	61183.82
CK Hutchison	55.05	-1.00	65.80	45.80	5.35	7.20	27221.44
CNOOC	7.81	0.04	10.60	6.50	9.09	11.63	44854.62
HangSeng	138.10	-2.00	166.70	110.60	4.91	16.34	33962.85
HK Exc&Clr	503.00	5.00	587.00	353.60	1.35	54.73	82033.2
MTR	43.75	-	49.00	37.65	2.84	-55.47	34798.05
SandsCh	26.30	0.60	40.55	21.70	3.80	-17.82	27379.99
SHK Props	108.60	-0.20	126.00	96.30	4.61	14.34	40481.2
Tencent	515.50	10.50	775.50	412.00	0.25	23.59	636566.73
India (Rs)							
Bhartiartl	670.55	15.95	680.50	394.00	0.30	-21.77	50153.08
HDFC Bk	1569.25	3.65	1641	1025	0.41	26.22	118321.39
Hind Unilevr	2777.7	-2.90	2825	2000.05	1.44	80.81	88881.54
HsngDevFin	2837	71.70	2896	1623	1.53	25.80	69803.03
ICICI Bk	716.90	-4.25	734.80	333.75	-	25.26	67667.45
Infosys	1706.65	-23.75	1757	924.80	1.58	35.83	99041.59
ITC	211.75	2.45	239.20	163.55	5.00	18.68	35515.06
L&T	1681.7	-12.50	1718	863.50	0.47	56.79	32167.79
OilNatGas	119.95	-1.70	128.50	64.10	1.46	9.25	20550.64
RelianceInd	2440.9	15.30	2480	1830	0.28	33.82	224784.24
SBI New	429.10	-1.95	467.45	175.50	-	17.03	52153.29
SunPhrmInds	769.90	-14.35	804.35	452.25	0.53	75.59	25157.01
Tata Cons	3815.9	-36.10	3877.6	2302.6	0.85	41.90	192230.01
Israel (ILS)							
TevaPha	30.25	0.21	43.90	27.38	-	-2.64	10418.55
Italy (€)							
Enel	7.59	-0.13	9.05	6.73	4.48	29.45	91406.18
ENI	10.58	0.00	10.83	5.73	5.41	-4.20	45195.92
Generali	17.54	-	17.92	11.18	2.97	13.91	32840.61
IntSPaolo	2.38	-0.02	2.49	1.38	-	18.69	54859.58
Unicred	10.91	-0.08	11.04	6.09	-	39.75	28913.21
Japan (¥)							
AstellasPh	1921	14.50	2025	0.00	2.18	29.70	32448.68
Bridgestne	5320	85.00	5324	3301	2.06	186.71	34448.14
Canon	2655.5	6.50	2742	0.00	3.00	26.34	32133.99
CntJpRwy	16120	445.00	18455	0.00	0.80	-15.77	30128.11
Denso	8058	123.00	8158	0.00	1.73	50.10	57605.34
EastJpRwy	7131	213.00	8626	0.00	1.40	-4.67	24451.43
Fanuc	26120	90.00	29700	0.00	0.79	64.47	47848.61
FastRetail	75950	-670.00	110500	0.00	0.62	52.63	73092.85
Fuji Hvy Ind	2071.5	8.00	2329	1898.5	2.69	20.83	14456.07
Hitachi	6563	-44.00	6853	0.00	1.59	12.68	57653.11
HondaMtr	3431	49.00	3677	0.00	2.18	9.04	56387.32
JapanTob	2191.5	11.50	2227.5	0.00	6.42	10.82	39765.92
KDDI	3735	66.00	3767	2604	3.46	12.12	78081.2
Keyence	72660	3400	72880	43600	0.27	77.87	160329.07
MitsbCp	3447	10.00	3464	0.00	3.87	29.67	46464.24
MitsubEst	1793.5	1.50	2047.5	0.00	1.39	17.76	22642.14
MitsubishiEle	1547.5	12.00	1817	0.00	2.50	18.15	30146.92
MitsuiFud	2696	9.50	2816.5	1720.5	1.63	20.14	23615.85
MitUFJFin	619.10	4.60	660.30	404.80	4.50	15.35	76289.39
Mizuho Fin	1607	20.00	1732.5	1256	2.56	7.03	37022.09
Murata Mfg	10300	537.00	10835	0.00	1.10	39.88	63152.28
Nippon T&T	3244	23.00	3257	2127	3.07	13.12	114808.22
NipponTT	3244	23.00	3257	2127	3.07	13.12	114808.22
Nissan Mt	574.70	2.50	664.50	359.70	-	-46.73	22007.32
Nomura	575.90	-5.00	721.00	463.30	4.67	6.02	16895.36
Nppn Stl	2311.5	-2.00	2354.5	0.00	0.43	-65.85	19929.85
Panasonic	1412	37.50	1520	856.60	1.41	20.03	31435.84
Seven & I	5069	117.00	5340	3138	1.90	21.99	40767.32
ShnEtsuCh	19835	360.00	20060	13450	1.26	28.18	74981.92
Softbank	6943	623.00	10695	5432	0.68	15.96	108532.65
Sony	11985	35.00	12545	0.00	0.46	12.84	137123.84
SumitomoF	3929	33.00	4354	2852.5	5.34	196.42	48991.73
Takeda Ph	3778	51.00	4365	3239	5.13	30.57	54234.71
TokioMarine	5664	80.00	5746	4580	3.52	24.50	35843.22
Toyota	10005	43.00	10330	0.00	2.37	14.35	296192.07
Mexico (Mex$)							
AmerMvl	19.01	-0.08	19.90	12.71	2.00	12.46	43030.86
FEMSA UBD	169.14	-3.93	178.00	112.72	3.04	62.02	18340.81
WalMrtMex	70.32	-0.28	73.43	49.81	0.85	29.52	61608.37
Netherlands (€)							
ASML Hld	730.20	-10.70	743.50	289.20	0.38	63.67	357513.59
Heineken	90.88	-1.16	103.80	74.26	0.77	46.41	62007.96
ING	11.81	0.02	11.93	5.65	1.02	9.24	54615.72
Unilever	46.44	-0.20	53.66	43.00	2.34	26.26	166000.2
Norway (Kr)							
DNB	190.90	-1.20	198.45	125.30	-	13.53	34072.98
Equinor	200.45	0.73	201.45	116.30	1.77	-96.36	75177.11
Telenor	152.15	-1.80	161.45	139.00	6.16	11.91	24513.31
Qatar (QR)							
QatarNtBk	18.99	0.02	19.60	16.35	2.37	15.42	48164.93
Russia (RUB)							
Gzprm neft	330.00	9.19	13230.22	2.25	-	-	106559.22
Lukoil	6290.95	-5.13	6983.62	3718.45	-	-	59453.85
MmcNrlskNckl	24436.36	-164.00	28011.97	343.80	-	-	52745.12
Novatek	1949.61	98.71	13307.81	953.54	-	-	80743.54
Rosneft	549.00	-2.81	39143.78	133.30	-	-	79362.97
Sberbank	329.90	-	568.52	2.82	-	-	97136.52
Surgutneftegas	33.77	-	43.50	29.80	-	-	16453.61
Saudi Arabia (SR)							
AlRajhiBnk	122.00	1.40	123.00	64.00	0.82	26.35	81324.65
Natnlcombnk	61.80	0.70	61.80	36.70	-	15.98	49434.72
SaudiBasic	122.80	0.40	128.20	86.90	3.05	6072.18	98229.51
SaudiTelec	136.00	1.40	139.80	97.20	2.95	24.59	72525.6
Singapore (S$)							
DBS	30.41	0.02	31.74	19.62	3.95	14.18	58043.79
JardnMt US$	56.38	1.07	68.88	38.28	3.04	84.33	40687.09
OCBC	11.70	-	12.77	8.36	3.75	11.97	39209.29
SingTel	2.38	-	2.63	2.00	4.44	70.39	29209.96
UOB	25.80	-0.02	27.01	18.85	3.74	14.96	32154.42
South Africa (R)							
Firstrand	60.72	-0.33	63.54	35.95	2.36	24.46	23803.08
MTN Grp	127.86	-1.92	136.10	52.65	2.73	13.90	16836.69
Naspers N	2672.19	34.55	3888	1262.66	0.20	15.52	81329.07
South Korea (KRW)							
HyundMobis	279000	-1000.00	405000	214000	1.47	14.25	22842.7
KoreaElePwr	23800	-150.00	30050	19700	5.22	7.28	13196.36
SK Hynix	104500	-1500.00	150500	76300	1.14	13.68	65707.59
SmsungEl	76100	-1200.00	96800	56000	4.03	17.87	392382.52
Spain (€)							
BBVA	5.59	0.03	5.93	2.13	1.05	11.20	44176.15
BcoSantdr	3.14	0.03	3.51	1.44	-	-6.76	64406.09
CaixaBnk	2.70	0.05	2.90	1.52	0.99	3.52	25742.16
Iberdrola	10.38	-0.04	12.57	10.01	3.85	20.78	78275.25
Inditex	29.75	-	32.85	20.86	1.94	47.35	109832.25
Repsol	9.62	0.02	11.55	5.04	6.11	37.04	17405.29
Telefonica	4.21	0.06	4.32	2.71	9.31	2.58	28106.77
Sweden (SKr)							
AtlasCpcoB	496.80	-7.20	518.00	336.00	1.44	36.68	22593.84
Ericsson	103.38	0.56	121.80	93.42	1.69	17.41	37018.07
H & M	175.32	-1.44	229.50	138.20	-	48.13	29845.87
Investor	204.90	-3.40	221.60	132.35	1.22	1.99	43508.61
Nordea Bk	105.62	-1.50	107.66	64.57	0.67	12.69	49853.53
SEB	120.65	-0.05	120.95	75.56	3.40	11.68	30513.42
SvnskaHn	99.44	-0.86	102.00	71.70	4.13	11.71	22538.82
Swedbank	169.84	-1.56	172.22	136.26	4.27	9.38	22407.26
Telia Co	37.26	0.01	39.97	33.45	5.11	-11.70	17759.35
Volvo	194.62	1.32	240.80	164.05	3.09	12.10	36030.05
Switzerland (SFr)							
ABB	34.03	-0.49	34.79	21.85	2.29	84.37	76064.05
CredSuisse	9.76	-0.01	13.50	8.50	2.77	22.76	27113.94
Nestle	115.64	-0.12	117.44	95.00	2.36	26.75	362700.82
Novartis	82.60	-1.03	86.92	70.42	3.68	22.81	221848.82
Richemont	105.50	2.50	119.00	56.20	0.95	42.60	59954.27
Roche	362.45	-5.15	374.70	290.55	2.49	22.49	277223.72
Swiss Re	82.86	-0.02	94.96	62.22	7.18	20.78	28640.6
Swisscom	537.20	-0.20	562.40	456.30	7.99	16.09	30295.58
UBS	15.45	0.03	15.81	9.65	4.36	8.22	62254.54
Zurich Fin	399.10	-5.10	411.30	297.80	4.84	16.86	65373.31
Taiwan (NT$)							
Chunghwa Telecom	111.00	-	118.50	106.50	3.68	26.33	31184.86
Formosa PetChem	96.30	-0.70	117.50	78.00	2.98	124.57	33222.83
HonHaiPrc	108.50	-1.50	134.50	74.10	3.74	12.26	54473.93
MediaTek	903.00	2.00	1185	581.00	1.12	24.41	52283.64
TaiwanSem	623.00	-12.00	679.00	421.00	1.55	31.31	585058.1
Thailand (THB)							
PTT Explor	37.50	-0.50	45.00	30.50	2.78	14.26	32823.45
United Arab Emirates (Dhs)							
Emirtestele	22.64	-0.30	25.40	16.50	2.43	21.34	53603.75
United Kingdom (p)							
AscBrFd	1958.5	-3.00	2528	1618	-	38.71	21374.33
AstraZen	8470	-175.00	8848	6499.8	2.43	40.77	147874.58
Aviva	411.70	-4.00	429.60	247.40	3.16	8.61	22777.11
Barclays	185.38	-0.22	217.63	88.90	0.54	9.39	43607.47
BP	298.40	-0.05	361.71	188.52	5.07	9.64	81986.55
BrAmTob	2722.5	-15.50	2961.5	207.50	7.78	10.09	69974.72
BT	164.65	-0.15	206.70	95.40	-	11.28	22520.53
Compass	1478	-4.50	1721.63	18.06	-	-63.98	33508.47
Diageo	3516	-45.50	3641	2462.08	1.99	72.49	122020.1
GlaxoSmh	1470.8	-17.40	1548.08	1190.8	5.44	14.12	99713.02
Glencore	337.60	-0.60	341.95	3.40	-	-32.96	67132.46
HSBC	382.50	-4.75	462.55	281.50	2.81	11.74	105723.35
Imperial Brands	1552	-17.50	1686	1142	11.97	9.82	20405.29
LlydsBkg	43.25	-0.53	50.56	23.59	-	17.30	42969.7
Natl Grid	930.50	-5.90	983.70	805.40	5.27	20.10	43056.08
Natwest Group	213.60	-1.60	222.30	90.54	1.40	14.15	35234.81
Prudential	1552.5	-1.00	1598.5	861.00	1.48	26.01	55373.02
ReckittB	5844	124.00	7972	5050	2.99	-25.29	56732.47
RELX	2205	-8.00	2220	1484.9	2.13	31.86	58799.44
RioTinto	5360	23.00	6876.26	4252.5	6.28	6.43	99102.91
RollsRoyce	110.88	-1.16	137.45	34.59	-	-2.09	2842.84
RylDShlA	1442.2	-1.00	1718.36	878.10	3.27	-9.67	91397.68
StandCh	459.10	-0.20	533.20	334.25	1.42	22.95	20865.07
Tesco	258.40	1.00	317.55	2.74	4.76	34.27	29166.04
Vodafone	122.28	0.68	157.52	1.56	6.27	377.41	44963.76
WPP	995.20	-10.30	1024.46	11.00	1.00	-4.09	17370.19
United States of America ($)							
21stC Fox A	36.79	-0.10	44.80	24.94	1.26	14.31	11898.04
3M	187.84	-6.56	208.95	156.13	3.13	18.62	108688.52
AbbottLb	127.81	-1.13	129.40	100.34	1.20	40.10	226583.79
Abbvie	108.44	-3.18	121.53	79.11	4.56	29.37	191640.82
Accenture	341.50	-1.83	344.43	210.42	0.98	39.35	227586.41
Adobe	663.51	-3.08	673.88	420.78	-	59.34	316096.16
AEP	88.81	-1.60	94.21	74.80	3.28	18.98	44427.32
Aetna	-	-	-	-	-	-	-
Aflac	55.42	-0.29	57.64	33.37	2.20	6.72	37172.49
AirProd	267.15	-1.13	327.89	245.75	2.06	31.68	59137.57
Alexion	182.50	3.05	187.45	99.91	-	59.43	40336.01
Allstate	132.40	-1.57	140.00	86.51	1.65	7.58	39148.22
Alphabet	2884	9.21	2925.08	1402.15	-	38.47	868328.06
Altria	50.75	-0.22	52.59	35.83	6.76	20.76	93586.95
Amazon	3519.62	41.57	3773.08	2871	-	61.41	1782478.18
AmerAir	19.39	0.02	26.09	10.63	-	-1.90	12554.21
AmerExpr	159.78	0.48	179.67	89.11	1.07	18.62	126934.52
AmerIntGrp	55.03	-0.07	55.78	25.57	2.35	-7.93	47061.79
AmerTower	297.59	-4.42	302.30	197.50	1.63	60.12	135445.49
Amgen	220.76	-5.61	276.69	210.28	2.97	18.31	125359.09
Anthem	374.83	-3.90	406.00	244.10	1.11	21.99	91389.36
Aon Cp	288.34	-3.09	292.16	179.52	0.65	31.72	65091.93
Apple	155.81	1.51	156.24	103.10	0.53	34.89	2575565.16
Aptiv	150.23	0.30	170.47	82.12	0.15	22.37	40638.35
ArcherDan	59.35	-0.86	69.30	44.58	2.46	14.50	33156.18
AT&T	27.39	-0.17	33.88	26.35	7.59	-80.62	195547.46
AutomData	202.38	-5.00	217.15	127.31	1.82	35.16	85623.04
Avago Tech	493.83	-3.86	507.85	343.48	2.76	46.09	202596.92
BakerHu	22.85	-0.31	26.57	12.13	3.14	43.20	18930.93
BankAm	41.55	0.50	43.49	22.95	1.73	13.88	349639.26
Baxter	83.02	0.31	88.32	73.12	1.22	38.16	41502.55
BectonDick	255.94	-1.89	267.37	219.50	1.26	45.82	73503.45
BerkshHat	421028.87	-3172.13	445000	297817	-	6.49	262497.19
Biogen	326.00	-7.60	468.55	223.25	-	25.38	48584.9
BkNYMeln	53.27	-0.66	56.64	32.65	2.35	13.79	45981.26
BlackRock	927.52	-9.76	959.89	531.39	1.62	26.93	141164.64
Boeing	212.77	-5.40	278.57	141.58	-	-13.77	124715.48
Booking Holdings	2332.62	28.17	2516	1589	-	136.44	95777.01
BrisMySq	64.75	-0.86	69.75	56.75	2.96	-28.84	143881.85
CapOne	156.61	-0.65	177.95	66.46	0.64	29.92	69865.88
CardinalHlth	53.33	-0.31	62.96	44.65	3.67	11.37	15489.24
Carnival	23.14	0.18	31.52	12.11	-	-2.51	22534.3
Caterpillar	208.17	-2.20	246.69	142.73	1.98	33.33	113967.14
CharlesSch	72.08	-0.01	76.37	33.79	1.00	31.78	130252.35
Charter Comms	805.51	-5.82	825.62	572.46	-	41.85	148070.62
Chevron Corp	96.88	-0.61	113.11	65.16	5.37	-32.45	187357.39
Chubb	181.73	-1.73	187.90	111.93	1.72	10.07	79732.23
Cigna	215.28	-0.64	272.81	158.84	0.46	9.32	73218.35
Cisco	58.81	-0.61	60.27	35.28	2.45	24.41	247837.37
Citigroup	71.25	0.08	80.29	40.49	2.86	9.78	144408.44
CME Grp	193.73	-1.57	221.82	146.89	1.77	32.73	69574.28
Coca-Cola	55.73	-1.00	57.56	47.30	2.97	29.86	240289.53
Cognizant	76.13	-0.42	82.73	65.04	1.21	24.22	40015.97
ColgtPlm	77.09	-0.83	86.41	74.14	2.29	24.14	65022.24
Comcast	60.82	-0.90	61.80	40.97	1.58	22.74	278573.41
ConocPhil	55.40	-0.84	63.57	27.53	3.08	-21.88	74181.26
Corning	39.42	-0.08	46.82	30.16	2.33	36.24	33661.68
Costco	461.58	-0.97	463.60	307.00	0.61	44.73	204050.25
CrownCstl	195.28	-3.23	204.62	146.15	2.59	86.86	84397.14
CSX	31.59	-0.42	34.96	24.71	1.14	21.53	71208.25
CVS	85.90	-1.57	90.61	55.36	2.35	15.57	113351.47
Danaher	329.08	-3.35	333.29	192.51	0.24	44.56	234932.57
Deere	372.24	-17.10	400.34	207.97	0.85	25.77	115417.28
Delta	40.00	-0.25	52.28	27.92	-	-3.82	25596.6
Devon Energy	28.81	-0.36	31.99	7.73	1.53	-14.56	19505.05
DiscFinServ	121.69	-1.30	135.69	51.74	1.46	33.52	36442.31
Disney	182.83	1.83	203.02	117.23	-	-73.49	332225.26
DominRes	76.79	-1.59	86.95	67.85	4.09	21.47	62083.74
DukeEner	103.53	-2.15	108.38	79.38	3.72	60.03	79649.52
DuPont	71.13	-0.95	87.27	53.49	1.69	-30.82	37205.02
Eaton	164.10	-2.29	171.32	96.24	1.80	46.13	65408.27
eBay	75.10	-1.43	77.84	45.36	0.88	19.83	48819.19
Ecolab	226.78	1.64	230.00	181.25	0.84	74.66	64878.86
Emerson	103.90	-1.48	105.99	63.16	1.95	29.86	62111.72
EOG Res	67.07	-0.92	87.99	31.22	2.12	-63.95	39159.5
EquityResTP	83.10	-2.49	86.04	45.43	2.89	45.59	31117.4
Exelon	49.57	-0.25	50.34	33.97	3.11	24.45	48471.16
ExxonMb	54.61	-0.27	64.93	31.11	6.43	-10.31	231173.7
Facebook	379.86	3.60	384.33	244.13	-	28.24	905514.93
Fedex	263.24	-2.80	319.90	217.40	0.96	13.96	70072.1
FordMtr	12.83	-0.06	16.46	6.41	-	15.13	50361.45
Franklin	31.39	-0.61	35.94	17.97	3.50	19.95	15784.59
GenDyn	201.73	-0.73	202.90	129.17	2.27	17.59	56391.89
GenElectric	102.55	-2.20	115.32	47.44	0.31	-428.19	112805
GenMills	57.09	-0.68	64.65	53.96	3.43	15.57	34612.37
GenMotors	48.60	-0.23	64.30	28.24	0.79	11.13	70546.52
GileadSci	70.51	-1.45	73.34	56.56	3.89	699.12	88406.1
GoldmSchs	410.48	-0.83	420.76	185.52	1.22	10.21	138371.78
Halliburton	19.94	-0.23	25.00	10.60	0.90	111.01	17756.56
HCA Hold	250.44	-2.52	257.42	114.38	0.38	17.20	80174.74
Hew-Pack	29.07	-0.60	36.00	17.25	2.53	10.35	34920.5
HiltonWwde	122.69	-0.39	136.89	81.48	-	-121.73	34191.99
HomeDep	330.50	0.16	345.69	246.59	1.85	24.19	348796.05
Honywell	223.66	-4.70	236.86	156.85	1.65	31.84	154414.7
HumanaInc	412.58	-2.98	475.44	370.22	0.64	21.83	53018.72
IBM	138.21	-1.37	152.84	105.92	4.71	23.80	123880.4
IllinoisTool	221.97	-6.56	242.07	188.14	2.02	31.87	69913.41
Illumina	458.08	-8.90	555.77	260.42	-	107.12	67200.34
Intcntl Exch	119.19	-1.94	122.42	92.41	1.05	23.89	67122.47
Intel	53.52	0.01	68.49	43.61	2.53	11.92	217130.64
Intuit	561.53	-1.73	582.96	295.37	0.41	71.57	153441.91
John&John	171.83	-3.21	179.92	133.65	2.38	25.89	452339.4
JohnsonCn	72.90	-2.12	75.68	39.80	1.45	31.62	51921.15
JPMrgnCh	159.78	0.29	167.44	91.38	2.25	10.68	477447.46
Kimb-Clark	140.38	-0.37	155.45	128.02	3.14	23.97	47275.1
KinderM	16.18	-0.16	19.29	11.45	6.52	21.33	36662.79
Kraft Heinz	35.53	-0.30	44.95	28.56	4.50	80.82	43466.94
Kroger	46.46	-0.19	47.99	30.35	1.50	24.18	34716.68
L Brands	79.92	-0.15	-	-	-	-	-
LasVegasSd	43.87	0.74	66.77	36.42	-	-23.63	33512.41
LibertyGbl	28.89	0.23	29.44	18.73	-	1.58	5100.28
Lilly (E)	257.68	-1.85	275.87	129.21	1.23	38.83	247121.68
Linde	314.53	1.10	316.98	214.14	1.28	50.59	162426.85
Lockheed	350.31	-5.69	399.60	319.81	2.91	13.65	97006.62
Lowes	206.33	0.35	215.22	146.72	1.13	22.52	142869.64
Lyondell	94.78	-0.95	118.02	66.72	4.51	7.78	31704
Marathon Ptl	58.47	0.23	64.84	26.56	3.96	-19.64	37315.68
Marsh&M	158.03	-1.47	159.98	102.11	1.17	32.65	80062.1
MasterCard	345.90	5.67	401.50	281.20	0.48	48.14	338576.89
McDonald's	236.19	-2.63	247.05	202.73	2.15	37.12	176386.43
McKesson	203.82	-2.46	210.00	141.32	0.82	-7.22	31525.77
Medtronic	133.78	-0.85	135.67	98.94	1.73	50.51	179791.94
Merck	75.38	-1.88	82.85	68.38	3.32	26.89	190815.02
Metlife	61.13	-0.09	67.68	35.19	3.01	48.58	52382.14
Microsoft	300.40	-0.74	305.84	196.25	0.73	37.40	2257473.33
Mnstr Bvrg	95.99	-1.59	99.89	75.45	-	36.05	50767.75
MondelezInt	60.38	-1.34	65.60	52.51	2.08	20.04	84400.22
Monsanto	9.70	0.02	10.00	9.51	-	-	242.50
MorganStly	104.70	0.45	105.81	45.86	1.33	13.90	191029.72
Netflix	613.07	22.54	613.85	458.60	-	74.28	271342.26
NextEraE	84.91	-0.78	87.69	66.79	1.73	53.18	166546.3
Nike	162.54	-0.75	174.38	110.21	0.64	47.08	207740.23
NorfolkS	247.60	-2.80	295.14	196.15	1.54	27.44	61150.32
Northrop	359.35	-6.58	379.03	282.88	1.64	12.97	57535.21
NXP	212.24	-0.75	228.72	117.25	0.88	57.64	56272.23
Occid Pet	25.58	-0.34	33.50	8.52	3.23	-1.62	23884.93
Oracle	89.24	-0.76	91.78	54.87	1.13	20.22	249158.08
Pepsico	154.85	-2.24	159.63	128.32	2.67	26.21	214020.5
Perrigo	41.24	-0.61	52.22	38.20	2.22	-25.96	5514.4
Pfizer	46.70	-0.14	51.86	32.78	3.27	28.16	261850.29
Phillips66	69.12	-0.50	94.34	43.27	5.20	-14.15	30273.83
PhilMorris	106.08	-0.02	106.25	68.93	4.52	18.75	165329.6
PNCFin	193.22	1.70	203.88	101.58	2.38	21.80	82091.13
PPG Inds	151.16	-4.50	182.97	116.95	1.43	23.74	35838.7
ProctGmbl	143.43	-0.63	146.92	121.54	2.20	26.39	348281.17
Prudntl	104.62	-0.27	109.17	60.16	4.24	-103.74	40383.32
PublStor	325.83	-4.93	331.68	209.47	2.45	48.67	57094.62
Qualcomm	143.72	-0.91	167.94	108.30	1.83	18.00	162116.16
Raytheon	82.70	-0.96	89.98	51.92	2.34	49.03	124693.98
Regen Pharm	667.77	-11.81	686.62	441.00	-	19.00	70186.38
S&P Global	447.61	-4.47	454.16	303.50	0.64	44.06	107874.01
Salesforce	266.08	-1.00	275.22	201.51	-	56.02	260492.32
Schlmbrg	27.77	-0.32	36.87	13.70	1.80	38.12	38834.48
Sempra Energy	132.61	-0.80	144.93	112.33	3.18	19.98	42346.13
Shrwin-Will	304.43	-3.00	310.43	218.06	0.65	38.23	80157.17
SimonProp	133.49	-2.26	137.38	59.35	4.53	36.87	43866.3
SouthCpr	62.36	-0.28	83.29	43.26	3.52	17.31	48211.36
Starbucks	116.10	-1.09	126.32	81.75	1.51	48.48	136893.51
StateSt	89.20	-3.69	94.64	56.63	2.33	14.23	30640.07
Stryker	277.16	0.51	280.28	194.64	0.89	50.87	104514.12
Sychrony Fin	46.91	-0.47	52.14	24.20	1.87	8.41	26724.59
T-MobileUS	136.62	0.62	150.20	107.56	-	68.03	170497.16
Target	243.77	-0.54	267.06	143.38	1.10	19.99	118969.28
TE Connect	148.42	-1.25	153.54	90.88	1.30	29.34	48681.3
Tesla Mtrs	750.74	17.17	900.40	329.88	-	743.92	743243.98
TexasInstr	189.66	-0.22	197.58	134.12	2.08	26.51	175096
TheTrvelers	157.49	-1.68	163.29	105.67	2.17	10.62	39292.64
ThrmoFshr	564.31	-3.80	571.68	401.07	0.16	28.42	222010.22
TJX Cos	69.88	-1.19	76.16	50.06	0.37	56.15	84033.68
Truist Financial Corp	56.44	-0.01	62.69	34.86	3.19	16.96	75903.06
UnionPac	213.49	-1.42	231.26	171.50	1.86	24.37	139221.46
UPS B	196.33	-1.01	219.59	154.63	2.06	33.30	142985.1
USBancorp	56.23	0.08	62.47	34.17	2.99	14.85	83360.46
UtdHlthcre	418.48	-4.38	431.36	289.64	1.16	25.89	394592.06
ValeroEngy	65.03	0.33	84.95	35.44	6.02	-19.39	26585.79
Verizon	54.97	-0.46	61.95	53.83	4.56	11.40	227582.18
VertexPharm	193.33	-4.73	280.99	185.33	-	25.56	50153.99
VF Cp	72.52	-3.71	90.79	66.26	2.67	79.76	28453.67
ViacomCBS	41.42	0.14	101.97	26.99	2.34	11.01	25089.77
Visa Inc	227.62	2.51	252.67	179.23	0.55	46.08	385088.91
Walgreen	50.82	-0.48	57.05	33.36	3.57	20.23	43954.33
WalMartSto	148.07	-1.18	153.66	126.28	1.47	34.42	412892.87
WellsFargo	44.44	0.27	51.41	20.76	0.90	11.88	182488.88
Williams Cos	24.56	-0.41	28.35	18.26	6.58	25.91	29839.39
Yum!Brnds	129.16	-1.76	135.77	88.08	1.47	43.56	38185.71
Venezuela (VEF)							
Bco de Vnzla	549900	49900	572000	13500	167.22	-	493.02
Bco Provncl	6500010	-499990.00	7499000	700100	-	-15.55	172.30
Mrcntl Srvcs	7000000	-	8390000	750000	0.02	2.47	104.77

