FINANCIAL TIMES

MONDAY 5 JUNE 2023

USA $2.50 Canada C$3.00

Let's keep CEOs away from AI regulation
MARIETJE SCHAAKE, PAGE 16

Europe cannot relax in the lap of luxury
RUCHIR SHARMA, PAGE 17

Rail tragedy
Signal blamed for India crash

A woman trying to find her injured son at a hospital in Chennai, India, yesterday after a three-train collision killed at least 275 people.

Indian authorities said a preliminary investigation had found that a signal failure caused the accident in the eastern state of Odisha, in which over 800 people were injured. It is India's worst rail accident for more than two decades.

Prime minister Narendra Modi visited the site and vowed to punish those responsible. "The government will leave no stone unturned in treating the injured," he said. "Those found guilty will be punished severely."

Several opposition leaders blamed Modi's Bharatiya Janata party, accusing the government of neglecting investment in rail safety in the region and calling on railways minister Ashwini Vaishnaw to resign.

Death toll mounts page 4

Idrees Mohammed/EPA-EFE/Shutterstock

Saudi Arabia seeks to boost oil price with output cut of 1mn barrels a day

- Opec+ targets 40.5mn barrels a day
- Riyadh needs price above $80
- African producers resist reductions

DAVID SHEPPARD AND TOM WILSON — VIENNA

Saudi Arabia will cut oil production by 1mn barrels a day in a bid to prop up prices, it announced after a fractious meeting of the Opec+ group of producers in Vienna yesterday.

The kingdom's energy minister, Prince Abdulaziz bin Salman, Opec's de facto leader, made the move as part of a deal in which several weaker African members will have quotas reduced from next year. Russia, the world's second-largest oil exporter, could also see production targets lowered, though the group said this was subject to review. The United Arab Emirates will be able to increase its production.

Oil prices have slid in the past 10 months despite several attempts by producers to tighten supplies. The kingdom and other members announced a surprise output cut in April but, after briefly rallying towards $90 a barrel, prices again reversed, nearing $70 a barrel at one stage last week.

The 1mn b/d cut will initially be for July but could be extended, Prince Abdulaziz said, describing it as a "Saudi lollipop", or sweetener, for the group.

"We want to just ice the cake with what we have done," the minister said.

> 'We will do whatever is necessary to bring stability to this market'
> Prince Abdulaziz bin Salman

"We will do whatever is necessary to bring stability to this market."

According to IMF estimates, Riyadh needs an oil price of $80 a barrel or more to balance its budget and to fund some of the "giga-projects" that Crown Prince Mohammed bin Salman hopes can transform its economy.

The Opec+ group's collective production targets were adjusted to 40.5mn barrels a day for the duration of 2024, formalising and extending the voluntary cuts announced in April at the group level.

But the distribution of cuts was contentious. Many African members initially resisted efforts to revise down their production baselines, which are supposed to reflect their maximum output capacity and are used to calculate the size of cuts they must make.

Weaker Opec members including Nigeria and Angola had already been struggling to hit existing output targets after years of under-investment. They were reluctant to make deeper cuts.

But the UAE has been pushing for a higher production baseline, reflecting investments in its industry.

Discussions between members went on late in to the night after a meeting of core Opec countries on Saturday, according to delegates. Broader Opec+ talks involving Russia, Kazakhstan and Mexico took place yesterday.

"We as always find common ground," Russian energy minister Alexander Novak said as he left the meeting.

In a sign of growing tension between the Saudi energy minister and parts of the press, several journalists, including entire teams from Reuters and Bloomberg, were blocked from attending the weekend's meetings.

People close to Prince Abdulaziz said he felt that his market view was not being given a fair airing. It is the first time through decades of wars, price spikes and crashes that Opec has excluded news organisations in this way.

Opec has faced criticism for its alliance with Russia following the full-scale invasion of Ukraine last year, and for trying to prop up prices during an energy crisis triggered by Moscow's actions.

The decline in oil prices since October may have made the White House more sanguine about further production cuts, however, according to analysts, as the US tries to mend ties with Saudi Arabia.

Briefing

UBS weighs results delay amid Credit Suisse issues
The bank is considering putting back second-quarter results as long as possible as it wrestles with the complexities of its rescue of former rival Credit Suisse.— PAGE 6

Turkey policy promise
New finance minister Mehmet Şimşek has pledged "rational" policies after years in which Recep Tayyip Erdoğan's strategy sent the lira plunging.— PAGE 2

US and UAE reaffirm ties
Officials have reiterated their "strategic partnership" after talks in Washington, days after the Gulf state said it had backed out of a US-led naval task force.— PAGE 4

Split over plastic solution
UN negotiators have agreed to develop a treaty to reduce plastic pollution but nations are still divided over whether the rules would be legally binding.— PAGE 2

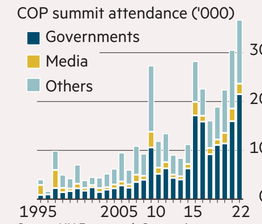
Sony defends the console
Boss Kenichiro Yoshida has said cloud gaming is still technically difficult, playing down the risks from a rival technology on which Microsoft has bet heavily.— PAGE 6

Aircraft orders on the up
Purchases have soared in the first five months of the year, with close to 1,200 ordered by airline groups buoyed by resurgent passenger traffic after the pandemic.— PAGE 9

Datawatch

Climate clamour

COP summit attendance ('000)



Source: UN Framework Convention on Climate Change

Attendance at UN climate summits has more than doubled over the past five years. Participation this year in Dubai will be closely watched after the appointment of Sultan al-Jaber, Abu Dhabi National Oil Company head, as COP28 president

China rebukes west over Taiwan Strait manoeuvre after vessels nearly collide

KATHRIN HILLE AND DEMETRI SEVASTOPULO — SINGAPORE

China has warned western militaries to stay out of waters and airspace near its borders if they want to avoid dangerous run-ins with the People's Liberation Army, highlighting the growing risks of unintended conflict as geopolitical competition grows.

The message from General Li Shangfu, China's new defence minister, followed a near-collision between a Chinese warship and a US destroyer in international waters this weekend. The Chinese ship cut directly in front of the US vessel, which was sailing through the Taiwan Strait with a Canadian warship.

"Why does this all happen near China's sovereign waters and airspace? Chinese ships and aircraft never go near other countries' airspace and waters," Li said at the annual Shangri-La Dialogue security conference in Singapore yesterday. "The best way to prevent this from happening is that military vessels and aircraft [should] not come close to our waters and airspace."

Li spoke a day after US defence secretary Lloyd Austin and Canadian defence minister Anita Anand used their speeches at the forum to criticise China for dangerous incidents in the air. Austin said the PLA had conducted an "alarming" number of risky aerial intercepts over the South China Sea.

The rising tensions have lent a growing sense of urgency to attempts by the US to reopen military dialogue cut by China after an alleged Chinese spy balloon was brought down in American airspace in February. Breaking with tradition, Beijing refused US requests for talks with Austin on the sidelines of the forum unless Washington lifted sanctions imposed on Li in 2018 for his role in procuring weapons from Russia.

Li contrasted Beijing's approach with what he called hegemonic and destabilising tendencies, a swipe at the US, though he did not directly mention Washington in that context. "They are using the pretext of freedom of navigation to conduct navigational hegemony," he said.

Austin called on the PLA to engage with the US military, saying "responsible defence leaders" should be willing to talk at any time. He said dialogue was "not a reward", a response to China's frequent calls for the US to amend its behaviour as a prerequisite for talks.

The Pentagon said it was "concerned about the PLA's increasingly risky and coercive activities in the region".

US reduces China imports page 4

Opioid crisis takes a turn for the worse with 'tranq'

Xylazine, an animal tranquilliser used as a cutting agent in the more lethal drugs supplied by cartels to addicts in America, has been linked to more than two-thirds of the record 109,680 overdose deaths in the US last year. The synthetic opioid, which is 50 times stronger than heroin, is being added to drugs such as fentanyl to boost cartel profits. According to one inspector from a police narcotics unit: 'It causes people to rot from the inside out.'

Deadly new twist ▸ PAGE 3

World Markets

STOCK MARKETS

	Jun 2	Prev	%chg
S&P 500	4277.57	4221.02	1.34
Nasdaq Composite	13232.98	13100.98	1.01
Dow Jones Ind	33659.55	33061.57	1.81
FTSEurofirst 300	1828.74	1803.08	1.42
Euro Stoxx 50	4326.19	4257.61	1.61
FTSE 100	7607.28	7490.27	1.56
FTSE All-Share	4155.37	4090.64	1.58
CAC 40	7270.69	7137.43	1.87
Xetra Dax	16051.23	15853.66	1.25
Nikkei	31524.22	31148.01	1.21
Hang Seng	18949.94	18216.91	4.02
MSCI World $	2831.66	2800.56	1.11
MSCI EM $	961.80	958.53	0.34
MSCI ACWI $	653.02	646.37	1.03
FT Wilshire 2500	5448.95	5395.47	0.99
FT Wilshire 5000	42471.62	42054.39	0.99

CURRENCIES

	Jun 2	May 26		Jun 2	May 26
$/€	1.073	1.071	€/$	0.932	0.934
$/£	1.248	1.233	£/$	0.801	0.811
£/€	0.859	0.868	€/£	1.164	1.152
¥/$	139.660	140.495	¥/€	149.792	150.407
¥/£	174.331	173.265	£ index	81.170	79.924
SFr/€	0.973	0.971	SFr/£	1.132	1.119

CRYPTO

	Jun 2	Prev	%chg
Bitcoin ($)	27054.30	26798.00	0.96
Ethereum	1888.84	1860.80	1.51

COMMODITIES

	Jun 2	May 26	%Week
Oil WTI $	71.66	72.54	-1.21
Oil Brent $	75.96	76.76	-1.04
Gold $	1974.35	1948.25	1.34

GOVERNMENT BONDS

Yield (%)	Jun 2	May 26	Chg
US 2 yr	4.48	4.35	0.13
US 10 yr	3.68	3.61	0.07
US 30 yr	3.87	3.83	0.04
UK 2 yr	4.35	4.27	0.08
UK 10 yr	4.27	4.23	0.04
UK 30 yr	4.43	4.41	0.02
JPN 2 yr	-0.08	-0.07	-0.01
JPN 10 yr	0.41	0.42	0.00
JPN 30 yr	1.27	1.26	0.01
GER 2 yr	2.80	2.70	0.10
GER 10 yr	2.31	2.25	0.07
GER 30 yr	2.49	2.45	0.03

Prices are latest for edition
Data provided by Morningstar

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Cabinet shake-up

Turkey weighs return to 'rational' policies

Finance minister eyes shift from strategy that led to inflation and lira's plunge

ADAM SAMSON — ANKARA

Turkey's new finance minister has vowed to return to "rational" policies after years in which President Recep Tayyip Erdoğan's unconventional strategy put the country's $900bn economy under intense strain and sent the lira to record lows.

"Transparency, consistency, predictability and compliance with international norms will be our basic principles in achieving the goal of raising social welfare," Mehmet Şimşek said yesterday at a handover ceremony with his predecessor Nureddin Nebati.

Şimşek previously served as deputy prime minister and finance minister before leaving government in 2018. Erdoğan brought him back into the cabinet on Saturday as part of a shake-up that has raised expectations Turkey will shift away from the unorthodox policies that have intensified a severe cost of living crisis and sent foreign investors fleeing the market.

Goldman Sachs said in a note to clients on Saturday: "The choice of Mehmet Şimşek . . . increases the likelihood that monetary policy will shift towards a more orthodox direction."

Şimşek and other officials appointed to steer the economy face significant challenges in setting Turkey on a more sustainable path. Inflation is running at more than 40 per cent and foreign currency reserves have been severely depleted in an attempt to prop up the lira and finance a huge current account deficit.

Despite attempts to stem the lira's fall, the currency has tumbled 67 per cent against the dollar in the past three years.

"Reducing inflation to single digits in the medium term . . . and accelerating the structural transformation that will reduce the current account deficit are of vital importance for our country," Şimşek said yesterday.

Under a "lira-isation" policy pursued by Nebati, the government launched measures that strongly galvanised businesses and consumers not to hold foreign currency. One of the highest-profile tools was the launch in 2021 of savings accounts that protect depositors against a depreciation in the lira, at the government's expense.

About $125bn is held in the accounts and some economists worry that a significant weakening of the lira would rapidly hit government finances.

Other measures have included managing the ability of businesses to purchase foreign currencies, which some analysts have likened to capital controls.

Erdoğan's government also sought to stimulate the economy ahead of the election, boosting the minimum wage and public sector pay and handing out a month of free gas. Many economists warn that the measures have added to inflation pressures.

A key test will be the extent to which Erdoğan, a longtime opponent of high borrowing costs, will allow interest rates to rise, investors and economists say. Erdoğan pushed the central bank to cut rates from 19 per cent two years ago to 8.5 per cent now despite surging inflation.

Investors are now waiting to see whether Erdoğan will reshuffle the leadership at the central bank.

Incumbent Şahap Kavcıoğlu has overseen a series of sharp rate cuts at the behest of the president since taking the helm in March 2021.

Additional reporting by Funja Güler

Republicans. Campaign trail

DeSantis tries human touch to take on Trump

Florida governor attempts to soften his image with voters while aiming barbs at rival

LAUREN FEDOR
SALEM, NEW HAMPSHIRE

Speaking to hundreds of Republicans in an open-air pavilion in Salem, New Hampshire, last week, Ron DeSantis made no explicit mention of Donald Trump.

But with thinly veiled attacks, the Florida governor offered a clear picture of how he intended to challenge the former president for the Republican party's presidential nomination in 2024.

"I'm sorry, this is something that only a two-term president is going to be able to bring to fruition," DeSantis told a standing-room-only crowd at one of four stops in the crucial early voting state of New Hampshire on Thursday.

The 44-year-old governor was referring to the fact that, as a former president, Trump, 76, would be constitutionally limited to just one more term in the White House, while DeSantis would be able to serve two consecutive four-year terms.

"Anyone that says that they can slay the deep state in six months should be asked: Why didn't you do that when you had four years to try to do that?" DeSantis added, in a barb aimed at Trump's claims that he could get the country "back on track" in a matter of months.

DeSantis's tour of New Hampshire was part of a four-day blitz that included events in Iowa and South Carolina, as the governor seeks to jump-start his fledgling campaign in the key early-voting states that will determine who is the Republican presidential nominee.

Analysts say DeSantis needs to claim the mantle as Trump's heir apparent without alienating too many of the former president's loyal supporters.

"He does have to thread a needle," said Dante Scala, a political-science professor at the University of New Hampshire. "How do you get those Never Trumpers on board while still grabbing those conservative voters?"

When DeSantis launched his campaign last month he ended months of speculation and entered an increasingly crowded field of Republican presidential hopefuls. Nikki Haley, Trump's ambassador to the UN, and Tim Scott, the Republican senator from South Carolina, have formed campaigns, while Chris Christie, the former Republican governor of New Jersey, and Mike Pence, Trump's vice-president, are expected to join the race this week.

Ron DeSantis chats to supporters in Gilbert, South Carolina, as he seeks to jump-start his fledgling campaign in vital early-voting states — Sam Wolfe/ Washington Post/ Getty Images

DeSantis's popularity soared last November, after he won re-election in Florida by nearly 20 points, while other Republican candidates across the country faltered in the midterm elections.

But he has slipped in opinion polls in recent months after a series of public mis-steps and as his increasingly hardline stance on social issues such as abortion has spooked donors. At the same time, Trump has surged as his supporters rallied behind him in the face of several legal challenges.

The latest average of national opinion polls, compiled by Real Clear Politics, shows Trump enjoys the support of more than half of Republican grassroots voters, with DeSantis in a distant second place on just over 22 points. Nevertheless, DeSantis drew large crowds in his first appearances as a candidate in New Hampshire, with many former Trump voters saying they were ready to move on.

"I think we need some young blood and new ideas in Washington," said Bernice Cooper, 58, who drove several hours to hear DeSantis speak at a community college in Manchester. "[DeSantis] is my top pick right now — and I am a Trump supporter," she added.

DeSantis's stump speech leans heavily on his legislative achievements as governor of Florida. Clocking in at close to an hour, it can at times sound like a laundry list of wonky policies, such as the governor's opposition to the idea of a central bank digital currency, or his enthusiasm for little-known epidemiologists who opposed Covid-19 lockdowns.

But DeSantis is also trying to convey a more human side to his candidacy. Critics have accused him of being too socially awkward and not investing enough in the "shaking hands and kissing babies" side of retail politics that voters in early primary states crave.

> 'Anyone that says that they can slay the deep state in six months should be asked: Why didn't you do that when you had four years to try?'

DeSantis started each event in New Hampshire by throwing branded campaign baseball caps into the crowd. At a veterans' hall in Rochester, the governor got laughs from a mostly retiree crowd as he told a story about a middle-of-the-night search for chicken nuggets for his jet-lagged five-year-old.

The family anecdotes may help soften DeSantis's image with voters who find him too brash — earlier in the day, the candidate barked, "Are you blind?" at a reporter who asked why he was not taking questions from voters. But strategists say the stories also draw a more subtle contrast with Trump, who is not only three decades older, but also three-times married.

DeSantis's speech included other apparent digs at Trump, who was famous for his ostentatious business dealings and reality TV stardom before he ran for president. DeSantis claims he could have "made a lot of money doing other things", but gained more "satisfaction" by enlisting in the military before running for public office.

But DeSantis and allies see his record at the ballot box as arguably his most effective weapon against Trump.

The governor closed each speech in New Hampshire with an appeal for Republicans to "shake this culture of losing that has infected our party in recent years", saying: "There is no substitute for victory."

Many in the Republican establishment blame the former president for the party's failings in last year's midterms, when several of Trump's handpicked candidates for the US Senate and other key offices lost their races.

It remains to be seen whether grassroots Republican voters share their concerns about electability. A Monmouth Poll out last week showed nearly half of Republican voters nationwide said Trump was "definitely" the strongest candidate to take on Joe Biden, the Democratic president.

But in New Hampshire several voters seemed receptive to DeSantis's pitch. "[Trump] already lost to Biden once," said Fred Kohout, an 82-year-old two-time Trump voter from Hebron, who attended DeSantis's speech in Manchester with his wife, Barbara. "He should have blown them out of the water, just like DeSantis did."

Waste management

Nations split over how to reduce plastic pollution after talks in Paris

MADELEINE SPEED AND CAMILLA HODGSON — LONDON

About 170 countries have been locked in tense negotiations over how to reduce plastic pollution after a week of UN talks in Paris surrounded by a frenzy of industry lobbying.

Negotiators have agreed to develop a first draft of a treaty to reduce plastic pollution but there is still division over issues such as whether the rules will be legally binding and whether they will limit petrochemical companies' production of new plastic materials.

A group of 130 countries, including Mexico, Canada, New Zealand and most of Europe, want binding rules. But fossil fuel producing countries such as the US, Russia and China want a less ambitious, voluntary system in which countries are free to establish their own frameworks.

Capping new production would be a blow to the petrochemical industry, which is growing more reliant on rising demand for plastic in emerging economies as the world moves away from fossil fuels.

A coalition of businesses has backed the stricter approach, including some of the world's biggest consumer groups such as Unilever, Nestlé and PepsiCo, as well as retailers and packaging makers. At the talks, they campaigned for standardised rules to address the full lifecycle of plastics.

Jodie Roussell, senior public affairs manager for packaging and sustainability at Nestlé, said that a legally binding agreement with harmonised rules was critical. "Businesses recognise that ambitious goals and aspirations to end plastic pollution in a treaty have little value on their own," she said.

A binding treaty was required to provide "regulatory predictability", said Anke Boykin, senior director of global environmental policy at PepsiCo.

But Emma Priestland from Break Free From Plastic said: "We understand businesses need harmonised rules and that's the best situation for them, but we aren't seeing them make much change in their business models now."

Coca-Cola, PepsiCo, Nestlé, Mondelēz and Unilever are the companies that produce the most plastic pollution, according to Break Free from Plastic, a non-profit organisation. The American Chemistry Council, an industry body representing the petrochemical sector, argued for solutions that would not require reduced production, such as waste management and recycling.

The ACC called for technological solutions such as chemical recycling, and emphasised the need for the continued use of plastic materials in aerospace, transport and medical applications.

Campaigners warned that lobbying by the petrochemical industry could result in a watered-down treaty. Greenpeace USA's Graham Forbes said: "The overarching risk is that this treaty becomes a waste management treaty."

Negotiations on the substance of the treaty only began on day three of the Paris session, after Saudi Arabia, Russia and China objected to the treaty being agreed by majority vote, rather than by consensus. Consensus would mean that countries could veto its adoption.

The first draft of the treaty is due to be produced by November.

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Election test

Greek voters leave leftwing firebrand Tsipras out in the cold

ELENI VARVITSIOTI — ATHENS

Alexis Tsipras' sudden rise to power as a radical leftwing firebrand was a searing moment for the whole EU, taking Greece to the brink of a euro exit.

Eight years on, the one-time political iconoclast is facing a more mundane challenge: rescuing his Syriza party from the ignominy of being replaced as Greece's main opposition.

Tsipras, who steadily moved towards the centre during his 2015-19 premiership, is now fighting to save his career after Syriza's vote share crashed by more than 10 per cent in the May 21 election. He acknowledged that the result was "unexpected and painful", especially for an opposition party during a cost of living squeeze.

With a further election due on June 25, Syriza's arch-rival on the centre-left is now looking to press home its advantage. Pasok, which dominated Greek politics before the financial crisis, will try to overtake Tsipras and restore its pre-eminent role in the Hellenic parliament, after it increased its vote share by 3 per cent in the recent elections.

Tsipras's battle for relevance reflects broader shifts in Greek politics, as the financial bad boy of Europe has repaired its economy to return to one of the fastest growth rates in the eurozone.

Greek voters appear keen to move on — and jettison the politician who once embodied the defiance of the bailout years.

To make matters worse for Tsipras, the ruling New Democracy party won more votes than four years ago, seemingly breaking the norm of Greek politics. The result reassured prime minister Kyriakos Mitsotakis that he would secure a majority government if he called fresh elections in a month.

Perhaps the only consolation: the party led by Tsipras's estranged political partner Yanis Varoufakis, the former finance minister who took on Germany during the crisis, emerged with an even more dismal result from the election, failing to reach the 3 per cent threshold required to enter the Greek parliament.

Analysts put the blame for Syriza's poor performance squarely in Tsipras's court, citing his failure to adapt his rhetoric to Greece's new reality.

By contrast, New Democracy's message was positive, stressing that it would create stability and take the country forward, said Wolfango Piccoli, co-president of political risk at advisory company Teneo. Mitsotakis "sensed that the public wanted to bring an end to this toxic era of debt crisis politics", he added. "Syriza was a child of crisis and did not manage to outgrow it," said Stathis Kalyvas, Gladstone professor of government at Oxford university.

During the campaign, Syriza invoked the polarised rhetoric of the decade-long economic meltdown, claiming that small and medium-sized companies were "drowning in debt" and that "young men and women see their dreams crushed" as hundreds of thousands of households faced repossession. But the messaging rang hollow. "Greece had moved past that," Kalyvas said.

Alexis Tsipras: once embodied the defiance of the bailout years

By contrast, Mitsotakis's government, which was embroiled in its own string of scandals, including one concerning the alleged wiretapping of Pasok leader Nikos Androulakis, managed to shake off the accusations and stay afloat. The new election will be under a different electoral law that will probably give the prime minister's party a bonus of up to 50 parliamentary seats, enough to allow him to govern alone.

Tsipras has pledged to stay on for now, despite saying he took personal responsibility for the poor election result. "We are responsible for the citizens who did not vote for us," he said in the first party meeting after the election. But some say that keeping his position will be hard if Syriza's share of the vote falls further.

"Syriza is very much associated with Tsipras," said Kalyvas, because he was the one who led the party out of marginal obscurity and into power. "At the same time, he has been perceived as a political loser. For politics this is fatal."

Animal sedative brings deadly new twist to US opioid crisis

Overdose deaths surge after cartels cut drugs with cheap tranquilliser

JAMIE SMYTH — PHILADELPHIA

Gilberto thought he knew pain until he experienced the agony of withdrawal from xylazine, an animal tranquilliser used as a cutting agent in the more lethal drugs supplied by cartels to addicts in the US.

"I've been shot before and beaten but this really makes me cry," said Gilberto. The 44-year-old homeless drug user trembles as he points to deep wounds on his legs that are trademark signs of injecting the powerful sedative also known as "tranq".

Gilberto is one of hundreds of people suffering from substance use disorder who live a chaotic existence in Kensington, a rundown neighbourhood in northern Philadelphia where addicts buy and use drugs openly on the streets. The area is ground zero in an overdose crisis sweeping the US that is driven primarily by fentanyl.

The synthetic opioid, 50 times stronger than heroin, was linked to more than two-thirds of the record 109,680 overdose deaths in the US last year — the equivalent of one fatality every five minutes.

US demands to crack down on cross-border trafficking of fentanyl have caused a rift with Mexico, where some of the most powerful cartels are based. Those cartels are now adding xylazine to drugs including fentanyl to boost profits by supplementing them with a low-cost high — creating a new and deadly threat to US public health.

Over the past 18 months authorities have tracked a surge in the number of xylazine-positive overdoses, which are harder to treat than fentanyl-only overdoses because the drug has never been approved for human use and no antidote has been developed. In Kensington, charities set up to assist addicts with recovery or dress wounds cannot cope with the surge in cases.

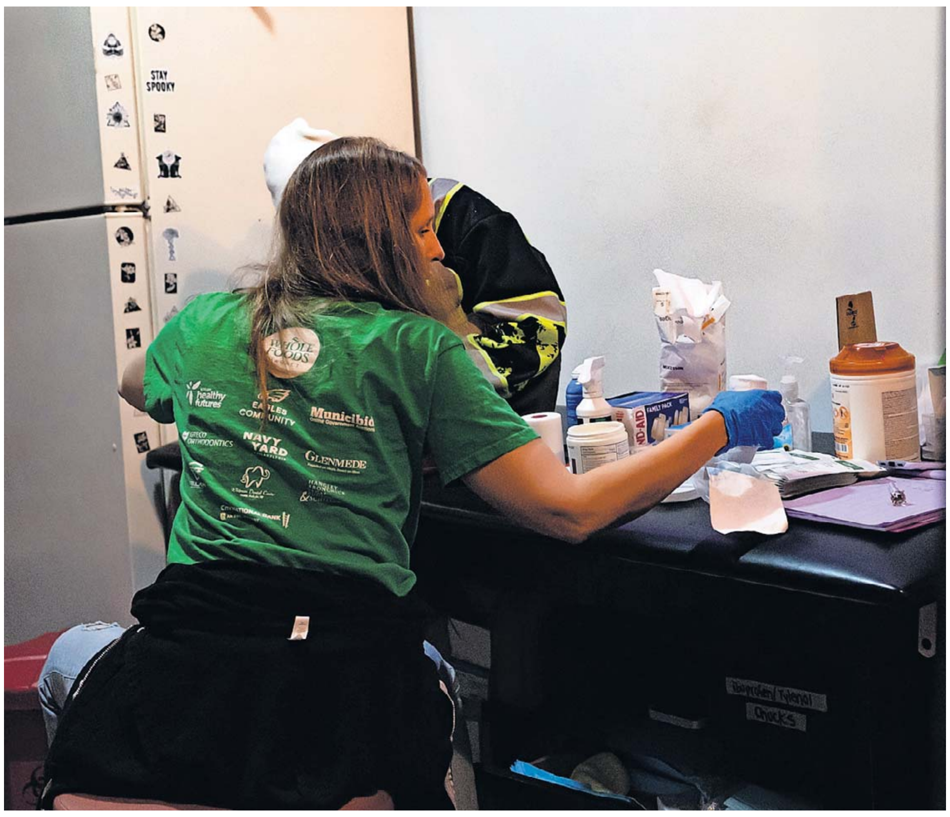
"This is a matter of urgency and life depends on it," said Rahul Gupta, the White House's drugs tsar.