Closing prices and highs & lows are in traded currency (with variations for that country indicated by stock), market capitalisation is in USD. Highs & lows are based on intraday trading over a rolling 52 week period.
ex-dividend
ex-capital redistribution
price at time of suspension

FT 500: TOP 20

	Close price	Prev price	Day change	Day change %	Week change	Week change %	Month change %
Pwr Cons Corp	8.09	7.35	0.74	10.07	2.22	37.8	45.77
Ch Coms Cons	4.58	4.62	-0.04	-0.87	0.73	19.0	20.05
Ch Rail Cons	5.83	5.77	0.06	1.04	0.91	18.5	21.92
Ch Rail Gp	4.50	4.49	0.01	0.22	0.69	18.1	26.05
Murata Mfg	10300.00	9763.00	537.00	5.50	1253.00	13.8	12.11
Hunng Pwr	4.32	4.47	-0.15	-3.36	0.50	13.1	49.31
CSR	3.92	3.92	0.00	0.00	0.45	13.0	14.53
Softbank	6943.00	6320.00	623.00	9.86	791.00	12.9	2.58
CNNC Intl	5.89	5.90	-0.01	-0.17	0.66	12.6	17.33
Sinopec Oil	2.41	2.33	0.08	3.43	0.27	12.6	21.72
ChinaPcIns	24.45	24.55	-0.10	-0.41	2.70	12.4	8.41
Novatek	1949.61	1850.90	98.71	5.33	207.23	11.9	15.99
Keyence	72660.00	69260.00	3400.00	4.91	7270.00	11.1	16.94
ShenwanHong	0.06	0.06	0.01	9.09	0.01	11.1	0.00
ChShpbldng	4.62	4.40	0.22	5.00	0.46	11.1	14.07
Fanuc	26120.00	26030.00	90.00	0.35	2565.00	10.9	4.42
ChStConEng	5.20	5.15	0.05	0.97	0.51	10.9	14.29
ShnEtsuCh	19835.00	19475.00	360.00	1.85	1935.00	10.8	10.78
ChMrchSecs	19.63	19.38	0.25	1.29	1.91	10.8	16.09
Tencent	515.50	505.00	10.50	2.08	49.70	10.7	13.87

Based on the FT Global 500 companies in local currency

FT 500: BOTTOM 20

	Close price	Prev price	Day change	Day change %	Week change	Week change %	Month change %
Abbvie	108.44	111.62	-3.18	-2.84	-12.34	-10.2	-5.28
Cielo	2.63	2.59	0.04	1.54	-0.24	-8.4	-22.65
BHPBilltn	42.04	42.19	-0.15	-0.36	-3.79	-8.3	-19.31
ChngKng	47.90	48.40	-0.50	-1.03	-3.10	-6.1	-8.49
EDF	10.81	10.92	-0.11	-1.01	-0.67	-5.8	-0.23
Sychrony Fin	46.91	47.38	-0.47	-0.99	-2.84	-5.7	-5.02
CapOne	156.61	157.26	-0.65	-0.41	-9.36	-5.6	-5.59
Lyondell	94.78	95.73	-0.95	-1.00	-5.57	-5.6	-4.60
Renault	29.74	30.16	-0.42	-1.39	-1.72	-5.5	-13.30
UnibailR	70.24	70.13	0.11	0.16	-3.96	-5.3	-10.10
PPG Inds	151.16	155.66	-4.50	-2.89	-8.39	-5.3	-7.98
EastJpRwy	7131.00	6918.00	213.00	3.08	-390.00	-5.2	1.71
VF Cp	72.52	76.23	-3.71	-4.87	-3.95	-5.2	-10.02
DiscFinServ	121.69	122.99	-1.30	-1.06	-6.53	-5.1	-6.44
IllinoisTool	221.97	228.53	-6.56	-2.87	-10.89	-4.7	-2.56
Wesfarmers	57.44	57.84	-0.40	-0.69	-2.76	-4.6	-10.18
MTN Grp	127.86	129.78	-1.92	-1.48	-5.58	-4.2	12.26
Carnival	23.14	22.96	0.18	0.78	-1.00	-4.1	0.22
StateSt	89.20	92.89	-3.69	-3.97	-3.71	-4.0	-0.81
CME Grp	193.73	195.30	-1.57	-0.81	-7.99	-4.0	-7.72

Based on the FT Global 500 companies in local currency

BONDS: HIGH YIELD & EMERGING MARKET

Sep 07	Red date	Coupon	Ratings S*	Ratings M*	Ratings F*	Bid price	Bid yield	Day's chge yield	Mth's chge yield	Spread vs US
High Yield US$										
HCA Inc.	04/24	8.36	BB-	Ba2	BB	113.75	4.24	0.00	0.12	-
High Yield Euro										
Aldesa Financial Services S.A.	04/21	7.25	-	-	B	71.10	28.23	0.00	0.64	25.98
Emerging US$										
Peru	03/19	7.13	BBB+	A3	BBB+	104.40	2.60	-	-	0.34
Colombia	01/26	4.50	-	Baa2	BBB-	109.50	2.33	0.16	0.52	1.28
Brazil	04/26	6.00	-	Ba2	BB-	115.15	2.78	-0.01	0.65	1.73
Poland	04/26	3.25	-	A2	A-	111.22	0.98	0.03	0.16	-0.07
Mexico	05/26	11.50	-	Baa1	BBB-	149.00	1.61	0.00	-0.12	0.56
Turkey	03/27	6.00	-	Ba2	BB+	101.26	5.82	0.00	0.17	3.07
Turkey	03/27	6.00	-	B2	BB-	102.88	5.43	0.14	0.83	4.38
Peru	08/27	4.13	BBB+	A3	BBB+	103.50	3.66	0.01	-0.02	0.80
Russia	06/28	12.75	-	Baa3	BBB	168.12	2.48	0.07	0.05	-
Brazil	02/47	5.63	-	Ba2	BB-	101.48	5.52	0.08	0.80	-
Emerging Euro										
Brazil	04/21	2.88	BB-	Ba2	BB-	103.09	0.05	0.01	-0.09	-1.19
Mexico	04/23	2.75	BBB+	A3	BBB+	107.76	0.76	0.00	-0.07	-1.56
Mexico	04/23	2.75	-	Baa1	BBB-	106.48	-0.26	-	-	-0.36
Bulgaria	03/28	3.00	BBB-	Baa2	BBB	117.04	1.00	0.02	-0.15	-1.42

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

Sep 07	Red date	Coupon	Ratings S*	Ratings M*	Ratings F*	Bid price	Bid yield	Day's chge yield	Mth's chge yield	Spread vs US
US$										
FleetBoston Financial Corp.	01/28	6.88	BBB+	Baa1	A-	129.00	2.54	-0.01	-0.05	-
The Goldman Sachs Group, Inc.	02/28	5.00	BBB+	A3	A	117.21	2.47	0.00	0.32	-
NationsBank Corp.	03/28	6.80	BBB+	Baa1	A-	127.69	2.72	-0.01	0.06	-
GTE LLC	04/28	6.94	BBB+	Baa2	A-	128.27	2.80	0.00	-0.11	-
United Utilities PLC	08/28	6.88	BBB	Baa1	A-	130.43	2.62	-0.07	-0.22	-
Barclays Bank plc	01/29	4.50	A	A1	A+	96.46	5.02	0.00	0.02	-
Euro										
Electricite de France (EDF)	04/30	4.63	A-	A3	A-	137.45	0.82	-0.01	0.10	-
The Goldman Sachs Group, Inc.	02/31	3.00	BBB+	A3	A	121.70	0.93	0.00	0.02	-
The Goldman Sachs Group, Inc.	02/31	3.00	BBB+	A3	A	124.42	0.68	0.00	-0.11	-
Finland	04/31	0.75	AA+	Aa1	AA+	111.08	-0.27	0.00	-0.05	-0.87
Yen										
Mexico	06/26	1.09	-	Baa1	BBB-	98.73	1.34	-0.02	-0.14	0.27
£ Sterling										
innogy Fin B.V.	06/30	6.25	BBB	Baa2	A-	137.45	2.19	-0.03	0.02	-
innogy Fin B.V.	06/30	6.25	BBB	Baa2	A-	128.68	3.20	0.00	-0.01	0.40

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

INTEREST RATES: OFFICIAL

Sep 07	Rate	Current	Since	Last	Mnth Ago	Year Ago
US	Fed Funds	0.00-0.25	15-03-2020	1.00-1.25	1.50-1.75	1.25-1.50
US	Prime	4.75	30-10-2019	5.25	5.25	4.25
US	Discount	2.65	30-09-2019	2.75	2.75	1.75
Euro	Repo	0.00	16-03-2016	0.00	0.00	0.00
UK	Repo	0.10	19-03-2020	0.25	0.75	0.25
Japan	O'night Call	0.00-0.10	01-02-2016	0.00	0.00--0.10	0.00--0.10
Switzerland	Libor Target	-1.25-0.25	15-01-2015	-0.75--0.25	-1.25--0.25	-1.25--0.25