Health experts say xylazine, which is typically used by vets to sedate horses and cattle, can cause pus-oozing lesions, which when left untreated can lead to limb amputations. Many users say they do not know they are consuming the drug, which appears to have been first mixed into heroin in Puerto Rico almost two decades ago.

"It causes people to rot from the inside out," Jamill Taylor, inspector at Philadelphia police narcotics unit, told the Financial Times.

The number of fatal overdoses involving xylazine in Philadelphia increased from 15 in 2015 to 434 in 2021 — a third of all fatal overdoses, according to health officials, and 90 per cent of the city's illicit opioid supply is now adulterated with the animal tranquilliser.

Taylor said drug gangs had realised that cutting xylazine into fentanyl can maximise profits. A kilogramme of xylazine powder can be bought online from China from \$6 to \$20, according to the US Drug Enforcement Administration — cheaper than either heroin or fentanyl. The high provided by the animal tranquilliser lasted longer than fentanyl, he said, and could have deadly consequences because of the "sleeping stupor" it induced in users.



A nurse performs wound care for an addict in Philadelphia, where the number of fatal overdoses involving xylazine has risen sharply Hannah Beier/FT

"It slows your heart rate down. It slows your respiratory system down and interferes with the nervous system. So, when you fall face down you can die from asphyxiation," Taylor added.

The DEA has warned that xylazine's rapid spread mirrors that of fentanyl several years ago. The Biden administration last month designated fentanyl adulterated with xylazine as an "emerging threat" to the US. It marks the first time Washington has targeted a chemical substance this way, reflecting concerns about the scale of the overdose crisis sweeping cities such as Philadelphia and the difficulties of helping victims.

"The overdose response to someone that is overdosing through fentanyl mixed with xylazine gets much more complicated because xylazine being a non-opioid does not respond to naloxone," said Gupta, who visited Kensington last month.

Sold under the brand name Narcan, naloxone rapidly reverses most opioid overdoses and has become a key weapon in authorities' efforts to stem the tide of overdose deaths after more than 1mn people lost their lives to legal opioids or fentanyl.

Now, first responders are having to deploy additional techniques to revive people who are overdosing from a cocktail of fentanyl and xylazine.

"Narcan is not the only thing you have to do now," said Melanie Beddis, programme director at Savage Sisters, a non-profit group working with addicts in Kensington.

"You have to do rescue breathing and we carry oxygen tanks because xylazine affects the respiratory system and that starts to shut down."

Beddis, who like most of Savage Sisters staff is a recovering addict, said many clients did not want to go to hospital even though their wounds were severe, because they were afraid of the stigma associated with drug use and of painful withdrawal symptoms. She said hospitals and rehabilitation centres desperately needed to update their protocols for care to help patients with xylazine withdrawal.

'It causes people to rot from the inside out'

"It was the worst detox I ever had — the most painful. The xylazine definitely changed things, like I don't think I slept more than an hour at a time for a full 30 days," said Beddis, adding she only managed to get off drugs while in prison where they were unavailable.

Local and federal authorities are stepping up their response as the xylazine overdose crisis spreads. Gupta said the Biden administration was developing national testing, treatment and supportive care protocols, as well as strategies to identify and reduce illicit supply of xylazine. It was investing in research aimed at developing an antidote and new treatment options, he said.

Some Philadelphia hospitals have already begun providing services including wound care as well as pain relief and addiction treatment.

But advocates say many healthcare centres and rehab clinics need to update their protocols to stop turning away users with wounds.

"What we need is pain medicine on top of withdrawal medications," said Jeanmarie Perrone, founding director of Penn Medicine Center for Addiction Medicine and Policy. "That might look like methadone plus opioid pain relievers or Suboxone with opioid pain relievers. They need high doses because they are dependent on fentanyl."

Some US states are tightening regulations on xylazine use and storage. Pennsylvania governor Josh Shapiro said last month that he would add xylazine to the state's list of controlled substances, which would enable police to charge people for inappropriate use.

Taylor said the new powers would help Philadelphia police take stronger action against dealers following raids.

But many addiction treatment advocates warn that criminalising xylazine misuse would only limit researchers' ability to study and test the drug and could cause cartels to switch to even more dangerous cutting agents.

They note that Washington's half-century-long war on drugs has failed to curb transnational cartels' ability to operate in the country.

"If we restrict access to xylazine, what's next, you know? Drug dealers are never going to stop coming up with something to sell," said Beddis. "Instead, we should learn more about this drug . . . and try to get ahead of the problem."

INTERNATIONAL

Gulf defence

Washington and UAE reiterate security ties

Move follows decision by Emiratis to withdraw from maritime coalition

SIMEON KERR — DUBAI
ANDREW ENGLAND — LONDON

Senior US and United Arab Emirates officials reiterated the two countries' "strategic partnership" on Saturday following talks in Washington, days after the Gulf state revealed it had stopped participating in a US-led multinational naval task force.

US national security adviser Jake Sullivan told his Emirati counterpart Sheikh Tahnoon bin Zayed al-Nahyan that the Biden administration was committed to deterring threats against the UAE, according to a White House readout of the meeting. The talks came weeks after Iranian forces seized an oil tanker as it transited from a UAE port.

This week, the Gulf state said that two months ago it had withdrawn its participation in a Combined Maritime Forces, a 38-member task force led by the US Navy's Fifth fleet based in Bahrain. It said the decision was taken "as a result of our ongoing evaluation of effective security co-operation with all partners".

The move was viewed as a further sign of the long-running frustrations in the UAE with the level of US military support for the Gulf. A person briefed on the matter said the UAE had become troubled by confusion around the task force's mandate and rules of engagement.

"For example, what was it [the force] doing when it saw Iranian forces interdict a ship transiting from a UAE port?" the person said. "The point of the task force is to protect maritime navigation and security and you can't do that unless it has the mandate to intervene."

The US Navy's Fifth Fleet declined to comment.

After holding talks with Sullivan, Sheikh Tahnoon "praised" the US defence partnership with the UAE, the readout said. The US-UAE relationship has been tense since January 2022, when Iranian-allied Houthi militia in Yemen launched missile and drone attacks on Abu Dhabi.

The UAE leadership felt that Washington was slow to react to the attacks on the Gulf state's capital, in contrast with other partners, such as France.

Abu Dhabi viewed the response as further evidence of what it perceives to be a decade of US disengagement from the region and policy unpredictability.

The UAE was also disappointed by US responses to sabotage attacks against commercial shipping in the Gulf of Oman and missile attacks on critical Saudi oil infrastructure in 2019 that were blamed on Iran. While the UAE is seeking a pact around security protection, Washington has raised issues around Abu Dhabi's close ties to other powers, including China, which is emerging as a more influential force in the oil-rich region.

In March, Beijing brokered a deal between Saudi Arabia and Iran under which the two regional powerhouses agreed to restore diplomatic relations.

The UAE has also attracted many Russians and their assets in the wake of the Ukrainian war, raising concerns in the west that the Gulf's financial capital could emerge as a haven for sanctions busting. "Relations with the US are OK, there's a commitment to keep advancing the relationship," said the person briefed on the matter.

Railway tragedy

India blames train crash on signal failure as death toll nears 300

BENJAMIN PARKIN — NEW DELHI

Indian authorities said preliminary findings showed a signal failure caused a train accident that killed nearly 300 people on Friday, as Prime Minister Narendra Modi vowed to punish those responsible.

India's railway minister Ashwini Vaishnaw said yesterday that the government had "identified the cause of the incident and the people responsible for it". Early findings suggested a failure in the "electronic interlocking" system, which controls the movement of trains, resulted in the three-way collision around Balasore station in the eastern state of Odisha.

One fast-moving passenger train, the southbound Coromandel Express, received an errant signal and moved on to a back-up track where it crashed into a stationary goods train, according to the government report. A passenger train heading north then hit the derailed carriages.

The crash killed at least 275 people and injured more than 800, making it India's worst railway accident in more than two decades. The rescue operation had been completed by yesterday evening, Pradeep Jena, Odisha chief secretary, said.

"The government will leave no stone unturned in treating the injured," Modi said during a visit to the site on Saturday. "Those found guilty will be punished severely."

Several opposition leaders blamed Modi's Bharatiya Janata party for the accident, accusing the government of neglecting investment in rail safety in the region, and called on Vaishnaw to resign. The minister brushed off the demands, saying he was focused on the relief effort and that "this is not the time to do politics". The authorities had recommended that India's Central Bureau of Investigation, which probes criminal cases, open an investigation into the accident, he said.

Modi has prioritised upgrading the country's massive rail network, parts of which are antiquated. The system dates back to the 19th century and plays a vital role in moving people and goods around a country with a population of 1.4bn. Before the accident, Modi had been due to inaugurate a new express train in western India on Saturday. However, an automated safety system introduced last year to prevent collisions had not yet been implemented on the eastern Indian route where Friday's crash occurred.

The country has had to grapple with a series of horrific train accidents. Friday's was the deadliest since 1995, when a crash in the northern state of Uttar Pradesh left more than 350 people dead. A train derailment in the same state killed more than 150 people in 2016. A government study found that the number of accidents had fallen from more than 800 a year in the early 1970s to 22 in 2021. The most common cause of recent incidents was train derailment, according to a rail safety audit last year by the Comptroller and Auditor General of India, which added that spending on track renewal had fallen since 2017.

Trade. Production shift

US reduces reliance on imports from China

Deteriorating relationship enables alternative Asian suppliers to reap benefits

PRIMROSE RIORDAN, CHAN HO-HIM AND ANDY LIN — HONG KONG
JOSEPH LEAHY — BEIJING

China will soon account for less than half of the US's low-cost imports from Asia for the first time in more than a decade, new data has shown, as western companies shift operations out of the country.

According to an annual reshoring index from Kearney, the Chicago-based management consulting firm, US efforts to reduce reliance on China, as well as price-sensitive US buyers, are driving trade towards lower-cost alternatives in Asia.

"By the end of 2023, China's portion of US imports" from low-cost Asian countries, which excludes Japan and South Korea, "will definitely have dropped below 50 per cent", said Patrick Van den Bossche, one of the report's authors.

The US and China are each other's largest respective trading partners. Last year, Chinese goods made up 50.7 per cent of US manufactured imports from Asian countries, according to the Kearney Reshoring Index, which is based on US trade data. That was down from nearly 70 per cent in 2013.

While exports from China, once hailed as the world's factory floor, have declined, imports from Vietnam have doubled in the past five years and tripled over the past 10, according to the Kearney index. India, Taiwan and Malaysia have also contributed a greater share of products from Asia consumed by Americans.

"US imports from other countries such as Vietnam [are] rising as producers shift manufacturing away from China," said Tu Xinquan, dean of the China Institute for WTO Studies at the University of International Business and Economics in Beijing.

The relocation of manufacturing out of China was initially spurred by protectionist Trump-era tariffs on goods, as well as labour shortages in China that drove up wages and costs.

But the trade segregation between the superpowers has accelerated under the Biden administration, which has pursued an economic security agenda amid tensions over issues ranging from advanced semiconductor technology to Beijing's threats against Taiwan.

Chinese goods imports to the US are at lowest in 10 years — AFP via Getty Images

New US laws "continue to lead to increased investments away from China and into the US and Mexico when it comes to, for example, semiconductor manufacturing [and] EV [electric vehicle] batteries," said Van den Bossche. The Inflation Reduction Act and the Chips and Sciences Act, for example, offer subsidies to encourage chipmakers to reshore operations.

In a March report, analysts at Morgan Stanley said: "Increasing labour costs in China, geopolitical tensions and human rights issues have encouraged other companies to rely less on Beijing as the world's factory."

"The disentangling of the two economies has led to critical manufacturing coming home and a shift in imports from China to the Association of Southeast Asian Nations, India and Mexico," they added.

Container volumes also reflect a shift in US imports from other low-cost Asian markets at China's expense.

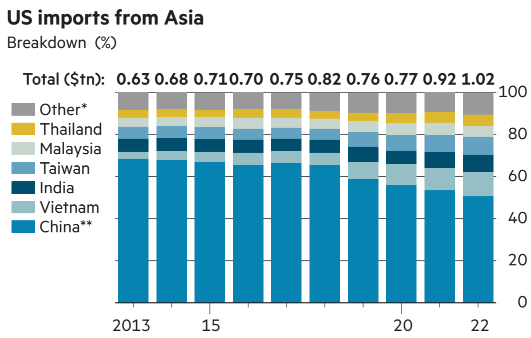
China's share of total US container imports declined from a peak of 42.2 per cent in February last year to 31.6 per cent in March this year, though it has since climbed again as its economy reopens from pandemic controls, according to Canada-based logistics technology company Descartes. India's and Thailand's share grew slightly to 4.1 per cent and 3.8 per cent, respectively, between February 2022 and April 2023.

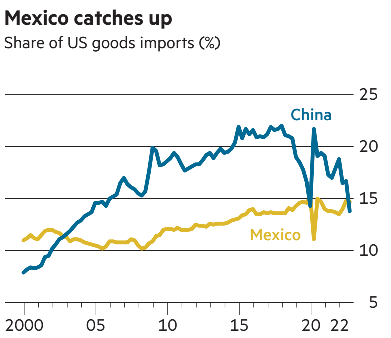
Phoebe Gao, from shoemaker UT Footwear in China's southern coastal Fujian province, said some manufacturers were pivoting to offer higher-end products and improved services to compete with "basic styles" offered by cheaper suppliers abroad.

Some manufacturers are looking even further afield, expanding their presence in south-east Asia and beyond as global inflation rises and brings up wages. Water heater producer Guangdong Vanward New Electric said it was opening production sites in Egypt as well as Thailand in response to demands from US clients. "You either move closer to the market, or you move close to your resources," said Simon Goh, general manager of Arise IIP China, which operates manufacturing industrial zones in partnership with local governments in Africa. "If you look into Africa, if you look at other places, there's also a huge growing [labour supply]."

But there is a limit to the share of manufacturing in China that can practically be replaced elsewhere, Kearney's Van den Bossche said, citing chemicals in particular. A 2019 Deutsche Bank study of 719 products for which the US relied on China found that 95 per cent of them could be supplied from elsewhere in Asia. The 38 remaining items "were made up largely of chemical and related goods", the report said.

Additional reporting by Gloria Li





* The Philippines, Indonesia, Pakistan, Sri Lanka, Bangladesh, Singapore and Cambodia ** Includes US imports from Hong Kong
Sources: Kearney Reshoring Index; Bureau of Economic Analysis; FT calculations

Venezuela outlook

Increasingly triumphant Maduro basks in limelight at regional summit

MICHAEL STOTT — LONDON

Hopes are fading of a return to democracy in Venezuela as authoritarian president Nicolás Maduro wins greater regional recognition, frustrating US and EU efforts to press him to negotiate free and fair elections for next year.

After years of isolation following his disputed 2018 poll victory, an increasingly triumphant Maduro basked in the diplomatic limelight at a South American summit last week hosted by Brazil's president Luiz Inácio Lula da Silva.

Maduro told his fellow presidents his country had survived an assault by the US under former president Donald Trump that was "more brutal than [Russia's] attack on Ukraine". He cited "900 sanctions and measures against the whole economy" alongside assassination attempts, threats of military invasion and international isolation.

"And here we are, resisting and looking forward to the future", he concluded, after boasting that his revolutionary socialist party had won 27 out of 29 presidential, parliamentary and local elections in its 24 unbroken years of rule.

Standing next to Maduro, the leftwing Lula offered him an uncritical endorsement and spoke of "a narrative which has been constructed against Venezuela", adding: "I think Venezuela ought to show its own narrative so it can really change people's minds."

Thomas Shannon, a former top US state department diplomat who is now an adviser at Washington law firm Arnold & Porter, said Lula had "really undermined the approach that the Biden administration has — which could have had some success — by convincing Maduro that he doesn't have to give the opposition anything".

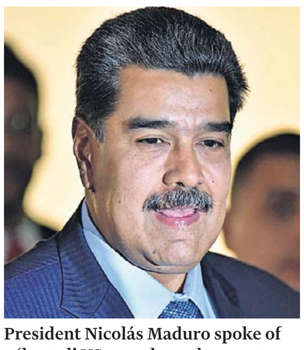
Maduro is facing an investigation by the International Criminal Court for possible crimes against humanity and has a $15mn US bounty on his head over narco-terrorism charges. However, he also secured bilateral meetings in Brasília with Argentina and Colombia's leftwing leaders, as well as Lula.

None of them publicly criticised the political repression and economic mismanagement in Venezuela that triggered the exodus of 7mn refugees. Only Chile's leftwing leader and Uruguay's conservative president raised concerns about rights abuses in Venezuela, which Maduro quickly batted away.

A Brazilian diplomat said Lula had privately raised the issue of Venezuelan elections with Maduro. "The important thing was to get these presidents together," he said. "For years we had a situation with some refusing to be in the same room as others."

The Biden administration shifted away last year from a failed Trump-era strategy of "maximum pressure" sanctions intended to force regime change in Caracas. In November it allowed Chevron to restart limited oil exports from the country, hoping to induce Maduro to reopen talks with the opposition.

The US concession followed a preliminary agreement between the Maduro government and the opposition at Norway-brokered talks that $3bn of frozen Venezuelan funds held in the west should be spent on humanitarian projects. But six months later, the funds have yet to be unblocked, the talks have not resumed and time is running out for negotiations that could improve the chances of a free presidential election being held next year.



President Nicolás Maduro spoke of a 'brutal' US assault on the country

No date has been set for the vote but, with the opposition in disarray, Maduro has hinted he might bring it forward.

"Maduro feels no pressure to sit with the opposition and negotiate terms for the election," said Ryan Berg, director of the Americas programme at the CSIS think-tank in Washington. "Even less so, now that the region is coalescing around him."

Maduro survived western ostracism by turning to China, Russia, Turkey and Iran and dodging sanctions by sending oil to Asia through intermediaries. US officials say his government augmented state coffers by encouraging illegal gold mining in the Amazon rainforest and taking a cut from drug traffickers.

Venezuela has taken a free market turn in recent years, allowing increased use of the US dollar and dismantling some state controls. The IMF said gross domestic product grew 8 per cent last year and will grow another 5 per cent this year, albeit from a very low base.

Brussels hoped to exploit Maduro's desire for greater legitimacy by dangling the prospect of an EU observation mission for next year's election. But the bloc's diplomats admit they will not be able to proceed if Caracas fails to make even minimal political concessions.

The difficulty for the US and EU is that, after the failure of the Trump-era sanctions and western attempts to recognise an alternative government led by former Congress president Juan Guaidó, they have few options left.

"Engagement with Maduro is important as he has no intention of going anywhere," said Tamara Taraciuk Broner, a Venezuela expert at the Inter-American Dialogue in Washington. "But that engagement can't be free, it needs to generate incentives for the Venezuelan authorities to advance in a democratic process.

"The last thing the Venezuelan people need is to have Maduro's profile raised," she added. "Maduro has his own narrative about what is happening and Lula . . . gave that narrative more resonance."

Additional reporting by Michael Pooler

Pulp it With a mountain of 40bn paper documents suffocating the world's trading system, digitalisation is well overdue ➜ OPINION

Companies & Markets

UBS considers putting off its results until end of August

- Credit Suisse rescue proves arduous
- Political and legal challenges pile up

OWEN WALKER
EUROPEAN BANKING CORRESPONDENT

UBS is considering delaying its second-quarter results as long as possible as the bank wrestles with the financial and political complexities of its rescue of Credit Suisse, according to people familiar with the matter.

The bank is due to report its results on July 25, but executives are weighing delaying the publication until the end of August when they may also provide investors with an update on their plans for Credit Suisse's domestic business, the people have said.

The rescue of Credit Suisse, which was engineered by Swiss authorities in March, is expected to be the most significant and complicated banking merger since the financial crisis. Parts of the deal have already been challenged by politicians and lawyers.

> The shotgun marriage is expected to be the most complex banking merger since the financial crisis

UBS executives had hoped to complete the deal by the start of June. It has been signed off by the EU's competition authorities.

But the details of Swiss government support are still to be finalised, which means it will not be completed until this week at the earliest, according to people involved in the planning.

A further complexity is combining the two banks' accounting systems, which each follow different standards. UBS follows the International Financial Reporting Standards, while Credit Suisse uses the Generally Accepted Accounting Principles, which are more common among US companies.

Under IFRS, companies are encouraged to publish their interim results no later than 60 days after the end of the reporting period.

The shotgun marriage between the banks has attracted criticism in Switzerland. A poll published after the deal showed that three-quarters of voters wanted the mega bank to be split up. A month later, in a symbolic protest, Swiss parliamentarians voted against the government's SFr109bn ($120bn) financial package that underpins the deal.

Last week, the Social Democratic party said it had drawn up plans to halve the bank's post-merger balance sheet, bringing it down from SFr1.5tn to closer to the country's gross domestic product of SFr734bn.

With Swiss federal elections due in October, politicians have vented their anger over the SFr9bn of support the government has agreed to provide UBS to absorb losses if they run beyond an initial SFr5bn that the company will bear itself.

But UBS executives are at pains to show investors they will try to limit dependence on the state and avoid using government support. Chief executive Sergio Ermotti has insisted that Swiss taxpayers are "exceptionally unlikely" to suffer losses on the takeover.

Ermotti has dismissed fears that the size of the bank will be a problem for Switzerland, saying it was more important that UBS has agreed to take over a failing institution.

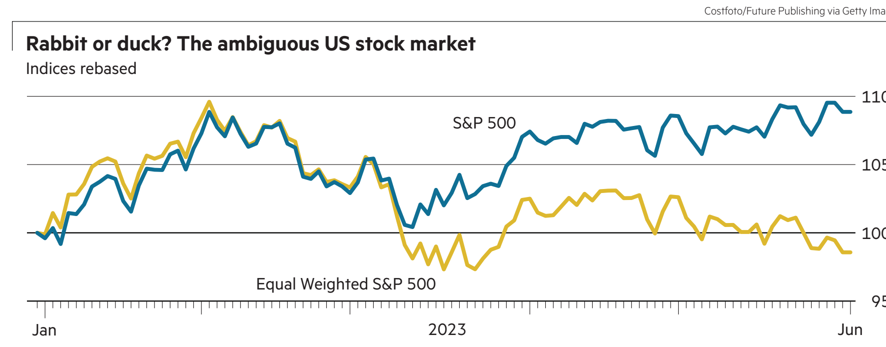
UBS's original plan to merge its domestic bank with Credit Suisse's has caused alarm in Switzerland due to fears over branch closures and job cuts. UBS executives have since said that "all options are on the table" over its plans for the Credit Suisse business.

UBS declined to comment on its discussions over delaying its second-quarter results.

Credit Suisse has enlisted Deloitte to help prepare its accounts for UBS to complete the deal.

Taking cover Diverging measures of S&P 500 performance reflect flight to Big Tech safety

Costfoto/Future Publishing via Getty Images



GEORGE STEER — LONDON

By one measure at least, the US stock market has slipped into negative territory since the start of the year.

The S&P 500 Equal Weight index, which gives equal value to each stock, has fallen 0.35 per cent since January, data from Refinitiv shows. That stands in stark contrast to the 9.5 per cent gain for the benchmark S&P 500, where companies with larger market capitalisations account for a larger share of the index.

Although bigger gaps have previously opened between the two measures of the same stock market's performance, "there has never been such a strong negative divergence", said Manfred Hübner, managing director at research house Sentix.

Rapidly rising demand for the very biggest stocks explains the difference. Riding the AI wave, Nvidia, Microsoft, Alphabet, Apple, Amazon and Meta have added a total of $3.1tn in market capitalisation in 2023, data from AJ Bell show. Ignoring their contribution, the S&P 500 has shed $286bn so far this year.

High-quality, low-risk tech stocks may also have begun to trade like traditional haven assets such as US Treasuries and the dollar, "both of which are beset by doubt", said Erik Knutzen, chief investment officer multi-asset class at Neuberger Berman. "Perhaps market participants are more concerned than they look."

Stripping out volatile food and energy prices, core inflation remains stubbornly sticky, suggesting the US Federal Reserve may have to continue raising interest rates or hold them "higher for longer" to engineer a recession in the next 12 months.

Just 12 per cent of S&P 500 companies are outperforming the index on a 60-day trailing basis, the lowest level since at least 1993, according to Liz Ann Sonders, chief investment strategist at Charles Schwab.

Quoting actor Michael Caine, Sonders said the surprisingly buoyant S&P 500 now resembles a duck: "Calm on the surface but paddling like the dickens underneath."

Bull runs in the late 1990s and between 2019 and 2021 were similarly driven by a handful of big companies, said Thomas Mathews, markets economist at Capital Economics.

The latter bull run slowly broadened as investors became more confident about the state of the US economy post-pandemic, only to tail off as interest rates began to rise in 2022. Stock markets reversed sharply when the dotcom bubble burst at the start of this century.

"If we're right that growth will falter later this year . . . we suspect some pain is on the way for the S&P 500, and global equities generally," said Mathews.

Sony warns over 'tricky' transition to cloud gaming

KANA INAGAKI AND LEO LEWIS — TOKYO

Sony's chief executive has warned that cloud gaming is still technically "very tricky", playing down the risk to the console maker of the industry quickly converting to a technology on which its rival Microsoft has bet heavily.

In an interview with the Financial Times, Kenichiro Yoshida said the PlayStation creator would still study "various options" in the future for streaming games over the internet, adding it could utilise GT Sophy, its artificial intelligence agent, to enhance cloud gaming.

"I think cloud itself is an amazing business model, but when it comes to games, the technical difficulties are high," said Yoshida, citing latency — the fast response times demanded by gamers — as the biggest issue. "So there will be challenges to cloud gaming, but we want to take on those challenges."

Despite various attempts to remake the gaming industry around the cloud, many users have yet to switch from a console or high-end gaming PC to streaming games entirely over the internet, fearing the lags that can be caused by slowing internet connectivity and server speeds. Publishers have also not been fully supportive.

In January, Google shut down its Stadia streaming service after most game producers held back from making their top titles available on the platform.

The promise of cloud gaming is still unfulfilled after more than a decade of development.

Sony was one of the first big companies to enter the market, having acquired cloud gaming company Gaikai for $380mn in 2012 and later the technologies of its rival OnLive.

While it launched a cloud gaming subscription service in 2014 that is now integrated with its upgraded and expanded service PS Plus Premium, analysts say Sony has not capitalised on its early bet to establish itself as a leader in the field.

Yoshida also pointed to the costly inefficiencies of cloud gaming where servers are idle for much of the day before having to cope with the high levels of traffic of gamers playing during the evening or "dark time".

"The dark time for cloud gaming had been an issue for Microsoft as well as Google, but it was meaningful that we were able to use those [quieter] hours for AI learning," said Yoshida.

Diversity. Backlash

Culture wars test corporate commitment to Pride

> The conservative vitriol over long-running LGBT+ backing has stunned branding chiefs

TAYLOR NICOLE ROGERS — NEW YORK

Pride month has become a fixture in US marketing calendars, as June presents companies with an opportunity to signal to employees and consumers that they value diversity.

That has changed this year, with a bitter culture war over the rights of gay and transgender people turning a routine branding opportunity into a fraught and costly test of companies' commitments.

More than a year after Disney became embroiled in a feud with Florida governor Ron DeSantis over Republican legislation limiting what schools may teach on sexual orientation and gender identity, other brands are becoming the focus of conservative ire for expressing support for the LGBT+ community.

Boycotts of Target and Anheuser-Busch InBev's Bud Light brand have cost the retailer and brewer billions of dollars of market value in recent weeks, and the hostilities have not been confined to social media. AB InBev warned of threats to its facilities, while Target said "confrontational behaviour" had left staff feeling unsafe.