INTEREST RATES: MARKET

Sep 07 (Libor: Sep 06)	Over night	Change Day	Change Week	Change Month	One month	Three month	Six month	One year
US$ Libor	0.07075	-0.003	-0.005	0.000	0.08300	0.11463	0.14875	0.21950
Euro Libor	-0.59300	-0.001	0.000	0.000	-0.58043	-0.56457	-0.53886	-0.49800
£ Libor	0.04075	0.000	0.000	-0.001	0.05375	0.06038	0.09838	0.21650
Swiss Fr Libor				-0.001	-0.78960	-0.75820	-0.72480	-0.59600
Yen Libor				0.001	-0.07150	-0.09483	-0.08317	0.06000
Euro Euribor				-0.002	-0.55500	-0.54900	-0.52000	-0.50000
Sterling CDs				0.000	0.50000	0.63000	0.78500	
US$ CDs				0.000	0.14000	0.18000	0.15000	
Euro CDs				0.000	-0.53000	-0.53000	-0.52000	

Sep 07	Short term		7 Days notice		One month		Three month		Six month		One year	
Euro	-0.74	-0.44	-0.71	-0.41	-0.68	-0.38	-0.68	-0.38	-0.67	-0.37	-0.66	-0.36
Sterling					0.45	0.55	0.58	0.68	0.71	0.86	0.90	1.05
US Dollar	0.11	0.31	0.01	0.21	0.00	0.20	0.08	0.28	0.05	0.25	0.18	0.38
Japanese Yen	-0.10	0.00	-0.10	0.00	-0.10	0.10	-0.10	0.10	-0.15	0.15	-0.15	0.15

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	222.72	0.04	0.12	-2.05	0.50	3.68
Corporates(£)	404.56	0.16	0.21	-1.04	0.12	2.70
Corporates($)	341.33	-0.24	-0.09	-0.06	-0.09	-0.06
Corporates(€)	244.68	0.00	-0.07	0.21	-0.48	2.13
Eurozone Sov(€)	258.79	0.06	-0.05	-1.79	-0.76	0.20
Gilts(£)	365.97	0.30	0.33	-3.49	-0.11	-2.37
Global Inflation-Lkd	325.02	-0.25	0.30	3.34	-0.57	7.31
Markit iBoxx £ Non-Gilts	390.75	0.15	0.20	-1.06	0.11	2.05
Overall ($)	281.96	-0.22	-0.10	-0.94	-0.10	-0.94
Overall(£)	368.82	0.26	0.29	-2.83	-0.05	-1.17
Overall(€)	250.64	0.04	-0.08	-1.31	-0.65	0.44
Treasuries ($)	258.12	-0.23	-0.12	-1.62	-0.12	-1.62
FTSE						
Sterling Corporate (£)	-	-	-	-	-	-
Euro Corporate (€)	104.47	-0.05	-	-	0.54	-1.73
Euro Emerging Mkts (€)	777.50	-8.39	-	-	8.91	30.78
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	228.91	2.34	0.67	-2.77	273.86	224.88
Europe 5Y	44.95	0.44	0.07	-1.04	55.28	44.45
Japan 5Y	42.69	-0.25	-0.94	-3.93	49.50	42.69
Senior Financials 5Y	51.93	0.56	-0.09	-1.13	64.29	51.30
Markit CDX						
Emerging Markets 5Y	150.75	0.77	-3.36	-14.59	191.34	148.48
Nth Amer High Yld 5Y	274.64	0.74	-0.86	-11.48	316.77	269.30
Nth Amer Inv Grade 5Y	46.81	0.45	0.29	-2.18	58.09	46.07

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

VOLATILITY INDICES

	Sep 07	Day Chng	Prev	52 wk high	52 wk low
VIX	17.87	1.46	16.41	41.16	14.10
VXD	16.08	1.52	14.56	47.53	2.67
VXN	20.86	1.11	19.75	46.47	18.41
VDAX	18.81	1.12	17.69	93.30	-

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

BONDS: BENCHMARK GOVERNMENT

	Red Date	Coupon	Bid Price	Bid Yield	Day chg yield	Wk chg yield	Month chg yld	Year chg yld
Australia	11/22	2.25	102.68	0.02	0.01	0.01	0.00	-0.25
	05/32	1.25	99.52	1.30	0.04	0.10	0.07	0.28
Austria	05/34	2.40	130.02	0.03	-0.01	0.06	0.08	0.14
	02/47	1.50	125.97	0.42	0.00	0.09	0.12	0.23
Belgium	10/23	0.20	101.93	-0.70	0.00	0.02	0.03	-0.06
Canada	-	-	-	-	-	-	-	-
	03/24	2.25	104.36	0.48	-	-	-	-
Denmark	11/22	0.25	100.93	-0.53	0.00	0.01	0.04	0.06
	11/30	0.10	107.29	-1.68	-0.05	-0.03	-0.10	-0.33
Finland	04/23	1.50	103.62	-0.74	-0.01	0.01	0.02	-0.10
	04/31	0.75	109.34	-0.21	-0.01	0.06	0.07	0.05
France	05/23	1.75	104.20	-0.68	0.00	0.01	0.02	-0.05
	05/27	1.00	108.47	-0.46	0.00	0.04	0.07	-0.02
Germany	-	-	-	-	-	-	-	-
	08/23	2.00	105.39	-0.76	0.00	0.03	0.05	-0.02
	08/27	0.50	106.96	-0.65	0.00	0.05	0.06	0.00
	08/50	0.00	96.19	0.13	0.00	0.10	0.13	0.17
Greece	02/27	4.30	121.21	0.37	0.01	0.08	0.17	-0.94
Ireland	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	10/22	0.00	100.67	-0.60	0.00	0.00	0.00	-0.03
Italy	10/23	0.65	102.28	-0.43	-0.01	0.00	0.01	-0.53
	11/25	2.50	110.99	-0.12	-0.01	0.04	0.05	-0.61
	05/31	6.00	150.56	0.60	-0.01	0.07	0.11	-0.54
	03/48	3.45	138.92	1.63	-0.01	0.08	0.12	-0.29
Japan	04/23	0.05	99.95	0.08	0.01	0.01	0.01	0.02
	09/27	0.10	101.14	-0.09	0.01	0.02	0.04	-0.02
	09/34	1.40	115.76	0.18	0.01	0.03	0.04	-0.07
	12/49	0.40	94.33	0.62	0.01	0.00	0.01	0.02
Netherlands	07/23	1.75	104.66	-0.74	0.00	0.02	0.05	-0.07
	07/27	0.75	107.87	-0.57	0.00	0.04	0.08	-0.04
New Zealand	04/27	4.50	115.48	1.60	0.05	0.17	0.25	1.34
	05/31	1.50	96.43	1.91	0.05	0.17	0.28	1.30
	05/31	1.50	96.43	1.91	0.05	0.17	0.28	1.30
Norway	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Portugal	10/22	2.20	103.23	-0.70	-0.01	-0.02	-0.01	-0.17
	04/27	4.13	125.60	-0.39	-0.01	0.03	0.07	-0.41
Spain	10/22	0.45	101.26	-0.64	0.00	0.00	0.00	-0.19
	11/30	1.00	123.93	-1.41	-0.08	-0.11	-0.11	-0.92
Sweden	11/23	1.50	103.92	-0.29	0.00	0.01	0.03	0.04
	06/26	0.13	119.33	-1.81	0.00	0.03	-0.05	-0.46
	06/30	0.13	119.25	-1.71	0.01	0.04	0.02	-0.35
Switzerland	-	-	-	-	-	-	-	-
	02/23	4.00	106.82	-0.74	0.00	0.00	0.03	0.05
United Kingdom	-	-	-	-	-	-	-	-
	07/23	0.75	101.22	0.10	-0.01	-0.02	-0.04	0.20
	07/27	1.25	105.16	0.36	-0.02	0.00	-0.03	0.30
	07/47	1.50	110.20	1.05	-0.02	0.04	0.03	0.23
United States	03/23	0.50	100.54	0.15	-	-	-	-
	03/27	0.63	98.63	0.88	-	-	-	-
	04/32	3.38	148.66	-	-	-	-	-
	02/50	0.25	115.46	-	-	-	-	-

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

GILTS: UK CASH MARKET

Sep 07	Price £	Red Yield	Change in Yield Day	Change in Yield Week	Change in Yield Month	Change in Yield Year	52 Week High	52 Week Low	Amnt £m
	-	-	-	-	-	-	-	-	-
Tr 4pc '22	101.98	0.03	0.00	-25.00	50.00	-142.86	106.17	101.98	38.77
Tr 0.125pc '23	100.02	0.11	22.22	-26.67	22.22	-283.33	100.57	99.96	33.82
Tr 0.125pc '24	99.84	0.19	11.76	-13.64	35.71	-272.73	104.23	99.69	34.12
Tr 0.25pc '25	99.98	0.26	8.33	-3.70	36.84	-425.00	123.21	99.78	4.23
Tr 0.125pc '26	99.24	0.30	7.14	-6.25	30.43	2900.00	101.04	98.61	33.89
Tr 1.25pc '27	104.97	0.39	8.33	0.00	25.81	680.00	108.78	104.13	39.34
Tr 0.5pc '29	99.42	0.58	7.41	1.75	23.40	190.00	106.90	99.42	2.86
Tr 4.25pc '32	136.04	0.75	7.14	2.74	20.97	102.70	145.77	133.57	38.71
Tr 4.25pc '36	145.22	0.91	4.60	1.11	18.18	59.65	156.30	140.76	30.41
Tr 4.5pc '42	165.61	1.05	5.00	1.94	16.67	38.16	179.39	157.72	27.21
Tr 3.75pc '52	170.64	1.06	3.92	1.92	15.22	34.18	187.66	158.62	24.10
Tr 4pc '60	195.89	0.99	4.21	2.06	17.86	32.00	216.08	179.62	24.12

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

BONDS: INDEX-LINKED

	Price Sep 06	Yield Sep 06	Yield Prev	Month return	Value stock	Market	No of stocks
Can 4.25%' 26	129.46	-1.194	-1.187	0.32	5.25	82339.08	7
Fr 2.10%' 23	107.87	-1.966	-1.907	0.30	18.05	256442.04	16
Swe 1.00%' 25	120.44	-1.775	-1.776	0.01	33.01	199817.61	6
UK 1.875%' 22	107.90	-4.424	-4.309	0.30	15.74	865754.53	31
UK 2.50%' 24	362.49	-3.349	-3.262	0.61	6.82	865754.53	31
UK 2.00%' 35	305.86	-2.712	-2.673	0.73	9.08	865754.53	31
US 0.625%' 23	105.01	-2.420	-2.404	0.05	47.03	1725134.98	44
US 3.625%' 28	135.42	-1.464	-1.458	-0.05	16.78	1725134.98	44

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

BONDS: TEN YEAR GOVT SPREADS

	Bid Yield	Spread vs Bund	Spread vs T-Bonds		Bid Yield	Spread vs Bund	Spread vs T-Bonds
Australia	1.30	-	-	Netherlands	-0.57	-	-
Austria	0.03	-	-	New Zealand	1.91	-	-
Canada	-	-	-	Norway	-	-	-
Denmark	-1.68	-	-	Portugal	-0.39	-	-
Finland	-0.21	-	-	Spain	-1.41	-	-
Germany	-	-	-	Sweden	-1.71	-	-
Ireland	-	-	-	Switzerland	-	-	-
Italy	0.60	-	-	United Kingdom	-	-	-
Japan	0.18	-	-	United States	-	-	-

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

GILTS: UK FTSE ACTUARIES INDICES

Price Indices Fixed Coupon	Sep 07	Day's chg %	Total Return	Return 1 month	Return 1 year	Yield
1 Up to 5 Years	87.36	-0.05	2475.48	-0.01	-0.63	0.21
2 5 - 10 Years	180.55	-0.31	3733.13	-0.31	-2.24	0.56
3 10 - 15 Years	213.64	-0.49	4752.26	-0.95	-3.09	0.86
4 5 - 15 Years	187.98	-0.37	3986.74	-0.52	-2.38	0.69
5 Over 15 Years	372.56	-0.87	6221.76	-2.70	-4.39	1.03
7 All stocks	184.20	-0.50	4010.90	-1.33	-2.87	0.92

Index Linked	Sep 07	Day's chg %	Month chg %	Year's chg %	Total Return	Return 1 month	Return 1 year
1 Up to 5 Years	310.29	0.10	0.72	1.49	2587.01	0.72	2.75
2 Over 5 years	884.91	0.58	-1.29	7.59	6706.93	-1.29	7.98
3 5-15 years	528.07	-0.02	0.45	1.25	4231.07	0.45	2.02
4 Over 15 years	1181.44	0.78	-1.85	9.85	8707.71	-1.85	10.09
5 All stocks	782.36	0.53	-1.09	6.85	6043.08	-1.09	7.33

Yield Indices	Sep 07	Sep 06	Yr ago		Sep 07	Sep 06	Yr ago
5 Yrs	0.33	0.29	-0.09	20 Yrs	1.09	1.05	0.79
10 Yrs	0.73	0.69	0.30	45 Yrs	0.94	0.90	0.72
15 Yrs	0.99	0.94	0.63				

Real yield	inflation 0% Sep 07	Dur yrs	Previous	Yr ago	inflation 5% Sep 07	Dur yrs	Previous	Yr ago
Up to 5 yrs	-3.29	2.64	-3.25	-2.65	-3.64	2.64	-3.60	-3.00
Over 5 yrs	-2.44	24.02	-2.42	-2.20	-2.46	24.07	-2.44	-2.21
5-15 yrs	-2.88	9.25	-2.88	-2.80	-2.97	9.25	-2.97	-2.88
Over 15 yrs	-2.40	28.59	-2.37	-2.12	-2.41	28.60	-2.38	-2.13
All stocks	-2.45	21.88	-2.43	-2.20	-2.48	21.94	-2.45	-2.22

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

www.ft.com/commodities

Energy		Price*	Change
Crude Oil†	Sep	68.08	-0.81
Brent Crude Oil‡		71.59	-0.51
RBOB Gasoline†	Sep	2.12	-0.02
Heating Oil†		-	-
Natural Gas†	Sep	4.63	-0.06
Ethanol		-	-
Uranium†		-	-
Carbon Emissions‡		-	-
Diesel†		-	-
Base Metals (LME 3 Months)			
Aluminium		2758.00	-9.50
Aluminium Alloy		2060.00	160.00
Copper		9348.00	-106.00
Lead		2268.00	-3.00
Nickel		19520.00	-85.00
Tin		31950.00	-820.00
Zinc		3041.50	23.50
Precious Metals (PM London Fix)			
Gold		1821.60	-2.10
Silver (US cents)		2470.50	65.00
Platinum		1017.00	11.00
Palladium		2394.00	-13.00
Bulk Commodities			
Iron Ore		137.85	6.35
GlobalCOAL RB Index		150.00	2.00
Baltic Dry Index		3707.00	-115.00

Agricultural & Cattle Futures		Price*	Change
Corn	Dec	522.25	13.25
Wheat	Dec	725.25	11.25
Soybeans	Nov	1300.25	16.25
Soybeans Meal	Oct	338.20	-2.60
Cocoa (ICE Liffe)✠	Dec	1786.00	17.00
Cocoa (ICE US)	Sep	2574.00	0.00
Coffee(Robusta)✠	Sep	2115.00	46.00
Coffee (Arabica)	Sep	190.85	0.00
White Sugar✠		481.80	-5.80
Sugar 11		19.55	-0.03
Cotton	Oct	95.90	0.52
Orange Juice	Nov	138.80	0.55
Palm Oil		-	-
Live Cattle	Oct	124.70	0.00
Feeder Cattle	May	134.88	-
Lean Hogs	Oct	89.60	0.00

	Sep 06	% Chg Month	% Chg Year
S&P GSCI Spt	524.89	0.52	51.27
DJ UBS Spot	95.90	1.30	32.50
TR/CC CRB TR	233.95	2.25	46.42
LEBA EUA Carbon	53.32	-1.90	86.37
LEBA UK Power	1095.00	-59.61	5.29

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

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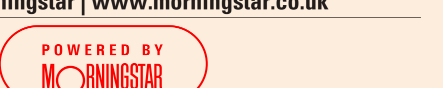
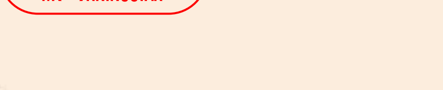

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MANAGED FUNDS SERVICE

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FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Aberdeen Standard Capital Offshore Strategy Fund Limited				
Bridge Fund	£ 2.4752	-	0.0046	1.29
Global Equity Fund	£ 3.6740	-	0.0107	0.76
Global Fixed Interest Fund	£ 0.9779	-	-0.0002	4.49
Income Fund	£ 0.7076	-	0.0005	2.34
Sterling Fixed Interest Fund	£ 0.9035	-	-0.0003	2.79
UK Equity Fund	£ 2.2508	-	-0.0007	2.35

Aegon Asset Management UK ICVC (UK)
3 Lochside Crescent, Edinburgh, EH12 9SA
0800 358 3009 www.aegonam.com
Authorised Funds

Fund	Bid	Offer	D+/-	Yield
Global Equity GBP B Acc	£ 3.70	-	0.00	-

Aegon Asset Management Investment Company (Ireland) (IRL)
1 North Wall Quay Dublin 1, Ireland +35 3162 24493
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Absolute Return Bond B GBP Acc	1168.88	-	0.10	1.61
High Yield Global Bond A GBP Inc	516.39	-	0.15	4.49
High Yield Global Bond B GBP Inc	1111.60	-	0.36	5.23
Global Equity Income B GBP Acc	2373.89	-	8.63	0.00
Global Equity Income B GBP Inc	1455.44	-	-8.32	3.19
lobal Equity Market Neutral Fund - B Acc GBP	£ 13.12	-	0.02	-
Global Sustainable Equity B Acc GBP	£ 32.82	-	0.10	-
Global Sustainable Equity C Acc GBP	£ 33.37	-	0.10	-
Inv Grd Gbl Bond A Inc GBH	619.77	-	-1.10	1.81
Short Dated High Yld Bd B Acc GBP	£ 11.40	-	0.00	0.00
Short Dated High Yld Bd C Acc GBP (Hdg)	£ 11.52	-	0.00	0.00
Strategic Global Bond A GBP Inc	1334.90	-	-0.92	2.70
Strategic Global Bond B GBP Inc	757.49	-	-0.49	3.45

Algebris Investments (IRL)
Regulated

Fund	Bid	Offer	D+/-	Yield
Algebris Financial Credit I EUR	€ 193.57	-	0.03	0.00
Algebris Financial Credit R EUR	€ 167.90	-	0.03	0.00
Algebris Financial Credit Rd EUR	€ 109.51	-	0.01	4.41
Algebris Financial Income I EUR	€ 179.40	-	0.26	0.00
Algebris Financial Income R EUR	€ 165.08	-	0.22	0.00
Algebris Financial Income Rd EUR	€ 106.31	-	0.15	3.16
Algebris Financial Equity B EUR	€ 141.02	-	0.41	0.00
Algebris Financial Equity R EUR	€ 120.09	-	0.34	0.00
Algebris IG Financial Credit I EUR	€ 112.45	-	-0.04	0.00
Algebris IG Financial Credit R EUR	€ 111.41	-	0.00	0.00
Algebris Global Credit Opportunities I EUR	€ 130.24	-	-0.19	0.00
Algebris Global Credit Opportunities R EUR	€ 128.07	-	-0.18	0.00
Algebris Global Credit Opportunities Rd EUR	€ 128.07	-	-0.18	0.00
Algebris Core Italy I EUR	€ 166.25	-	1.40	0.00
Algebris Core Italy R EUR	€ 158.56	-	1.32	0.00