The growing vitriol over long-running LGBT+ affirming advertisements and merchandise has stunned marketers. US companies have increasingly embraced marginalised groups' cultural events, from Ramadan to Black History Month, in an attempt to diversify their employee and customer bases.

Big retailers including Target, Walmart and H&M have sold rainbow merchandise for roughly a decade with little pushback. Since the early 2000s, executives have feared accusations of "rainbow washing" their brands to profit from Pride celebrations far more than boycotts from rightwing groups, according to Sender.

But this dynamic has shifted as bans of gender-affirming care and drag shows have become central talking points for Republican lawmakers.

This year, a number of states including Florida and Tennessee passed a record 491 bills rated as anti-LGBT+ by the American Civil Liberties Union. The measures have ranged from restrictions on discussion of LGBT+ topics in public schools to bans on transgender students from playing on sports teams consistent with their gender identity.

As Republican politicians and pundits turn LGBT+ rights into a potent wedge issue with their voters, they have stirred passions among conservatives that have spilled over into the consumer world.

Sales of Bud Light plunged for six consecutive weeks after a collaboration with the transgender TikTok personality and actress Dylan Mulvaney in April sparked a boycott from conservatives.

AB InBev ended the partnership and two executives behind it took a leave of absence. In the week ending May 20, sales of Bud Light were down 24.3 per cent year on year, according to Nielsen, while AB InBev shares are down 19 per cent since the Mulvaney promotion.

Some Target stores were vandalised after viral videos circulated on social media, falsely claiming that it sold child-sized "tuck friendly" swimwear designed to help transgender people hide their genitals. The retailer said it would relocate its Pride displays to the back of some stores and remove some items altogether, only to be met with a backlash from LGBT+ advocates and a 9 per cent slide in its shares over a week.

"As an LGBT+ community, we're really disappointed in Anheuser-Busch and Target because they have had a long history of partnering with our community, yet here they are being tested for the first time and they're backing down," said Sarah Kate Ellis, chief executive of advocacy group GLAAD.

NYC Pride, the organiser of Pride events in New York, said it was "troubled" that Target, one of its longstanding partners, "conceded to bad actors, setting a worrisome precedent".

Conservative activists are calling for other brands to be "Bud Lighted" for their Pride promotions, including Nike, Kohl's, The North Face and Chick-fil-A.

"The goal is to make 'pride' toxic for brands," conservative commentator Matt Walsh wrote on Twitter last week. "If they decide to shove this garbage in our face, they should know that they'll pay a price."

Target: accused of selling swimwear that can help hide the genitals

There is some evidence of companies avoiding a subject they had once embraced, with data provider AlphaSense/Sentieo finding that executives are mentioning the words "LGBT" and "LGBTQ" less often on earnings calls this year. But LGBT+ advocates have urged companies not to deviate from their Pride commitments.

Disney, which has been more exposed to anti-LGBT+ backlash than any other big US company over the past year, is among those sticking to its plans. Despite the controversy which led it to sue DeSantis in April, Disney World in Orlando will again host what are unofficially known as "Gay Days", fan-driven events that have taken place in the park for more than 30 years.

Brands from Ugg, the apparel line, to Mars Wrigley's rainbow-coloured candy Skittles have gone ahead with Pride campaigns, while organisations from Deloitte to Major League Baseball issued Pride month messages on social media, much as in previous years.

Other companies cited their employees as the main reason for maintaining their support. Mike Parra, the Miami-based chief executive of DHL's Americas business, said it would not pull back any of its planned Pride sponsorships because of the backlash.

"When you're a company like ours, that is extremely diverse with many employees in so many countries across the world, people need to know that their voice can be heard and that they have a sense of belonging and inclusion," Parra said.

Additional reporting by Christopher Grimes and Andrew Edgecliffe-Johnson

AstraZeneca defies geopolitics with China bet

Ageing population, burgeoning biotechnology sector and rising spirit of innovation present large opportunities

HANNAH KUCHLER — LONDON
ELEANOR OLCOTT — HONG KONG

AstraZeneca's chief executive returned from a trip to China exuberant about an "explosion" of biotech companies in the country and the potential for his business to deliver drugs discovered there to the world.

Pascal Soriot said the market was "completely open" for pharmaceutical investment. "It's hard to not be impressed by the progress that has been made in China over the past few years."

While the G7 has warned of the threat of "economic coercion" from China and the US is scrutinising Chinese investment in its biotech sector, AstraZeneca is focused on capitalising on its position in China as the largest overseas pharma company by sales.

"I think when you are a global company like AstraZeneca you have always to cope with geopolitical risk and you have to try to manage that without getting too involved," Michel Demaré, the chair, said. As long as there were no legal or sanctions issues, "you just try to take care of your patients and try to reach the most patients you can".

Many drugmakers are tempted by China's large, ageing population, which is increasingly affected by chronic diseases partly caused by smoking, pollution, and more westernised diets. While vaccine nationalism meant China spurned foreign jabs in favour of its less effective ones, it is open to other innovative drugs.

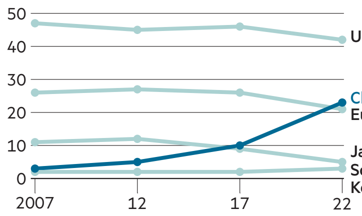
AstraZeneca believes the opportunity lies not just in Chinese patients but in the country's scientists. "The innovation power has changed," said Demaré. "It is no more 'copy, paste'. They really have the power to innovate and put all the money in. There's a lot of start-ups and we are a part of that."

The Anglo-Swedish drugmaker last month signed a partnership worth up to $600mn with Shanghai-based LaNova Medicines for the global licence for a potential cancer drug, the latest in a series of deals in oncology and cell therapy. AstraZeneca China even has a collaboration agreement to sell a traditional Chinese medicine that aims to lower cholesterol.

The Anglo-Swedish drugmaker is focused on capitalising on its position in China as the largest overseas pharmaceutical business by sales — FT montage/Bloomberg

Quarter of next-gen cancer drugs are being developed by China sector

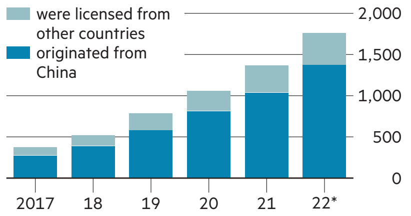
Share of early-stage next-gen cancer biotherapeutics by site of group's HQ (%)



Not all locations are shown and products developed by more than one company may be included in more than one location

Growth of China clinical development pipeline

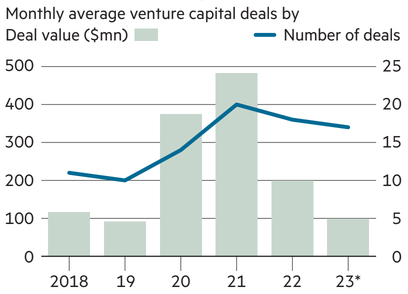
Number of innovative assets under clinical development in China that



* As of May 2022

China biotech funding

Monthly average venture capital deals by



* Year to May 23 2023

Sources: IQVIA Institute for Human Data Science; Pharmaprojects via McKinsey; PitchBook

Foreign drugmakers tend to see partnerships as safer than acquisitions in China because of political risk and, historically, intellectual property theft. But Soriot said in April that the company had "no limitation" on buying Chinese businesses.

When asked about potential objections from Washington, he quoted from a speech by US Treasury secretary Janet Yellen in which she insisted that the US did not intend to decouple from China. "There are industries where there are more tensions, of course, but it doesn't apply to our own pharmaceutical industry," he said.

With western companies facing numerous barriers to doing business in China, cracking the market requires political skill.

When AstraZeneca celebrated its 30th anniversary in the country, global executive vice-president Leon Wang pledged that the drugmaker would strive to be a patriotic company that "loves the Communist party", according to Reuters. AstraZeneca declined to comment on Wang's statement.

Soriot has invested in research and development leading to breakthrough cancer drugs. After seeing off a bid from Pfizer in 2014, AstraZeneca's shares have risen more than 100 per cent in the past five years and its market capitalisation recently passed that of its US rival.

The strategy of building its presence in China by forming relationships with regional governments beyond Beijing, Shanghai and the biotech hub of Suzhou gives it another advantage.

"Typically the market looks at drug companies by key franchises, like an individual drug or therapeutic area," said Dani Saurymper, portfolio manager at AstraZeneca investor Pacific Asset. "So it is a plank of growth people haven't typically thought of: what is the geographic revenue potential?"

Demaré said the group was "very into some provinces where there is not even a foreign player other than us".

Wang has been building AstraZeneca's business in China since he arrived in 2013. "Leon is open to everything," said Bruce Liu, who leads the life sciences division for China at consultancy Simon-Kucher. "He has been very innovative."

> All businesses here 'to one degree or another operate at the pleasure of an authoritarian state'

With an eye on the demands of China's healthcare system, Wang has overseen the building of thousands of centres in hospitals to deliver AstraZeneca's Pulmicort, a drug for asthma and chronic obstructive pulmonary disease. The latter affects more than 100mn Chinese.

Paul O'Brien, a China market entry strategist, said the drugmaker's partnerships and capital investments were appealing to the government and had helped the group "blur some of the boundaries" between being seen as a purely foreign entrant and "one with significant skin in the China market".

As China began to sharpen its focus on innovation in drugmaking over the past five years, pharma groups dependent on selling off-patent generic medicines had to scramble to change their business models. The country made reforms to give patients access to new drugs rather than cheap generics.

Helen Chen, head of LEK Consulting's healthcare practice in Shanghai, cited a "really big shift in mentality" since 2017 as Beijing sped up the process of giving regulatory approval and insurance coverage. The list of nationally covered medicines, which once took four years or more to get on to, is now reviewed every year.

But Beijing played hardball on price. Demaré said AstraZeneca had experienced a "difficult period" in China because of the government's pressure on prices and a hit to demand during lockdowns.

But he pointed to the group's return to double-digit growth in the country. In the first quarter, sales in China, excluding those related to Covid shots and treatments, rose 11 per cent year on year at constant exchange rates to $1.6bn, though growth is expected to slow to a low single-digit percentage this year.

Liu said that AstraZeneca had not been "vigilant enough" in the past two years on China's policies to encourage generic competition, and had not introduced enough innovative drugs in response. But the breadth of its experience in China was helping with the transition. AstraZeneca China was treated with "freedom, latitude and trust" by the drugmaker's global headquarters.

AstraZeneca is having some success with innovative drugs. Sales of Tagrisso, for lung cancer, increased 17 per cent year on year on emerging markets to $444mn in the first quarter, three-quarters of which was likely to have been in China, according to Simon Baker, an analyst at Redburn. "It is not far off being a blockbuster in China alone."

Reforms such as more relaxed rules on outsourcing manufacturing have made it easier for China biotech groups to compete globally, while changes to Hong Kong listing rules have opened the market to biotechs without revenue.

Soriot thinks AstraZeneca can be a partner of choice for China biotechs, which were discovering new products and technologies that would "shape the future of medicine". He planned to use AstraZeneca's presence in the country to "tap into this innovation and help those companies develop and commercialise their products globally".

Wang has spearheaded a partnership with state-backed investment bank China International Capital Corporation to create a $1bn fund to invest in local start-ups.

Chen believed that acquisitions would be politically possible for AstraZeneca, as long as the group did not target a "major Chinese champion of industry", or gene therapy companies, which were considered nationally strategic.

Liu said acquisitions were "in theory not a bad idea", with pharma companies able to negotiate low prices because many biotechs were "cash-starved". But they were not common because of potential issues on integrating assets and other geopolitical and legal challenges, particularly since relations between the west and China had deteriorated.

Lindsay Gorman, senior fellow for Emerging Technologies at the Alliance for Securing Democracy think-tank, said statements of patriotism and loyalty to the party were pragmatic.

She said: "The obsequiousness is definitely not subtle, but AstraZeneca is saying the quiet part out loud. To one degree or another, all businesses in China operate at the pleasure of an authoritarian state.

"That is why the US government is concerned about more and more industries . . . But is this the cost of doing business? In pharma, many companies have decided that it is."

Technology

VR start-ups pin hopes on Apple to lure funds

PATRICK MCGEE — SAN FRANCISCO

Virtual reality start-ups have pinned their hopes on Apple's longed-for release of a mixed reality headset becoming a catalyst for a rebound in industry funding.

Expectation is growing that the iPhone maker will host its biggest hardware launch since the iPad in 2010 at its annual developer conference today.

The headset, with a likely price tag of about $3,000, is expected to combine augmented reality, which conjures up digital images into the real world, and virtual reality, which immerses users into a game-like realm.

"Code new worlds," reads Apple's website for the event, which many interpret as a reference to a new computing platform.

Tipatat Chennavasin, co-founder of the Venture Reality Fund, said he expected the Apple headset to include a new App Store — "the next ecosystem where millions of developers are making millions of dollars selling to billions of people".

Hype that AR/VR technology spells the "next big thing" in the industry has been deflated over the past six months by the release of artificial intelligence tools led by ChatGPT, the OpenAI-backed chatbot that provides human-like answers to queries. The frenzy over AR/VR technology was so great in late 2021 that Facebook changed its name to Meta, signalling confidence in an avatar-filled "metaverse" that the company is spending $10bn a year to develop.

The fanfare accompanying Apple's expected launch prompted Meta this week to step in with a show of Quest 3, its latest virtual reality device.

But interest has dwindled as focus has shifted away from AR/VR and towards generative AI. Venture capital investment in AR and VR companies plummeted 74 per cent to $800mn over the six months to March, compared with the same period a year earlier, PitchBook data has shown.

"Metaverse isn't really a term anyone wants to use any more to get funding," said Tuong Nguyen, an analyst at Gartner. "But there's this idea that Apple can raise the tide for all boats."

Airlines

New jet orders soar as air travel rebounds

Manufacturers struggle to meet resurgent demand amid supply chain issues

SYLVIA PFEIFER — LONDON

Airlines placed orders for close to 1,200 new aircraft in the first five months of the year, underlining the resurgent demand from the industry as passenger traffic continues to rebound following the pandemic.

The figures were bolstered by three standout deals, including the announcement in February by Air India that it would buy 470 single-aisle and long-distance widebody aircraft from Airbus and Boeing, according to research by aviation consultancy IBA.

Total orders to the end of May — including options — were 1,198. The large order haul underlines how quickly airlines' demand has bounced back to pre-pandemic levels. The International Air Transport Association, an industry body, said this week that domestic travel had regained pre-pandemic levels and overall passenger traffic grew 46 per cent year-on-year in April led by carriers in the Asia-Pacific region.

Aircraft demand has been fuelled by persistent industry-wide capacity constraints which have pushed out available delivery slots for the most popular models towards the end of the decade. Airbus and Boeing, along with engine makers, have been struggling to meet ambitious delivery targets amid a shortage of components since the peak of the pandemic.

"Airlines are rushing to get capacity back, bringing stored aircraft back and ordering new ones. They are all keen to get to the front of the queue for deliveries," said William McClintock, manager of market analysis at IBA.

Net orders, which take account of cancellations, in 2022 were 1,592 — almost double the 812 orders placed in 2019, the year before the Covid pandemic all but brought air travel to a standstill, according to IBA data.

The bulk of the net orders, or 1,436, were for single-aisle aircraft, notably Airbus's best-selling A320 family of jets. Net orders for widebody aircraft, which are used on long-haul international routes, were 156, a fraction over the 148 tally in 2019. The wide-body recovery now "looks sustainable", said McClintock. "Before the pandemic, delivery rates were outstripping orders and did not look sustainable."

But the industry's supply-demand balance is expected to remain out of kilter for some time, with executives warning that delivery problems will persist until at least next year.

David Calhoun, chief executive of Boeing, warned on Friday that progress on fixing the industry supply chain problems had been "frustratingly slow". Speaking at a Bernstein conference in New York, he said: "We've got to be smart about how we manage supply against that demand spike, and it is reasonably big. On the flip side, on the supply chain, it's just frustratingly slow going to open up the constraints."

While Boeing had seen improvements in some areas of its supply chain, Calhoun said the ability of both the US group and Airbus to meet customer demand would still be "constrained five years from now".

Guillaume Faury, CEO of Airbus, said last month that the supply chain crisis gripping the industry could last into next year.

Oil & gas

Adani and Total back India's LNG recovery

BENJAMIN PARKIN — NEW DELHI
SHOTARO TANI — LONDON

India's liquefied natural gas imports are picking up after years of weak demand, as companies such as Total and Adani bet heavily on a turnround in a market that has so far defied lofty expectations.

India has set ambitious targets to become one of the world's biggest LNG importers by more than doubling the share of gas in its energy mix to 15 per cent by 2030, helping attract a wave of infrastructure investment.

But the LNG import market has shrunk since the Covid-19 pandemic and Russia's invasion of Ukraine, which pushed prices far higher than domestic fuels such as coal.

India's LNG imports rose for three consecutive months starting in March, with imports in May reaching 2.7bn cubic metres, according to Refinitiv. While still below pre-pandemic levels, companies argue the 66 per cent growth in imports in May compared with February heralds the beginning of a boom for India's LNG sector.

Petronet, the country's largest importer, said last month it expected a "huge jump" in demand, while Adani Total, a joint venture between the French energy group and the Indian group, said it expected "momentum and boost in the demand across India".

Adani Total in late May opened a new

> Joint venture Adani Total says that it expects to see 'momentum and boost in the demand across India'

LNG terminal in Dhamra, on India's eastern coast, with 5mn metric tonne per annum regasification capacity. It is the most significant development between the pair since US short seller Hindenburg Research in January accused Adani of engaging in fraud and market manipulation. Adani vehemently denies the allegations.

Total and Adani struck the agreement to build Dhamra in 2018, their first project together. Total went on to invest more than $3bn across city gas distribution and solar power with Adani, though it paused a planned $4bn investment in a green hydrogen venture following Hindenburg's allegations.

Analysts said the Dhamra terminal is poised to capture gas demand in India's less developed but populous east. "It's a crucial terminal [as] India is trying to achieve 15 per cent gas," said Ayush Agarwal, an analyst with S&P in India.

Yet the outlook for India's LNG market remains uncertain. Agarwal said he did not expect demand to pick up significantly until next year onwards, while India's existing LNG infrastructure remains heavily underutilised.

"Domestically produced coal remains far cheaper on an energy basis than imported LNG, so there's little scope for fuel-switching for power generation," said Matthew Drinkwater, head of gas and power analysis at Argus.

Additional reporting by Chloe Cornish

Market questions. Week ahead

Investors braced for fall in China trade volumes

Investors are worried that a widely expected explosion of pent-up Chinese demand may have been overhyped
Peter Parks/AFP/Getty

Will Chinese trade data continue to disappoint?

Investors watching China's sputtering post-Covid 19 reopening do not have high hopes for trade data due to be released on Wednesday, which is expected to show declining import and export volumes last month.

Imports are forecast to fall 7.9 per cent year-on-year in May, matching April's surprisingly steep decline, according to a Reuters poll. Exports are expected to contract 0.6 per cent compared with a year earlier, having surged 8.5 per cent from a low base in the previous month.

Following weak consumer spending and industrial output figures, underwhelming trade data would only add to investor concerns that a widely expected explosion of pent-up Chinese demand may have been overhyped.

At the start of the year traders were piling into Chinese stocks and betting on rising prices for commodities in anticipation of a US-style pandemic recovery.

In a sign of how investor sentiment has soured, the Hang Seng China Enterprises index last week briefly dipped 20 per cent below its January peak to fall into bear market territory, while prices for copper and iron ore have dropped steadily since the start of the year.

China's recovery "is still largely on track", according to Goldman Sachs analysts, "but some persistent weaknesses in the economy — the property sector, youth employment and consumer confidence — may require more targeted policy support to counteract". *George Steer*

Will consumer confidence in the eurozone hold up?

The eurozone consumer has been hit by soaring prices and sluggish pay rises for more than a year, yet tomorrow's publication of sales data is expected to show a slight rebound in April compared with the previous month.

Having fallen 0.4 per cent in the first quarter, retail sales are expected to return to mild growth with a month-on-month rise of 0.1 per cent, according to a Reuters poll of economists.

German retail sales rose 0.8 per cent in April, boosted by a rise in food sales, according to recent data. But Oxford Economics economist Mateusz Urban said there was still "little hope for a more meaningful rebound before real wages start to rebound later this year".

Consumer confidence in Europe has recovered from an all-time low during last year's energy crisis, but it remains far below the long-term average despite inching up further in May, according to the EU's latest survey. Sentiment among European retailers continued to turn more gloomy, the survey found, as managers' assessments of current and past conditions deteriorated sharply and indicated a growing concern about excessive stock levels. *Martin Arnold*

Will US mega-techs hit a new high?

Enthusiasm about generative artificial intelligence has pushed US tech stocks to within sight of their 2021 all-time high.

The S&P 500 Information Technology sub-index, made up of 60-plus of the largest US-listed tech companies, has risen more than one-third this year and left it just over 5 per cent short of its December 2021 peak.

The gains have been led by its largest constituents — Apple, Microsoft and most recently Nvidia, which briefly last month joined the $1tn club on expectations that recent sharp jumps in its sales forecasts are proof of its key role in powering the rapidly evolving AI universe. Year to date the chipmaker has gained more than 170 per cent.

A push to fresh records for the S&P's tech index would cheer the enthusiasts who believe this is the beginning of a multiyear bull run for AI-linked companies. It would also increase the worry among active fund managers that their returns are being dictated by bets on a narrow range of already pricey big names.

> Goldman points to weaknesses including the property sector, youth jobs and consumer confidence

The only other S&P 500 sub-indices to have recorded gains this year are also dominated by megacap tech groups with AI links.

Amazon, which generates the bulk of its profits from cloud computing, constitutes about a third of the consumer discretionary sector, while Google parent Alphabet and Facebook parent Meta together make up more than half the communication services sector.
Jennifer Hughes

Technology. Supply chain

US restrictions threaten Korea Inc's battery push in Indonesia

Links with Chinese groups on nickel production risk falling foul of Inflation Reduction Act

CHRISTIAN DAVIES AND SONG JUNG-A
SEOUL
MERCEDES RUEHL — SINGAPORE

South Korean companies are relying on the US showing greater flexibility over China's role in electric vehicle supply chains, as they invest heavily — often with Chinese partners — in battery materials production in Indonesia.

A $441mn investment last month by Korean metals giant Posco in a nickel smelting plant on the Indonesian island of Halmahera has taken South Korea's hard cash dealmaking in the south-east Asian country to more than $3bn since the start of 2022, the bulk of it being battery related.

Indonesia is the world's largest producer of nickel, a crucial ingredient that Korea's leading EV battery companies need for the multi-billion-dollar factories they are building in the US. Yet the majority of Indonesia's nickel production and processing is controlled by Chinese companies, complicating Korean efforts to construct a supply chain that fulfils US demands for batteries free of Chinese ownership of key components.

"South Korea was planning to use Indonesia as a major global hub for electric vehicle production," said Kyung-hoon Kim, an associate research fellow at the Korea Institute for International Economic Policy. "But without concessions from the US, it will be hard."

The US Inflation Reduction Act offers billions of dollars in tax credits to battery companies only if a certain percentage of the value of critical minerals contained in their products is processed or extracted in the US or by partners with free trade agreements.

Indonesia lacks a free trade agreement with the US, and Washington is yet to spell out how it will define the "foreign entities of concern" — a reference to China — that it wants to be phased out of the US battery supply chain by the beginning of 2025.

Korean investment has intensified under Indonesian president Joko Widodo, who implemented an export ban on raw nickel ore in 2020. The move spurred international companies to invest in nickel processing within the country's borders, with many of those deals involving partners from mainland China.

South Korea's LG Energy Solution, the world's leading non-Chinese producer of EV batteries, announced a partnership in April last year with Posco, two Indonesian state-owned companies and Chinese miner Zhejiang Huayou Cobalt, with a series of investments that would eventually total $9bn.

Then, in November, a partnership was announced between fellow Korean battery maker SK On with Korean cathode producer EcoPro and Chinese battery component producer Green Eco-Manufacture to produce an intermediate nickel product called mixed hydroxide precipitate (MHP) on the Indonesian island of Sulawesi.

Posco, whose chemicals subsidiary has a $33bn supply agreement with Korea's other battery major, Samsung SDI, signed a preliminary agreement in February with Chinese mining firm Ningbo Liqin to produce nickel and MHP on Sulawesi.

The problem, said Tim Bush, a Seoul-based battery analyst at UBS, is the Inflation Reduction Act has given companies until the beginning of 2025 — just over 18 months away — to complete the construction of a new, "IRA-compliant" supply chain, despite them having no clear sense of what level of Chinese involvement will be permitted. "It is extremely difficult for the Korean companies to pull the trigger on the multi-billion-dollar investments that will be required to diversify their supply chain when they still haven't been informed of the rules of the road," said Bush.

A worker processes metal at a Sulawesi smelter. Most Indonesian nickel output is controlled by China businesses

In May, the chief financial officer of LG Chem, the parent of LG Energy Solution, told investors its assumption was that the US government would apply the same definition of "foreign entities of concern" that it uses for legislation concerning the semiconductor industry.

That would mean that joint ventures with a Chinese equity stake of more than 25 per cent would not qualify for the credits, in effect excluding most of Indonesia's nickel supplies from the supply chains the US is hoping to build.

"The Korean companies have gone all-in on Indonesia and now they are in a quandary," said Ross Gregory, Seoul-based executive director of EV consultancy New Electric Partners. He also noted environmental concerns surrounding carbon-intensive mining practices in Indonesia, adding: "The risk is that the nickel they get will be both non-IRA compliant and not clean enough. They urgently need to diversify."

However, a Europe-based nickel trader observed that Indonesian nickel is discounted about 30 per cent compared to London Metal Exchange prices for alternative products such as Australian briquettes. "They're sitting there saying we can't survive [without it]," they said. "I can carry on buying expensive nickel or I can put myself in the game to buy the cheapest nickel in the world."

This year, the US Treasury issued guidelines that will make it easier for Korean companies to produce more components domestically. It means that nickel products sourced in Indonesia but processed in Korea could still be designated as IRA compliant.

Jakarta is also lobbying Washington for Indonesia to receive a tailored trade deal on critical minerals similar to one agreed with Japan in March.

A Korean battery executive who did not wish to be named acknowledged that "we have no option but to rely on Chinese technology and knowhow for nickel processing at low cost", but added this meant that Washington was likely to adopt a definition of "foreign entities of concern" tailored to the specific needs of the battery industry.

"If they say any joint venture in which China holds even a 1 per cent stake is an entity of concern, the US could be strangling itself, as no company would be able actually to meet the Inflation Reduction Act's conditions," he warned.