The Antares European Fund Limited
Other International

Fund	Bid	Offer	D+/-	Yield
AEF Ltd Usd	$ 569.79	-	0.15	0.00
AEF Ltd Eur	€ 533.61	-	0.34	0.00

Arisaig Partners
Other International Funds

Fund	Bid	Offer	D+/-	Yield
Arisaig Asia Consumer Fund Class A (Ex-Alcohol) shares	$ 131.57	-	0.87	0.00
Arisaig Asia Consumer Fund Limited	$ 130.35	-	0.92	0.00
Arisaig Global Emerging Markets Consumer Fund	$ 18.00	-	0.10	0.00
Arisaig Global Emerging Markets Consumer UCITS	€ 12.85	-	-0.01	-
Arisaig Global Emerging Markets Consumer UCITS STG	£ 14.50	-	-0.10	-
Arisaig Latin America Consumer Fund	$ 27.11	-	-0.02	-

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	115.72	-	-0.09	2.18
Artemis Positive Future Fund	108.26	-	0.81	-
Artemis Target Return Bond I Acc	109.81	-	0.03	2.16

Ashmore Investment Management Limited (LUX)
2 rue Albert Borschette L-1246 Luxembourg
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Ashmore SICAV Emerging Market Debt Fund	$ 90.49	-	-0.03	4.85
Ashmore SICAV Emerging Market Frontier Equity Fund	$ 202.18	-	0.88	0.42
Ashmore SICAV Emerging Market Total Return Fund	$ 79.01	-	-0.07	4.26
Ashmore SICAV Global Small Cap Equity Fund	$ 254.16	-	0.74	0.00
EM Active Equity Fund Acc USD	$ 164.44	-	0.72	0.00
EM Equity Fund Acc USD	$ 168.97	-	1.13	0.00
EM Mkts Corp.Debt USD F	$ 90.15	-	0.00	4.90
EM Mkts Loc.Ccy Bd USD F	$ 74.97	-	-0.03	4.50
EM Short Duration Fund Acc USD	$ 114.70	-	-0.16	0.00

Atlantas Sicav (LUX)
Regulated

Fund	Bid	Offer	D+/-	Yield
American Dynamic	$ 7868.02	7868.02	14.60	0.00
American One	$ 7746.13	7746.13	9.67	0.00
Bond Global	€ 1532.35	1532.35	-8.45	0.00
Eurocroissance	€ 1567.73	-	15.67	-
Far East	$ 1393.92	-	48.19	-

Brooks Macdonald International Fund Managers Limited (JER)
5 Anley Street, St Helier, Jersey, JE2 3QE
+44 (0) 1534 700 104 (Int.) +44 (0) 800 735 8000 (UK)

Fund	Bid	Offer	D+/-	Yield
Brooks Macdonald International Investment Funds Limited				
Euro High Income	€ 1.5179	-	-0.0013	2.50
High Income	£ 0.8504	-	-0.0004	3.77
Sterling Bond	£ 1.5853	-	-0.0006	2.06
Brooks Macdonald International Multi Strategy Fund Limited				
Brooks Macdonald Intl Multi Strat Bal A	£ 1.0134	-	0.0018	-
Brooks Macdonald Intl Multi Strat Bal	£ 1.0000	-	0.0000	-
Brooks Macdonald Intl Multi StratCauBalA	£ 1.0217	-	0.0011	-
Brooks Macdonald Intl Multi Strat Gr A	£ 1.0395	-	0.0031	-
Brooks Macdonald Intl Multi Strat Hi GrA	£ 1.0443	-	0.0037	-
Cautious Balanced Strategy	£ 1.4335	-	0.0015	0.00
Growth Strategy	£ 2.1778	-	0.0066	0.00
High Growth Strategy	£ 3.0777	-	0.0109	0.00
US$ Growth Strategy	$ 2.2207	-	0.0030	0.00

Dealing Daily. Initial charge up to 2%

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

Fund	Bid	Offer	D+/-	Yield
CG Portfolio Fund Plc				
Absolute Return Cls M Inc	£ 141.98	141.98	0.32	1.24
Capital Gearing Portfolio GBP P	£ 39515.70	39515.70	90.87	0.77
Capital Gearing Portfolio GBP V	£ 192.18	192.18	0.44	0.77
Dollar Fund Cls D Inc	£ 170.72	170.72	-0.78	1.41
Dollar Hedged GBP Inc	£ 111.04	111.04	-0.19	1.25
Real Return Cls A Inc	£ 207.45	207.45	-0.76	1.60

Chartered Asset Management Pte Ltd
Other International Funds

Fund	Bid	Offer	D+/-	Yield
CAM-GTF Limited	$ 324730.72	324730.72	1486.43	0.00
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.worldwide.com 020 3713 7664
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Dodge & Cox Worldwide Funds plc - Global Bond Fund				
EUR Accumulating Class	€ 15.55	-	-0.01	0.00
EUR Accumulating Class (H)	€ 11.77	-	0.00	0.00
EUR Distributing Class	€ 11.93	-	-0.01	3.15
EUR Distributing Class (H)	€ 8.99	-	0.00	3.27
GBP Distributing Class	£ 12.51	-	-0.03	2.87
GBP Distributing Class (H)	£ 9.51	-	0.00	3.21
USD Accumulating Class	$ 13.32	-	-0.01	0.00
Dodge & Cox Worldwide Funds plc-Global Stock Fund				
USD Accumulating Share Class	$ 30.14	-	-0.15	0.00
GBP Accumulating Share Class	£ 35.77	-	-0.24	-
GBP Distributing Share class	£ 24.51	-	-0.17	-
EUR Accumulating Share Class	€ 38.10	-	-0.21	0.00
GBP Distributing Class (H)	£ 14.52	-	-0.07	0.57
Dodge & Cox Worldwide Funds plc-U.S. Stock Fund				
USD Accumulating Share Class	$ 39.63	-	-0.21	-
GBP Accumulating Share Class	£ 44.46	-	-0.33	-
GBP Distributing Share Class	£ 26.92	-	-0.20	-
EUR Accumulating Share Class	€ 43.25	-	-0.26	-
GBP Distributing Class (H)	£ 16.23	-	-0.08	0.63

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

Fund	Bid	Offer	D+/-	Yield
Other International Funds				
Vietnam Equity (UCITS) Fund A USD	$ 36.22	-	0.19	0.00

EdenTree Investment Management Ltd (UK)
PO Box 3733, Swindon, SN4 4BG, 0800 358 3010

Fund	Bid	Offer	D+/-	Yield
Authorised Inv Funds				
EdenTree Responsible and Sust S Dtd Bd B	100.30	-	0.00	0.98

Ennismore Smaller Cos Plc (IRL)
5 Kensington Church St, London W8 4LD 020 7368 4220
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
Ennismore European Smlr Cos NAV	£ 154.67	-	0.06	0.00
Ennismore European Smlr Cos NAV	€ 180.29	-	-0.23	0.00

Ennismore European Smlr Cos Hedge Fd

Fund	Bid	Offer	D+/-	Yield
Other International Funds				
NAV	€ 645.66	-	-5.09	0.00

Euronova Asset Management UK LLP (CYM)
Regulated

Fund	Bid	Offer	D+/-	Yield
Smaller Cos Cls One Shares	€ 65.03	-	0.24	0.00
Smaller Cos Cls Two Shares	€ 41.65	-	0.14	0.00
Smaller Cos Cls Three Shares	€ 20.94	-	0.07	0.00
Smaller Cos Cls Four Shares	€ 26.97	-	0.09	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

Fund	Bid	Offer	D+/-	Yield
OEIC Funds				
Fidelity American Fund W-ACC-GBP	£ 63.53	-	0.20	0.00
Fidelity Cash Fund Y-ACC-GBP	£ 1.02	-	0.00	-
FID Emerg Europe, Middle East and Africa Fund W-ACC-GBP	£ 3.08	-	0.00	1.54
Fidelity Global Enhanced Income Fund W-ACC-GBP	£ 2.23	-	0.01	-
Fidelity Global Focus Fund W-ACC-GBP	£ 37.19	-	0.01	0.00
Fidelity Global High Yield Fund Y-ACC-GBP	£ 16.29	-	0.03	4.80
Fidelity Japan Fund W-ACC-GBP	£ 5.66	-	-0.05	0.84
Fidelity Japan Smaller Companies Fund W-ACC-GBP	£ 4.36	-	-0.03	0.26
Fidelity Select 50 Balanced Fund PI-ACC-GBP	£ 1.24	-	0.00	0.83
Fidelity Special Situations Fund W-ACC-GBP	£ 43.23	-	0.14	1.41
Short Dated Corporate Bond Fund Y ACC GBP	£ 11.25	-	-0.01	3.99
Fidelity Sustainable Water & Waste W Acc	£ 1.33	-	0.00	0.52
Fidelity Sustainable Water & Waste W Inc	£ 1.32	-	0.00	0.53
Fidelity UK Growth Fund W-ACC-GBP	£ 3.34	-	-0.05	1.14
Fidelity UK Select Fund W-ACC-GBP	£ 3.75	-	0.01	0.75
Institutional OEIC Funds				
Europe (ex-UK) Fund ACC-GBP	£ 8.14	-	0.01	-

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	€ 160.78	-	-0.06	0.00
American Fund USD Class	$ 191.03	-	0.16	0.00
American Fund GBP Hedged	£ 96.00	-	0.08	0.00
American Fund GBP Unhedged	£ 137.69	-	-0.27	0.00

Foord Asset Management
Website: www.foord.com - Email: info@foord.com

Fund	Bid	Offer	D+/-	Yield
FCA Recognised - Luxembourg UCITS				
Foord International Fund | R	$ 48.59	-	0.07	-
Foord Global Equity Fund (Lux) | R	$ 18.58	-	0.06	-
Regulated				
Foord Global Equity Fund (Sing) | B	$ 22.87	-	0.07	0.00
Foord International Trust (Gsy)	$ 48.49	-	0.08	-

Franklin Templeton International Services Sarl (IRL)
JPMorgan House - International Financial Services Centre,Dublin 1, Ireland

Fund	Bid	Offer	D+/-	Yield
Other International Funds				
Franklin Emerging Market Debt Opportunities Fund Plc				
Franklin Emg Mkts Debt Opp CHFSFr	15.19	-	0.01	6.77
Franklin Emg Mkts Debt Opp GBP	£ 9.83	-	0.00	5.15
Franklin Emg Mkts Debt Opp SGD S$	20.82	-	0.03	4.33
Franklin Emg Mkts Debt Opp USD	$ 17.35	-	0.01	5.56

GAM
funds@gam.com, www.funds.gam.com
Regulated

Fund	Bid	Offer	D+/-	Yield
LAPIS GBL TOP 50 DIV.YLD-Na-D	£ 111.15	-	-0.26	-
LAPIS GBL F OWD 50 DIV.YLD-Na-D	£ 115.20	-	0.71	0.87

Genesis Investment Management LLP

Fund	Bid	Offer	D+/-	Yield
Other International Funds				
Emerging Mkts NAV	£ 7.21	-	-0.16	1.36

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

Fund	Bid	Offer	D+/-	Yield
International Insurances				
Holiday Property Bond Ser 1	£ 0.47	-	0.00	0.00
Holiday Property Bond Ser 2	£ 0.63	-	0.01	0.00

Janus Henderson Investors (UK)
PO Box 9023, Chelmsford, CM99 2WB Enquiries: 0800 832 832
www.janushenderson.com

Fund	Bid	Offer	D+/-	Yield
Authorised Inv Funds				
Janus Henderson Instl UK Idx Opps A Acc	£ 1.10	-	0.00	1.81

M & G Securities (1200)F (UK)
PO Box 9038, Chelmsford, CM99 2XF
www.mandg.co.uk/charities Enq./Dealing: 0800 917 4472

Fund	Bid	Offer	D+/-	Yield
Authorised Inv Funds				
M&G Charibond Charities Fixed Interest Fund (Charibond) Inc	£ 1.23	-	0.00	-
M&G Charibond Charities Fixed Interest Fund (Charibond) Acc	£ 42.77	-	-0.01	-
M&G Charity Multi Asset Fund Inc	£ 0.91	-	0.00	3.85
M&G Charity Multi Asset Fund Acc	£ 103.61	-	0.00	3.21

MMIP Investment Management Limited (GSY)
Regulated

Fund	Bid	Offer	D+/-	Yield
Multi-Manager Investment Programmes PCC Limited				
UK Equity Fd Cl A Series 01	£ 3083.02	3119.01	-77.42	0.00
Diversified Absolute Rtn Fd USD Cl AF2	$ 1746.01	-	-10.59	0.00
Diversified Absolute Return Stlg Cell AF2	£ 1634.74	-	-10.01	0.00
Global Equity Fund A Lead Series	£ 1832.07	1838.13	-11.55	-

Marwyn Asset Management Limited (CYM)
Regulated

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

Milltrust International Managed Investments ICAV (IRL)
mimi@milltrust.com, +44(0)20 8123 8316 www.milltrust.com
Regulated

Fund	Bid	Offer	D+/-	Yield
British Innovation Fund	£ 121.92	-	2.89	0.00
MAI - Buy & Lease (Australia)	A$ 103.45	-	0.50	0.00
MAI - Buy & Lease (New Zealand)	NZ$ 91.20	-	-6.06	0.00
Milltrust Global Emerging Markets Fund - Class A	$ 127.33	-	0.37	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 SP A	$ 79.73	-	-0.18	0.00
Milltrust Laurium Africa SP A	$ 107.90	-	2.47	0.00
Milltrust Marcellus India Fund	$ 147.61	-	2.04	-
Milltrust Singular ASEAN SP Founders	$ 160.60	-	1.43	0.00
Milltrust SPARX Korea Equity SP A	$ 170.93	-	0.09	0.00
Milltrust VTB Russia Fund SP	$ 150.98	-	-0.33	-
Milltrust Xingtai China SP A	$ 155.79	-	-0.11	-
The Climate Impact Asia Fund SP (Class A)	$ 104.58	-	-0.16	-
The Climate Impact Asia Fund (Class B)	$ 104.40	-	-0.16	-

Mirabaud Asset Management (LUX)
www.mirabaud.com, marketing@mirabaud-am.com
Conviction based investment vehicles details available here www.mirabaud-am.com
Regulated

Fund	Bid	Offer	D+/-	Yield
Mir. - Glb Strat. Bd I USD	$ 124.96	-	0.01	0.00
Mir. - DiscEur D Cap GBP	£ 220.14	-	0.67	0.00
Mirabaud - UK Equity High Alpha	£ 177.14	-	1.24	-

New Capital UCITS Fund PLC (IRL)
Leconfield House, Curzon Street, London, W1J 5JB
www.newcapitalfunds.com
FCA Recognised

Fund	Bid	Offer	D+/-	Yield
New Capital UCITS Funds				
New Capital China Equity Fund	$ 288.21	-	6.96	0.00
New Capital Dynamic European Equity Fund	£ 155.87	-	1.07	0.00
New Capital Dynamic UK Equity Fund	£ 130.39	-	0.61	0.00
New Capital Global Alpha Fund	£ 123.37	-	0.18	0.00
New Capital Global Equity Conviction Fund	$ 246.44	-	1.21	-
New Capital Global Value Credit Fund	$ 164.91	-	0.03	0.00
New Capital Japan Equity Fund	¥ 1886.61	-	30.99	0.00
New Capital US Growth Fund	$ 536.02	-	1.93	-
New Capital US Small Cap Growth Fund	$ 254.95	-	-0.64	0.00
New Capital Wealthy Nations Bond Fund	$ 157.21	-	0.04	0.00

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

Fund	Bid	Offer	D+/-	Yield
OGM Oasis Crescent Global Short Term Income Fund (USD) Class A (Distributing)	$ 0.99	-	0.00	1.61
OGM Oasis Crescent Global Equity Fund USD A (Dist)	$ 39.74	-	0.07	0.11
OGM Oasis Crescent Variable Fund GBP Class A (Dist)	£ 10.54	-	0.04	0.01
OGM Oasis Crescent Global Income Fund USD A (Dist)	$ 11.14	-	0.00	2.43
OGM Oasis Crescent Global Low Equity Fund USD D (Dist)	$ 13.73	-	0.02	0.21
OGM Oasis Crescent Global Medium Equity Fund USD A (Dist)	$ 15.15	-	0.03	0.04
OGM Oasis Crescent Global Property Equity Fund USD A (Dist)	$ 10.20	-	-0.03	-

Omnia Fund Ltd

Fund	Bid	Offer	D+/-	Yield
Other International Funds				
Estimated NAV	$ 645.47	-	-7.01	0.00

Oryx International Growth Fund Ltd

Fund	Bid	Offer	D+/-	Yield
Other International Funds				
NAV (Fully Diluted)	£ 9.10	-	-0.52	0.00

Orbis Investments (U.K.) Limited (GBR)
28 Dorset Square, London, NW1 6QG
www.orbis.com 0800 358 2030
Regulated

Fund	Bid	Offer	D+/-	Yield
Orbis OEIC Global Cautious Standard	£ 10.92	-	0.02	0.02
Orbis OEIC Global Balanced Standard	£ 16.80	-	0.07	2.38
Orbis OEIC Global Equity Standard	£ 21.64	-	0.12	1.89
Orbis OEIC UK Equity Standard	£ 10.51	-	0.08	2.31

Platinum Capital Management Ltd

Fund	Bid	Offer	D+/-	Yield
Other International Funds				
Platinum All Star Fund - A	$ 155.37	-	-	-
Platinum Global Growth UCITS Fund	$ 14.85	-	0.11	0.00
Platinum Essential Resources UCITS Fund SICAV USD Class E	$ 8.38	-	-0.01	-
Platinum Global Dividend UCITS Fund	$ 59.80	-	-0.15	0.00

Polar Capital Funds Plc (IRL)
Regulated

Fund	Bid	Offer	D+/-	Yield
Automation & Artificial Intelligence Cl I USD Acc	$ 20.50	20.50	0.14	0.00
Asian Financials I USD	$ 488.25	488.25	0.08	-
Biotechnology I USD	$ 44.77	44.77	-0.28	0.00
Emerging Market Stars I USD Acc	$ 16.18	-	0.16	0.00
European Ex UK Inc EUR Acc	€ 13.24	13.24	0.06	0.00
Financial Opps I USD	$ 16.18	-	0.03	1.49
GEM Income I USD	$ 14.73	-	-0.02	-
Global Convertible I USD	$ 16.82	16.82	0.01	0.00
Global Insurance I GBP	£ 7.92	-	-0.07	0.00
Global Technology I USD	$ 98.37	-	0.71	0.00
Healthcare Blue Chip Fund I USD Acc	$ 19.56	19.56	-0.03	-
Healthcare Opps I USD	$ 73.23	-	-0.36	0.00
Income Opportunities B2 I GBP Acc	£ 2.75	2.75	0.00	0.00
Japan Value I JPY	¥ 133.67	133.67	1.12	-
North American I USD	$ 37.61	37.61	-0.07	0.00
UK Val Opp I GBP Acc	£ 14.95	14.95	0.05	0.00