Additional reporting by Harry Dempsey

MARKET DATA

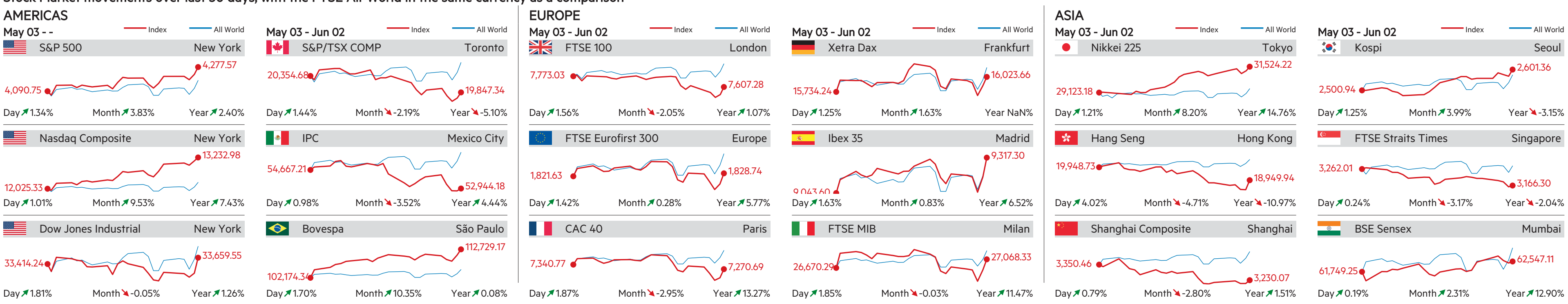
WORLD MARKETS AT A GLANCE

FT.COM/MARKETSDATA

Change during previous day's trading (%)

S&P 500	Nasdaq Composite	Dow Jones Ind	FTSE 100	FTSE Eurofirst 300	Nikkei	Hang Seng	FTSE All World $	$ per €	$ per £	¥ per $	£ per €	Oil Brent $ Sep	Gold $
1.34%	1.01%	1.81%	1.56%	1.42%	1.21%	4.02%	1.46%	No change	-0.319%	0.515%	0.233%	2.00%	0.51%

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



Country	Index	Latest	Previous
Argentina	Merval	354379.20	353373.62
Australia	All Ordinaries	7331.20	7290.70
	S&P/ASX 200	7145.10	7110.80
	S&P/ASX 200 Res	5907.60	5769.70
Austria	ATX	3138.23	3082.13
Belgium	BEL 20	3632.83	3551.92
	BEL Mid	10138.26	9908.90
Brazil	IBovespa	112447.06	110564.66
Canada	S&P/TSX 60	1199.04	1182.30
	S&P/TSX Comp	19955.62	19672.25
	S&P/TSX Div Met & Min	1695.09	1630.77
Chile	S&P/CLX IGPA Gen	28604.64	28243.81
China	FTSE A200	10124.83	9987.15
	FTSE B35	9000.71	8998.96
	Shanghai A	3385.80	3359.16
	Shanghai B	274.22	270.71
	Shanghai Comp	3230.07	3204.63
	Shenzhen A	2129.69	2105.25
	Shenzhen B	1113.45	1091.80
Colombia	COLCAP	1261.61	1260.21
Croatia	CROBEX	2013.05	2011.29
Cyprus	CSE M&P Gen	68.46	68.68
Czech Republic	PX	1315.58	1293.32
Denmark	OMXC Copenhagen 20	2027.12	2035.75
Egypt	EGX 30	17533.31	17495.77
Estonia	OMX Tallinn	1898.56	1894.26
Finland	OMX Helsinki General	10266.85	10047.89
France	CAC 40	7270.69	7137.43
	SBF 120	5546.20	5445.63
Germany	M-DAX	27264.89	26746.72
	TecDAX	3239.24	3242.33
	XETRA Dax	16051.23	15853.66
Greece	Athens Gen	1217.86	1209.05
	FTSE/ASE 20	2953.60	2923.64
Hong Kong	Hang Seng	18949.94	18216.91
	HS China Enterprise	6428.33	6149.64
	HSCC Red Chip	3779.26	3636.79
Hungary	Bux	47869.61	46850.16
India	BSE Sensex	62547.11	62428.54
	Nifty 500	15811.20	15760.35
Indonesia	Jakarta Comp	6633.26	6636.42
Ireland	ISEQ Overall	8657.12	8522.96
Israel	Tel Aviv 125	1747.02	1760.54
Italy	FTSE Italia All-Share	29182.78	28661.57
	FTSE Italia Mid Cap	42834.82	42160.52
	FTSE MIB	27068.33	26575.69
Japan	2nd Section	7228.27	7239.06
	Nikkei 225	31524.22	31148.01
	S&P Topix 150	1897.70	1867.71
	Topix	2182.70	2149.29
Jordan	Amman SE	2481.35	2465.25
Kenya	NSE 20	1546.83	1513.22
Kuwait	KSX Market Index	6633.44	6603.51
Latvia	OMX Riga	1146.96	1146.96
Lithuania	OMX Vilnius	998.69	998.69
Luxembourg	LuxX	1467.17	1427.26
Malaysia	FTSE Bursa KLCI	1381.26	1383.01
Mexico	IPC	53238.78	52724.03
Morocco	MASI	11049.08	11029.71
Netherlands	AEX	764.92	756.35
	AEX All Share	1035.09	1021.66
New Zealand	NZX 50	11880.90	11916.13
Nigeria	SE All Share	55769.28	55738.35
Norway	Oslo All Share	1017.37	1006.89
Pakistan	KSE 100	41352.99	41266.77
Philippines	Manila Comp	6512.01	6430.58
Poland	Wig	65607.50	63636.25
Portugal	PSI 20	5901.62	5802.17
	PSI General	4572.50	4498.34
Romania	BET Index	12133.87	12229.51
Russia	Micex Index	2436.57	2445.30
	RTX	1245.71	1212.57
Saudi-Arabia	TADAWUL All Share Index	11014.95	11014.13
Singapore	FTSE Straits Times	3166.30	3158.80
Slovakia	SAX	315.54	315.54
Slovenia	SBI TOP	-	-
South Africa	FTSE/JSE All Share	77126.06	75783.25
	FTSE/JSE Res 20	70298.88	68962.28
	FTSE/JSE Top 40	71993.27	70656.08
South Korea	Kospi	2601.36	2569.17
	Kospi 200	342.67	338.08
Spain	IBEX 35	9317.30	9167.50
Sri Lanka	CSE All Share	8753.80	8691.61
Sweden	OMX Stockholm 30	2292.50	2252.43
	OMX Stockholm AS	853.60	835.80
Switzerland	SMI Index	11443.35	11298.28
Taiwan	Weighted Pr	16706.91	16512.85
Thailand	Bangkok SET	1532.16	1522.20
Turkey	BIST 100	5082.46	4959.80
UAE	Abu Dhabi General Index	9222.93	9251.11
UK	FT 30	2766.20	2734.40
	FTSE 100	7607.28	7490.27
	FTSE 4Good UK	6955.84	6854.55
	FTSE All Share	4155.37	4090.64
	FTSE techMARK 100	6820.51	6782.83
USA	DJ Composite	11108.02	10922.47
	DJ Industrial	33659.55	33061.57
	DJ Transport	14121.38	13880.17
	DJ Utilities	900.98	890.84
	Nasdaq 100	14556.45	14441.51
	Nasdaq Cmp	13232.98	13100.98
	NYSE Comp	15301.91	14887.14
	S&P 500	4277.56	4221.02
	Wilshire 5000	42053.18	41446.59
Venezuela	IBC	33039.73	33039.73
Vietnam	VNI	1090.84	1078.39
Cross-Border	DJ Global Titans ($)	495.84	489.63
	Euro Stoxx 50 (Eur)	4326.19	4257.61
	Euronext 100 ID	1351.29	1328.30
	FTSE 4Good Global ($)	10864.49	10755.15
	FTSE All World ($)	437.21	430.93
	FTSE E300	1828.74	1803.08
	FTSE Eurotop 100	3632.11	3584.84
	FTSE Global 100 ($)	2933.80	2901.24
	FTSE Gold Min ($)	1902.36	1842.05
	FTSE Latibex Top (Eur)	4440.00	4432.20
	FTSE Multinationals ($)	2991.59	2952.76
	FTSE World ($)	797.99	786.91
	FTSEurofirst 100 (Eur)	4900.12	4832.61
	FTSEurofirst 80 (Eur)	5862.31	5776.00
	MSCI ACWI Fr ($)	653.02	646.37
	MSCI All World ($)	2831.66	2800.56
	MSCI Europe (Eur)	1838.76	1826.01
	MSCI Pacific ($)	2729.65	2692.46
	S&P Euro (Eur)	1909.40	1879.81
	S&P Europe 350 (Eur)	1874.10	1847.33
	S&P Global 1200 ($)	3173.72	3131.31
	Stoxx 50 (Eur)	3999.66	3950.73

(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
Tesla	195.0	216.17	8.65
Nvidia	102.6	396.14	-1.56
Apple	49.9	180.98	0.89
Amazon.com	40.0	124.98	2.21
Microsoft	35.0	334.89	2.31
Advanced Micro Devices	33.6	119.45	-0.02
Broadcom	27.7	805.62	15.67
T-mobile Us	25.7	127.50	-11.41
Meta Platforms	24.8	273.47	0.86
Alphabet	15.1	125.06	1.34

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Dish Network	7.73	1.45	23.11
3m	102.30	8.02	8.51
Dupont De Nemours	72.81	5.37	7.96
Celanese	114.13	8.03	7.57
Caterpillar	223.54	14.47	6.92
Downs			
T-mobile Us	127.50	-11.41	-8.21
At&t	15.08	-0.74	-4.65
Verizon Communications	34.07	-1.66	-4.63
Cooper Companies (the)	360.06	-14.13	-3.78
Advance Auto Parts	67.13	-0.90	-1.32

Based on the constituents of the S&P500

LONDON

ACTIVE STOCKS	stock traded m's	close price	Day's change
Dechra Pharmaceuticals	300.0	3632.00	258.00
Unilever	177.7	4056.50	38.50
Rio Tinto	177.0	5070.00	184.00
Diageo	161.2	3372.50	28.00
Astrazeneca	161.1	11748.00	78.00
Shell	145.6	2290.00	42.00
London Stock Exchange	121.9	8494.00	36.00
Bp	119.5	474.35	12.85
Glencore	114.8	433.90	17.00
Hsbc Holdings	108.6	602.70	8.90

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Ferrexpo	100.20	8.30	9.03
Dechra Pharmaceuticals	3632.00	258.00	7.65
Puretech Health	230.50	13.50	6.22
Uk Commercial Property Reit	56.80	3.10	5.77
Prudential	1153.00	62.00	5.68
Downs			
Bt	143.65	-5.00	-3.36
Bodycote	625.00	-20.00	-3.10
Drax	542.00	-11.80	-2.13
Pennon	768.50	-14.50	-1.85
Wizz Air Holdings	2756.00	-38.00	-1.36

Based on the constituents of the FTSE 350 index

EURO MARKETS

ACTIVE STOCKS	stock traded m's	close price	Day's change
Novartis N	439.8	91.84	1.35
Dt.telekom Ag Na	366.1	19.50	-1.55
Roche Gs	314.2	300.90	3.13
Novo Nordisk B A/s	298.4	145.13	-2.36
Nestle N	275.9	112.63	0.84
Asml Holding	235.0	674.60	-2.60
Unicredit	184.9	18.86	0.13
Lvmh	167.3	830.50	24.70
Eni	163.1	13.14	0.35
Totalenergies	158.1	55.15	1.36

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Sartorius Sted Bio	265.80	12.50	4.93
Prosus	66.15	2.84	4.49
Basf Se Na O.n.	46.73	1.88	4.19
Volkswagen Ag St O.n.	148.95	5.75	4.02
Bnp Paribas Act.a	56.61	2.14	3.93
Downs			
Dt.telekom Ag Na	19.50	-1.55	-7.34
Novo Nordisk B A/s	145.13	-2.36	-1.60
Orange	11.04	-0.14	-1.22
Orsted A/s Dk 10	10.97	-0.12	-1.09
Mowi	16.08	-0.13	-0.81

Based on the constituents of the FTSEurofirst 300 Eurozone index

TOKYO

ACTIVE STOCKS	stock traded m's	close price	Day's change
Softbank	1894.4	5971.00	265.00
Advantest	998.4	17730.00	-260.00
Tokyo Electron	951.7	19275.00	-460.00
Toyota Motor	940.2	2009.50	56.50
Mitsubishi Ufj Fin	714.9	969.30	5.40
Keyence	510.3	70030.00	1600.00
Rakuten	505.3	585.00	11.00
Sumitomo Mitsui Fin	458.6	5690.00	-22.00
Renesas Electronics	406.1	2373.50	-6.50
Daikin Industries	403.1	28250.00	930.00

BIGGEST MOVERS	Close price	Day's change	Day's chng%
Ups			
Nidec	7371.00	397.00	5.69
Nippon Paper Industries Co Ltd	1170.00	59.00	5.31
Eisai Co.,	9500.00	450.00	4.97
Cyberagent,.	1028.00	44.00	4.47
Tokyo Electric Power ,orporated	522.00	22.00	4.40
Downs			
Sharp	759.00	-19.00	-2.44
Tokyo Electron	19275.00	-460.00	-2.33
Advantest	17730.00	-260.00	-1.45
Mitsui O.s.k.lines,	3150.00	-15.00	-0.47
Sumitomo Mitsui Fin,.	5690.00	-22.00	-0.39

Based on the constituents of the Nikkei 225 index

UK MARKET WINNERS AND LOSERS

FTSE 100	Jun 02 price(p)	%Chg week	%Chg ytd
Winners			
B&m Eur Value Retail S.a.	539.80	16.8	31.2
Endeavour Mining	2178.00	8.4	24.3
Fresnillo	691.80	5.5	-
Segro	827.60	5.1	8.2
Antofagasta	1456.50	4.8	-5.6
Scottish Mortgage Investment Trust	697.60	4.7	-3.9
Land Securities	625.60	4.4	1.1
Anglo American	2418.00	4.3	-
Frasers	700.00	4.2	-1.4
Jd Sports Fashion	156.90	3.9	24.7
Ashtead	5112.00	3.9	8.3
Melrose Industries	492.70	3.7	21.7
Losers			
Ocado	358.20	-12.0	-
Entain	1328.00	-5.3	0.7
Vodafone	75.63	-4.8	-10.0
British American Tobacco	2570.50	-3.7	-
Diageo	3372.50	-3.6	-7.6
National Grid	1055.00	-3.2	5.8
Unilever	4056.50	-2.7	-3.1
Shell	2290.00	-2.7	-1.3
Gsk	1367.60	-1.8	-4.7
Reckitt Benckiser	6308.00	-1.7	9.6
Auto Trader	617.00	-1.5	19.4
Smiths	1619.00	-1.4	1.3

FTSE 250	Jun 02 price(p)	%Chg week	%Chg ytd
Winners			
Rhi Magnesita N.v.	2558.00	24.8	15.0
Dechra Pharmaceuticals	3632.00	15.7	39.5
Bytes Technology	526.00	13.9	35.9
Darktrace	291.10	12.0	12.3
Uk Commercial Property Reit	56.80	10.9	-2.7
Hunting	222.00	10.2	-
Molten Ventures	311.80	9.6	-
4imprint	4850.00	9.0	13.7
Sirius Real Estate Ltd	84.85	8.0	14.7
Wh Smith	1643.00	8.0	10.5
Carnival	859.20	7.8	48.3
Renishaw	4104.00	7.7	11.9
Losers			
Asos	350.40	-17.3	-
Dr. Martens	139.60	-13.3	-
Ithaca Energy	141.60	-8.2	-
Drax	542.00	-7.6	-
Dowlais	125.35	-7.1	-
Synthomer	91.85	-6.7	-
Hilton Food	688.00	-6.0	23.5
Future	735.00	-5.3	-
Keller	670.00	-4.8	-16.3
Wizz Air Holdings	2756.00	-4.4	44.7
Bank Of Georgia	3045.00	-4.2	16.9
Bodycote	625.00	-4.1	9.9

FTSE SmallCap	Jun 02 price(p)	%Chg week	%Chg ytd
Winners			
Hochschild Mining	79.85	10.8	13.7
Me Int	150.80	9.8	31.1
Moonpig	147.40	9.2	33.6
Aptitude Software	338.00	9.0	-3.4
Ct Property Trust	84.00	8.7	22.4
Greencore	82.10	8.3	28.0
Superdry	84.80	7.3	-33.8
North Atlantic Smaller Companies Investment Trust	3950.00	6.8	11.0
Avon Protection	890.00	6.6	-
Capita	34.92	6.3	43.9
Robert Walters	455.00	6.2	-
Ashoka India Equity Investment Trust	199.00	6.1	1.5
Losers			
Dwf	54.00	-12.9	-
Pensionbee	61.70	-8.5	15.0
Taylor Maritime Investments	80.50	-7.5	-10.0
Sig	39.00	-5.9	31.8
Marston's	30.50	-5.6	-
Pendragon	16.84	-5.1	-
Foresight Sustainable Forestry	101.00	-4.7	-5.4
Zotefoams	354.00	-4.6	1.8
Speedy Hire	32.60	-4.0	-
Costain	51.80	-3.7	31.6
Rank	95.50	-3.5	16.6
Odyssean Investment Trust	159.25	-3.5	-8.2

Industry Sectors	Jun 02 price(p)	%Chg week	%Chg ytd
Winners			
Mining	11607.45	6.1	3.6
Real Estate Investment Trusts	2259.91	4.6	1.2
Industrial Transportation	3682.05	3.6	6.2
Industrial Metals	6391.48	3.4	-18.1
Life Insurance	6907.37	2.7	-1.9
Media	9794.94	2.4	7.9
Electronic & Electrical Equip.	10395.96	2.3	20.0
Household Goods	11290.20	2.3	13.8
Support Services	10656.28	2.2	7.4
Software & Computer Services	2011.24	1.8	13.4
Real Estate & Investment Servic	2209.97	1.7	4.5
Chemicals	10836.00	1.6	-7.3
Losers			
Automobiles & Parts	1771.59	-4.0	19.1
Beverages	26186.12	-3.3	-5.8
Tobacco	28311.04	-2.9	-
Mobile Telecommunications	2114.46	-2.7	-0.8
Food & Drug Retailers	4201.90	-2.2	1.9
Personal Goods	30707.30	-1.8	-0.1
Gas Water & Multiutilities index	6020.80	-1.7	6.2
Oil & Gas Producers	7996.05	-1.6	-1.3
Banks	3581.63	-0.6	8.9
Pharmaceuticals & Biotech.	21502.95	-0.4	2.3
General Retailers	3871.66	-0.4	15.1
Construction & Materials	8025.79	-0.2	17.0

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

CURRENCIES

Jun 2	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	240.7735	0.6745	258.2409	0.5797	300.5461	-0.0586
Australia	Australian Dollar	1.5121	-0.0131	1.6218	-0.0150	1.8874	-0.0221
Bahrain	Bahrainin Dinar	0.3771	0.0000	0.4044	-0.0002	0.4707	-0.0014
Bolivia	Bolivian Boliviano	6.9100	-	7.4113	-0.0041	8.6254	-0.0259
Brazil	Brazilian Real	4.9565	-0.0799	5.3161	-0.0887	6.1870	-0.1186
Canada	Canadian Dollar	1.3445	-0.0063	1.4420	-0.0076	1.6782	-0.0129
Chile	Chilean Peso	797.0500	-8.1400	854.8737	-9.2125	994.9196	-13.1808
China	Chinese Yuan	7.0749	-0.0427	7.5882	-0.0501	8.8313	-0.0800
Colombia	Colombian Peso	4362.4650	-65.4300	4678.9492	-72.8275	5445.4604	-98.2808
Costa Rica	Costa Rican Colon	542.7650	0.1450	582.1410	-0.1693	677.5078	-1.8542
Czech Republic	Czech Koruna	22.0233	-0.0421	23.6210	-0.0584	27.4906	-0.1354
Denmark	Danish Krone	6.9446	0.0043	7.4484	0.0005	8.6686	-0.0207
Egypt	Egyptian Pound	30.8957	0.0228	33.1371	0.0059	38.5656	-0.0874
Hong Kong	Hong Kong Dollar	7.8374	0.0052	8.4059	0.0009	9.7830	-0.0229
Hungary	Hungarian Forint	345.1355	-0.4594	370.1740	-0.6995	430.8162	-1.8696
India	Indian Rupee	82.3125	-0.1000	88.2840	-0.1566	102.7468	-0.4339
Indonesia	Indonesian Rupiah	14990.0000	-	16077.5064	-8.9486	18711.3144	-56.2216
Israel	Israeli Shekel	3.7485	0.0037	4.0204	0.0018	4.6790	-0.0094
Japan	Japanese Yen	139.6600	0.7150	149.7919	0.6837	174.3309	0.3714
..One Month		139.6593	0.7137	149.7915	0.6828	174.3302	0.3700
..Three Month		139.6580	0.7110	149.7905	0.6810	174.3287	0.3669
..One Year		139.6523	0.6998	149.7863	0.6725	174.3302	0.3612
Kenya	Kenyan Shilling	138.8000	0.2000	148.8695	0.1316	173.2574	-0.2702
Kuwait	Kuwaiti Dinar	0.3076	-	0.3299	-0.0002	0.3839	-0.0012
Malaysia	Malaysian Ringgit	4.5775	-0.0360	4.9096	-0.0414	5.7139	-0.0622
Mexico	Mexican Peso	17.4830	-0.0720	18.7513	-0.0877	21.8232	-0.1557
New Zealand	New Zealand Dollar	1.6479	-0.0033	1.7674	-0.0045	2.0569	-0.0103
Nigeria	Nigerian Naira	464.7500	-	498.4663	-0.2782	580.1253	-1.7432
Norway	Norwegian Krone	11.0167	-0.0959	11.8159	-0.1095	13.7516	-0.1614
Pakistan	Pakistani Rupee	285.6000	0.4800	306.3194	0.3442	356.5009	-0.4703
Peru	Peruvian Nuevo Sol	3.6897	0.0120	3.9573	0.0107	4.6056	0.0012
Philippines	Philippine Peso	55.8950	-0.3800	59.9500	-0.4412	69.7711	-0.6854
Poland	Polish Zloty	4.1900	-0.0254	4.4940	-0.0297	5.2302	-0.0475
Romania	Romanian Leu	4.6282	0.0025	4.9640	-0.0001	5.7772	-0.0143
Russia	Russian Ruble	81.3000	0.3250	87.1981	0.3001	101.4829	0.1020
Saudi Arabia	Saudi Riyal	3.7507	0.0005	4.0228	-0.0017	4.6818	-0.0134
Singapore	Singapore Dollar	1.3481	-0.0009	1.4458	-0.0018	1.6827	-0.0062
South Africa	South African Rand	19.5069	-0.1175	20.9221	-0.1378	24.3495	-0.2203
South Korea	South Korean Won	1305.6500	-16.0000	1400.3712	-17.9519	1629.7809	-24.9294
Sweden	Swedish Krona	10.7725	-0.0866	11.5540	-0.0994	13.4468	-0.1489
Switzerland	Swiss Franc	0.9072	-0.0016	0.9731	-0.0023	1.1325	-0.0054
Taiwan	New Taiwan Dollar	30.6440	-0.0935	32.8671	-0.1187	38.2514	-0.2320
Thailand	Thai Baht	34.5375	-0.2275	37.0431	-0.2648	43.1115	-0.4144
Tunisia	Tunisian Dinar	3.1070	0.0054	3.3324	0.0039	3.8783	-0.0050
Turkey	Turkish Lira	20.8900	0.0827	22.4055	0.0763	26.0760	0.0252
United Arab Emirates	UAE Dirham	3.6729	-	3.9394	-0.0022	4.5848	-0.0138
United Kingdom	Pound Sterling	0.8011	0.0024	0.8592	0.0021	-	-
..One Month		0.8012	0.0024	0.8591	0.0021	-	-
..Three Month		0.8013	0.0024	0.8589	0.0021	-	-
..One Year		0.8012	0.0025	0.8577	0.0021	-	-
United States	United States Dollar	-	-	1.0725	-0.0006	1.2483	-0.0038
..One Month		-	-	1.0724	-0.1795	1.2483	-0.0038
..Three Month		-	-	1.0720	-0.1795	1.2484	-0.0037
..One Year		-	-	1.0706	-0.1795	1.2483	-0.0036
Vietnam	Vietnamese Dong	23482.5000	4.5000	25186.1255	-9.2013	29312.1036	-82.4567
European Union	Euro	0.9324	0.0005	-	-	1.1638	-0.0028
..One Month		0.9322	0.0005	-	-	1.1637	-0.0028
..Three Month		0.9318	0.0005	-	-	1.1635	-0.0028
..One Year		0.9304	0.0005	-	-	1.1623	-0.0028

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

FTSE ACTUARIES SHARE INDICES

UK SERIES
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Produced in conjunction with the Institute and Faculty of Actuaries

	£ Strlg Jun 02	Day's chge%	Euro Index	£ Strlg Jun 01	£ Strlg May 31	Year ago	Div yield%	Cover	P/E ratio	X/D adj	Total Return
FTSE 100 (100)	7607.28	1.56	6895.40	7490.27	7446.14	7532.95	3.73	1.85	14.45	152.49	7972.39
FTSE 250 (250)	19149.31	1.71	17357.35	18827.76	18722.90	20272.90	3.29	0.61	50.20	274.79	16180.31
FTSE 250 ex Inv Co (169)	19783.54	1.90	17932.23	19414.05	19291.22	20997.64	3.40	0.79	37.10	291.91	17064.07
FTSE 350 (350)	4196.79	1.58	3804.06	4131.40	4107.24	4197.38	3.67	1.69	16.08	80.74	8721.56
FTSE 350 ex Investment Trusts (266)	4143.29	1.59	3755.57	4078.46	4054.33	4132.52	3.72	1.78	15.09	81.30	4451.55
FTSE 350 Higher Yield (135)	3511.65	1.66	3183.03	3454.25	3431.49	3663.47	5.14	1.72	11.30	91.37	8287.78
[illegible rows]											
FTSE All-Share Industrial Engineering (6)	15875.98	2.24	13643.86	15528.12	15460.70	15026.93	1.97	2.38	21.28	210.47	21596.70
FTSE All-Share Industrial Support Services (29)	10250.72	1.90	8809.50	10059.64	10021.40	9620.93	2.01	1.57	31.61	107.81	11935.47
FTSE All-Share Industrial Transportation (8)	5529.75	3.04	4752.28	5366.76	5317.28	4752.61	2.08	0.87	55.01	16.99	5816.81
FTSE All-Share Industrial Materials (1)	17703.30	0.71	577.99	17578.28	17503.27	15652.92	1.92	1.34	38.87	231.04	22644.67
FTSE All-Share Industrial Metals and Mining (8)	6886.54	4.20	5918.31	6608.85	6472.29	8518.67	7.10	3.54	3.98	243.73	10929.74
FTSE All-Share Precious Metals and Mining (5)	10932.98	0.40	9395.83	10889.06	10687.62	10022.20	3.08	1.79	18.15	169.32	7837.52
FTSE All-Share Chemicals (7)	12024.12	1.94	10333.56	11795.77	11708.85	13843.71	2.95	1.81	18.73	109.16	12181.48
FTSE All-Share Oil. Gas and Coal (13)	8024.89	2.19	6896.61	7852.66	7742.30	8044.33	4.12	1.66	14.63	171.30	10328.43
FTSE Sector Indices											
Non Financials (322)	**5026.64**	**1.49**	**4556.26**	**4952.82**	**4924.78**	**5099.43**	**3.59**	**1.67**	**16.73**	**85.93**	**9262.41**

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	7521.12	7539.85	7549.64	7557.80	7562.77	7559.31	7572.26	7583.57	7599.81	7614.86	7518.38
FTSE 250	18904.39	18980.04	19018.07	19031.67	19055.32	19088.45	19113.24	19110.27	19120.14	19149.31	18904.39
FTSE SmallCap	6158.26	6180.86	6192.85	6198.15	6205.33	6214.17	6217.34	6221.82	6228.69	6246.61	6158.25
FTSE All-Share	4107.19	4118.39	4124.20	4128.43	4131.53	4131.08	4137.80	4142.96	4150.82	4158.24	4107.19

Time of FTSE 100 Day's high:15:23:45 Day's Low07:13:30 FTSE 100 2010/11 High: 8014.31(20/02/2023) Low: 7335.40(17/03/2023)
Time of FTSE All-Share Day's high:15:23:00 Day's Low07:03:00 FTSE 100 2010/11 High: 4377.36(16/02/2023) Low: 4007.66(17/03/2023)
Further information is available on http://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. † Sector P/E ratios greater than 80 are not shown. For changes to FTSE Fledgling Index constituents please refer to www.ftse.com/indexchanges. ‡ Values are negative.