Polar Capital LLP (CYM)
Regulated

Fund	Bid	Offer	D+/-	Yield
European Forager A EUR	€ 219.50	-	7.33	0.00

Private Fund Mgrs (Guernsey) Ltd (GSY)
Regulated

Fund	Bid	Offer	D+/-	Yield
Monument Growth 31/08/2021	£ 563.50	569.35	3.89	0.78

Prusik Investment Management LLP (IRL)
Enquiries - 0207 493 1331
Regulated

Fund	Bid	Offer	D+/-	Yield
Prusik Asian Equity Income B Dist	$ 185.65	-	-0.50	4.47
Prusik Asia Emerging Opportunities Fund A Acc	$ 224.26	-	-1.43	0.00
Prusik Asia Fund U Dist.	£ 258.51	-	1.62	0.00

Purisima Investment Fds (CI) Ltd (JER)
Regulated

Fund	Bid	Offer	D+/-	Yield
PCG B ✠	355.15	-	0.42	0.00
PCG C ✠	346.44	-	0.41	0.00

Ram Active Investments SA
www.ram-ai.com

Fund	Bid	Offer	D+/-	Yield
Other International Funds				
RAM Systematic Emerg Markets Eq	$ 251.34	251.34	0.56	-
RAM Systematic European Eq	€ 598.88	598.88	3.06	-
RAM Systematic Funds Global Sustainable Income Eq	$ 160.41	160.41	0.22	-
RAM Systematic Global Eq Sustainable Alpha	$ 111.64	111.64	-0.04	-
RAM Systematic Long/Short European Eq	€ 149.49	149.49	0.29	-
RAM Systematic US Sustainable Eq	$ 433.81	433.81	-0.05	-
RAM Tactical Global Bond Total Return	€ 155.67	155.67	0.00	-
RAM Tactical II Asia Bond Total Return	$ 157.99	157.99	0.03	-

Ruffer LLP (1000)F (UK)
65 Gresham Street, London, EC2V 7NQ
Order Desk and Enquiries: 0345 601 9610

Fund	Bid	Offer	D+/-	Yield
Authorised Inv Funds				
Authorised Corporate Director - Link Fund Solutions				
LF Ruffer European C Acc	974.41	-	1.22	0.04
LF Ruffer European C Inc	177.82	-	0.23	0.07
LF Ruffer European O Acc	948.24	-	1.18	0.00
LF Ruffer Equity & General C Acc	579.16	-	1.55	0.15
LF Ruffer Equity & General C Inc	529.67	-	1.42	0.16
LF Ruffer Equity & General O Acc	563.65	-	1.51	0.00
LF Ruffer Equity & General O Inc	521.85	-	1.40	0.00
LF Ruffer Gold C Acc	255.25	-	3.94	0.00
LF Ruffer Gold C Inc	154.48	-	2.38	0.00
LF Ruffer Gold O Acc	248.32	-	3.83	0.00
LF Ruffer Japanese C Inc	183.34	-	1.82	0.06
LF Ruffer Japanese C Acc	393.98	-	3.92	0.06
LF Ruffer Pacific & Emerging Markets C Acc	385.42	-	-11.40	0.86
LF Ruffer Pacific & Emerging Markets C Inc	104.97	-	-3.11	0.82
LF Ruffer Pacific & Emerging Markets O Acc	374.84	-	-11.11	0.52
LF Ruffer Total Return C Acc	541.37	-	-2.05	0.62
LF Ruffer Total Return C Inc	349.26	-	-1.33	0.62
LF Ruffer Total Return O Acc	526.81	-	-2.01	0.62
LF Ruffer Total Return O Inc	339.68	-	-1.29	0.62

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

Fund	Bid	Offer	D+/-	Yield
Rubrics Emerging Markets Fixed Income UCITS Fund	$ 141.58	-	-0.10	0.00
Rubrics Global Credit UCITS Fund	$ 18.23	-	0.00	0.00
Rubrics Global Fixed Income UCITS Fund	$ 180.60	-	0.01	0.00

Slater Investments Ltd (UK)
www.slaterinvestments.com; Tel: 0207 220 9460
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Fund	Bid	Offer	D+/-	Yield
Slater Growth A Acc	875.94	875.94	-0.58	0.00
Slater Income A Inc	152.06	152.06	-0.52	5.22
Slater Recovery A Acc	410.87	410.87	0.95	0.00
Slater Artorius	390.91	390.91	7.19	0.00

Stonehage Fleming Investment Management Ltd (IRL)
www.stonehagefleming.com/gbi
enquiries@stonehagefleming.com
Regulated

Fund	Bid	Offer	D+/-	Yield
SF Global Best Ideas Eq B USD ACC	$ 292.07	-	0.72	-
SF Global Best Ideas Eq D GBP INC	£ 320.48	-	1.84	-

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

Fund	Bid	Offer	D+/-	Yield
Other International Funds				
Superfund Green Gold	$ 1563.40	-	0.46	0.00
Superfund Green Silver	$ 1490.16	-	0.44	0.00
Superfund Green US$	$ 1176.10	-	0.34	0.00

Toscafund Asset Management LLP (UK)
www.toscafund.com

Fund	Bid	Offer	D+/-	Yield
Authorised Funds				
Aptus Global Financials B Acc	£ 4.89	-	0.03	-
Aptus Global Financials B Inc	£ 3.31	-	0.02	6.13

Toscafund Asset Management LLP
www.toscafund.com

Fund	Bid	Offer	D+/-	Yield
Tosca A USD	$ 399.34	-	3.12	0.00
Tosca Mid Cap GBP	£ 267.39	-	-2.04	0.00
Tosca Opportunity B USD	$ 407.60	-	-3.94	0.00
Pegasus Fund Ltd A-1 GBP	£ 61.61	-	-1.81	0.00

Troy Asset Mgt (1200) (UK)
65 Gresham Street, London, EC2V 7NQ
Order Desk and Enquiries: 0345 608 0950

Fund	Bid	Offer	D+/-	Yield
Authorised Inv Funds				
Authorised Corporate Director - Link Fund Solutions				
Trojan Investment Funds				
Trojan Ethical O Acc	128.57	-	-0.01	0.00
Trojan Ethical O Inc	128.32	-	-0.01	0.00

WA Fixed Income Fund Plc (IRL)
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Fund	Bid	Offer	D+/-	Yield
European Multi-Sector	€ 123.55	-	-0.18	2.86

Zadig Gestion (Memnon Fund) (LUX)
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Fund	Bid	Offer	D+/-	Yield
Memnon European Fund - Class U2 GBP	£ 227.58	-	1.38	-

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

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

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

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

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ARTS

London cultivates a new creative quarter

With 16 buildings by eight architects, Greenwich's Design District is eclectic and pleasing, writes Edwin Heathcote

Exquisite corpse" was the surrealists' favourite game. Players would continue a sentence or a drawing on a folded piece of paper, knowing nothing of what had come before. The final result might be a surreal masterpiece or a total mess. Most of London's new developments happen to look as if they had been designed like this, but one small part *has* been designed like this. And it looks quite impressive.

It seems a little presumptuous to christen this area "Design District" but that is what Knight Dragon, developer of the broader Greenwich Peninsula project, has done. It has snipped a small napkin of space from a vast tablecloth of development and towers, most of which remain to be built, and dedicated it to the creative industries. It's an unusual approach: the most successful design districts tend to be adapted from existing neighbourhoods, often from buildings abandoned by other industries.

Here, the Hong Kong-backed developer has pre-determined the fate of this little bit of the city and engineered its future through more affordable rents to attract creative businesses, subsidised by other rents across its developments.

Clockwise, from left: the Design District is signposted on a building by architect David Kohn; the food hall, designed by Spanish architects SelgasCano; the district is located on the Greenwich Peninsula
David Kohn Architects; Edwin Heathcote; Taran Wilkhu

We know it's a design district because it says so in huge letters on top of a jolly and rather retro-looking red brick and glass building designed by architect David Kohn. The letters look like those signs left over from the days of pre-digital advertising, probably for some product that no longer exists.

Sixteen new buildings from eight architects make up the neighbourhood, arranged around four small courtyards and a central square. It is permeable from every side, open to the public at all times of day. At one end sits a yellow caterpillar of a building, squirming its way around the square. It is a remarkable-looking thing with a bouncily childish aesthetic. This is the food hall, designed by Spanish architects SelgasCano.

Completely transparent, with a banana-yellow frame, gull-wing doors, an opening roof and plenty of indoor trees, it aims to achieve the elusive inside-outness beloved of architects. It recalls the fantasies of the Pop and High-tech architects of the 1960s and 1970s that never quite seemed to work in real life. Perhaps this will. Although, in the renderings and models, it also looks unsettlingly like an unravelled dayglo condom from a pub vending machine.

The buildings are designed with workshop spaces on the ground floors and studios and offices above. How much production will go on here is debatable, but it makes a good story. They are all very different, and some are deeply enjoyable. Two buildings by architects 6a are chamfered back to allow a little more light down to ground level and are clad in a harlequin diamond pattern, expressed in a meaty pink and grey terrazzo with oversized windows on the sides. They are surprising and pleasing, inspired, says 6a founder Tom Emerson, by Richard Artschwager's Formica-clad sculptures.

They also contain a nod to late-British modernism and it's clear that the architects were working on these designs in tandem with their MK Gallery in Milton Keynes, with its oversized circular window and shiny metal. Those diamond openings make for dramatic interiors (whose blockwork and plasterboard have been left raw and exposed in the vein of early Frank Gehry) and a compelling double-height top floor with an expressionist sharpness.

Two buildings by Italian-Spanish practice Barozzi Veiga bring a flash of shiny continental modernism to the site with their aluminium-clad facades. One of these buildings is being occupied by design school Ravensbourne Institute for Creativity and Technology. This will act as an annexe to its building beside the nearby O2 Arena, a design school with no workshops.

A wobbly-walled white building designed by HNNA contains the site's co-working space and club (the latter beautifully fitted out by architect Roz Barr). One building by Architecture 00 brings a touch of Berlin to the site in its open concrete frame and loose-fit interiors. A sculptural public stair thrust into the street invites people up through the terraces. The whole thing is wrapped in wire mesh that stretches right across the top of the building beneath (an open-air basketball court). Very urban. It looks a fine building. Its other structure is still under construction and looks enigmatic.

Two metal-clad buildings by Mole Architects define one edge of the site, one in a rusty corten steel, the other painted in an iridescent dichroic finish. The other side is made of two buildings by Kohn, which form a kind of robust brick gateway to the bus station opposite and the swaths of as-yet undeveloped but soon to be overdeveloped land. Kohn has clearly had fun. With chunky brick columns, a green trellis of a facade and glass etched into block patterns, it plays with reality and representation, with scale and style. There are obvious references to James Stirling's Clore Gallery at Tate Britain, Aldo Rossi's later work and Venturi and Scott-Brown's celebration of the sign and the building as sign in those huge letters on top.

The attempt here to make a dense, urbane and self-consciously designed quarter seems to be working. The buildings appear radically different but seem to get along well enough, albeit with a slight sense of an architectural petting zoo. The problem is more likely to be the surroundings. One hundred and forty-seven acres and £8.4bn of investment are going to need a return and the little design district will be hemmed in on three sides by towers of 40 storeys or so.

The neighbourhood still feels strange with the Millennium Dome (now the O2 Arena) intended as a temporary structure to kickstart the North Greenwich redevelopment, now oddly entrenched as a local landmark. It leaves undefined spaces all around, one filled in by Ravensbourne, another by Diller Scofidio + Renfro's uncomfortable echo of their New York High Line, the "Tide". This latter creates obsolete infrastructure rather than repurposes it.

> The Hong Kong-backed developer has engineered the area's future through more affordable rents

The question is whether this designated design district is intended as a standalone bauble or a tool to carve out a larger creative neighbourhood. If it is to be the latter, then the surrounding buildings are going to need similar attention and intensity, which looks unlikely. But an island is better than nothing. This is a rare example of a developer using architecture to create interest rather than as a rain screen for a generic investment product. It is an approach common in France and Spain but it looks fresh here. Perhaps its influence will spread outwards.

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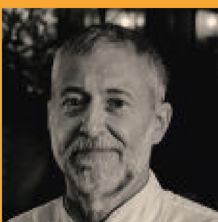

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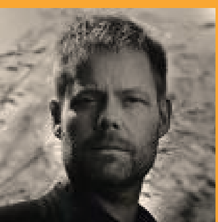

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How Tetris took over our minds

GAMING

Tom Faber

When the moving van arrived, I realised I had underestimated how much stuff I had. There was no way my teetering pile of possessions was going to fit into the empty vehicle before me. Then, just when I needed it, a solution bubbled up from my subconscious — *Tetris*. Each item of furniture became a simple geometric shape. I noticed how one bed might stack squarely on top of the other. The chest of drawers, rotated 90 degrees counterclockwise, would fit snugly in the corner under the desk. Those childhood hours spent arranging blocks on a two-inch screen had finally amounted to something useful.

I am not the first to experience what psychologists call "the *Tetris* effect", where a player sees those familiar blocks intruding in their real life, hallucinated across supermarket shelves and urban skylines. This phenomenon also gave its name to a 2018 game which injects the classic formula with a synaesthetic twist. Co-produced by beloved music-game creator Tetsuya Mizuguchi, *Tetris Effect* registers each of your movements with a musical cue, so you build its soundtrack as holographic dolphins dance around the grid.

Even with these audiovisual innovations, the most notable thing about *Tetris Effect* is how little it needs to change the game's core challenge. *Tetris* was created 37 years ago, has been released on more than 65 platforms, sold more than 495m copies and is the model for every casual game which dominates the app store today. What has made it so enduring?

You understand *Tetris* in seconds. Colourful blocks, called tetrominoes, fall from the top of the screen and must be arranged at the bottom. Complete a line and they disappear, freeing up space. Clear four lines at once using a long, straight block and you get extra points — this move is actually called a Tetris. Keep playing and the blocks fall ever faster until the screen fills to the brim and you fail. Somewhat poignantly, you can't actually win *Tetris*: it's simply a question of how long you can hold on before you lose.

The game was invented in 1984 by Alexey Pajitnov, a software engineer at the Soviet Academy of Sciences. Its name is a combination of the Greek word "tetra" — the four squares comprising each tetromino — and tennis, Pajitnov's favourite sport. Despite success in Moscow, he struggled to export the game since intellectual property was complicated in the Soviet Union — all his research belonged to the state. This didn't stop a British salesman discovering the game in Hungary and drafting a spurious licensing deal. Before long the game was selling like hot cakes in the west, unbeknown to Pajitnov. Publishers in the US used the game's Russian origins as a selling point, with one edition bearing the subtitle "The Soviet Mind Game". There followed a volley of licensing disputes, culminating in a court victory for Nintendo, which then took *Tetris* stratospheric by selling it alongside its new portable console, the Game Boy.

> In a world of games about destruction, 'Tetris' asks us to create order from chaos

In 1996, the rights reverted to Pajitnov, who founded the Tetris Company in order to manage the game's licence in future iterations. This litigious organisation has furiously flogged the brand: as of 2015, there were more than 215 official variants of *Tetris*, some including multiplayer features, magical abilities and storylines about sentient tetrominoes leaving their home planet for pastures new. Last month a board game was released and a film is in the works for Apple TV Plus, which dramatises the game's troubled history.

A 2011 documentary called *Ecstasy of Order: The Tetris Masters* introduced the world to competitive *Tetris*. Watching footage online provides insight into a fascinating subculture: see how the enthusiastic commentators call competitors sweetly by their first names or how the old guard — who have been playing since the 1980s — were recently swept away by a wave of teenage players who have pioneered a novel technique for holding the controller, known as "rolling", by drumming their fingers on its underside to achieve unprecedented speeds of 20 button-presses per second.

The game's outsized influence is fundamentally down to its elegant design, which is simple to learn but challenging to master. It has been proven to improve cognition, treat lazy eyes and even reduce the effects of PTSD. It calms us because, in a world of games about destruction, *Tetris* asks us to create order from chaos. It has no narration, no character for the player to control. "It was so abstract," Pajitnov said in an interview, "that was its great quality. It appealed to everybody."

Tetris was the first masterpiece that could never have been anything other than a video game. Despite having no storyline, it speaks a language of logic, suggesting how we might hold on in a world where nothing is stable. With quick wits, practised reflexes and a dash of luck, we can keep going for a while yet, until the final block falls.

'Tetris' creator Alexey Pajitnov, pictured in 1989 — Wojtek Laski/Getty Images

FT BIG READ. CHINA & BIG TECH

By extending control over a huge volume of data, Beijing is conducting a grand experiment in 21st century authoritarian governance. Large Chinese groups, multinationals and financial markets all face disruption.

By James Kynge and Sun Yu

Xi's blueprint for a digital dictatorship

When Elon Musk insisted in March that Tesla cars were not being used to spy on China, it was reported as a one-off interaction between the head of the world's most valuable car company and the custodians of its fastest-growing market. "If Tesla used cars to spy in China or anywhere, we will get shut down," Musk told a conference in China via video link. Responding to Beijing's ban on Tesla cars from entering military compounds, Musk insisted that the data collected by sensors fitted to Teslas was handled confidentially.

Now, however, Tesla's travails stand as the early sounding of a geopolitical sea change. In recent weeks, Beijing has pushed through reams of regulations and policies designed to shore up China's data security, reinforcing the control it exercises over huge volumes of data used in governing the country, boosting the economy and ordering people's lives.

Such moves comprise a crucial part of the vision of Xi Jinping, China's leader, to build what some analysts call a "techno-authoritarian superpower" in which people are monitored and directed to an unprecedented degree through government-controlled cyber networks, surveillance systems and algorithms.

"With better control over data, we cannot only build a more productive economy, but also a more efficient government that makes decisions based on hard science rather than intuition," says He Aoxuan, a researcher at Beihang University, a leading technological university in Beijing. "The embrace of digital sovereignty plays a key role in protecting our national interest against enemy forces at home and abroad."

Xi's data vision stresses control. In 2013, he said that "whoever controls data has the upper hand". A year later control of information had become an important aspect of a country's "soft power," said the president. Its official classification in 2020 as a "fifth factor of production", alongside labour, land, capital and technology, underlined data's importance to Beijing.

Personal data is collected not only through online interactions but also through a whole panoply of technologies designed to order a society of 1.4bn people. Digital social security cards, digital money, smart cities, surveillance cameras and other technologies are being rolled out across the country, creating a grand experiment for 21st century authoritarian governance.

All this forms a contrast with the Maoist echoes in Xi's current political rhetoric — the strongman leader exhorting the country to prize "common prosperity". But when it comes to data and technology, Xi appears to be unveiling the blueprint for a modern, high-tech dictatorship. Beijing wants to have it both ways. It believes that technologies will shore up social control and suppress political dissent without damping the entrepreneurial vigour or the innovation that animate the world's fastest-growing large economy.

"Fostering innovation is still a top-line priority for Beijing," says Kendra Schaefer, head of tech policy research at Trivium China, a consultancy in Beijing.

"It has no intention of pouring water on the flames of innovation," she adds. "Rather, Beijing sees these rules [on data] as a trellis that guides development direction and determines the final shape of China's digital economy."