FT 30 INDEX

	Jun 02	Jun 01	May 31	May 30	May 29	Yr Ago	High	Low
FT 30	2766.20	2734.40	2726.10	2753.90	2770.20	0.00	2895.30	2454.10
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
2734.4	2755.3	2755.7	2757.8	2757.6	2759.5	2755.5	2760.5	2763.2	2767.8	2734.4

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

FT WILSHIRE 5000 INDEX SERIES

	Jun 01		Jun 01
FT Wilshire 5000	42471.62	FT Wilshire Mid Cap	5319.00
FT Wilshire 2500	5448.95	FT Wilshire Small Cap	4805.70
FT Wilshire Mega Cap	5580.61	FT Wilshire Micro Cap	4451.75
FT Wilshire Large Cap	5538.78		

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FTSE SECTORS: LEADERS & LAGGARDS

Year to date percentage changes

Aerospace & Defense	22.95	Media	8.57	Nonlife Insurance	-0.35
Electronic & Elec Eq	20.21	Support Services	7.28	Equity Invest Instr	-0.91
Travel & Leisure	19.77	Gas Water & Multi	6.28	Telecommunications	-0.96
Automobiles & Parts	19.01	Utilities	5.91	Oil & Gas Producers	-1.55
Fixed Line Telecomms	18.93	Technology	5.38	Oil & Gas	-1.58
Construct & Material	16.93	Electricity	4.89	Life Insurance	-2.04
General Retailers	15.87	Financials	4.79	Personal Goods	-2.77
Consumer Services	14.43	Real Est Invest & Se	4.26	Industrial Metals &	-3.96
Food Producers	14.20	Health Care Eq & Srv	3.31	Consumer Goods	-4.80
Leisure Goods	13.67	Health Care	2.35	Beverages	-5.92
Financial Services	13.25	Pharmace & Biotech	2.28	Oil Equipment & Serv	-7.02
Industrials	11.44	FTSE 100 Index	2.09	Chemicals	-7.10
Household Goods & Ho	10.96	FTSE All{HY-}Share Index	1.97	Mobile Telecomms	-9.24
Software & Comp Serv	10.59	FTSE 250 Index	1.57	Industrial Transport	-9.27
Food & Drug Retailer	10.25	NON FINANCIALS Index	1.05	Basic Materials	-16.86
Industrial Eng	9.35	Real Est Invest & Tr	0.73	Mining	-17.85
Banks	8.86	FTSE SmallCap Index	0.11	Tobacco	-20.58
		Beverages	31.66	Tech Hardware & Eq	-22.26

FTSE GLOBAL EQUITY INDEX SERIES

Jun 2 Regions & countries	No of stocks	US $ indices	Day %	Mth %	YTD %	Total retn	YTD %	Gr Div Yield
FTSE Global All Cap	9492	729.27	1.0	-0.4	7.2	1183.71	8.4	2.2
FTSE Global All Cap	9492	729.27	1.0	-0.4	7.2	1183.71	8.4	2.2
FTSE Global Large Cap	1936	663.23	1.0	0.3	9.1	1109.93	10.3	2.3
FTSE Global Mid Cap	2228	900.36	1.0	-2.5	2.0	1374.41	3.0	2.3
FTSE Global Small Cap	5328	922.64	1.0	-1.5	2.3	1345.11	3.3	2.2
FTSE All-World	4164	430.93	1.0	-0.2	7.7	740.85	9.0	2.3
FTSE World	2658	786.91	1.1	0.0	8.7	1815.90	9.9	2.2
[illegible rows]								
FTSE Middle East and Africa All Cap	330	675.23	0.3	-6.1	-6.8	1265.60	-4.7	3.7
FTSE Global wi UNITED KINGDOM All Cap In	280	329.15	1.6	-4.7	4.8	687.36	6.8	3.8
FTSE Global wi USA All Cap	1790	1012.97	1.0	1.3	9.3	1480.07	10.1	1.6
FTSE Europe All Cap	1469	460.92	1.4	-4.6	7.5	897.74	9.9	3.2
FTSE Eurozone All Cap	642	455.94	1.6	-4.8	10.1	882.21	12.7	3.1
FTSE EDHEC-Risk Efficient All-World	4164	466.08	0.8	-3.3	0.6	744.92	1.8	2.7
FTSE EDHEC-Risk Efficient Developed Europe	551	331.53	1.5	-5.5	5.7	595.99	7.9	3.2
Oil & Gas	133	375.46	1.6	-6.8	-8.1	787.39	-6.4	4.9
Oil & Gas Producers	88	376.01	1.4	-7.4	-7.7	810.98	-5.8	5.2

Jun 2 Sectors	No of stocks	US $ indices	Day %	Mth %	YTD %	Total retn	YTD %	Gr Div Yield
Oil Equipment & Services	25	251.14	2.5	-7.0	-9.6	475.61	-8.0	4.9
Basic Materials	405	577.27	1.4	-6.2	-3.4	1085.13	-1.7	4.3
Chemicals	202	782.04	0.9	-5.7	0.3	1408.35	1.8	3.2
Forestry & Paper	19	226.04	0.8	-2.8	-10.3	469.82	-8.1	4.4
Industrial Metals & Mining	104	480.81	1.7	-6.7	-2.7	940.06	-1.0	4.8
Mining	80	893.38	2.1	-7.0	-8.6	1784.49	-6.5	5.8
Industrials	811	509.99	1.2	-1.7	4.6	824.01	5.7	2.1
[illegible rows]								
Financials	853	253.20	1.0	-3.5	-2.4	496.47	-0.7	3.4
Banks	271	188.64	1.1	-3.3	-4.8	415.28	-2.5	4.6
Nonlife Insurance	72	364.46	1.1	-4.4	-0.4	622.51	1.8	3.0
Life Insurance	51	209.82	0.9	-7.6	-7.9	413.08	-6.1	4.3
Financial Services	213	433.13	1.2	-2.0	2.1	664.43	2.9	1.8
Technology	355	602.18	1.3	10.6	36.2	789.98	36.7	0.9
Software & Computer Services	180	901.88	1.0	9.3	33.1	1095.12	33.5	0.6
Technology Hardware & Equipment	175	538.38	1.5	12.1	39.5	761.19	40.2	1.2
Alternative Energy	20	161.83	2.3	5.6	-11.6	232.29	-11.5	0.3
Real Estate Investment & Services	139	230.63	0.1	-6.8	-8.1	456.05	-6.9	3.4
Real Estate Investment Trusts	107	420.55	0.2	-4.1	-3.4	1004.04	-2.1	4.2
FTSE Global Large Cap	1936	663.23	1.0	0.3	9.1	1109.93	10.3	2.3

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

FTSE 100 SUMMARY

FTSE 100	Closing Price	Day's Change	FTSE 100	Closing Price	Day's Change
3I Group PLC	1960	23.50	Jd Sports Fashion PLC	156.90	4.55
Abrdn PLC	203.50	4.95	Johnson Matthey PLC	1804.5	42.50
Admiral Group PLC	2374	67.00	Kingfisher PLC	238.90	4.90
Airtel Africa PLC	122.70	1.40	Land Securities Group PLC	625.60	18.40
Anglo American PLC	2418	118.50	Legal & General Group PLC	236.00	7.20
Antofagasta PLC	1456.5	76.50	Lloyds Banking Group PLC	45.45	0.78
Ashtead Group PLC	5112	163.00	London Stock Exchange Group PLC	8494	36.00
Associated British Foods PLC	1869.5	42.00	M&G PLC	204.00	5.20
Astrazeneca PLC	11748	78.00	Melrose Industries PLC	492.70	4.30
Auto Trader Group PLC	617.00	8.40	Mondi PLC	1291	39.00
Aviva PLC	409.10	10.50	National Grid PLC	1055	-0.50
B&M European Value Retail S.A.	539.80	10.40	Natwest Group PLC	265.00	1.60
Bae Systems PLC	942.40	-2.40	Next PLC	6502	98.00
Barclays PLC	156.76	4.14	Ocado Group PLC	358.20	5.80
Barratt Developments PLC	481.80	12.90	Pearson PLC	820.60	10.80
Beazley PLC	620.50	-	Pershing Square Holdings LTD	2790	34.00
Berkeley Group Holdings (The) PLC	4044	57.00	Persimmon PLC	1252.5	30.00
BP PLC	474.35	12.85	Phoenix Group Holdings PLC	567.00	12.00
British American Tobacco PLC	2570.5	13.00	Prudential PLC	1153	62.00
British Land Company PLC	355.30	9.60	Reckitt Benckiser Group PLC	6308	28.00
Bt Group PLC	143.65	-5.00	Relx PLC	2566	24.00
Bunzl PLC	3156	6.00	Rentokil Initial PLC	648.20	11.20
Burberry Group PLC	2186	51.00	Rightmove PLC	536.80	5.40
Centrica PLC	120.45	0.55	Rio Tinto PLC	5070	184.00
Coca-Cola Hbc AG	2389	20.00	Rolls-Royce Holdings PLC	150.00	3.60
Compass Group PLC	2207	-7.00	Rs Group PLC	799.00	2.60
Convatec Group PLC	208.60	-0.40	Sage Group PLC	872.20	2.80
Crh PLC	3911	84.00	Sainsbury (J) PLC	278.50	5.70
Croda International PLC	6230	90.00	Schroders PLC	463.30	7.80
Dcc PLC	4752	109.00	Scottish Mortgage Investment Trust PLC	697.60	24.80
Diageo PLC	3372.5	28.00	Segro PLC	827.60	21.40
Endeavour Mining PLC	2178	-2.00	Severn Trent PLC	2706	-1.00
Entain PLC	1328	9.00	Shell PLC	2290	42.00
Experian PLC	2898	56.00	Smith & Nephew PLC	1209	7.50
F&C Investment Trust PLC	906.00	11.00	Smith (Ds) PLC	315.60	8.60
Flutter Entertainment PLC	15885	175.00	Smiths Group PLC	1619	8.00
Frasers Group PLC	700.00	16.00	Smurfit Kappa Group PLC	2970	98.00
Fresnillo PLC	691.80	14.60	Spirax-Sarco Engineering PLC	11180	255.00
Glaxosmithkline PLC	1367.6	20.00	Sse PLC	1868	-12.00
Glencore PLC	433.90	17.00	St. James's Place PLC	1153.5	25.00
Haleon PLC	327.20	5.55	Standard Chartered PLC	664.00	22.40
Halma PLC	2462	49.00	Taylor Wimpey PLC	118.05	2.80
Hargreaves Lansdown PLC	817.20	11.80	Tesco PLC	262.40	1.50
Hiscox LTD	1169	-5.00	Unilever PLC	4056.5	38.50
HSBC Holdings PLC	602.70	8.90	Unite Group PLC	915.50	17.50
Imperial Brands PLC	1731	14.50	United Utilities Group PLC	1036.5	4.50
Informa PLC	704.80	7.00	Vodafone Group PLC	75.63	-0.50
Intercontinental Hotels Group PLC	5402	64.00	Weir Group PLC	1782.5	67.00
International Consolidated Airlines Group S.A.	157.90	1.90	Whitbread PLC	3374	63.00
Intertek Group PLC	4268	71.00	Wpp PLC	879.00	14.60

UK STOCK MARKET TRADING DATA

	Jun 02	Jun 01	May 31	May 30	May 26	Yr Ago
Order Book Turnover (m)	131.54	637.42	367.53	93.65	33.60	33.60
Order Book Bargains	531888.00	653497.00	571538.00	530179.00	529747.00	529747.00
Order Book Shares Traded (m)	1648.00	4382.00	3044.00	1878.00	4177.00	4177.00
Total Equity Turnover (£m)	7432.78	10236.24	8823.42	9945.58	6501.10	6501.10
Total Mkt Bargains	720864.00	878224.00	764677.00	726012.00	705667.00	705667.00
Total Shares Traded (m)	4806.00	8793.00	7798.00	7679.00	9741.00	9741.00

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

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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	
Blencowe Resources	Int	0.000	0.000	0.486L	0.356L	0.280L	0.270L	0.00000	0.00000	-	0.000	0.000
Caffyns	Pre	251.426	223.928	3.090	4.385	93.600	111.300	0.00000	15.00000	-	7.500	22.500
JPMorgan Japanese Investment Trust	Int			61.827	278.043L	39.670	178.020L	0.00000	0.00000	-	6.200	5.300
Nostra Terra Oil & Gas Co	Pre	4.021	2.282	0.546L	1.088L	0.000	0.000	0.00000	0.00000	-	0.000	0.000
Revolution Beauty Group	Int	75.273	78.608	13.317L	28.776L	4.300L	11.300L	0.00000	0.00000	-	0.000	0.000
TR Property Investment Trust	Pre			543.674L	283.605	172.450L	88.760	0.00000	9.20000	-	5.650	14.500

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)
05/25	5.00		ONE	Oneiro Energy PLC	6.50	0.00	7.25	5.98	289.4
05/17	10.00		ADMR	Admiral Acquisition UK Ltd	9.88	0.11	10.10	9.70	533.3
05/10	8.50	AIM	GMET	Golden Metal Resources PLC	7.25	-0.42	8.80	7.00	610.4
05/03	100.00		AWEM	Ashoka WhiteOak Emerging Markets Trust plc	102.50	-2.50	110.91	98.50	0.0

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

MARKET DATA

FT500: THE WORLD'S LARGEST COMPANIES

Stock	Price	+/-Week	52 Week High	52 Week Low	Yld	P/E	MCap m
Australia (A$)							
ANZ Bank	22.77	-0.58	26.08	20.78	6.71	9.42	45227.49
BHP Group	43.25	1.10	50.09	35.83	9.63	10.02	144899.49
CmwBkAu	96.91	-0.81	111.38	86.98	3.66	17.98	108027.21
CSL	308.00	1.70	314.21	254.30	0.99	43.51	98256.51
NatAusBk	25.79	-0.25	32.83	25.43	3.53	13.55	53535.35
Telstra	4.34	0.01	4.43	3.62	2.33	34.83	33164.21
Wesfarmers	47.80	-1.21	52.79	40.03	3.77	24.24	35848.34
Westpac Bank	20.54	-0.35	24.50	18.80	4.38	14.74	47667.72
Woolworths	37.55	-0.63	39.88	31.67	2.91	42.25	30264.83
Belgium (€)							
AnBshInBv	50.91	-2.26	62.01	45.56	1.02	25.99	94856.79
KBC Grp	62.76	1.16	72.46	45.53	5.36	10.44	28080.95
Brazil (R$)							
Ambev	14.53	-0.23	16.88	12.60	3.84	22.17	46182.36
Bradesco	13.38	-0.29	17.71	11.15	6.14	6.26	14389.1
Cielo	4.70	-0.15	6.22	3.66	3.06	16.07	2576.22
ItauHldFin	22.81	-0.13	26.04	18.86	3.36	9.12	22818.25
Petrobras	30.55	0.51	42.08	23.61	15.54	4.40	45872.46
Vale	67.82	1.49	94.48	61.90	18.94	3.06	62107.42
Canada (C$)							
Bausch Hlth	10.98	-0.09	13.81	5.10	-	-3.36	2955.34
BCE	60.92	-0.95	69.06	55.66	5.64	20.77	41332.59
BkMontrl	116.03	1.29	138.85	111.88	3.82	9.09	61550.79
BkNvaS	66.34	-0.46	86.22	63.19	5.49	8.45	59122.24
Brookfield	58.88	10.36	63.88	41.28	1.09	19.91	69948.82
CanadPcR	105.46	0.54	112.27	86.42	0.71	25.72	73033.23
CanImp	56.94	-0.60	71.10	53.58	10.35	4.02	38867.57
CanNatRs	75.25	-0.57	86.64	58.75	2.60	11.88	61370.13
CanNatRy	158.39	3.23	175.39	137.26	1.52	23.43	78142.39
Enbridge	49.88	1.03	59.69	47.66	6.57	17.72	75109.32
GtWesLif	38.79	-0.44	39.88	27.99	4.88	11.10	26866.67
ImpOil	64.58	0.59	79.83	52.67	1.56	18.92	28059.49
Manulife	25.81	0.28	27.50	20.81	4.45	7.43	35436.28
Nutrien	73.75	-2.36	132.75	70.69	3.09	10.78	27213.01
RylBkC	123.42	0.34	140.18	116.75	3.54	11.16	127665.62
SHOP	78.49	-2.20	87.53	33.00	-	2.77	69897.05
Suncor En	39.01	0.15	53.62	36.39	2.64	14.36	38070.15
ThmReut	165.91	-3.23	180.93	121.67	1.21	11.64	58119.73
TntoDom	78.57	0.31	96.94	76.32	4.08	10.02	107505.42
TrnCan	54.98	0.87	74.44	50.70	6.21	30.13	42099.26
China (HK$)							
AgricBkCh	2.96	-0.05	3.28	2.20	7.40	3.77	11609.44
Bk China	3.10	-0.01	3.45	2.51	7.37	3.73	33075.96
BkofComm	5.09	0.03	5.65	3.83	7.06	4.08	22738.45
BOE Tech	0.66	-0.03	0.85	0.53	-	10.33	16.75
Ch Coms Cons	4.62	0.07	5.52	3.09	4.52	3.72	2604.6
Ch Evrbrght	2.45	-0.01	2.78	2.03	10.04	3.22	3963.5
Ch Rail Cons	6.00	0.21	7.46	3.75	4.49	3.10	1589.53
Ch Rail Gp	5.23	0.19	6.30	3.41	4.04	4.08	2807.68
ChConstBk	5.02	-0.07	5.84	4.10	7.59	3.54	153992.1
China Vanke	10.80	0.28	19.90	9.87	13.54	4.72	3040.62
ChinaCitic	4.20	-0.03	4.74	2.92	6.86	3.78	7975.35
ChinaLife	13.36	-0.38	15.84	8.53	5.25	5.67	12684.67
ChinaMBank	36.80	0.80	53.00	25.40	3.99	6.59	21556.39
ChinaMob	64.40	0.00	70.20	46.80	5.13	9.65	168130.35
ChinaPcIns	19.88	-1.92	26.50	12.10	6.79	6.29	7039.74
ChMinsheng	3.14	-0.05	3.52	2.19	8.04	3.94	3333.53
ChMrchSecs	13.90	0.05	15.98	12.12	3.32	11.74	14581.94
Chna Utd Coms	5.05	0.29	6.45	3.30	2.34	23.97	22102.97
ChShenEgy	25.40	-1.45	28.70	20.50	8.28	7.48	10946.05
ChShpbldng	4.65	0.06	5.32	3.37	-	-327.04	14514.58
ChStConEng	6.08	0.28	7.35	4.68	3.73	4.46	35509.92
ChUncHK	5.85	0.01	6.58	3.27	2.76	12.51	22839.36
CNNC Intl	6.93	0.07	7.33	5.78	1.90	17.14	18483.42
CSR	4.80	0.20	5.26	2.37	4.43	12.80	2677.06
Daqin	7.45	0.01	8.21	5.95	6.81	10.67	15655.21
GuosenSec	9.30	0.12	10.55	8.43	2.62	10.11	11603.34
HaitongSecs	5.22	-0.01	6.01	3.77	5.66	5.50	2270.91
Hngzh HikVDT	35.91	0.96	48.84	26.80	2.36	18.67	46233.28
Hunng Pwr	4.95	0.15	5.28	2.62	4.10	-5.39	2968.71
IM Baotou Stl	1.86	0.03	2.71	1.75	-	29.96	8327.94
In&CmBkCh	4.20	-0.03	4.73	3.37	7.43	3.73	46512.93
IndstrlBk	16.70	0.03	21.00	14.91	4.91	4.33	49036.82
Kweichow	1670.6	-30.40	2077	1333	1.22	35.60	296626.72
Midea	0.38	0.00	0.49	0.32	-	-4.00	14.60
New Ch Life Ins	20.45	-0.50	25.00	12.04	7.69	3.77	2698.3
PetroChina	5.33	0.11	5.62	2.95	4.60	10.43	14348.94
PingAnIns	51.55	0.40	63.10	31.30	4.99	7.95	48986.29
PngAnBnk	11.93	0.00	15.27	10.22	1.54	6.74	32722.41
Pwr Cons Corp	6.32	-0.45	8.45	6.29	1.49	12.43	9818.62
SaicMtr	13.64	0.42	19.29	13.09	4.61	6.46	22525.01
ShenwanHong	0.12	0.00	0.18	0.07	-	3.53	138.21
ShgPdgBk	7.35	0.04	8.22	6.63	6.62	4.45	30493.39
Sinopec Corp	5.00	-0.02	5.47	3.06	2.86	5.85	15809.49
Sinopec Oil	2.08	0.02	2.39	1.81	-	654.25	3989.4
Denmark (kr)							
DanskeBk	148.30	4.75	165.35	86.90	1.32	10.38	18411.85
MollerMrsk	12270	600.00	22650	11100	2.71	2.04	14793.38
NovoB	1081	-56.60	1185.6	730.60	0.85	53.26	267358.81
Finland (€)							
Nokia	3.84	0.02	5.20	3.66	-	13.53	23166.88
SampoA	43.58	0.58	49.97	39.86	3.84	9.49	23883.92
France (€)							
Airbus Grpe	128.38	2.70	131.22	86.52	-	24.08	108832.41
AirLiquide	159.38	0.04	164.52	114.48	1.69	30.09	89513.99
AXA	27.26	0.16	30.34	20.34	5.13	9.39	67058.46
BNP Parib	56.48	0.17	67.02	40.67	4.63	8.32	74772.68
ChristianDior	792.00	-8.00	872.00	525.00	0.86	29.58	153333.43
Cred Agr	10.95	-0.96	12.03	8.09	7.14	6.12	35550.36
Danone	56.06	-1.10	61.88	46.76	3.38	19.51	40731.23
EDF	12.00	0.00	12.05	7.27	3.97	9.44	53664.04
Engie SA	14.10	0.21	15.56	10.07	3.67	10.16	36839.04
EssilorLuxottica	171.32	-5.60	188.40	132.70	0.62	53.45	82262.16
Hermes Intl	1957.2	-2.00	2036	957.60	0.23	85.96	221610.16
LOreal	407.80	-3.20	442.60	300.45	0.96	50.83	234422.05
LVMH	830.90	-12.60	904.60	535.00	0.82	35.59	447415.18
Orange	11.03	-0.36	11.87	9.08	5.32	3746.01	31468.97
PernodRic	204.30	-6.00	218.00	166.60	1.49	31.56	56521.78
Renault	33.10	-0.14	43.96	22.33	-	-25.29	10496.94
Safran	139.04	-0.02	145.52	87.85	0.30	1422.92	63716.06
Sanofi	94.98	-4.42	105.18	76.45	3.29	19.65	128598.53
Sant Gbn	54.67	1.05	58.53	35.18	2.43	13.38	30244
Schneider	165.62	1.62	166.96	110.02	1.53	29.89	101446.23
SocGen	22.61	-1.23	28.39	18.97	2.39	3.91	19599.3
Total	55.18	-0.58	60.93	45.81	4.78	10.85	147381.55
UnibailR	49.68	0.09	73.09	39.68	-	-7.44	7615.7
Vinci	107.58	-0.78	112.40	80.84	2.44	24.41	68137.04
Vivendi	8.38	-0.12	11.45	7.59	7.00	-15.31	9907.84
Germany (€)							
Allianz	210.15	2.75	228.40	156.22	4.46	13.59	90905.27
BASF	46.79	-0.12	53.77	37.90	6.89	7.93	44857.64
Bayer	52.61	-1.79	67.24	46.70	3.71	52.78	55434.95
BMW	106.16	1.70	109.84	68.44	1.75	5.79	68544.14
Continental	66.68	-0.30	79.24	44.31	-	10.51	14303.92
Deut Bank	9.86	0.12	12.09	7.25	-	9.93	21580.59
Deut Tlkm	19.14	-1.90	23.13	17.35	3.06	22.51	102354.09
DeutsPost	42.88	0.74	44.64	29.68	3.15	11.10	56985.36
E.ON	11.81	0.18	12.29	7.28	4.06	6.44	32068.86
Fresenius Med	40.58	0.33	55.52	25.95	3.23	12.55	12752.71
Fresenius SE	26.23	-0.52	31.95	19.69	3.36	8.49	15712.29
HenkelKgaA	67.70	-0.50	76.10	58.55	2.64	18.43	18884.15
Linde	335.20	1.20	345.00	261.20	1.09	53.29	176284.94
Mercedes-Benz	72.24	0.80	75.92	50.19	1.83	7.39	82891.86
MuenchRkv	342.60	2.60	342.90	212.70	2.80	16.75	50145.85
SAP	124.36	1.72	125.10	79.58	1.45	28.54	163860.3
Siemens	159.28	2.60	161.02	93.67	2.15	24.51	136668.24
Volkswgn	150.15	3.00	217.00	138.70	3.12	5.19	47522.13
Hong Kong (HK$)							
AIA	78.00	1.50	93.65	57.25	1.58	19.32	115644.13
BOC Hold	23.75	0.05	31.85	23.05	4.84	11.80	32039.33
Ch OSLnd&Inv	17.00	0.26	25.60	14.40	6.55	4.09	23740.55
ChngKng	43.70	0.60	57.00	42.00	3.76	9.68	20032.23
Citic Ltd	9.37	-0.14	10.86	7.01	5.32	4.20	34779.15
Citic Sec	14.80	-0.64	18.52	11.60	2.99	7.38	4947.73
CK Hutchison	47.65	-0.80	55.86	38.55	4.43	5.84	23286.14
CNOOC	12.14	-0.34	13.36	9.22	3.45	10.26	69048.96
HangSeng	106.90	-2.20	141.40	103.80	5.29	16.65	26077.18
HK Exc&Clr	302.40	8.40	404.20	288.20	2.80	33.00	48918.82
MTR	36.50	-1.65	42.75	33.15	3.12	25.58	28884.18
SandsCh	26.50	1.80	30.20	12.50	-	-28.33	27365.49
SHK Props	101.80	0.00	114.80	83.10	4.50	11.26	37639.5
Tencent	334.20	11.80	397.60	188.69	0.45	12.73	408857.68
India (Rs)							
Bhartiartl	836.50	13.80	888.75	628.75	-	175.23	60652.45
HDFC Bk	1606.5	-3.10	1734.45	1271.6	-	26.72	109060.56
Hind Unilevr	2716.7	119.45	2741.6	2100	1.20	71.41	77547.58
HsngDevFin	2645.9	-1.50	2867	2026	0.89	22.10	59294.59
ICICI Bk	938.15	-1.70	958.85	669.95	0.22	29.20	79688.86
Infosys	1299	-5.35	1672.6	1185.3	2.38	25.18	65490.5
ITC	443.40	2.25	452.00	258.55	2.47	36.15	66947.12
L&T	2234.55	29.85	2416.35	1456.35	0.82	36.37	38154.61
OilNatGas	154.70	-11.30	169.00	119.85	6.00	4.30	23643.63
RelianceIn	2455.2	15.25	2817.35	2180	0.29	27.57	201818.08
SBI NewA	587.20	5.95	629.55	430.70	0.70	16.07	63666.31
SunPhrmInds	999.60	54.60	1070.95	789.90	0.77	36.55	29137.44
Tata Cons	3305.6	12.10	3575	2926.1	1.12	30.98	146944.39
Israel (ILS)							
TevaPha	26.80	-2.55	38.39	23.83	-	20.64	8039.19
Italy (€)							
Enel	6.05	0.09	6.26	3.96	5.92	28.78	65927.06
ENI	13.14	-0.05	14.98	10.45	5.01	5.66	50822.34
Generali	18.14	0.20	19.23	13.67	7.92	10.43	30337.38
IntSPaolo	2.27	0.03	2.60	1.58	1.57	72.05	44542.2
Unicred	18.86	0.15	20.05	8.24	0.62	28.65	39254.35
Japan (¥)							
AstellasPh	2229	-112.00	2360.5	1823.5	2.31	30.75	28882.57
Bridgestne	5664	-10.00	5836	4548	3.27	11.81	28944.49
Canon	3508	12.00	3550	2754.5	3.11	15.55	33501.66
CntJpRwy	16970	535.00	17920	14730	0.86	-29.16	25030.93
Denso	8855	184.00	8932	6389	1.77	22.24	49958.85
EastJpRwy	7712	9.00	8325	6525	1.45	-7.09	20869.36
Fanuc	4809	43.00	24930	4409	10.51	5.24	34539.47
FastRetail	32890	-270.00	34700	21633.33	1.78	14.15	74941.2
Fuji Hvy Ind	2431.5	73.00	2684	1938.5	2.57	25.60	13391.46
Hitachi	8297	240.00	8332	5983	1.55	11.15	55798.69
HondaMtr	4055	60.00	4094	2990.5	3.56	7.86	52594.46
JapanTob	3084	4.00	3112	2275.5	4.95	14.39	44164.4
KDDI	4407	58.00	4560	3825	3.04	13.53	72662.57
Keyence	70030	980.00	70290	44880	0.32	53.63	121952.13
MitsbCp	5830	191.00	5969	3740	2.65	11.92	60007.09
MitsubEst	1015.61	-0.38	1036.81	876.51	-	-	-
MitsubishiEle	1903	118.00	1909	1273	2.35	15.59	29257.66
MitsuiFud	971.52	50.12	1007.12	684.38	-	-	-
MitUFJFin	969.30	56.70	999.50	632.60	3.00	9.00	88058.17
Mizuho Fin	2104.5	60.00	2238	1486.5	4.15	9.22	38263.3
Murata Mfg	8339	232.00	8811	6438	1.61	15.34	40350.99
Nippon TT	4040	-79.00	4334	3674	2.90	11.65	104775.41
Nissan Mt	525.50	5.50	577.60	408.10	-	15.29	15881.33
Nomura	500.90	0.60	573.90	464.30	5.13	-30.87	11346.34
Nppn Stl	2797	40.50	3294	1838	3.20	3.96	19032.29
Panasonic	1525	80.00	1525	1006.5	1.83	13.81	26796.78
Seven & I	5995	-305.00	6619	5041	1.92	20.44	38051.12
ShnEtsuCh	4364	42.00	21055	3797	2.43	3.75	63248.4
Softbank	5971	906.00	7180	4708	0.82	4.60	62847.93
Sony	13550	280.00	13840	9213	0.49	15.50	122351.84
Sumitomo	5690	130.00	6261	3907	3.93	9.92	56007.39
Takeda Ph	4468	-88.00	4629	3497	4.50	14.37	50621.16
TokioMarine	3167	121.00	3187	2417.67	7.76	4.61	45409.69
Toyota	2009.5	71.00	2267	1764	2.84	8.12	234748.36
Mexico (Mex$)							
AmerMvl	19.02	-0.65	20.25	15.67	1.62	16.31	45908.56
FEMSA UBD	178.50	4.93	180.58	120.63	1.07	154.77	22065.45
WalMrtMex	67.15	-1.54	79.15	64.81	0.71	35.49	67066.98
Netherlands (€)							
ASML Hld	674.60	-7.50	698.10	375.75	0.49	53.30	291686.74
Heineken	94.32	-5.24	106.30	78.28	1.02	16.73	58269.94
ING	11.97	-0.17	13.55	8.43	4.90	9.96	46468.71
Unilever	47.20	-0.81	50.93	41.24	3.04	24.23	148298.95
Norway (Kr)							
DNB	190.55	4.70	209.50	168.20	10.51	10.58	26971.27
Equinor	294.75	-5.15	410.95	278.70	1.93	11.04	84959.2
Telenor	112.90	-2.00	135.80	87.60	9.18	16.56	14341.76
Qatar (QR)							
QatarNtBk	16.06	-0.54	23.00	14.31	3.25	12.52	40751.95
Saudi Arabia (SR)							
AlRajhiBnk	72.30	-1.00	7317	0.00	3.06	13.27	77115.88
NatnlcomBnk	36.65	-0.85	1552.5	0.00	3.65	13.32	58636.86
SaudiBasic	88.30	-2.50	2115	0.00	3.40	12.44	70636.23
SaudiTelec	42.25	-1.45	8480	0.00	8.74	8.08	56330.35
Singapore (S$)							
DBS	30.60	-1.01	36.40	29.45	3.72	12.81	58497.06
JardnMt US$	48.44	-1.72	59.03	42.60	3.28	8.72	14085.04
OCBC	12.23	-0.02	13.23	11.20	3.17	12.45	40744.95
SingTel	2.50	-0.03	2.82	2.31	2.77	43.08	30592.64
UOB	27.84	-0.32	31.40	25.91	3.29	12.65	34574.62
South Africa (R)							
Firstrand	61.31	0.89	72.66	56.80	4.83	9.71	17630.56
MTN Grp	124.17	9.70	163.93	107.35	-	14.82	11994.21
Naspers N	3196.57	46.57	3510	1623.92	0.21	15.04	71366.62
South Korea (KRW)							
HyundMobis	223000	-4000.00	239500	189500	1.82	8.59	16103.53
KoreaElePwr	19330	930.00	23700	16500	6.42	-11.15	9504.21
SK Hynix	110300	6800	113400	60600	1.41	7.79	61500.91
SmsungEl	72200	3400	79000	51800	2.02	12.35	330117.81
Spain (€)							
BBVA	6.49	0.01	7.56	3.97	5.59	9.04	41974.62
BcoSantdr	3.21	0.01	3.87	2.32	2.33	6.58	56649.13
CaixaBnk	3.63	0.07	4.14	2.64	0.73	24.43	29216.45
Iberdrola	11.58	0.09	11.96	9.09	3.56	20.33	80064.49
Inditex	32.15	1.02	32.23	20.53	0.67	34.70	107469.61
Repsol	13.37	0.30	16.23	11.19	4.39	8.34	19034.79
Telefonica	3.89	-0.04	4.96	3.22	8.69	2.91	23998.27
Sweden (SKr)							
AtlasCpcoB	137.60	-0.75	139.65	23.45	5.82	8.45	19937.49
Ericsson	56.52	-0.27	82.11	53.36	4.36	7.66	16119.91
H & M	142.34	3.78	157.30	98.27	4.85	18.04	19300.25
Investor	221.80	3.60	223.60	158.20	1.73	8.77	37512.69
Nordea Bk	110.70	0.82	134.94	88.32	14.47	11.88	37043.58
SEB	118.35	2.75	133.50	99.42	9.35	9.10	23245.18
SvnskaHn	89.90	1.94	112.90	80.88	6.09	8.11	16229.79
Swedbank	174.20	3.90	219.90	124.50	9.16	8.56	18305.45
Telia Co	25.15	-1.24	40.70	24.78	8.72	8.16	9180.1
Volvo	207.85	3.80	219.75	154.28	3.43	12.45	30648.62
Switzerland (SFr)							
ABB	33.94	0.24	34.11	23.84	2.25	16.86	73500.62
CredSuisse	0.79	0.00	6.74	0.66	11.55	-1.29	3505.21
Nestle	109.60	-2.46	118.70	103.42	2.30	19.71	322548.36
Novartis	89.37	0.46	93.95	73.33	3.10	10.06	224346.32
Richemont	145.75	-3.95	161.10	91.80	1.23	35.99	83859.47
Roche	292.80	-2.10	335.85	256.05	2.76	20.32	226740.55
Swiss Re	93.20	1.86	99.68	68.16	5.82	23.32	32615.87
Swisscom	568.80	-4.60	619.40	443.40	3.55	17.52	32477.21
UBS	18.08	0.17	20.85	13.87	1.94	8.75	62594.55
Zurich Fin	432.30	6.70	458.30	384.70	4.26	14.92	71693.5
Taiwan (NT$)							
Chunghwa Telecom	125.50	-2.50	130.50	105.50	3.48	26.79	31770
Formosa PetChem	87.10	-0.50	97.90	75.20	0.69	16.45	27075.83
HonHaiPrc	108.00	5.50	116.00	98.00	3.78	10.68	48857.89
MediaTek	751.00	43.00	935.00	533.00	5.03	10.48	39202.88
TaiwanSem	562.00	19.00	574.00	370.00	1.94	21.93	475584.85
Thailand (THB)							
PTT Explor	30.25	-1.00	38.50	29.50	6.36	8.38	25017.19
United Arab Emirates (Dhs)							
Emirtestele	24.30	-	38.98	11.60	2.75	27.17	57535.64
United Kingdom (p)							
Anglo American	2418	99.50	4036	2223.5	7.37	4.79	40371.77
AscBrFd	1869.5	8.50	2076	1223	0.33	30.90	18180.5
AstraZen	11748	-36.00	12928.45	9399	1.70	189.16	227280.22
Aviva	409.10	7.80	473.70	366.70	5.22	53.83	13978.85
Barclays	156.76	-0.56	198.86	128.12	1.91	3.80	30433.77
BP	474.35	-2.55	570.57	359.20	3.32	17.21	103928.7
BrAmTob	2570.5	-99.50	3645	2543	8.39	8.70	71756.17
BT	143.65	-0.40	196.60	22.98	-	13.95	17810.18
Compass	2207	-9.00	2250	1630.5	0.63	53.70	47900.03
Diageo	3372.5	-125.50	3960	3326.5	2.15	25.94	94626.46
GlaxoSmh	1367.6	-24.60	2753.96	16.64	5.85	15.79	69906
Glencore	433.90	11.30	584.50	395.40	2.04	15.88	67574.42
HSBC	602.70	-8.10	653.80	434.70	2.68	10.17	150032.97
Imperial Brands	1731	-4.50	2185	1692.5	7.98	5.79	19799.05
Jardine Mathes	62.50	0.00	55.30	46.89	2.53	11.28	18173.31
LloydsBkg	45.45	-0.06	54.33	38.51	5.66	6.31	36943.84
LSE Group	8494	10.00	8893.86	6710	0.90	86.85	53647.81
Natl Grid	1055	-34.50	1229.21	844.29	4.66	24.59	48427.63
Natwest Group	265.00	-2.50	308.65	210.90	3.96	10.45	29715.58
Prudential	1153	28.00	1336	782.40	1.02	18.73	39625.2
ReckittB	6308	-108.00	6824	5502	2.77	-27.30	56494.25
RELX	2566	79.00	2735	2064	1.86	33.65	60805.6
RioTinto	5070	145.00	6329	4424.5	9.91	5.30	79167.96
RollsRoyce	150.00	0.95	160.00	64.44	-	102.04	15667.32
Shell PLC	2290	-62.50	2613.5	1908.6	2.64	12.07	195546.29
StandCh	664.00	14.60	797.40	515.60	1.33	14.89	23343.2
Tesco	262.40	-1.40	307.23	194.35	3.49	13.36	23716.38
Unilever	4056.5	-112.50	4868.64	3531.5	3.57	20.83	127465.77
Vodafone	75.63	-3.84	132.04	74.10	10.23	-169.19	25483.9
WPP	879.00	6.00	1082	713.00	3.01	16.74	11790.91
United States of America ($)							
21stC Fox A	31.71	0.31	37.26	28.02	1.37	13.93	8531.46
3M	102.30	5.36	152.30	92.38	5.33	10.97	56436.07
AbbottLb	103.67	0.80	118.23	93.25	1.60	28.55	180276.61
Abbvie	134.85	-2.71	168.11	131.10	3.55	22.69	237914.46
Accenture	310.01	6.41	322.88	242.80	1.10	34.16	205411.29
Activision Bli.	79.96	1.30	87.01	70.94	0.54	25.22	62712.63
Adobe	435.59	20.20	451.15	274.73	-	46.50	199805.13
Advanced Micro	119.45	-7.58	130.79	54.57	-	50.43	192357.73
AEP	83.77	1.52	105.60	80.30	3.30	18.33	43046.56
Aflac	66.44	1.95	74.02	52.07	1.83	11.28	40144.84
AirProd	278.88	5.05	328.56	218.88	1.98	31.79	61945.58
Allstate	110.42	0.89	142.15	103.20	2.70	7.06	29024.11
Alphabet	125.06	0.45	126.43	83.34	-	1.21	734573.07
Altria	45.20	0.59	54.37	40.35	7.18	36.60	80683.79
Amazon	124.98	4.87	146.57	81.43	-	2.09	1282339.04
AmerAir	14.94	0.59	17.64	11.65	-	-4.33	9751.06
AmerExpr	168.84	11.60	182.15	130.65	1.02	17.79	125494.02
AmerIntGrp	55.37	1.30	64.88	45.66	2.13	5.55	40074.18
AmerTower	191.30	9.12	282.47	178.17	2.51	36.67	89154.07
Amgen	215.86	-1.07	296.67	211.71	3.01	22.78	115339.74
Amphenol Corp	77.04	0.43	82.86	61.67	0.93	33.30	45863.38
Analog Devices	180.27	3.74	198.25	133.48	1.42	65.68	91189.94
Anthem	482.58	21.82	-	-	-	-	-
Aon Cp	312.37	1.70	338.27	246.21	0.59	61.07	63800.17
Apple	180.98	5.55	181.78	124.17	0.44	32.57	2846580.49
Applied Materi.	134.22	-1.84	138.80	71.12	0.65	20.09	112710.9
Aptiv	92.88	0.75	124.88	77.96	-	51.95	25124.63
ArcherDan	71.84	-0.89	98.28	69.92	1.90	16.27	39126.57
AT&T	15.08	-0.43	21.39	14.46	12.72	5.93	107771.18
Autodesk	204.83	5.93	235.01	163.20	-	98.28	43994
AutomData	213.91	1.43	274.92	196.61	1.65	35.93	88371.09
AutoZone	2392.15	-68.65	2750	1959.58	-	23.45	44009.98
Avago Tech	805.62	-7.11	921.78	415.07	1.72	49.37	335882.04
BakerHu	29.37	1.48	38.66	20.42	2.32	73.76	29733.08
Bank of NY	42.78	2.00	52.26	36.22	2.80	11.21	33759.14
BankAm	28.82	0.51	38.60	26.32	2.49	8.76	229670.98
Baxter	41.25	-0.04	74.50	37.35	2.42	17.69	20866.32
BectonDick	253.22	12.10	269.06	215.90	1.22	47.54	71916.83
BerkshHat	500500.01	13850.01	511334.53	393012.25	-	9.13	293216.93
Biogen	299.56	0.90	319.74	188.54	-	31.25	43358.28
BlackRock	681.99	9.69	785.65	503.12	2.23	19.36	102136.63
Boeing	212.77	9.14	221.33	113.02	-	-32.29	128001.05
Booking Holdings	2607.32	16.19	2786.85	1616.85	-	100.43	96297.85
Bristol-Myers	65.47	1.65	81.44	63.07	2.83	22.77	137542.46
Broadcom	805.62	-7.11	921.78	415.07	1.72	49.37	335882.04
Cadence Design	232.53	4.20	239.00	138.76	-	100.92	63407.21
CapOne	110.47	7.62	128.61	83.93	1.67	4.45	42178.13
CardinalHlth	83.66	0.83	87.03	49.70	2.16	47.03	21299.85
Carnival	12.21	0.93	14.06	6.11	-	-1.58	13626.53
Caterpillar	223.54	11.74	260.50	160.60	1.76	20.50	115200.02
Centene Corp	65.95	3.23	98.53	61.34	-	31.38	36188.59
CharlesSch	54.18	0.51	86.63	45.00	1.22	20.77	95852.13
Charter Comms	331.91	1.66	499.10	297.66	-	14.72	49977.42
Chevron Corp	155.77	1.69	189.68	132.54	3.14	20.76	295119.14
Chipotle Mexic.	2072.09	1.07	2139.88	1196.28	-	98.18	57168.63
Chubb	192.05	1.96	230.27	173.78	1.53	10.81	79542.21
Cigna	257.20	13.10	340.11	240.11	1.43	17.74	76098.34
Cintas Corp	476.79	8.07	478.92	343.86	0.70	45.35	48490.4
Cisco	50.15	0.29	52.56	38.61	2.75	19.32	204343.79
Citigroup	46.21	1.61	56.00	40.01	4.07	4.94	89959.4
CME Grp	184.48	7.81	212.09	166.55	1.80	27.46	66360.13
Coca-Cola	61.27	1.01	65.47	54.02	2.53	29.55	264966.91
Cognizant	63.67	0.79	74.98	51.33	1.39	17.06	32312.53
ColgtPlm	75.77	-0.45	83.81	67.84	2.18	32.24	62852.23
Comcast	39.27	-0.21	43.84	28.39	2.35	14.02	163338.97
ConocPhil	102.03	0.18	138.49	78.30	1.76	18.24	123462.29
Constellation	245.68	12.80	261.32	208.12	1.15	-1200.34	45016.43
Corning	31.43	-0.11	37.73	28.98	2.82	26.64	26715.35
Corteva	55.78	0.61	68.43	50.03	0.88	25.53	39652.5
Corteva	55.78	0.61	68.43	50.03	0.88	25.53	39652.5
Costco	514.34	7.08	564.75	443.20	0.57	44.55	228101.15
CrownCstl	114.15	2.39	187.73	110.22	4.41	46.39	49503.58
CSX	32.00	1.19	34.71	25.80	1.12	19.48	65057.76
CVS	69.60	1.96	107.26	66.34	2.65	12.69	89228.96
Danaher	234.07	1.86	303.82	221.22	0.36	28.98	172719.97
Deere	365.59	8.38	448.40	283.81	0.99	21.78	108332.46
Delta	37.26	1.37	40.31	27.20	-	48.52	23947.56
Devon Energy	48.24	0.17	79.40	44.03	3.76	12.49	31548.96
Digital Realty	105.50	0.61	139.14	85.76	4.05	19.27	31360.09
DiscFinServ	109.10	6.74	118.71	87.64	1.59	6.64	27705.51
Disney	90.66	2.37	126.48	84.07	-	57.19	165663.47
Dollar General	164.47	-40.63	261.59	159.12	0.95	17.38	36036.77
DominRes	49.79	-0.07	86.28	48.48	4.66	16.94	41621.52
DukeEner	89.51	0.81	113.67	83.76	4.02	19.70	68981.04
DuPont	72.81	5.21	78.40	49.52	1.52	24.46	33421.01
Eaton	184.86	2.40	185.62	122.50	1.52	37.56	73685.2
eBay	43.91	-0.45	50.82	35.92	1.51	125.38	23480.3
Ecolab	173.44	6.53	179.77	131.04	1.04	48.13	49382
Edwards Lifesc.	85.44	3.43	107.92	67.13	-	38.95	51792.25
Eli Lilly	442.71	16.92	454.95	283.11	0.71	78.49	420252.62
Emerson	82.47	2.96	99.65	72.41	2.27	19.54	47131.61
EOG Res	111.11	0.99	150.88	92.16	1.34	15.09	64980.72
Equinix	758.84	29.69	759.62	494.89	1.39	148.90	70969.19
EquityResTP	63.17	3.53	80.89	54.60	3.52	20.00	23935.41
Exelon	39.95	0.56	49.49	35.19	3.53	24.91	39733.03
ExxonMb	105.63	0.66	119.92	80.69	3.04	21.26	427060.5
Fedex	221.11	-3.04	248.76	141.92	1.19	12.90	55576.43
Fidelity NIS	55.19	0.73	106.65	48.57	2.60	89.38	32696.57
Fiserv	113.53	-0.24	122.39	87.03	-	61.90	71311.19
FordMtr	12.42	0.33	16.68	10.61	0.74	3.03	48811.94
Franklin	24.98	0.37	32.88	20.24	4.17	7.17	12511.57
GenDyn	207.35	2.10	256.86	202.35	2.08	19.48	56883.49
GenElectric	106.25	3.51	106.63	46.77	0.28	-35.47	115702
GenMills	84.20	0.02	90.89	64.94	2.25	24.13	49454.87
GenMotors	34.28	0.99	43.63	30.33	-	5.55	47646.76
GileadSci	76.96	-0.13	89.74	57.17	3.40	16.94	95996.26
GoldmSchs	323.94	-8.07	389.58	277.84	1.85	5.91	107693.23
Halliburton	31.72	1.52	43.99	23.30	0.76	19.34	28617.62
HCA Hold	274.85	10.44	294.02	164.47	0.64	14.09	75635.92
Hew-Pack	30.65	-0.66	40.59	24.08	2.52	6.00	30188.87
Hilton Worldwi.	142.04	3.95	152.89	108.41	-	105.56	37587.55
HiltonWwde	142.04	3.95	152.89	108.41	-	105.56	37587.55
HomeDep	293.83	1.00	347.25	264.51	2.09	20.34	295409.67
Honywell	198.37	4.62	220.96	166.63	1.75	27.21	132050.3
HumanaInc	518.75	22.15	571.30	418.70	0.50	24.83	64815.22
IBM	132.66	3.77	153.21	115.55	4.55	27.63	120461.3
IDEXX Laborato.	472.27	3.33	515.79	317.06	-	59.59	39151.18
IllinoisTool	227.53	2.46	247.09	173.52	1.91	29.01	69147
Illumina	205.45	9.56	248.88	173.45	-	44.23	32480.85
Intcntl Exch	107.96	2.80	113.07	88.60	1.13	16.32	60443.24
Intel	31.06	2.06	44.88	24.59	4.12	6.93	129551.26
Intuit	428.55	10.12	490.83	352.63	0.55	58.23	120019.59
John&John	156.43	2.08	183.35	150.11	2.47	21.73	406519.97
JohnsonCn	62.22	0.34	69.15	45.52	1.70	30.83	42689.07
JPMrgnCh	140.84	3.90	144.34	101.28	2.49	9.95	411560.5
Kimb-Clark	135.06	-1.24	147.87	108.74	3.21	27.50	45566.54
KinderM	16.66	0.45	20.20	15.78	6.15	39.04	37327.41
KLA Corp	454.31	-6.88	473.97	250.20	0.79	25.37	62330.83
Kraft Heinz	38.31	-0.03	42.80	32.73	3.85	50.69	47015.47
Kroger	45.35	-1.97	53.38	41.82	1.60	22.46	32541.77
LasVegasSd	58.52	2.17	65.58	30.14	-	-42.05	44725.16
LibertyGbl	16.25	-0.09	24.58	15.22	-	0.75	2781.05
Lilly (E)	442.71	16.92	454.95	283.11	0.71	78.49	420252.62
Linde	359.88	3.67	373.58	262.47	1.09	53.35	176462.55
Lockheed	454.17	5.72	508.10	373.67	2.25	21.16	115019.71
Lowes	208.67	2.15	221.42	170.12	1.34	18.63	124450.79
Lyondell	89.92	2.61	115.61	71.46	4.55	5.82	29248.65
Marathon Ptl	108.67	-0.14	138.83	77.62	1.97	58.37	46106.81
Marsh&M	176.05	2.82	182.43	143.33	1.40	29.38	87095.69
MasterCard	372.58	-1.79	392.20	276.87	0.56	46.15	350332.19
McDonald's	289.41	3.37	298.86	236.58	1.67	31.28	211278.49
McKesson	389.89	1.94	401.78	298.69	0.42	47.91	52869.97
Medtronic	83.70	2.24	98.90	75.77	2.75	24.78	111356.46
Merck	112.13	1.06	119.65	83.05	2.17	25.03	284520.16
Meta	273.47	11.43	275.35	88.09	-	21.55	604957.76
Metlife	52.95	1.14	77.36	48.95	3.31	7.86	40550.22
Microsoft	334.89	2.00	337.50	213.43	0.63	38.70	2490033.26
Mnstr Bvrg	59.72	2.11	60.47	41.95	-	25.21	59715
Mondelezint	74.12	-1.01	78.59	54.72	1.65	26.46	100940.58
Monsanto	10.07	-0.11	11.13	9.56	-	51.84	251.75
MorganStly	84.29	-0.39	100.99	72.05	2.30	11.39	140773.88
Netflix	404.24	25.36	407.52	164.28	-	39.02	179697.36
NextEraE	73.87	-0.05	91.35	69.64	2.03	105.29	149470.18
Nike	107.43	-0.08	129.23	82.22	1.00	30.47	132363.6
NorfolkS	216.84	6.27	264.22	196.33	1.77	19.43	49361.37
Northrop	444.35	6.03	556.27	429.10	1.28	11.07	67478.74
NXP	181.07	6.11	194.71	132.08	1.15	28.94	46987.87
Occid Pet	59.33	0.39	77.13	54.30	0.06	31.25	52905.1
Oracle	106.33	2.25	106.77	60.78	1.12	43.62	287069.95
PayPal	63.07	0.51	103.03	58.95	-	36.39	253633.3
Pepsico	184.10	0.52	196.88	154.86	2.73	38.05	253633.3
Pfizer	38.43	0.83	54.93	36.17	3.74	10.61	216920.92
Phillips66	96.32	1.41	113.53	74.02	3.46	35.19	44195.32
PhilMorris	91.89	1.05	102.72	82.85	4.91	17.10	142623.59
PNCFin	123.49	4.71	176.34	110.31	3.58	10.55	49285.85
PPG Inds	139.20	5.47	145.51	107.06	1.57	33.14	32768.74
ProctGmbl	145.72	0.32	158.11	122.18	2.26	26.87	343457.57
Prudntl	83.11	2.97	110.96	75.37	5.10	4.62	30335.15
PublStor	286.58	-0.11	357.13	270.13	2.57	31.51	50384.22
Qualcomm	116.10	5.75	156.65	101.47	2.14	14.43	129335.4
Raytheon	95.88	2.62	104.91	80.27	1.93	40.32	140094.3
Regen Pharm	730.54	5.49	837.55	538.01	-	11.01	78538.16
S&P Global	377.00	16.22	395.80	279.32	0.75	32.70	121394
Salesforce	211.00	-4.44	225.00	126.34	-	153.23	206961.01
Schlmbrg	46.66	2.18	59.45	30.65	0.99	38.35	66258.89
Sempra Energy	144.69	0.84	176.47	136.54	2.80	39.15	45527.12
Shrwin-Will	241.82	12.68	278.31	195.24	0.84	37.59	62363.04
SimonProp	106.66	4.30	129.55	86.02	6.18	16.92	34876.59
SouthCpr	70.91	3.65	82.05	42.42	4.16	17.53	54820.64
Starbucks	99.18	0.65	115.48	70.35	1.71	29.09	113699.95
StateSt	71.92	3.45	94.74	58.62	2.79	10.85	24039.9
Stryker	280.15	7.57	306.56	188.84	0.85	58.34	106127.68
Sychrony Fin	32.85	1.95	40.89	26.59	2.54	4.70	14078.54
T-MobileUS	127.50	-7.65	154.38	121.76	-	57.41	152990.85
Target	130.83	-8.10	183.89	126.75	2.25	9.97	60385.84
TE Connect	125.24	2.46	138.24	104.76	1.46	18.46	39463.12
Tesla Mtrs	216.17	23.00	314.67	101.81	-	47.87	685163.79
TexasInstr	174.65	-1.65	186.30	144.46	2.22	22.94	158517.21
TheTrvelers	174.97	2.68	194.45	149.65	1.91	11.70	40413.97
ThrmoFshr	519.93	-2.10	611.06	475.77	0.18	28.99	200546.14
TJX Cos	77.43	0.43	83.13	54.55	1.25	30.82	88985.53
Truist Financial Corp	32.13	1.43	52.22	25.56	5.34	7.80	42794.52
Twitter	53.70	1.26	60.16	31.30	-	-224.30	41093.72
UnionPac	198.94	5.84	242.36	183.69	2.14	19.95	121403.8
UPS	169.49	-2.08	209.39	154.87	2.22	12.53	122842.91
USBancorp	31.54	0.87	53.22	27.27	5.14	6.71	48348.32
UtdHlthcre	500.00	18.48	558.10	449.70	1.03	30.01	465511.36
ValeroEngy	108.65	-5.17	146.81	96.93	3.33	51.94	39278.82
Verizon	34.07	-0.94	52.18	33.72	6.86	6.95	143208.97
VertexPharm	328.33	-1.66	354.46	243.17	-	39.54	84561.92
VF Cp	17.79	-0.27	51.38	16.77	10.21	6.33	6912.63
Visa Inc	228.48	3.47	235.57	174.60	0.54	41.05	369731.68
Walgreen	30.89	0.88	43.93	29.48	5.72	4.85	26647.45
WalMartSto	148.26	1.84	154.64	117.90	1.38	32.72	399908.64
Walt Disney	90.66	2.37	126.48	84.07	-	57.19	165663.47
Waste Manage.	164.54	3.26	175.98	138.89	1.29	41.62	66937.62
WellsFargo	41.30	0.07	48.84	35.25	1.72	9.06	154966.83
Williams Cos	30.20	1.45	37.97	27.80	5.01	26.42	36783.16
Workday	215.55	-0.52	218.88	128.72	-	1930.70	44403.3
Yum!Brnds	134.24	4.38	143.25	103.97	1.37	27.96	37598.88
Zoetis	169.93	5.19	187.82	124.15	0.54	43.18	78526.72
Zoom	68.74	2.47	124.05	60.45	-	16.42	17245.15
Venezuela (VEF)							
Bco de Vnzla	4.24	-0.05	4.59	1.00	127.62	-	585.00
Bco Provncl	8.84	0.94	70000	6.80	-	0.00	125.41