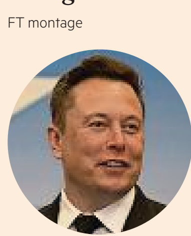
Crackdown wipes $1tn off China's biggest tech groups

Market value of Tencent, Alibaba, Kuaishou and Meituan ($tn)

Source: Bloomberg

Above: China has installed an estimated 415m surveillance cameras. Tesla's Elon Musk, below, set up a local data centre as a route to greater harmony with Beijing. Bottom: a sign for China's new digital renminbi is displayed at a shopping mall in Shanghai

FT montage



'A data empire'

In order to bend such troves of data to its will, Beijing has adopted a multi-pronged strategy. It is publishing laws to govern the use of data, increasing the state's access to data held by private companies and collecting vast amounts of it itself.

The main purpose behind such efforts is captured by last month's release of draft regulations on algorithms — or mathematical instructions that govern much online behaviour. These should, the draft law says, "orient towards mainstream values" and "actively transmit positive energy". In other words, they should support — and certainly not oppose — the messaging of the Chinese Communist party.

The hardening of the legal regime around data usage is causing severe disruption for multinationals operating in China, large homegrown corporations and the financial markets.

The Personal Information Protection Law, which is due to take effect in November, stipulates that data being moved out of China must either pass a security assessment by the Cyberspace Administration of China, a government regulator, or obtain other forms of official approval. While the Data Security Law, which came into effect this month, requires the protection of "core data", defined as information involving national and economic security, people's welfare or important public interest. Definitions, so broad say experts, that they could cover almost anything.

"The laws mean or will mean that all data generated in China must stay in China, unless you have explicit permission to send some of it overseas on a case-by-case basis," says a senior executive at a Chinese tech group. "China is becoming a data empire unto itself."

Multinationals operating in China will have little choice but to establish data centres to hold customer information.

And if law enforcement agencies wish to check consumer data collected by a multinational in China, they will be able to do so whenever they choose, Chinese officials and executives told the FT.

Tesla was quick to spot that setting up a data centre was a route to greater harmony with Chinese authorities. It did so in Shanghai in May, a couple of months after Musk offered assurance that his company's cars were not spying on customers. "All data generated from cars sold in mainland China will be stored within China," Tesla said on Weibo, a Chinese social media platform, in May.

Apple is another revealing case. In response to Beijing's stiffening controls, it set up a data storage centre in the southern province of Guizhou in 2017. The following year it announced that its iCloud service in China would be managed by the state-owned data management company Guizhou-Cloud Big Data Industry Co. The US group said in a statement that "we control the encryption keys for our users' data" in its China data centres. However, the company also complies with Chinese law enforcement requests to hand over customer data to authorities, it added.

The foreign company held up most often by Chinese officials as a "model" of how multinationals should behave is Microsoft. The US tech giant already has four data centres in mainland China, all operated by local partner 21Vianet, and a fifth is due to go live next year, it said.

Asked if data from its platforms, such as LinkedIn, can be accessed in unencrypted form by Chinese authorities, Microsoft added: "Microsoft commits to follow all laws and regulations applicable to its provision of online services."

Listing tensions

The new data regime is tearing apart a US-China capital markets relationship under which 248 companies with a total market capitalisation of $2.1tn had listed on US exchanges as of May this year. The future for mainland Chinese company listings in Hong Kong is also clouded by the new data regulations.

The current focus of attention is Didi Chuxing, a Chinese ride-hailing company, which pushed ahead with plans for a $4.4bn share listing in New York before the Cyberspace Administration of China had completed all of its data security clearances, officials say.

In response, the CAC opened a national security review into the company and kicked Didi's app off China's online stores. The seriousness of the probe is signalled by the fact that it involves multiple agencies, including China's natural resources and transport ministries, its espionage agency, the tax administration, the police and the CAC.

In New York, lawyers have filed a class-action lawsuit on behalf of Didi's investors alleging they were misled by the company and its executives over its previous dealings with Chinese regulators. Questions over whether Didi accurately disclosed the pressure it faced from the CAC have also led to scrutiny of the banks that underwrote its listing, which included Goldman Sachs and Morgan Stanley. Didi did not respond to requests for comment.

Sheng Ronghua, vice-minister at the CAC, has said Beijing's new rules on critical data disclosures by mainland companies that list on stock markets are the same no matter where they seek to go public, making it unlikely that Hong Kong's exchange will enjoy more lenient treatment than that governing New York listings. "The rules are published to protect the safety of critical information infrastructure and all companies, no matter what kind they are or where they are listed, must comply with the country's laws and regulations," he said.

Nevertheless, it is clear that Chinese regulators make a basic distinction between offering shares in the mainland and listing offshore in Hong Kong or overseas in New York.

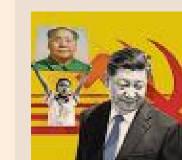
The CAC has proposed, for instance, that companies with more than 1m users should undergo security reviews before listing overseas. Regulators are also considering rules that would require data-rich companies to hand over management of their data to third-party firms if they seek to stage a share offering in the US, officials told the Financial Times.

'Digital Leninism'

One persistent frailty of authoritarian systems in history has been an information logjam between grassroots society and the ruling elite. The former Soviet Union foundered as much because of petty corruption and endemic shortages of basic goods as because of its expensive cold war rivalry with the US.

> 'All data generated in China must stay in China, unless you have explicit permission to send some of it overseas. China is becoming a data empire unto itself'

> 'The embrace of digital sovereignty plays a key role in protecting our national interest against enemy forces at home and abroad'



FT series
Read more about Xi Jinping's assertion of greater control in China
ft.com/bigread

Dimitar Gueorguiev, associate professor at Syracuse University, says the digital technologies deployed by Beijing help it keep tabs on popular sentiment and needs.

"The CCP has overcome the information acquisition problem, thanks in large part to the digital ecosystems it has established," says Gueorguiev, author of a new book on the topic, *Retrofitting Leninism*. "Today's China is more perceptive of public opinion, less prone to policy blunders and better equipped to manage its own bloated bureaucracy."

Several countries — both democratic and authoritarian — have started using digital systems to assist in governance and to provide services. But the scale and intrusiveness of China's deployment are on a whole different level.

"It's been called digital Leninism or techno-authoritarianism," says Andrew Gilholm, a director at the Control Risks consultancy. "[It] has that huge element of political control to it but it is not solely focused on that. The vision is also about governing more effectively using various technologies to overcome perennial governance problems".

Understanding the way that China's digital ecosystems work reveals both the programme's ultimate aims and the shortcomings of this grand "techno-authoritarian" experiment.

Some technologies form basic building blocks. The installation of an estimated 415m surveillance cameras makes China's population by far the world's most surveilled. But nearly 90 per cent of anonymous respondents to a survey in Beijing said they were opposed to the use of facial recognition technology in commercial areas.

Nevertheless, surveillance cameras enable another technology in which China's deployment also leads the world: smart cities. In 2020, the country was estimated to have some 800 smart cities under construction or in planning — about half of the world's total. The concept behind a smart city is to use networked technologies to control traffic, allocate energy usage and dispense other services as well as to fight crime.

The provision of services is also the purpose behind China's digital social security cards, with which more than 300m people can access or apply for unemployment benefits, prescription drugs, public transportation and other services through mobile phone apps.

Yet, in terms of their capacity for social control, such technologies pale next to the digital renminbi, which has been undergoing tests in several cities and may be ready for a formal launch after next year's Winter Olympics in Beijing. All transactions are traceable in real time, providing a state surveillance capability that does not exist with the current mixture of cash and digital payments operated by private platforms such as WeChat Pay and Alipay.

Mu Changchun of the Digital Currency Research Institute, an official body, has said a system of "controllable anonymity" will be rolled out, meaning that only transactions which authorities request to see will be visible.

"The digital renminbi is likely to be a boon for CCP surveillance in the economy and for government interference in the lives of Chinese citizens," wrote Yaya Fanusie and Emily Jin in a recent report for the Centre for a New American Security, a Washington-based think-tank.

Other elements of the system, however, remain imperfect. A social credit system that blacklists defaulters and aims to prevent them from making subsequent purchases of high-end items operates only imperfectly.

The problem is that many of the high-end hotels, train stations, airlines and other service providers have not signed up, meaning that some defaulters are able to skip detection and continue on their spending sprees.

Ultimately, Xi's new model still remains untested. It has yet to be proven that collecting large volumes of data will give the Chinese regime useful intelligence or help it to correct policies when needed. And some experts see a more sinister design.

"I think the solution that [Xi] has settled on is Orwell," said Scott Kennedy, a China expert at Washington-based think-tank CSIS, referencing George Orwell, the author of *1984*, the dystopian novel in which Big Brother, uses information superiority to keep subjects in check.

Speaking on a recent podcast on Chinese politics, Kennedy added: "That is artificial intelligence and data . . . You make sure you have asymmetrically more information than everyone else."

FINANCIAL TIMES

'Without fear and without favour'

WEDNESDAY 8 SEPTEMBER 2021

Guinea's coup stems from crisis of legitimacy

World must do a better job at policing deals in the poorest nations

In his first address as Guinea's de facto leader, Colonel Mamady Doumbouya declared of his gun-enabled route to power: "If the people are crushed by their elites, it is up to the army to give the people their freedom."

Africa's experience with dictatorships suggests that little in the way of freedom is likely to come from the coup that overthrew Alpha Condé, the 83-year-old president, this weekend. If history is anything to go by, Guinea's new military leaders will be a disaster both economically and politically. The African Union, regional bodies and the broader international community are quite right to condemn the coup and to demand a swift return to civilian rule.

But Condé, who was re-elected last year to a disputed third term, also bears responsibility for plunging Guinea back into dictatorship. By manipulating the constitution to extend his power, a practice that has become depressingly common in Africa, he undermined his democratic credentials in the eyes of millions of Guineans. His re-election was accompanied by violent protests. His overthrow brought hundreds onto the streets to celebrate his demise — a sorry end for a politician who once presented himself as an agent of change.

The coup has made an unwelcome comeback in Africa. After two decades in which democratic norms — if not always sound democratic practice — became entrenched, the putsch is returning. In recent months alone there has been a coup in Mali (the second in a year) and the installation of Mahamat Idriss Déby in Chad following the death of his father. In 2019 Sudan's military toppled the 30-year-old dictatorship of Omar al-Bashir.

There are some functioning African democracies. Only last month, Zambia's electorate ousted the incumbent. Yet all too often, leaders warp constitutions and exploit incumbency, including a monopoly on violence, to cling to power. For overstayers such as Uganda's Yoweri Museveni (35 years in power) and Equatorial Guinea's Teodoro Obiang Nguema (42 years), Guinea should be a cautionary tale.

Guinea holds another lesson: the urgent need for better governance in impoverished resource-rich nations. Guinea supplies about a quarter of the world's bauxite, the key ingredient of aluminium, mostly to China and Russia. A big reason the coup made waves was because it pushed the price of the metal, used in construction, cars and tin cans, to 10-year highs.

For years, foreign companies have participated in an unedifying scramble for Guinea's massive iron ore deposits, not an ounce of which has yet been exported. A glimpse into the corrupt cesspit was afforded when a Swiss court this year handed down a five-year sentence to billionaire businessman Beny Steinmetz for bribing the wife of a former Guinean dictator. Throughout it all, Guinea's 13m people have benefited little if at all.

Guinea's elites of course share the blame, as do those of other extractive economies such as Angola, the Democratic Republic of Congo and Nigeria. But so too do the multinationals willing to pay corrupt intermediaries to get their hands on assets and the tax havens that enable shell companies to hide bribes and illicit profits. The world — led by policymakers in western financial capitals, through which much of this trade passes — needs to devise a better system to police transactions that amount to near-robbery from some of the world's poorest people.

Guinea's new military leaders have assured international markets that supplies of bauxite will keep flowing. But where minerals are abundant, legitimacy is often in short supply.

El Salvador's dangerous gamble on bitcoin

Adopting cryptocurrency as legal tender risks economic stability

Is it cool to adopt cryptocurrency as legal tender? El Salvador thinks so. Yesterday, the small Central American nation became the first in the world to adopt bitcoin as an official currency. Taxes may be paid in the cryptocurrency and merchants must accept it alongside the US dollar, the national currency since 2001, if they have the technology.

A network of cash dispensers will allow users to convert bitcoin into dollars free of commission, backed by a $150m government fund. Salvadorans will receive a free $30 in a digital wallet called Chivo — "cool" in local slang.

Nayib Bukele, El Salvador's authoritarian president, thinks the move will promote foreign investment and make it cheaper for expatriate Salvadorans to send home billions of dollars of remittances. The haste of the project is remarkable. Bukele announced the plan in early June. Three days later, his supporters in Congress passed a brief law late at night allowing the adoption of bitcoin within 90 days.

Crypto enthusiasts are excited by Bukele's boldness. A campaign on social media invited supporters to buy $30 in bitcoin en masse yesterday to support El Salvador's move. Bitcoin boosters hope other developing countries will follow Bukele's example.

Salvadorans are less happy. Opinion polls show a clear majority against the idea. This may reflect a fear of the unknown: fewer than 5 per cent understand bitcoin, according to one survey. But citizens also worry about taking payment in a currency whose value has varied between $10,000 and $63,000 over the past year.

The international financial community opposes the plan. The IMF has warned against adopting cryptocurrencies as legal tender, citing risks to macroeconomic stability, financial integrity, consumer protection and the environment (creating bitcoin consumes large amounts of electricity).

The World Bank turned down a request to help advise El Salvador on bitcoin. Moody's has downgraded the country's debt further into junk territory. The yield on long-dated Salvadoran government debt jumped to almost 11 per cent last month.

El Salvador's move seems odd because the country suffers none of the currency turbulence cited by crypto fans as a reason for jettisoning fiat money. Quite the opposite: the central American nation has enjoyed low inflation and economic stability since adopting the US dollar 20 years ago.

Financial inclusion, an oft-touted bitcoin benefit, is surely better served by encouraging fintech neobanks. Their proliferation across Latin America is helping the unbanked access financial services and cutting the cost of money transfers, without any of the risks — or the pollution — generated by cryptocurrency.

Bukele's critics suspect other motives. The 40-year-old leader's hipsterish enthusiasm for bitcoin is a useful distraction from recent moves to pack the supreme court and secure a judgment allowing him to run for a second consecutive term in 2024.

The bitcoin gambit might also be a stalking horse for a longer-term plan to replace the US dollar with a local stablecoin, a cryptocurrency whose value is backed by an external asset.

Whatever Bukele's motives, it is hard to see the experiment ending well. El Salvador's hasty adoption of bitcoin is fraught with risk and ordinary citizens are likely to pay a heavy price for their president's gamble. This is not to oppose innovation: central bank digital currencies, for example, hold much promise if carefully implemented. But bitcoin is not cool as government-backed legal tender.

Letters

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Offsets must not replace food retailers' decarbonisation moves

The Big Read on carbon offsets (September 1) highlighted the central requirement that offsets must not replace decarbonisation efforts, as the task force led by former Bank of England governor Mark Carney, now the UN special envoy on climate action and finance, points out. The real failure of Carney's proposed regulation will occur if companies are left to decide what counts as "hard to decarbonise" — and therefore legitimately offset.

This tension is currently playing out in the food industry, where companies face growing pressure to show progress towards net zero. Even if all other economic sectors decarbonised from 2020, emissions from the food system would still take us over the 1.5C threshold that the UK aims to salvage at COP26 this November.

Yet most of the UK's leading food businesses — the food retailers — have no plan for how to minimise the main source of their emissions — their so-called Scope 3 emissions, or the emissions of the product they sell, with meat and dairy the main culprit. It is a clear temptation for companies to simply label these emissions "hard to decarbonise" and switch to offsetting mode. Indeed, Morrisons earlier this year did just that, promising the arrival of "net zero beef" on its shelves, to be produced through farm-level offsets developed and delivered in partnership with suppliers.

This presents a clear threat to the emissions reduction imperative and skirts around what retailers are best placed to do to contribute to decarbonisation efforts — promote more sustainable diets, rich in plants and lighter on meat and dairy, as described in July's National Food Strategy.

Research by Feedback in June showed none of the top 10 UK retailers have set a target to reduce meat and dairy sales and only two report publicly on their Scope 3 emissions. In the food industry, the only effective climate solutions may also be the simplest.

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Right to choose campaign needs hard-edged message

In her opinion piece on abortion access in the US (Opinion, September 4) Renee Bracey Sherman writes that political leaders must "step up" to protect a woman's right to abortion.

If all of the right to choose community (including me) adopt such a fuzzy thinking tactic, we are bound to lose. The reality is that political leaders across many parts of America have been very effective in passing abortion-restricting laws. Sherman may find it hard to swallow but democratically elected politicians — not creatures from outer space — passed and signed the new Texas law. Further, polls suggest that right to life and right to choose advocates are roughly equal in numbers in our country.

In face of this, an idealistic "of course we are right and others are evil" attitude must be abandoned. A hard-edged campaign which appeals to more people than just the hard, right to choose choir must be adopted.

Phillip Hawley
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Don't ignore the human dimension of abortion

Abortion is a serious issue and deserves to be treated with greater consideration and respect than that shown in the FT editorial "Abortion wars shake US to its foundations" (FT View, September 6).

The editorial fundamentally ignores the human dimension of abortion and treats the massive destruction of the unborn as simply a question of legalities. Also, the editorial has taken up a flawed one-dimensional, legality-based riposte to the recent US Supreme Court decision not to block a Texas statute that bans abortion after six weeks.

Instead of shrilly crying at the end of the editorial "both sides should want to avoid a battle that would shake America to its constitutional foundations", the editorial should, perhaps, more thoughtfully say, let America revisit this heartbreaking issue which shames America to the core and which has seen the legalised destruction of many tens of millions of the human unborn in America.

Micheal O'Cathail
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Decommissioning Trident would solve the problem

The revelation that the UK has explored options for its nuclear submarine bases in the event of Scottish independence ("UK draws up plans to move nuclear subs to US if Scotland breaks away", Report, September 2) exposes more than just government planning.

It showcases the marked disconnect between Scotland and London. Scottish opposition to nuclear weapons is prevalent within the independence movement and beyond it. The Ministry of Defence appears to have underestimated that depth of feeling.

The idea of the UK retaining its Scottish nuclear bases after independence would be unpalatable and unacceptable to many in Edinburgh, Glasgow and across the country. The suggestion of making Faslane and Coulport a "British overseas territory" for that purpose would be a non-starter.

More to the point, Scotland will remain a third of the island of Britain. The UK has no monopoly on the use of "British" and making any part of Scotland a BOT would be oxymoronic. Perhaps Whitehall has yet to reflect on the full impact of Scottish independence, were it to happen, for how the UK defines itself.

Nor is it at all reasonable to imagine that Scotland, in a process of transitioning to independence, would barter away long-term leases of nuclear bases for some other concession in the separation negotiations.

Trident has nothing to do with the Scotland-UK border or sovereign debt. Instead, the Scottish side would surely be focused only on securing sensible arrangements for the removal of UK nuclear weapons from Scotland.

On that front, a prospective Scottish state would likely favour the one option which the UK government has seemingly omitted from its planning: renouncing nuclear weapons altogether and decommissioning Trident.

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Development economics 101 explains Afghan failure

So much has been written about the purpose and outcome of US intervention in Afghanistan (Big Read, August 21). However, the economic aspect doesn't get much attention.

I would like to highlight the role of development or rebuilding as reported in the "Lessons Learned Program" of the Special Inspector General for Afghanistan Reconstruction published last month.

It states that "many of the institutions and infrastructure projects the United States built were not sustainable" (Lesson 3); that "US personnel in Afghanistan were often unqualified and poorly trained" (Lesson 4) and that "US agencies [were] struggling to effectively measure results while sometimes relying on shaky data to make claims of success" (Lesson 7).