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 %
Softbank	5971.00	5725.00	246.00	4.30	660.00	17.9	15.69
Tesla Mtrs	216.17	207.52	8.65	4.17	14.35	11.9	34.94
MTN Grp	124.17	120.91	3.26	2.70	6.44	8.5	-3.23
Carnival	12.21	11.85	0.36	3.04	0.57	8.2	29.15
DuPont	72.81	67.44	5.37	7.96	-0.16	7.7	11.87
CapOne	110.47	106.24	4.23	3.98	3.39	7.4	23.27
AmerExpr	168.84	162.72	6.12	3.76	5.48	7.4	10.23
SandsCh	26.50	24.80	1.70	6.85	0.10	7.3	-4.85
Intel	31.06	31.13	-0.07	-0.22	2.13	7.1	4.33
Netflix	404.24	403.13	1.11	0.27	24.25	6.7	27.32
Digital Realty	105.50	104.78	0.72	0.69	5.89	6.7	11.29
MitsubishiEle	1903.00	1848.50	54.50	2.95	63.50	6.6	8.33
DiscFinServ	109.10	105.33	3.77	3.58	2.97	6.6	14.53
SK Hynix	110300.00	110300.00	0.00	0.00	6800.00	6.6	23.24
Sychrony Fin	32.85	31.55	1.30	4.12	0.65	6.3	19.21
MitUFJFin	969.30	963.90	5.40	0.56	51.30	6.2	11.25
Chna Utd Coms	5.05	5.02	0.03	0.60	0.26	6.1	-7.17
MediaTek	751.00	748.00	3.00	0.40	40.00	6.1	12.93
EquityResTP	63.17	61.61	1.56	2.53	1.97	5.9	1.23
SunPhrmInds	999.60	987.70	11.90	1.20	42.70	5.8	1.21

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 %
Dollar General	164.47	161.86	2.61	1.61	-43.24	-19.8	-25.30
ChinaPcIns	19.88	19.58	0.30	1.53	-2.22	-8.8	-15.29
Cred Agr	10.94	10.69	0.25	2.32	-1.22	-8.2	-1.32
Deut Tlkm	19.50	21.05	-1.55	-7.34	-0.10	-7.8	-8.33
OilNatGas	154.70	153.65	1.05	0.68	-12.35	-6.8	-2.67
Pwr Cons Corp	6.32	6.37	-0.05	-0.78	-0.40	-6.6	-17.82
Cielo	4.69	4.64	0.05	1.08	-0.37	-6.4	-13.63
Advanced Micro	119.45	119.47	-0.02	-0.02	-7.56	-6.0	32.85
Target	130.83	131.16	-0.33	-0.25	-7.77	-5.8	-15.92
T-MobileUS	127.50	138.91	-11.41	-8.21	3.76	-5.7	-9.30
Nutrien	72.64	71.89	0.75	1.04	-4.96	-5.5	-22.33
ChShenEgy	25.40	24.45	0.95	3.89	-2.40	-5.4	-3.27
Heineken	94.46	94.50	-0.04	-0.04	-5.06	-5.1	-9.22
NovoB	1081.00	1098.60	-17.60	-1.60	-39.00	-5.0	-4.40
Seven & I	5995.00	5948.00	47.00	0.79	-352.00	-4.8	-4.69
Vodafone	75.63	76.13	-0.50	-0.66	-3.34	-4.8	-19.06
AstellasPh	2229.00	2236.00	-7.00	-0.31	-105.00	-4.8	6.47
Sanofi	94.68	94.21	0.47	0.50	-5.19	-4.7	-5.25
SocGen	22.72	21.69	1.03	4.75	-2.16	-4.7	3.16
Telia Co	25.15	25.23	-0.08	-0.32	-1.16	-4.7	-11.94

Based on the FT Global 500 companies in local currency

BONDS: HIGH YIELD & EMERGING MARKET

Jun 02	Red date	Coupon	S*	M*	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	01/26	8.00	-	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	11.88	-	B1	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	-0.10	-0.48
Mexico	04/23	2.75	-	Baa1	BBB-	106.49	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

Jun 02	Red date	Coupon	S*	M*	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	124.42	0.68	0.00	-0.11	-
The Goldman Sachs Group, Inc.	02/31	3.00	BBB+	A3	A	121.70	0.93	0.00	0.02	-
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-	128.68	3.20	0.00	-0.01	0.40
innogy Fin B.V.	06/30	6.25	BBB	Baa2	A-	137.45	2.19	-0.03	0.02	-

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

Jun 02	Rate	Current	Since	Last
US	Fed Funds	4.75-5.00	22-03-2023	4.75-4.50
US	Prime	8.25	04-05-2023	8.00
US	Discount	5.00	02-05-2023	4.75
Euro	Repo	3.25	02-05-2023	2.899
UK	Repo	4.50	11-05-2023	4.25
Japan	O'night Call	0.00-0.10	01-02-2016	0.00
Switzerland	Libor Target	-1.25-0.25	15-01-2015	-0.75--0.25

INTEREST RATES: MARKET

Jun 02 (Libor: Jun 01)	Over night	Day change	Week change	Month change	One month	Three month	Six month	One year
US$ Libor	5.06471	0.001	0.003	-0.030	5.16300	5.49857	5.64743	5.72543
Euro Libor	-0.64957	-0.064	0.000	0.001	-0.61943	-0.58057	-0.55600	-0.48571
£ Libor	0.18063	-0.005	0.000	0.001	4.20130	4.87810	4.74470	0.81363
Swiss Fr Libor				-0.002	-0.77540	-0.75300	-0.70280	-0.55320
Yen Libor				0.000	-0.06005	-0.02617	0.07165	0.04867
Euro Euribor				-0.001	3.21000	3.46200	3.71000	3.87500
Sterling CDs				0.000	0.50000	0.63000	0.78500	
US$ CDs				-0.020	5.21000	5.44000	5.57000	
Euro CDs				0.010	3.22000	3.42000	3.62000	

Jun 02	Short term		7 Days notice		One month		Three month		Six month		One year	
Euro	2.89	3.19	2.93	3.23	3.07	3.37	3.27	3.57	3.47	3.77	3.52	3.82
Sterling			0.45	0.55	0.58	0.68	0.71	0.86	0.90	1.05		
US Dollar	4.90	5.10	4.92	5.12	5.11	5.31	5.34	5.54	5.47	5.67	5.39	5.59
Japanese Yen	-0.30	0.10	-0.30	0.10	-0.25	0.05	-0.15	0.05	-0.05	0.15	0.00	0.20

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

BOND INDICES

	Index	Day's change	Month's change	Year change	Return 1 month	Return 1 year
Markit IBoxx						
ABF Pan-Asia unhedged	206.93	0.04	0.04	1.58	-1.34	0.93
Corporates(£)	324.63	0.30	0.30	0.46	-2.11	-7.97
Corporates(€)	212.84	0.07	0.07	2.67	0.25	-2.82
Eurozone Sov(€)	213.54	0.13	0.13	2.90	0.57	-5.80
Gilts(£)	261.69	0.50	0.50	-2.92	-3.37	-16.23
Overall(£)	272.88	0.44	0.44	-2.01	-2.97	-14.05
Overall(€)	209.62	0.10	0.10	2.66	0.48	-5.20
FTSE						
Sterling Corporate (£)	-	-	-	-	-	-
Euro Corporate (€)	104.47	-0.05	-	-	0.54	-1.73
Euro Emerging Mkts (€)	686.46	16.70	-	-	11.14	6.76
Eurozone Govt Bond	110.04	-0.19	-	-	-0.34	-6.06

CREDIT INDICES	Index	Day's change	Week's change	Month's change	Series high	Series low
Markit iTraxx						
Crossover 5Y	410.36	-14.11	-16.33	-40.56	510.17	410.36
Europe 5Y	77.06	-2.68	-3.31	-9.30	101.15	77.06
Japan 5Y	71.89	-0.82	-1.93	-8.15	94.50	71.75
Senior Financials 5Y	87.61	-2.40	-3.96	-15.71	124.01	87.56
Markit CDX						
Emerging Markets 5Y	241.62	-4.88	-14.77	-10.38	265.81	229.64
Nth Amer High Yld 5Y	465.27	-9.40	-20.06	-43.24	511.98	458.20
Nth Amer Inv Grade 5Y	73.68	-1.85	-3.69	-9.60	88.71	73.57

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

VOLATILITY INDICES

	Jun 02	Day Chng	Prev	52 wk high	52 wk low
VIX	14.69	-0.96	15.65	35.05	14.65
VXD	14.32	-0.56	14.88	37.57	10.88
VXN	19.80	-0.66	20.46	41.12	5.85
VDAX	16.06	-1.58	17.64	93.30	-

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

BONDS: BENCHMARK GOVERNMENT

	Red Date	Coupon	Bid Price	Bid Yield	Day chg yield	Wk chg yield	Month chg yld	Year chg yld
Australia	05/32	1.25	82.05	3.61	0.01	-0.08	0.26	0.19
	02/50	1.00	99.38	1.66	[illegible]	[illegible]	[illegible]	[illegible]
Austria	02/29	0.50	88.22	2.76	[illegible]	[illegible]	[illegible]	[illegible]
	02/47	1.50	72.84	3.14	[illegible]	[illegible]	[illegible]	[illegible]
Belgium	06/27	0.80	93.03	2.64	[illegible]	[illegible]	[illegible]	[illegible]
	06/47	1.60	70.78	3.40	[illegible]	[illegible]	[illegible]	[illegible]
Canada	03/25	1.25	95.07	4.22	[illegible]	[illegible]	[illegible]	[illegible]
	06/30	1.25	87.90	3.20	[illegible]	[illegible]	[illegible]	[illegible]
	12/48	2.75	93.68	3.11	[illegible]	[illegible]	[illegible]	[illegible]
Denmark	11/25	1.75	96.25	3.28	[illegible]	[illegible]	[illegible]	[illegible]
	11/52	0.25	52.60	2.56	[illegible]	[illegible]	[illegible]	[illegible]
Finland	09/24	0.00	96.29	3.00	[illegible]	[illegible]	[illegible]	[illegible]
	09/29	0.50	87.31	2.73	[illegible]	[illegible]	[illegible]	[illegible]
France	05/28	0.75	91.46	2.60	[illegible]	[illegible]	[illegible]	[illegible]
	05/48	2.00	79.05	3.41	[illegible]	[illegible]	[illegible]	[illegible]
Germany	08/29	0.00	87.41	2.20	[illegible]	[illegible]	[illegible]	[illegible]
	08/50	0.00	52.83	2.37	[illegible]	[illegible]	[illegible]	[illegible]
Greece	01/28	3.75	102.48	3.17	[illegible]	[illegible]	[illegible]	[illegible]
Ireland	05/26	1.00	95.22	2.71	[illegible]	[illegible]	[illegible]	[illegible]
	02/45	2.00	80.88	3.24	[illegible]	[illegible]	[illegible]	[illegible]
Italy	02/25	0.35	95.28	3.30	[illegible]	[illegible]	[illegible]	[illegible]
	05/30	0.40	90.37	3.97	[illegible]	[illegible]	[illegible]	[illegible]
	03/48	3.45	85.88	4.39	[illegible]	[illegible]	[illegible]	[illegible]
Japan	04/25	0.05	100.06	-0.04	[illegible]	[illegible]	[illegible]	[illegible]
	12/29	0.10	99.48	0.18	[illegible]	[illegible]	[illegible]	[illegible]
	12/49	0.40	81.26	1.23	[illegible]	[illegible]	[illegible]	[illegible]
Netherlands	07/27	0.75	93.19	2.51	[illegible]	[illegible]	[illegible]	[illegible]
	01/47	2.75	100.64	2.71	[illegible]	[illegible]	[illegible]	[illegible]
New Zealand	05/26	4.50	101.50	4.47	[illegible]	[illegible]	[illegible]	[illegible]
	09/40	2.50	122.02	2.44	[illegible]	[illegible]	[illegible]	[illegible]
Norway	08/30	1.38	87.66	3.33	[illegible]	[illegible]	[illegible]	[illegible]
Poland	07/27	2.50	88.08	5.85	[illegible]	[illegible]	[illegible]	[illegible]
	04/47	4.00	76.50	5.85	[illegible]	[illegible]	[illegible]	[illegible]
Portugal	04/27	4.13	105.50	2.61	[illegible]	[illegible]	[illegible]	[illegible]
Spain	10/29	0.60	86.26	2.99	[illegible]	[illegible]	[illegible]	[illegible]
	10/46	2.90	85.80	3.86	[illegible]	[illegible]	[illegible]	[illegible]
Sweden	06/30	0.13	113.90	2.43	[illegible]	[illegible]	[illegible]	[illegible]
	03/39	3.50	115.20	2.48	[illegible]	[illegible]	[illegible]	[illegible]
Switzerland	04/28	4.00	115.16	0.88	[illegible]	[illegible]	[illegible]	[illegible]
	06/29	0.00	95.08	0.58	[illegible]	[illegible]	[illegible]	[illegible]
United Kingdom	07/27	1.25	89.03	4.16	[illegible]	[illegible]	[illegible]	[illegible]
	07/47	1.50	56.40	4.47	[illegible]	[illegible]	[illegible]	[illegible]
United States	03/25	0.50	93.72	4.46	[illegible]	[illegible]	[illegible]	[illegible]
	02/30	1.50	87.31	3.65	[illegible]	[illegible]	[illegible]	[illegible]
	02/50	2.00	69.73	3.88	[illegible]	[illegible]	[illegible]	[illegible]

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

GILTS: UK CASH MARKET

Jun 02	Price £	Red Yield	Day	Week	Month	Year	52 Week High	52 Week Low	Amnt £m
Tr 0.75pc '23	99.54	4.33	1.64	-3.13	2.61	184.87	99.54	97.34	34.36
Tr 0.125pc '24	97.09	4.69	1.96	-3.10	14.11	187.73	97.53	94.34	35.55
Tr 2pc '25	94.79	4.45	1.37	-3.89	16.80	169.70	101.22	93.15	39.93
Tr 0.125pc '26	89.74	4.26	0.95	-4.70	18.01	164.60	95.25	86.33	35.32
Tr 1.25pc '27	88.96	4.19	0.96	-4.77	17.70	147.93	98.68	85.65	40.99
Tr 0.5pc '29	81.64	4.18	0.72	-5.22	14.84	122.34	95.06	78.21	28.92
Tr 1pc '32	77.57	4.10	0.49	-5.09	12.95	94.31	122.11	76.20	35.96
Tr 4.25pc '36	99.89	4.26	0.47	-5.33	11.81	92.05	125.01	94.91	31.88
Tr 4.5pc '42	100.88	4.43	0.23	-4.32	9.38	81.56	135.11	93.79	28.35
Tr 3.75pc '52	88.63	4.45	0.23	-3.89	9.07	86.19	132.80	82.51	25.11
Tr 4pc '60	93.47	4.36	0.23	-3.96	9.55	89.57	147.23	87.32	25.13

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

GILTS: UK FTSE ACTUARIES INDICES

Price Indices Fixed Coupon	Jun 02	Day's chg %	Total Return	Return 1 month	Return 1 year
1 Up to 5 Years	80.55	-0.07	2335.61	-0.92	-2.67
2 5 - 10 Years	142.88	-0.15	3074.23	-2.88	-6.95
3 10 - 15 Years	150.84	-0.18	3514.12	-4.26	-14.39
4 5 - 15 Years	143.72	-0.16	3177.12	-3.31	-11.11
5 Over 15 Years	197.00	-0.10	3450.43	-5.28	-26.88
7 All stocks	129.78	-0.11	2934.10	-3.43	-14.51

Index Linked	Jun 02	Day's chg %	Month chg %	Year's chg %	Total Return	Return 1 month	Return 1 year
1 Up to 5 Years	324.36	-0.06	-0.62	0.38	2756.86	-0.45	1.48
2 Over 5 years	507.30	0.26	-6.46	-26.81	3877.98	-6.34	-26.40
3 5-15 years	443.83	0.07	-2.67	-10.77	3605.24	-2.52	-10.02
4 Over 15 years	551.51	0.41	-9.09	-35.27	4089.04	-8.99	-35.02
5 All stocks	486.40	0.21	-5.49	-23.19	3794.66	-5.37	-22.71

Yield Indices	Jun 02	Jun 01	Yr ago		Jun 02	Jun 01	Yr ago
5 Yrs	4.11	4.08	1.86	20 Yrs	4.44	4.42	2.21
10 Yrs	4.16	4.14	2.26	45 Yrs	4.27	4.26	2.32
15 Yrs	4.35	4.33	2.49				

Real yield	Jun 02	Dur yrs	Previous	Yr ago	Jun 02	Dur yrs	Previous	Yr ago
	inflation 0%				inflation 5%			
Up to 5 yrs	1.62	2.27	1.59	-2.42	1.20	2.29	1.15	-2.90
Over 5 yrs	1.01	18.69	1.02	-1.09	0.96	18.73	0.99	-1.10
5-15 yrs	0.82	9.17	0.82	-1.52	0.73	9.18	0.73	-1.61
Over 15 yrs	1.06	25.47	1.07	-0.98	1.04	25.48	1.06	-1.00
All stocks	1.02	16.77	1.03	-1.08	0.98	16.85	0.99	-1.10

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

Tradeweb

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, its suppliers, or the FT. Neither the FT, nor Morningstar's suppliers, warrant or guarantee that the information is reliable or complete. Neither the FT nor Morningstar's suppliers accept responsibility and will not be liable for any loss arising from the reliance on the use of the listed information. For all queries e-mail ft.reader.enquiries@morningstar.com

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COMMODITIES

www.ft.com/commodities

Energy		Price*	Change	Agricultural & Cattle Futures		Price*	Change
Crude Oil†	Jul	71.50	1.40	Corn◆	Jul	584.75	-7.75
Brent Crude Oil‡		75.96	1.68	Wheat◆	Jul	611.75	1.00
RBOB Gasoline†	Jul	2.49	0.05	Soybeans◆	Jul	1327.00	-2.50
Natural Gas†	Jul	2.18	0.02	Soybeans Meal◆	Jul	398.30	-3.10
Base Metals (♠ LME 3 Months)				Cocoa (ICE Liffe)▼	Jul	2337.00	-3.00
Aluminium		2277.00	7.00	Cocoa (ICE US)♥	Jul	3013.00	5.00
Aluminium Alloy		2150.00	-75.00	Coffee(Robusta)▼	Jul	2577.00	-28.00
Copper		8269.50	38.00	Coffee (Arabica)♥	Jul	186.00	2.95
Lead		2012.50	5.50	White Sugar◆		685.90	-5.90
Nickel		21205.00	-220.00	Sugar 11♥		24.68	-0.20
Tin		25835.00	225.00	Cotton♥	Jul	86.10	-0.32
Zinc		2315.50	38.50	Orange Juice♥	Jul	283.85	-3.90
Precious Metals (PM London Fix)				Palm Oil◆		-	-
Gold		1974.35	9.95	Live Cattle♣	Jun	174.93	5.80
Silver (US cents)		2349.00	23.50	Feeder Cattle♣	May	134.88	-
Platinum		1004.00	1.00	Lean Hogs♣	Jun	83.75	1.18
Palladium		1372.00	-18.00				
Bulk Commodities					Jun 01	% Chg Month	% Chg Year
Iron Ore		104.50	3.13	S&P GSCI Spt	544.13	-0.15	-32.02
Baltic Dry Index		919.00	-18.00	DJ UBS Spot	99.73	-2.58	-25.51
Richards Bay ICE Futures		97.65	-2.55	TR/CC CRB TR	285.01	-2.93	-16.41
				LEBA EUA Carbon	58.91	-1.98	29.90
				LEBA UK Power	1048.00	-37.43	-39.60

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

BONDS: INDEX-LINKED

	Price Jun 01	Yield Jun 01	Prev	Yr ago	Month return	Value stock	No of stocks
Can 4.25%' 26	109.05	1.577	1.588	0.10	5.25	71641.40	8
Fr 0.25%' 24	99.81	0.419	0.268	-0.15	17.92	263490.01	17
Swe 1.00%' 25	126.69	1.011	0.972	-0.06	35.93	227261.41	7
UK 2.500%' 24	374.77	2.729	2.761	0.01	6.82	522530.47	31
UK 2.500%' 24	374.77	2.729	2.761	0.01	6.82	522530.47	31
UK 2.000%' 35	238.79	0.822	0.855	0.27	0.08	522530.47	31
US 0.625%' 26	96.43	2.031	2.072	0.13	42.42	1663394.28	48
US 3.625%' 28	109.02	1.687	1.736	0.24	16.78	1663394.28	48

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

BONDS: TEN YEAR GOVT SPREADS

	Bid Yield	Spread vs Bund	Spread vs T-Bonds		Bid Yield	Spread vs Bund	Spread vs T-Bonds
Australia	3.61	1.42	-0.04	Netherlands	2.51	0.32	-1.14
Austria	2.84	0.65	-0.81	New Zealand	4.28	2.08	0.63
Canada	3.20	1.00	-0.45	Norway	3.33	1.13	-0.32
Denmark	2.46	0.27	-1.19	Portugal	2.61	0.41	-1.05
Finland	2.73	0.53	-0.93	Spain	2.99	0.79	-0.66
France	2.83	0.63	-0.82	Sweden	2.28	0.08	-1.38
Germany	2.20	0.00	-1.46	Switzerland	0.58	-1.62	-3.07
Italy	3.97	1.78	0.32	United Kingdom	[illegible]	[illegible]	[illegible]
Japan	0.18	-2.02	-3.47	United States	3.65	1.46	0.00

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

WORK & CAREERS

Can a virtual PA turbocharge your career?

Services taking on boring family admin claim they free up headspace for professional endeavours. *Emma Jacobs* tried it out

FT montage/Dreamstime

Stuff is cluttering my brain. There's the work stuff (people to call, email, meet, things to read and write, expenses) — then there's the life stuff. Presents to buy, summer travel and accommodation to book, school uniform to buy, hospital appointments and after-school clubs to arrange. Many of the tasks on my personal to-do list are barely taxing but cumulatively they stalk my mind, sometimes disturbing my nights.

So when offered a month with a remote personal assistant to battle my chores, I gratefully said yes. Unlike an executive assistant, who is gatekeeper of work diaries, organises meetings and travel, my white knight is Laura-Faye Trainor, a remote PA who will help smooth out my private life. Kath Clarke, the founder of BlckBx, who employs Trainor, has great claims for the service. Not only will users have more free time, but also greater gender equality at home, unshackling women from their domestic load and boosting their careers.

I was hesitant on my first call. Could I really ask Trainor to put the under-11s football fixtures in my diary, find a gift and book tickets to a Beatles tour? Yes, she urged. It felt awkward. But very quickly, it felt bloody brilliant. I had outsourced tedium.

Clarke started BlckBx in the pandemic when she saw women struggle to keep on top of work and home life with school shutdowns. The service was also borne from Clarke's own frustrations. Friends thought the mother of three, who worked for herself as a consultant with flexible hours, was living the dream. Instead, she was constantly "Googling time management, [wondering] what am I doing wrong". The women who seemed to her to have their lives in order did not have better focus she realised but support. "It's a secret that all these successful people have help." So she set up a service tackling "the really boring stuff, outsourcing for family admin", aimed at employers, who she hopes will offer the service of a virtual PA as a perk to employees.

The sweet spot, Clarke said, is the daily to-do list, "Then there's Red Nose Day, World Book Day. Christmas plays, fundraisers, then all the Christmas shopping." She said her remote PAs (80 per cent of whom are employees) save a family between 10 and 30 hours a month on tasks ranging from holiday ideas to booking an online shop. Though some are wackier, such as getting a ping-pong table delivered to an Airbnb in Greece to liven up a holiday.

Demand for remote PAs has surged since the pandemic, says Melissa Smith, founder of The Personal Virtual Assistant service. "It gave people time to reflect . . . People would set aside their weekends and nights [for life admin]. They thought, 'Why do I need to do that?'"

The days of asking a workplace PA to buy a present for a spouse (or paramour) belong to the martini-soaked days of the Mad Men era. Chloe Cotty, a virtual PA working from Devon, previously worked as a PA in a large company but had a career break to have children. Many of her clients have an executive assistant at the office but it is not their job to do life admin: "If my boss had asked me to book the dentist, it wouldn't have been right." She also enjoys the variety.

Virtual PAs are an increasingly popular employee benefit, says Barnaby Lashbrooke, founder and chief executive of virtual PA company Time Etc, for those employers looking for ways to "maximise staff productivity and reduce stress". "People want to enjoy their free time. Plus, pressing life admin has a tendency to creep into working hours."

But the start-up also wants employees to shop around for more sustainable products to reduce their carbon footprint. This can take extra time on top of family and work demands, so offering a virtual PA is "a way to support staff to think about lower carbon options."

Research suggests a more equal distribution of unpaid care and housework would contribute to more equality in overall employment rates, different types of employment and the number of hours worked. But Abby Davisson, co-author of *Money and Love*, pointed out that many more tasks are primarily mental — and invisible — rather than physical labour. Sometimes referred to as the mental load, "these still take up time and brain space", she said, which is where a virtual PA can really help.

> 'People would set aside weekends and nights [for life admin]. They thought, Why do I need to do that?'

Hearne and his partner, for example, now centralise to-do lists, surfacing tasks like routine dentist or health appointments that can be easily forgotten. "It levels things out," he says, referring to the couple's division of chores.

Christian Edelmann, managing partner and co-head of Europe at Oliver Wyman, is paying for a PA himself. (The consultancy offers BlckBx assistants as a perk to new parents and to those at stress points in their lives, such as divorce.) "My wife is working full time too," says Edelmann. "It's made us conscious that we want to share tasks 50/50. It tends to be women that take it on."

So too for Davisson, who has young children and recently launched a business, as did her husband. "We've both been able to devote more brain space to our professional endeavours as a result — and we've been able to be more present when we're with our kids. The investment we've made feels worth it — and we do see it as exactly that: an investment in our careers and our lives."

Ironically, Trainor has helped me recoup my free time because she left her career as a solicitor when the workload swamped her life and is able to "empathise" with clients about a poor work-life balance. Her most common requests are helping with health appointments, house moves and holidays. There are some overlaps between law and being a PA — chiefly, the fast pace when clients need something urgently.