In development economics, lack of sustainability means effectively the stream of costs over the economic life of a project exceeds the benefits. This is common in parts of the developing world plagued by inefficiency and corruption. The roots of failure in Afghanistan, as documented by Sigar, are not a mystery. Who is to blame and why is another story.

Professor Mehdi Al Bazzaz
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Russia and China can pick up where Nato left off

Why does Philip Stephens ("America will not find security behind its borders", Opinion, September 3) think that China and Russia will do nothing to stabilise Afghanistan? He is correct to say that "the world is no safer for [President Joe Biden's] retreat". But it does not make sense to keep losing US and Nato lives and resources to maintain the environment in which China can get hold of the rare metals that Afghanistan is so rich in.

And the region is Russia's "soft-underbelly". Kazakhstan, Kyrgyzstan and Tajikistan are members of the Moscow-based Collective Security Treaty Organization.

Biden has just succeeded in getting back at Vladimir Putin in his own game — the divide-and-rule game the Russian leader played so effectively against Europe by bombing the anti-Assad forces in Syria and worsening the flow of refugees. Now, Russia and China will have to discuss, maybe even argue over, who picks up where the US and Nato left off.

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Boards should be savvy on private equity valuations

The excellent front-page article on merger and acquisitions trends ("M&A on track to break records after $4tn of deals so far this year", Report, September 6) quite rightly points out that the surge in takeover activity "has been fuelled by a mix of low borrowing costs, trillions of dollars in the coffers of private equity groups and the return of animal spirits to corporate boardrooms".

Most boards of directors of companies undertake valuation exercises based on estimated future cash flows using discounted cash flow analysis. The financial world is continuously changing — with private equity acquisitions one such example. To what extent are boards of directors aware of their potential valuation in the context of a private equity takeover bid? In my experience, only somewhat and, in my view, that is not good enough.

It is necessary to calculate such valuations wearing private equity spectacles and using private equity techniques. Invariably this results in a figure in excess of that using traditional methods. To what extent do the implications here account for relatively high stock market valuations? In my opinion, more than somewhat.

Adrian Buckley
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Air taxis will take a back seat if the industry takes off

The advanced air mobility industry expects its global market will exceed $1tn. While the "sky really is the limit", to meet these expectations we need to move beyond the commonly touted case of "beating congestion" in urban settings ("Flight of fancy: Investors put record sums into air taxi start-ups", Report, August 24). This is important for many cities.

However, the AAM industry has much more potential.

It's vital for jurisdictions and the industry to take a "whole of network" perspective, and pursue multiple use cases, starting with those that are likely to win the licence to operate. Medical related transport, emergency services, civil defence applications, freight and tourism could all be early parts of the AAM industry as it establishes itself and builds scale. This approach will take time, but is more likely to unlock the greatest market potential over the long term.

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Johnson faces a battle to achieve buy-in for vaccine passports

Notebook

by Sebastian Payne

The parliamentary Conservative party painted the town blue on Monday. Packing out the House of Lords terrace — one of London's best vistas — hundreds of MPs supped champagne and munched on mini fish and chips to celebrate "normality". Prime Minister Boris Johnson told them that were the Labour party in charge, the UK would still be suffering Covid restrictions.

The scene mirrors the national mood. After so-called Freedom Day at the end of July, life in Britain feels surreally normal. Social distancing has ceased, events have resumed. The only signs of a pandemic are optional masks on public transport and in shops. After enduring 18 months of hell, the attitude is "see no Covid, hear no Covid, speak no Covid".

Yet the pandemic is far from over. The UK is in the throes of a wave that could overwhelm the NHS if hospitalisations rise too rapidly. Newly reported Covid cases are running above 35,000 a day, with daily patient admissions close to 1,000 every 24 hours. The optimists hope that the wave is peaking and will eventually fizzle out. The pessimists fear worse is to come.

Discussions in Whitehall focus on how to get through the winter under the combined pressure of coronavirus, flu and long NHS waiting lists. The mooted idea of an October "firebreak" lockdown to ease the pressure has "almost zero chance", says one minister. If the situation worsens, Johnson would first try everything else, starting with mandatory masks, then social distancing, then restrictions on indoor gatherings.

The most divisive measure, however, is vaccine passports. Requiring proof of Covid jab status is deemed discriminatory by some, common sense by others. Passports clash with conceived notions most Britons hold about their relationship with the state, but they will be mandatory for big events and at some indoor venues in England within weeks. The government's approach is carrot and stick: allowing festivals and football, while encouraging the vaccine hesitant to get jabbed.

But the passports are sparking an immense political row, especially within the Tory party. Libertarians who bristle at any further Covid restrictions are gearing up to fight the proposals. The most outspoken is Steve Baker, a former Brexit minister, who has warned that vaccine passports would set a "dangerous precedent for the advance of the biosecurity state". At least 50 other Tory MPs and scores of ministers agree with him.

The battle crosses party lines. Scotland's first minister, Nicola Sturgeon, has introduced vaccine passports only to find the Scottish Labour party opposes them. Anas Sarwar, Labour's leader north of the border, says that "there is a fear that using vaccine passports might actually entrench vaccine hesitancy". The UK Labour party will be under pressure to follow them, joining the Liberal Democrats, who also staunchly oppose them.

Some scientists are sceptical too. "In some sense coercion often hardens people's views," says Neil Ferguson, professor of epidemiology at Imperial College London. "And if somebody is resistant to being vaccinated, these sort of measures may well not be very effective at increasing vaccine uptake." But the soaring vaccination rates in France, where vaccine passports are already in place, suggests otherwise.

The Tories find themselves in an uncomfortable ideological knot. A party that fought for centuries for individual liberty is now advancing the state's reach. No one feels this more than Johnson, who pledged to "masticate" any identity card to "the point of illegibility". He once fumed: "I loathe the idea on principle. I never want to be commanded, by any emanation of the British state, to produce evidence of my identity."

But the lesson of the pandemic is that Covid-19 does not have much time for liberties. When it comes to passports, one influential Tory sighs, "it is inevitable . . . but it is another thing to annoy the right". For the prime minister, the calculation is that if there is a choice between passports and lockdown the answer is clear, however intolerable. But he must make that case to his opponents. Otherwise a bruising political fight lies ahead.

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Opinion

The US foreign policy blob will win in the end

AMERICA

Janan Ganesh

In 1993, a botched intervention in Somalia seemed to put the US off such projects for good. Three years later, it sent more than 16,000 troops to Bosnia. The failure to avert mass killings there revived the trope of a halfhearted superpower. Three years later, it led the Nato bombing of Yugoslavia. The reluctance to commit ground forces there was final proof of an inward-turning nation. Four years later, it was occupying both Afghanistan and Iraq.

As those twin missions faltered, wars of choice in half-understood parts of the world became unthinkable at last. In 2011, the US joined the bombing of Libya. When the ensuing void there produced two governments, even two central banks, such well-meaning intervention was discredited once and for all. Three years later, the US bombed Syria. The failure to act earlier confirmed the decadence of this bloat . . .

You will understand, won't you, if I don't take obituaries for the US empire at face value? For the fourth or fifth time in my life, America is said to be on the verge of something called "isolationism". The record, by contrast, tells us to expect another show of force in some remote trouble spot or other by mid-decade. Go with the record.

There are two reasons why the US won't resist intervention for long. One is its place in the world. It takes superhuman discipline to possess awesome power without using it. Ungoverned land, Joseph Conrad's "blank spaces on the earth", becomes intolerable. Of all China's myriad feats, none would be as impressive as avoiding a quagmire of its own at some point.

The other reason is peculiar to the US. Washington really does have a foreign policy elite, and "blob" really is the best word for it. "Deep state" implies something undemocratic and extra-constitutional. That is a slur on a mostly civic-minded bunch.

"Military-industrial complex", meanwhile, suggests a material interest in war. True, northern Virginia has an arms-sector middle-class that has to be seen to be believed: the destination restaurant in the BAE Systems headquarters is a nice touch. But *Cui bono?* is never as smart a question as it sounds to a crude Marxist. And it is diplomats, scholars and journalists who make up most of the blob's glutinous mass, not contractors.

> For the fourth or fifth time in my life, the country is said to be on the verge of 'isolationism'

Their problem is not cynicism so much as its absence. They disagree among themselves on important things: the usefulness of multilateral bodies, the trustworthiness of Iran. What unifies them is a view of the US as a — really, *the* — redemptive force in world affairs.

Filled with memories of the evangelical George W Bush, Europeans tend to assume this is a uniquely rightwing messianism. In fact, it animates the centre-left no less. "If we have to use force," said Madeleine Albright, a former Democratic secretary of state, with majestic tautology, "it is because we are America." Fusing the worst of the right (aggression) with the worst of the left (righteousness), the itch to intervene is at least cross-partisan.

"Their problem", I say, but it is really the president's. When it speaks as one, as it has over Afghanistan, the blob is an ordeal to defy. Neither Barack Obama nor Donald Trump managed it. Joe Biden has, but at a cost that will not be lost on his successors. At one point, his national security adviser had to field a reporter's case for a military presence on the Tajik border.

Biden has deserved the past month's criticism. In a parliamentary system, where the head of government has no direct mandate, I suspect he would have had to resign. He blindsided friends in Afghanistan and Europe, who must see now that France is right to stress strategic autonomy. If liberals have noticed that his foreign policy is deceptively similar to Trump's, well, better late than never.

He is free to wonder, though, where this scrutiny was during 20 years of failed state-building. In a sense, his withdrawal was an audit of the accumulated work of the Pentagon, the secret world, the diplomatic corps, non-governmental agencies, the private sector and, as a vexed UK parliament has forgotten, US allies.

I would go as far as to say that the race to interpret the fiasco of the past month has already been won. It is now "known" that the problem in Afghanistan was a lack of American stamina. In the next crisis, expect the same calls for a "muscular" response (such a sweet euphemism), the same waffle about "strategic patience", the smearing of any backward US step as isolationist. The best that can be said for this cycle is its opportunity for nostalgia.

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Climate action must navigate culture wars

ECONOMICS

Martin Sandbu

This year, each family of four in rural Saskatchewan will receive $1,100 as a refundable tax credit from the Canadian government. It corresponds roughly to the amount Ottawa collects in yearly carbon taxes on the province's citizens — for most of whom the "Climate Action Incentive Payment" more than covers the additional costs they face because of the tax.

It is one of very few real-world cases of "carbon-tax-and-dividend", a policy pioneered at a provincial level by British Columbia. Yet it is the most promising approach if countries are to overcome the biggest remaining hurdle on the path to decarbonisation.

We have come a long way along that path. Policies to green the economy, such as carbon taxes and emissions trading, are well understood, and getting to net zero is technologically and commercially feasible. But the biggest obstacle is still ahead of us: mobilising the political will and mass public support for solutions we know are needed but that are more radical and demanding than anything done so far.

Most politicians are nominally committed to net zero. Fewer are prepared to administer the shock that meaningful decarbonisation entails — carbon-intensive activities will become dramatically more costly or inconvenient for those who undertake them.

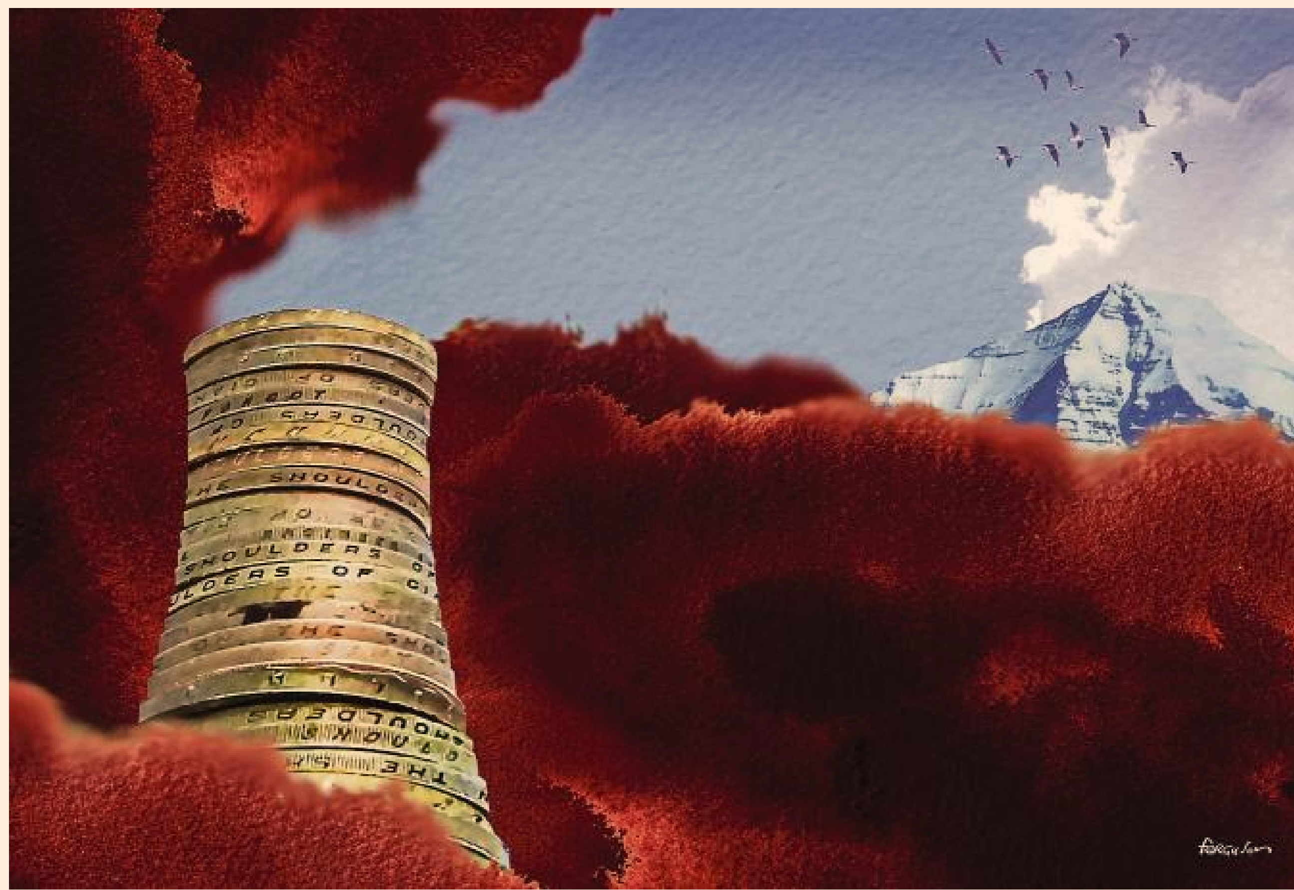
Climate change politics is in danger of being subsumed by the culture wars that have riven western societies. It is easy to cast these policies as simply intended to penalise the lifestyles of everyone but urban liberals. And many, from ill-intentioned states to carbon-reliant businesses, have an interest in surreptitiously fuelling climate scepticism.

Outright climate change denial grafted on to far-right anti-wokeism is not, however, the greatest problem. The real culture war threat is something more subtle.

A sociological study of France's yellow vest activists shows that far from being climate sceptics, they are well aware of the threat of climate change and support containing it. What they object to are policies that put the burden on those already suffering most from economic change.

Similarly a report by the Tony Blair Institute finds that most people in the UK accept that climate change requires emissions cuts. Nevertheless, they are poorly informed about what exactly "net zero" involves, and particularly unconvinced that they themselves are the ones who need to do anything.

The final hurdle on the road to decarbonisation, then, is not to convince the public that climate change is real, but to overcome suspicions that any policy is dishonest, ineffective and places the burden on those who least deserve to bear it. (Note that this description of the politics of climate change within nations also captures the state of climate politics between countries.)



We will fail unless we match a broad acceptance of the climate challenge with an equally broad acceptance of the means to address it, by ensuring those means both are and are seen to be fair.

Calls for a "just transition" prove that politicians know this. But lip service is not enough. Those fearful of forceful climate change policies need to experience that these policies make them demonstrably better off.

That is what makes the Canadian experiment so important. The general idea of carbon-tax-and-dividend combines a steep tax on emissions with redistributing the revenue to individuals, on an equal lump sum basis or tilted in favour of the poor and those in less populated areas. Its backers range from US Republican grandees to Europe's green parties, from German and French government economic advisers to James Hanson, the "godfather of climate science".

> The biggest obstacle is mobilising the political will and mass public support for radical solutions

Because the poor emit less absolute carbon than the rich, but more relative to their budget, the "dividend" part of the policy more than compensates a majority of the population — in outright payments — for the higher price of energy they face. It is a fair distribution of burdens, and the hope is that it is also *seen* to be fair.

Does it? In Canada it hasn't had "a magical impact" in terms of increasing support for the carbon tax, according to Kathryn Harrison, a political-science professor at the University of British Columbia. But she suggests ensuring the benefit is more visible could make a difference. Cheques in the mail or monthly account payments, rather than a credit off annual tax bills; a name highlighting the link with the carbon tax; individual rather than household entitlements — all these could make the upside of the policy more salient in voters' minds.

Already, it seems impossible to campaign on explicitly removing it without a replacement. In the current election, Canada's Conservatives have given up their longstanding opposition to carbon pricing. And Harrison thinks that if the Liberal party retains power, its plan for carbon tax rises will soon mean the dividends loom much larger in voters' minds. The $170/tonne carbon tax projected for 2030 could lead to annual payments up to $4,000 per family, according to government estimates.

Those amounts should convince many waverers that what is good for the planet is also good for them. Politicians serious about net zero should adopt the policy without delay.

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Multilateral development banks can do more to aid the recovery

Leslie Maasdorp

The economic crisis induced by the Covid-19 pandemic has resulted in the most serious setback to development progress and poverty alleviation in recent memory. There is an urgent need, therefore, to explore how to increase the lending capacity of multilateral development banks (MDBs) to enhance their support for economic recovery efforts already under way.

The combined response by the MDB system in response to the global pandemic amounts to about $300bn, which is considerably less than the increase in lending after the global financial crisis. In the case of some MDBs, a sizeable portion of this number is accounted for by the repurposing of pre-Covid lending rather than an expansion of their total lending exposure.

The main reason why MDB's have failed to fire on all cylinders in response to the global pandemic lies in the restrictive capital adequacy policies and the associated goal of maintaining the AAA credit rating. AAA is the highest possible rating of credit worthiness that may be assigned to an institution by the credit rating agencies.

A 2019 study by Riccardo Settimo of the Bank of Italy concluded that four MDBs — the World Bank, Asian Development Bank, Inter-American Development Bank and African Development Bank — could more than triple their spare lending capacity from $415bn to $1.3tn if they moderately increased their leverage ratio and opted for a AA+ credit rating instead. The experience of the New Development Bank (AA+ rated) in the international capital markets has demonstrated that there is a negligible difference of between 10 to 15 basis points in the funding cost of a AA+ institution compared with a AAA one.

MDBs were created in the aftermath of the second world war to assist with economic reconstruction and were specifically designed to play a vital countercyclical role during crises. The global pandemic has been a powerful reminder of just how critical multilateral institutions are to dealing with global challenges, which have no regard for borders.

These banks raise most of their funding in international capital markets by issuing bonds at significantly cheaper rates than what developing countries can raise on their own. For this reason, the AAA credit rating has been assumed to be core to their business model.

> One reason why they have failed to fire on all cylinders lies in their capital adequacy requirements

In 2015 the BRICS countries (Brazil, Russia, India, China and South Africa) established the New Development Bank. It was strongly encouraged to revert to first principles, to question the conventional wisdoms and established practices of development finance. For example, in 2015 KV Kamath, the bank's first president, questioned the benefits of a AAA credit rating for development banks given the considerable costs in terms of the levels of capital required, low leverage ratios and ultra-conservative risk limits.

In the face of the worsening economic devastation from the global pandemic, the deepening climate crisis and the urgency to get back on track with the 2030 development agenda, this issue is no longer an academic curiosity.

In 2017 the G20 appointed an eminent persons group (EPG) led by former deputy prime minister of Singapore, Tharman Shanmugaratnam to recommend reforms to the global financial architecture. Prominent among the proposed reforms was a reassessment of the "regulatory capital and other prudential norms for the MDBs". The group's report specifically called for the "establishment of tailor-made capital and liquidity frameworks for the MDBs".

This was a clear indication that the current capital adequacy policies of MDBs are too conservative and no longer fit for purpose. However, not much has been done on this front since the report was published in 2018.

But recently the idea has been given renewed momentum. In July the G20, under the Italian presidency, announced an independent review of the capital adequacy frameworks of multilateral development banks. This may appear to be a narrowly technical exercise, but it could result in a rewriting of the rule book as it applies to MDBs.

While he is at the helm of the G20, Italian prime minister Mario Draghi can leave a lasting legacy by invoking the same "whatever it takes" spirit he showed in dealing with the eurozone crisis when he was president of the European Central Bank. The ambition of the G20 review was not to redesign the business model of MDBs. But it could end up having this outcome and in the process free up billions of dollars to be channelled towards development and fighting climate change.

The writer is vice-president and chief financial officer of the New Development Bank

Silicon Valley tycoons want to hack the ageing process

SCIENCE

Anjana Ahuja

The dreams of billionaires are something to behold. Their ultimate travel fix is not a luxury round-the-world jaunt but, in the case of Richard Branson and Jeff Bezos, a ride to the edge of space, albeit as publicity stunts for their respective commercial space ventures.

And when it comes to staying young, a hair transplant and facelift no longer suffice. Why not try to defer death by hacking the ageing process? That is the prospect behind Altos Labs, a Silicon Valley company that has poached some of the best-known scientists in the field of ageing. Amazon founder Bezos is one reported backer. Another is Yuri Milner, a billionaire tech investor who set up the Breakthrough Prizes with Facebook's Mark Zuckerberg, among others. Up to six prizes, worth $3m apiece, are awarded across the life sciences, fundamental physics and mathematics, making them the most lucrative individual gongs for science (the Nobel Prizes are each worth a shade over $1m).

Few researchers are likely to turn down unlimited funding with few strings attached and eye-watering salaries. Among those that MIT Technology Review confirmed as joining Altos, which plans institutes in the US, UK and Japan, is Steve Horvath, a professor at the University of California Los Angeles who developed a molecular biomarker of ageing, known as the "Horvath clock". Shinya Yamanaka at Kyoto University becomes an unpaid adviser.

> That parents with old cells can create babies shows nature has mastered cellular reprogramming

Like Horvath, his name has entered the lexicon of cutting-edge biology: he shared a 2012 Nobel Prize for identifying four proteins now known as "Yamanaka factors". Add these factors to a cell and it can regress and acquire the malleability of immature cells. That finding was exploited by Manuel Serrano at the Institute for Research in Biomedicine in Barcelona, who applied the technique not to individual cells but to whole mice, with mixed results.

Serrano is also jumping ship to the new venture, dedicated to "reprogramming" cells back to a younger state. The ultimate goal, despite the blue-skies mantra, is to discover the fountain of youth. Ageing is one of the toughest biological problems to crack but the fact that parents with old cells can create young babies shows nature has already mastered cellular reprogramming.

We inherit genetic material from our parents, which is wiped clean of age-related changes after fertilisation to resemble something closer to the original genetic source code. That process has not proven easy to emulate in the lab: Serrano's mice, subjected to the Yamanaka-inspired Benjamin Button treatment, showed signs of youthful rejuvenation but also developed teratomas. These are rare tumours that contain multiple types of tissue, including teeth, hair and muscle, suggesting reprogramming can awaken cancer-causing genes.

Rowan Hooper, an evolutionary biologist turned science writer, featured Silicon Valley's obsession with longevity in his book *How to Spend a Trillion Dollars*. He points out that Google's Calico and the Chan-Zuckerberg Initiative, set up by Zuckerberg and his wife Priscilla Chan, a doctor, share Altos's view of ageing: as a disease to be cured.

Hooper has mixed feelings about the race for eternal youth, given that universal healthcare would be a more equitable way to lengthen lifespan: "In many ways this looks like more Silicon Valley hubris, and certainly the idea of billionaires living forever while the planet fries is not something that feels like a happy outcome. But Altos is recruiting world-class scientists and funding research that will spill over for the rest of science and medicine, even if it doesn't deliver an elixir of life any time soon."

Peter Thiel, of PayPal, once described death as a problem to be solved. Given the existential challenge of climate change, sometimes it does feel as if the super-rich live on a different planet.

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Bitcoin/El Salvador: saviour applause

Early adopters of virtual currencies have a clear incentive to promote mainstream acceptance. The more buyers, the higher the price. Crypto fans therefore hatched an online plan to bolster bitcoin as El Salvador legalised the tokens for payments. This did not go entirely as expected. The knock-on rise in other cryptocurrency prices was another disconnect.

Bitcoin rose 11 per cent over seven days before tumbling yesterday. It is now worth some $47,400. Data from CoinGecko shows it was not the largest mover. Ethereum leapt 16 per cent over the past week. Solana's tokens rose 69 per cent.

There are no sensible reasons for these moves, teething problems with El Salvador's digital wallet included. The country is not expected to make other virtual currencies legal tender. Instead, the swings reflect a mix of low rates, blind faith and better investor access.

Trading apps make it easier for retail investors to buy crypto. The Coinbase initial public offering in April raised its profile, leading to a jump in downloads.

The make-believe world of non-fungible tokens, or NFTs, has also given cryptos a boost. These prove ownership of digital assets such as art, music or even virtual pet rocks. Many use the ethereum network. Solana, which is backed by Andreessen Horowitz, has its own NFT marketplace, Solanart.

None of this has anything to do with El Salvador's attention-seeking adoption of bitcoin. This diverts domestic attention from the failing economy of this impoverished central American country, the first nation to embrace bitcoin as legal tender. It also supplied cheerier news flow to bitcoin fans than the cryptocurrency's collapse in value this spring.

Rising prices mean the total market value of cryptocurrencies has reached nearly $2.2tn. It is closing in on the previous record of $2.57tn set in May. Bitcoin's share of the market has fallen. It is now about 40 per cent, down from 57 per cent a year ago. Yet bitcoin remains a powerful bellwether.

This could be a problem if bitcoin's latest rally depends on success in El Salvador. President Nayib Bukele says the country has purchased 400 bitcoins, equal to just 0.002 per cent of the outstanding value. Local opposition is widespread, suggesting take-up will be low. A damp squib is more likely than the financial dislocation that some critics are prophesying.

SoftBank: bye bye T-Mobile, hello buybacks

SoftBank's investment focus is on new technology. But legacy telecoms continue to bolster the fortunes of the Japanese investment group — as a big share deal yesterday shows. This has boosted prospects for share buybacks, lifting SoftBank's stock by a tenth.

A share swap with Deutsche Telekom is not an immediate cause for rejoicing. Transacted under options agreements, it results in SoftBank forfeiting value relative to market prices.

The German group is giving SoftBank a 4.5 per cent stake consisting of 225m of its shares. In return, the Japanese tech investor is handing over 45m shares in Deutsche Telekom's US subsidiary. SoftBank is set to sell a further 20m T-Mobile shares for $2.4bn, which would also represent a discount to present market values. However, that handy slug of cash makes buybacks more likely.

The deals come as no surprise. Last year, SoftBank sold almost two-thirds of its stake in T-Mobile, then valued at about $21bn, with purchaser Deutsche Telekom receiving options to buy most of the balance later. The transaction marked the retreat of SoftBank founder Masayoshi Son from US telecoms. Regulators stymied his plans for US affiliate Sprint to buy T-Mobile, which instead absorbed its pursuer.

SoftBank has, meanwhile, been whittling down its stake in listed domestic Japanese telecoms operator SoftBank Corp. It sold a 5 per cent stake in the unit last year as part of asset sales. The unit was also used as collateral to borrow as much as $4.5bn.

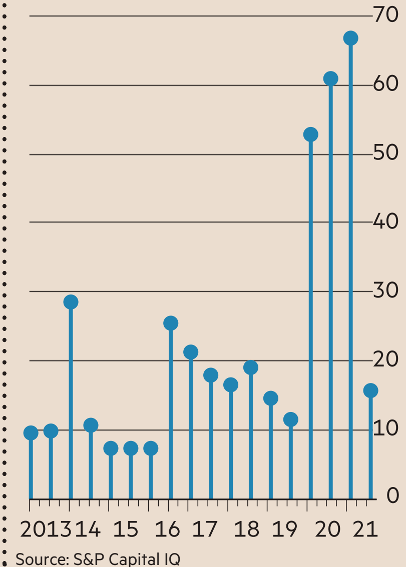
SoftBank Corp has long languished behind peers NTT DoCoMo and KDDI, ranking in third place in market share. The industry hit bottom last year, when carriers cut rates pre-emptively.

As SoftBank runs down its telecoms investments, it becomes even more dependent on its stake in Chinese ecommerce group Alibaba. This makes up almost 40 per cent of equity value. Son must be aching for his fresher bets in new technology to work out as well.

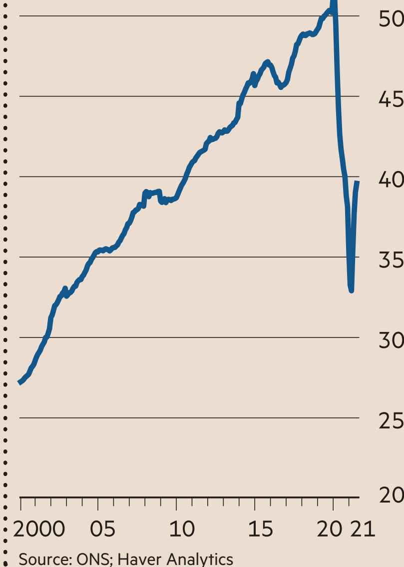
Ted Baker: casual casualty

Clothing sales in the UK have remained well below pre-pandemic levels over the past year. Shares in smart fashion group Ted Baker are, like its sales, lagging behind peers with casual offerings. A reasonable cash position buys the group time to attempt a full turnround.

FT graphic Source: Refinitiv



Source: S&P Capital IQ



Source: ONS; Haver Analytics

Ted Baker's facelift is progressing. The UK fashion chain will move out of its old headquarters, known as "The Ugly Brown Building" into premises billed as "gorgeous".

Chief executive Rachel Osborne is rebuilding a business brought to its knees. Coronavirus arrived shortly after an accounting scandal and the departure of founder Ray Kelvin because of misconduct allegations.

The run of bad luck has continued with a post-Covid recovery in which formal clothing is out of fashion. Retail sales in the quarter to August remained almost one-third below 2019 levels, Ted Baker said yesterday.

British workers are only now returning en masse to offices following an 18-month hiatus. Relaxed work-from-home dress codes are accompanying them. Ted Baker's trademark style has been smart fashion with a twist. The contrast with UK stock market peer and casual fashion specialist Superdry is glaring.

Julian Dunkerton regained control of the fashion group he founded just before the pandemic struck. Superdry has refreshed its look, ditching the kanji that once adorned its clothing.

Sales this financial year of £692m are within a hair's breadth of pre-pandemic levels, according to analysts' consensus. Ted Baker sales are not expected to recover that lost ground for another year. Profitability at the two groups is expected to follow the same pattern. The shares reflect this. Superdry is up 150 per cent over the past year, Ted Baker stock has risen by just half. The business is in no danger of running out of cash. This stands at £16m, thanks to a share offering last year and funds from the sale of The Ugly Brown Building.

Bank facilities of £90m provide a further buffer. The company says its clothing lines will become multifunctional and comfort-orientated. The Christmas sales period will test that premise.

Osborne has overseen a successful managerial and financial overhaul. To keep the turnround rolling, Osborne has to succeed in a mission that is much harder to systematise or predict: reposition the brand with a clothing range that customers rush to buy.

Green bonds: sustainable interest

Green bond proponents once banged their heads against a wall. The rise of ESG investment means the bonds are suddenly in demand. Poland, France, Germany and the Netherlands have all sold sovereign green bonds. Yesterday Spain issued its own debut offering, borrowing €5bn over 20 years. The UK will launch a green gilt later this month. The torrent of climate-conscious capital seems unstoppable.

Green bonds earmark funds for projects that can mitigate climate change. In Europe, a green yield curve is developing, thanks to multiple maturities issued by benchmark sovereign Germany. European investors increasingly pay a "greenium" to own the bonds.

Throwing money at the climate change problem has become fashionable, if still insufficient. The cost of halting global warming could be at least $48tn, Morgan Stanley says. That is more than half global GDP. This year's green bond issuance — in all categories — has topped $200bn.

Still, green bond sales this year already exceed the total for 2020, says Bank of America. The issuance is still dwarfed by the broader bond market. Green bonds account for an increasing share. New sustainable bonds in June were just under a fifth of the total.

Critics focus on the slipperiness of corporate positions. Whatever curbs green capital places on borrowers, nothing prevents them from using other funding sources for projects that do not meet green bond criteria. Simply rewarding some bonds or stocks with pricier valuations does not necessarily bring about positive action.

But this ignores auditing efforts. Sustainable funds will be shamed if they stray. See the opprobrium of DWS after accusations of greenwashing, which the German fund manager denies. The EU's Sustainable Finance Disclosure Regulation will turn the screws tighter on funds. The flush of green sovereign bonds represents a step in the right direction, not an end point. It should be applauded.

Pimco/Columbia: predeskination

The future of the workplace is in flux. Companies are trying to chivvy staff back into their offices. Many workers would prefer to stay at home. The balance between those opposing forces will determine demand for office space.

Pimco is betting working from home will be a passing fad. The big fund manager is buying real estate investment trust Columbia Property for $3.9bn including debt. The deal will hand Pimco a portfolio of 16 properties in New York, San Francisco, Washington and Boston as well as four projects under development.

Pimco is best known as a fixed income manager. It has been seeking to expand beyond its core business amid falling bond yields and pressure on management fees. It took over Allianz Real Estate last year, creating a combined real estate investment unit with over $100bn in assets.

It is easier to make a contrarian bet when you are one of the world's largest money managers and its relative scale is small. Pimco's alternative investment strategies — which include hedge funds as well as real estate — only account for 3 per cent of $2.2tn in client assets.

The acquisition of Columbia offers diversification at a low entry price. Pimco's $19.30 a share cash offer represents a 17 per cent premium to Columbia's closing price on Friday.

The implied yield is a healthy 6.2 per cent, according to Lex calculations based on Columbia's published numbers, over four times more than the yield on the 10-year US Treasury note. It is in line with the yield produced by larger rival Vornado, too.

Office tenants typically sign long-term leases. That provided US property owners with a measure of protection during the pandemic. Columbia has continued to collect 98 per cent of rents over the past four quarters.

But nearly half of Columbia's leases will expire between now and 2025. Pimco is hoping bosses will become increasingly resistant to staff demands to work from home and lead them back to strip-lit desks and water coolers.

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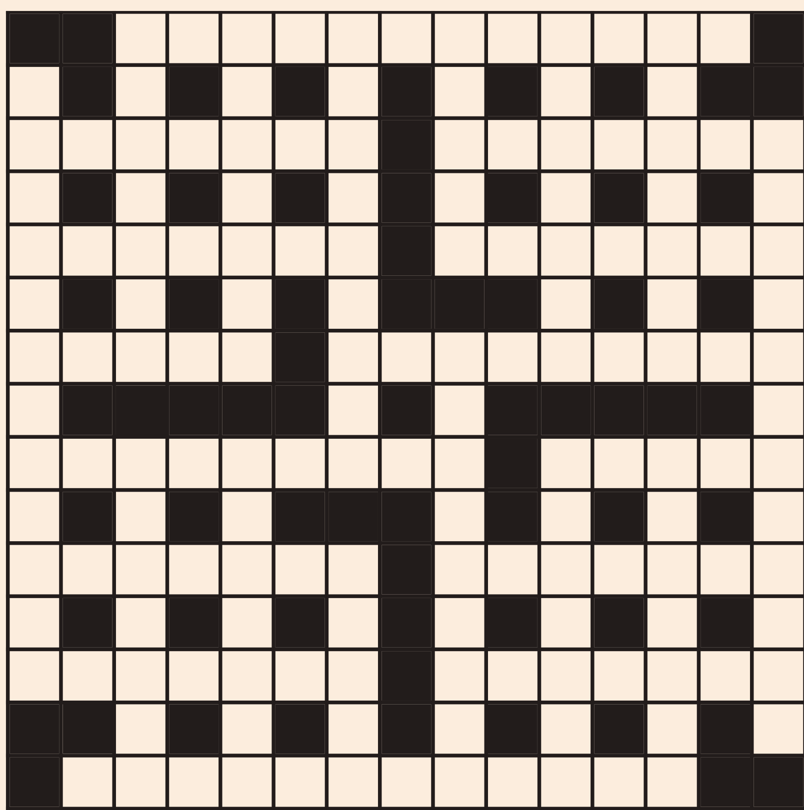
CROSSWORD

No 16,885 Set by JULIUS

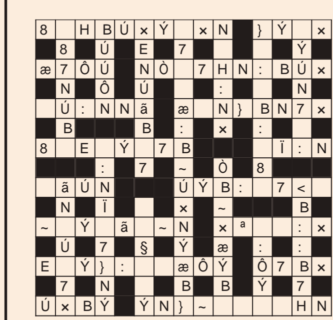


RANDOM ALPHABETICAL
Solve the clues and fit the answers into the grid. Each letter of the alphabet appears at least once at the beginning of the solutions.

Lady Caroline starts to attract Duke at dance (7)
Second answer very lucid, unlimited, carefree (4,5)
Peaceful American death (7)
That north-eastern French department (5)
Eucalyptus pots placed around entrances to Royal Albert Hall (7)
It's a special occasion; kiss mum, son, father sitting on yard (4,3)
Arab sailor regularly seeing double? (5)
Poor Rob queuing at soup kitchen might use this (7,5)
A time to venerate Joey, 6th June 1944 (4,3)
Remove burden from a NHS nurse struggling (9)
Percentage of voters cycling? Result! (7)
Distinctive character of those putting Spain first? (5)
Uses telephoto lens (a pandemic video call no-no) (5,2)
He annoys very English King in retreat (5)
Perspex cheapo Lyme Regis bottles? (7)
German doctor's fine gold suits spun leaving Italy (7)
Punch-drunk kid yells "conk broken!" (7,5)
Dutch Exchange's illicit affairs? (4-8)
I'm upset; daughters left me ultimately cold note (6,1)
Gran's madly into upside-down cake, possibly having lapsed! (12)
Seizes command of men under the influence of drugs (9)
Looking over first hint of Uxbridge MP's cheating in housing market (9)
Distribute benefits when on strike (4,3)
In effect, trade union gets featured in online campaign (7)
Hormone Luis drunkenly injected in pub (7)
Churning out few hits, they're put on ice (3,4)
A bit of acne on a teensy little 'un (7)
Cooking blue cod? Possibly (5,2)

JOTTER PAD

Solution 16,884



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