Many traditional secretarial tasks, like dictation, have been replaced by technology. With the proliferation of generative artificial intelligence, will virtual PAs still need human input? Clarke says they already use ChatGPT to automate some work. "AI technology can power through the repetitive, recurring and predictable administrative tasks [such as gifts] and match the recommendations to each client's task [while the] assistant cherry picks . . . they know you inside out and can provide a really bespoke service."

BlckBx is building an AI platform to help the assistants, and improve and refine services. Clarke believes real people will always be in demand. "They've all got empathy. You can't replace that."

What struck me about my month with Trainor was a service that felt like a luxury quickly became an entitlement. Trainor became a status symbol as, horrifyingly, my family started mentioning "your PA" regularly at social gatherings.

Soon I developed a learnt helplessness, pronounced after we said goodbye to Trainor. Plotting a train journey through France and various stop-offs, I lamented the loss. It felt too much on my own.

However, I cannot make a case that she recalibrated my relationship with my partner, as the domestic chores are pretty evenly split. But my mental load was lighter, knowing stuff was being done without my input. I want to say I used the extra time to focus on my work, but I suspect I used it to watch more telly.

The FT paid for a month's trial of BlckBx

The Henry Mance Interview

The British royals are 'tax-funded Kardashians'

Charlie Bibby/FT

GRAHAM SMITH

Head of the campaign group Republic on why the monarchy should be abolished and the government's protest laws revoked

It is hardly an equal fight. On one side is the British monarchy, with its millennium of tradition, multiple palaces, hundreds of courtiers, and grip on the world's media. On the other is a former IT support worker called Graham Smith.

Smith is the most senior employee of Republic, Britain's only sizeable anti-monarchy campaign group. He is also the only employee. At the door of his modest terraced house, 16 miles from Windsor Castle, he greets me with the gruff, dishevelled demeanour of someone accustomed to being on the losing team.

But faced with Goliath, everyone dreams of being David. Elizabeth II, the monarch whom even republicans admired, has passed. And, on the morning of King Charles III's coronation last month, Smith and seven other activists were arrested near Trafalgar Square and the Mall as they prepared a protest. His wrongful 16-hour detention — for which the police later expressed regret — was "a trauma", Smith says. It also gave his cause long-craved publicity.

"I always thought there'd be a moment when we would make a bigger impact. I didn't quite think it'd be courtesy of the Metropolitan Police," adds Smith, his ginger cat now sitting on his lap. Three days of headlines were "transformative" for Republic: its paying membership rose by two-thirds, albeit to the still un-majestic total of 8,500.

Smith now has two causes. One, to reverse the Conservative government's assault on disruptive protests. "The laws are so sweeping they need only the faintest excuse to say 'you can't protest, we're going to arrest you'." Two, to get rid of the constitutional monarch, whom Smith suspects was pleased by his arrest. Charles "absolutely hates dissent. He has seen us five times protesting very close to him, and he doesn't engage with us. I get the impression he's unimpressed." (Alternatively, the king isn't worried enough to care.)

> '[The King] has seen us [but] doesn't engage with us. I get the impression he's unimpressed'

In a new book, *Abolish the Monarchy*, Smith argues the Windsors receive more public money than claimed and spend extravagantly on travel. They have failed to offer national reassurance after the Brexit referendum or when Boris Johnson tried to cling to office in 2022, as an elected president might have. And their presence "instils a conservative ethos" into Britain's constitution.

Only a quarter of the public favour an elected head of state. But the proportion of those between 18 and 24 years old who support the monarchy has nearly halved in a decade, to about a third. Members of the Commonwealth are looking to become republics. Other monarchies, including Spain's, are creaking. Prince Harry has, in Smith's words, exposed the royals as "not just odd and dysfunctional, but unkind and cruel and cold".

After a glut of royal spectaculars — jubilees, weddings, funerals, a coronation — there are no more on the horizon. By the time of the next one, might the fight between royalty and republicans be less unequal?

Smith, 49, long thought of himself as a campaigner, not a protester. "I certainly get under people's skin. But I've never really had a problem with the police." Then UK law was tightened to counter climate protesters, and the police were able to arrest anyone with equipment they could use to lock themselves to public infrastructure. That potentially implicated anyone with a bike lock — or, in Smith's case, flimsy ties for holding placards.

He was arrested at about 6am on the day of the coronation, even though he had liaised with the police for months. "This was premeditated . . . I suspect people in [Buckingham] Palace, or connected to the Palace, made it clear that they didn't want protesters making a big fuss."

Republic had hoped for 1,500 or so protesters, a small demonstration by political standards that would nonetheless have been the biggest in its history. But many attendees were put off when they heard of the arrests.

The lesson is that, in Britain, "we no longer have the right [to protest], we only have permission. There's an assumption of permission, but that can be withdrawn at any time by senior officers and politicians." Smith and his fellow arrestees are looking to sue for unlawful arrests and a breach of the Human Rights Act 1998. He wants "a fairly full and clear apology".

Smith contrasts how the police treated him with how they have treated the royals. The Met has no results yet of its investigation into whether a Saudi businessman in effect bought an official honour with a donation to one of the King's charities. "The whole point with the monarchy is that you have to cover these things up, otherwise it breaks the whole system down." In other areas too, such as tax and expenses, the royals are forgiven for behaviour that would ruin elected politicians.

The palace declined to comment.

Support for the monarchy rests on two pillars. The first is economic: the monarchy is seen as cheap — the sovereign grant for 2022-23 is £86mn, or £1.29 a person — and possibly a net contributor, due to tourism.

Republic puts the true cost of the monarchy at about £350mn a year, once you include items such as the incomes of the duchies of Lancaster and Cornwall (nearly £50mn of operating profits, plus tens of millions more in capital appreciation); the cost of royal security (never disclosed but rumoured at £100mn); and the cost to councils of organising royal visits (£22mn, according to Republic's estimates). Tourism, it says, does not require a continuing royal presence: more visitors go to the Tower of London than to Buckingham Palace, more go to France than to the UK.

The second pillar is that the monarchy — with its flummery and history — works and delights, in a way that a replacement might not. The Windsors know their duty and stick to it. To this, Smith's answer is: either we're democrats or we're not.

His alternative is wholesale reform: a codified constitution, an elected second chamber and, as in Ireland, a directly elected president. What about the risk of a divisive, Trump-like figure as head of state? "Why would a Trump-like figure want something that doesn't have power?" Here it is worth noting that the role of Speaker of the House of Commons has limited power yet attracted a divisive egotist, John Bercow. "In other countries, people often choose really inspiring people [as president]," Smith pushes back.

He calls the royals "corrupt" and their ceremonies "ridiculous". Yet to many Britons, the best argument for abolishing the monarchy is sympathy with the royals — confined, harassed, condemned to serve. "Which we do say," he notes. But in his view, sympathy for the royals' plight expires by the time people are in their thirties: by that age, they "should be able to say we probably shouldn't be doing this".

The recent soap opera around the monarchy proves "this is tax-funded Kardashians, and that's all it is now, for most people," claims Smith. "Harry and Meghan's grievances have "split the core audience, and that's not going to heal."

Smith has said Republic's biggest hurdle is public apathy. But it's also the public's desire for symbols, mysticism, tradition. The Australian musician Nick Cave explained his decision to go to the coronation, saying he felt an "inexplicable emotional attachment to the royals". "I suspect that some people just want to be invited to a big event," sighs Smith.

> 'There's a reason why [the royal family] hide things. The wills would look not good'

Yet his proposed revolution feels bloodless, in both senses of the word. Not everything can be coldly rational. "There's a lot of emotion in republicanism," he protests. "People don't stand in Trafalgar Square shouting 'not my king' because they are sitting down rationally working out what they want to do with their constitution." He has "Zadok the Priest", the "amazing" music played at the moment of the king's anointing, on his playlist; he just doesn't want it played at a coronation.

Smith's mother was a nurse, his father an industrial worker; both were republicans. In his twenties, he lived in Australia, coinciding with the 1999 referendum where the public voted 55-45 against becoming a republic. He came back to Britain two years later and was struck by "alien" deference of newsreaders referring to Her Majesty and His Royal Highness. He lost an election to become a Liberal Democrat councillor, joined Republic, founded in 1983, and at the same time completed an Open University degree. He became Republic's chief executive in 2005.

Previously, many passionate republicans had ignored royal events; Smith was adamant they should protest instead. "There's this narrative that we're a royalist country and that everybody's celebrating, and we're not going to go along with it." Half of the public said they weren't interested or very interested in the coronation, he says. (He doesn't mention that other events, such as Eurovision, excited fewer people in the UK.)

Republic has deliberately tried to pitch itself as moderate. It is seeking to ally with non-republican academics and journalists who want access to the royal archives. Prince Philip's will is one of many sealed documents. "There's a reason why they hide things. The wills would look not good."

Republic's fortunes have oscillated. "A couple of years ago, cash in the bank was normally around £10,000. It's now £230,000."

Support for the monarchy, at more than 60 per cent, "could drop below 50 per cent in the next few years," he says. "William might be king, but the chances of George being king are rapidly shrinking."

In his defiance, in his aloneness, Smith is almost the mirror image of one of those descendants of deposed European monarchs, who still longs to return to the throne. He is resilient, but so is the monarchy. I leave his house, and return to a Britain where almost everyone has heard of King Charles and almost no one has heard of Republic.

ARTS

Jann Haworth, co-creator of the artwork for The Beatles' album, has come to be appreciated for her other work. She talks to Stephen Dark

'Sgt Pepper's is just a record cover'

When art student Jann Haworth took the number 30 bus from Harrods to her South Kensington bedsit one spring night in 1962, she wanted tulips but could not afford them. "Why not make a bouquet of tulips out of cloth?" she thought.

A tutor had informed her days before that female students were there "to amuse the boys", but Haworth's competitive instincts had identified in cloth something with which "I could run rings around the boys". She had sewn her own clothes from the age of eight and by the time she got off the bus, she had designed an old lady to go with the tulips, a dog, doughnuts and a cup of coffee — all in cloth.

A pioneer of soft sculpture, for most of the past 30 years Haworth has resided in Utah, where we meet and where she has married street art and gender politics in a remarkable series of murals. For many years her 1967 co-creation of The Beatles' *Sgt Pepper's Lonely Hearts Club Band* album cover with her then-husband Peter Blake was either ignored or else dominated discussion of her work, but Haworth has forged on. Now, with a recent exhibition in London and a mural commission by the National Portrait Gallery that will anchor the museum's reopening later this month, she is gaining a more nuanced appreciation of her work.

Haworth, who was born in Hollywood in 1942, grew up with parents who inspired her artistic vision. When her mother Miriam returned at night from attending an experimental Los Angeles art school, she taught her seven-year-old about composition, or deconstructing a Picasso painting, or the Bauhaus principles of design. Her father, production designer Ted Haworth, took her to visit the film sets he worked on. "Teddy gave me a subject," she says, namely what she calls the "fakery" of the film industry. There was the surrealism in making "replicants" for the 1956 cold-war classic *Invasion of the Body Snatchers*, or riding the carousel in between takes of Hitchcock's *Strangers on a Train*. "Everything I do arises from the surrealism of film. If you make a doughnut out of cloth, that's hilarious to me. It's very much like making a prop for a film."

Above: Jann Haworth with her 'Old Lady'. Top: 'Work in Progress' — Deniz Guzel

Film production also shaped her politics. "On a soundstage, just like theatre, everybody is as important as everybody else. The carpenter was shown as much respect as the director. That mantra is in me: equality, democracy."

After two years at UCLA, first studying philosophy then art, in late 1961 Haworth travelled to London and fell in love with England. By January the next year, she had enrolled at both the Courtauld Institute and the Slade School of Fine Arts, where she found tutor Harold Cohen insightful. "He was intellectually very rigorous and insisted that intuitive work was for the birds. You needed to justify every mark you made. Perfect meat and drink for me."

While critic Kenneth Tynan rejected her cloth-rendered dog and flowers for the 1963 Arts Council Young Contemporaries show, her painting of a large-scale typewriter was included. Later that year the ICA picked Haworth's soft-sculpture work for *Four Young Artists*: a cloth-made domestic scene of a life-size elderly woman, based on her great-grandmother, and the dog and flowers Tynan had snubbed. "I was totally delighted and surprised, and very aware that nothing like this would ever have happened to a student in the US, where only established artists were getting shown."

In the spring of 1963 she met artist Peter Blake, 10 years her senior, and they married in July. Haworth was taken on by high-profile art dealer Robert Fraser and had her first solo show in 1966. Among her pieces was "Pom-Pom Girl", a three-dimensional figure pinned to the wall like a butterfly, appearing, Haworth says, "caught between a cheer and a scream". The show was well received by critics, including one surprise. "The irony was that when I showed at Fraser's, Tynan was super-supportive and interested."

The couple were commissioned in 1967 to do a graphic cover for *Sgt Pepper*. Blake was a Beatles fan, but to Haworth it was one more gig. "They were a white boy band. I wasn't that interested in that music." The Beatles chose a third of the heads, Blake and Haworth the rest. "It's just a record cover and I don't think that's very important."

After divorcing Blake in 1979, Haworth and writer Richard Johnstone moved into "a huge, shambling, beautiful farmhouse" outside Bath, Haworth says, where their children could roam. Johnstone wrote children's and YA books and Haworth illustrated them. There's a whiff of *Cold Comfort Farm* as Haworth talks about always being broke, ice on the inside of the windows and hiring the local poacher to shoot their pigs before the family hung and butchered the carcass.

Haworth's attention shifted abroad when she secured a fellowship to study textiles in the US. After her father died in 1993, the family moved into his mansion in Sundance, Utah. She describes Sundance as like "a crucible, it has mountains all the way around, and the giant Mount Timpanogos behind it with a 200-foot waterfall". Haworth and her eldest daughter, abstract collage artist Liberty Blake, founded and co-ran the creative workshop Art Shack for Robert Redford's Sundance Institute. Redford's institute brimmed with independent artists from film, theatre and music, and Haworth felt she had found a bookend to her filmic childhood.

> 'Nothing like this would ever have happened to a student in the US, where only established artists were getting shown'

For Haworth, artistic renewal came through an unexpected reckoning in the early 2000s with *Sgt Pepper*, when she found a list compiled by Rolling Stone which proclaimed the Beatles album cover the greatest of all time. She re-examined it to discover that of its 65 people, only 13 were women, three of them Shirley Temple. By way of apology and rebuttal, in 2005 Haworth did an outdoor mural in Salt Lake City called "SLC Pepper" which corrected the original's gender and ethnic bias.

Since then, she and Liberty have pursued a dozen murals reflecting on gender politics, including their Work in Progress project, celebrating historic and contemporary women both known and unlauded. That project took on a transatlantic dimension when the National Portrait Gallery commissioned them to do a 130-head "Work in Progress", celebrating a swath of women in British history and culture. Made largely by non-artists in the UK trained in stencil on Zoom by Haworth and Blake, it will be a central piece of the museum's reopening.

In preparation for her recent show at Gazelli Art House in London, Haworth said she wanted to "sail close to the wind, to cut along the line between fine art and fibre arts, Surrealism and Pop, sculpture, garments and fashion". She returned to her fascination with disrupting and deconstructing corsets, finding in their restrictions an echo of pandemic life. Haworth again has sought to break away from the tyranny of borders. "I just didn't feel like being confined," she says.

'Work in Progress' will be displayed when the National Portrait Gallery reopens on June 22, npg.org.uk

Haworth's 'SLC Pepper' mural aims to correct the biases of the original — Alamy

Conwoman and the magic money tree

PODCASTS

Fiona Sturges

In 2014, a woman named Juliette D'Souza was jailed for conning well-to-do Londoners in Hampstead out of their savings, leaving several in financial ruin. In *Filthy Ritual*, we hear how she gained the confidence of her victims, who included an actor, an opera singer and an osteopath, by telling them — and stay with me here — that she was a shaman who had a special connection to a source of power deep in the Amazon rainforest. This, she claimed, allowed her to, among other things, ward off demons and cure cancer. But this would only happen if her clients stuffed a pile of cash, or a "sacrifice", in an envelope which would subsequently be sent to Suriname, where it would be nailed to a magic tree.

If the first wave of true-crime podcasts, most of which concerned murders, appealed to ghoulish prurience, the current vogue for shows about fraudsters taps into something more smug: the conviction that we could never be duped like these poor fools. But *Filthy Ritual* pulls off the feat of leaving the listener stunned at people's gullibility while feeling sympathy for those who were conned. Each of D'Souza's victims was vulnerable in some way. She got to them while their marriages were collapsing, or they were struggling to get pregnant, or burnt out, and worked on them over several years. One woman was in the early stages of dementia, making her perfect game.

The series is hosted by Suruthi Bala and Hannah Maguire, the duo behind the hit true-crime pod *RedHanded*. While they bring the same sardonic humour and rapport from that series, this feels more rigorous, as they conduct lengthy interviews with major players.

Juliette D'Souza outside Blackfriars Crown Court in London, 2014

Central to the story is Keith Bender, an osteopath described as "like a young Richard E Grant", who met D'Souza when she came to him with a bad back. They became friends and she counselled him through his marital problems. Then she told him she was a shaman and that he had cancer, and he didn't doubt her. As he reveals, in his slightly goofy tones, how he put his name on the rental agreement for four Hampstead flats for D'Souza, I found myself yelping: "Keith! Come on! What is wrong with you, man?" But Bender was a goner, fully on board with the supernatural spirits whose power could only be harnessed with banknotes.

There are further twists in the tale including a civilian sleuth seemingly modelled on Miss Marple, and a pet capuchin monkey. Were *Filthy Ritual* a work of fiction, you would likely think it too far-fetched. As it is, through Bala and Maguire's clever storytelling, it is a wonderfully addictive series that delves into themes of class, wealth and coercion and, despite the larky tone, is also underpinned by tragedy. It is, by some distance, the best podcast I've heard this year.

PKN Orlen, the state oil and gas company, and its chief executive Daniel Obajtek are at the centre of a fierce debate over the level of government influence on the sector and beyond.

By Raphael Minder

The politics of Poland's energy giant

Until a few years ago, Daniel Obajtek was the mayor of Pcim, a village whose name gets used in a derogatory way by other Poles to refer to a place in the middle of nowhere.

Now, Obajtek stands at the main crossroads of Polish business and politics, as chief executive of the state-controlled oil and gas group PKN Orlen, which is also the largest listed company in central Europe.

His lightning-fast rise from local politics to national prominence at the helm of Poland's biggest company has been facilitated by a rightwing government that has sought to tighten its grip on Poland's economy as well as other institutions, notably the judiciary.

And Orlen, with its white-and-red eagle logo that resembles Poland's coat of arms, has become the country's emblematic state company. Since taking charge in 2018, Obajtek has masterminded a takeover spree during which Orlen acquired several other domestic energy companies. In 2021, Orlen also completed its purchase of Poland's largest owner of regional newspapers.

Obajtek's appetite for deals seems far from satiated. The European energy crisis sparked by Russia's all-out attack on Ukraine helped double Orlen's revenues last year, so the company has a war chest of $80bn and plans to spend $9bn on investments this year alone.

The rise of Orlen reflects Poland's new status as a European bulwark against Russian influence and aggression.

> 'Appointing Obajtek is like in communist times when somebody with no special skills suddenly becomes CEO'

Daniel Obajtek, the CEO of Polish oil and gas group Orlen, says he is 'too dynamic' for politics. But critics including opposition leader Donald Tusk, below, have accused him of serving the government's agenda
FT montage/Reuters; Artur Widak/NurPhoto/Getty Images

But as Poles prepare to vote in a fiercely contested national election expected to take place this autumn, Obajtek and the company he runs have become central to a roiling political debate in Poland over the state's influence on the energy market and the rest of the economy.

His personal ties to Jarosław Kaczyński, the leader of Poland's ruling Law and Justice party, or PiS, have drawn unflattering comparisons between Orlen and the chaebol model of family-controlled conglomerates that long dominated South Korea's economy.

In particular, the company's expansion into media has drawn it into the broader debate over whether Poland's government has been respecting the rule of law, freedom of expression and individual rights including those of the LGBTQ community.

Opposition politicians have also been asking why Orlen was able to enrich itself thanks to higher fuel prices while Polish citizens struggled with soaring energy bills and 25-year high inflation.

Obajtek, 47, insists that Poland's ruling politicians do not dictate his strategy. Instead, he argued during an interview with the Financial Times that Orlen needed to gain clout in a fast-transforming energy sector that is also forcing the company to diversify away from fossil fuels.

If anything, Obajtek portrays Orlen as playing catch-up to European rivals such as France's TotalEnergies or Italy's Eni, which transformed earlier from state-owned oil refiners into diversified and global energy companies with the blessing of their governments.

"None of the mergers we have completed is a political one — that's only what irresponsible [opposition] politicians say," Obajtek says. "We do not build a chaebol. If that's the case, then all European [oil] companies should be called chaebols."

Still, Obajtek's critics see his activities as evidence that the state is seeking to leverage corporate interests to fulfil political ambitions. The government has pushed hard to return Poland to "full state control of the economy, month by month and sector by sector," says Janusz Wiśniewski, a former chief operating officer of Orlen. "This seems very wrong."

From mayor to magnate

Little in Obajtek's past seems to have made him predestined to lead Poland's corporate champion. He initially trained to become a vet, but then completed agricultural studies before turning to local politics.

In 2011, a violent storm hit the pepper farms around Obajtek's village of Pcim. The mayor's emergency response caught the attention of Kaczyński, who visited the area to show his support for rural Poland, a cornerstone of his party's electorate.

In 2015, Kaczyński's PiS won Poland's election and returned to office, from where the new government appointed party-friendly managers in state-owned enterprises and other key areas, notably the judiciary.

For Obajtek, PiS's victory was the chance to leave second-tier politics and manage instead the state economy. In 2017, the government put him in charge of one of its electricity companies, Energa.

Only one year later, Obajtek was fast-tracked to the top of Poland's business ladder and appointed to run Orlen. Over the five years he has been in charge, Obajtek has won plaudits from energy experts for the speed with which he executed deals and for prioritising investments in renewable energies such as offshore wind and nuclear power.

Still, his appointment to Orlen was unexpected even by the standards of a region of Europe where "politicians normally want influence over the economy," says Wiśniewski.

"At a company like Orlen, the CEO was always friendly to the politicians, but his background came from oil and gas or international management," he recalls. "Appointing Obajtek is like in the old communist times when you have somebody with no special skills who suddenly becomes CEO because of the decision of one person."

Obajtek has faced various accusations of fraud and conflicts of interest, some of which prompted legal reviews but without resulting in charges.

The oil and gas executive has repeatedly denied wrongdoing and also requested in 2021 an audit of his assets by Poland's anti-corruption office to counter claims that he had bought real estate assets with undeclared earnings.

"Do you know who gave me the greatest recognition? The so-called opposition media," he says. "Sometimes I have been presented as a monster biting to death anyone who stands in its way. But in fact I am a very sensitive person who loves art, nature, landscapes and has a very positive attitude towards other people."

Delicate deals

But Orlen's breakneck expansion has led it into highly politicised environments.

Last year, Orlen significantly extended its domestic footprint by taking over oil and gas producer PGNiG as well as Lotos, another state oil company based in Gdánsk. The deals gave Orlen near-control over wholesale prices for oil in Poland: it now has more than 60 per cent of the market for diesel and 70 per cent for gasoline.

To overcome EU antitrust concerns, Orlen sold a stake in Lotos's Gdánsk oil refinery to Saudi Aramco, Riyadh's state oil company. It also sold 417 Lotos petrol stations to the Hungarian company MOL.

Both deals were controversial. The Aramco tie-in brought a country with an OPEC+ oil alliance with Russia into Europe's refining sector. MOL's expansion also raised eyebrows amid EU tensions over Hungarian prime minister Viktor Orbán's pro-Russia stance.

Obajtek portrays Aramco as a politically neutral partner to guarantee Poland's energy security and replace Russia's crude oil. The deal includes a long-term contract to dramatically increase crude oil supplies from the Saudi company.

"I am playing a very clean business game with the Saudis and I do not intend to throw the Saudi side into the politics in this region and the Saudi side does not want to do it either," he says. "They are neutral: this is an additional security benefit for us and our region."

But Paweł Olechnowicz, who was removed as chief executive of Lotos after Pis won office in 2015, questions Obajtek's claims about the neutrality of companies from countries whose geopolitical objectives have not always been aligned with Poland's.

"If we're thinking about energy security, I don't see how the Saudis or MOL help Poland," he says. "The idea that Saudi Aramco is good for Poland because we can buy its crude oil is nonsense because you can buy crude oil from the Saudis without having to sell assets to them."

Orlen's most debated investment is its 2020 takeover of the newspaper and magazine publisher Polska Press.

Since then, rival media bosses complain in private that Orlen has been starving them of advertising, even as the oil company has expanded its sponsorship across most aspects of Polish life, from the national football team to business conferences and cultural events.

Obajtek defends Orlen's media ownership. "Why couldn't we have our media?" he asks. "If it's said to be an error, then why is one of the richest people in the world, Elon Musk, investing in mass media as well, [buying] Twitter, or Jeff Bezos in the Washington Post? I know many companies that, through funds or other forms of shareholding, own media outlets."

Although the Polish state is Orlen's largest and controlling shareholder, Obajtek says the government has not intervened in the editorial management of Polska Press.

Still, Obajtek personally withdrew in March a magazine issue whose cover was deemed to offend Catholics because it showed the late Polish Pope John Paul II holding a cross with a crucified doll, to illustrate an article about paedophilia among Polish priests.

> 'None of the mergers Orlen has completed is political — that's only what irresponsible opposition politicians say'

Obajtek describes his magazine censorship as a one-off, but something that he would repeat if needed: "I will not allow Orlen to contribute to hurting religious feelings."

For Orlen to own a media group is "not healthy because Orlen is clearly controlled by the government and an oil company has nothing to do with media," says Zoltán Varga, a Hungarian entrepreneur who has publishing businesses in both countries — though he adds the situation in Hungary is far worse.

Some of the strongest criticism has come from outside Poland, notably from the Norwegian oil fund that is the world's largest sovereign wealth fund and has a 1 per cent stake in Orlen.

In February, the ethics council of Norway's sovereign wealth fund put Orlen under observation for "human rights concerns", to monitor the Polska Press purchase and "its implications for freedom of the press and therefore freedom of expression in Poland".

Norwegian criticism is also significant because Orlen has gasfields in Norway that are integral to Obajtek's diversification goals.

While Norway allowed Orlen access to its gas, Oslo's ambassador to Warsaw says Poland must now guarantee "a level playing field" in its own energy market, particularly in the award of new licences to build offshore wind farms. Last month, Orlen won five out of the six licenses sold in the latest Polish auction, with state-owned utility PGE picking up the last one.

"We see tendencies that with the new licences, the Polish companies take them all," says ambassador Anders Eide. For Warsaw to develop a national champion like Orlen is "completely fair and adequate, but it's important that all companies are treated equally".

'A political man'

Obajtek might not even be involved in the next auction if Tusk, the opposition leader, wins this year's election and ousts him from Orlen, which seems likely given their personal acrimony.

During a recent campaign rally, Tusk sensationally accused Obajtek of being "one of Putin's greatest oligarchs", claiming that he had kept Poland's petrol prices exceptionally high while delaying a decision for Orlen to end imports of cheap Russian oil.

But during the interview, Obajtek rejected this accusation and read out a list of past statements from Tusk to argue that he helped Russia, including when Tusk could allegedly have used his leadership of the European Council to oppose Russia's Nord Stream pipelines.

"I have given you facts that show [that in terms of] who can be called Putin's oligarch, the answer is only one: it is Donald Tusk," Obajtek says.

Such an accusation could have serious repercussions after Poland's parliament voted last month to create a special commission tasked with investigating people for pro-Russia activities.

The Polish opposition has denounced the commission as the start of a political witch hunt that could also directly threaten Tusk and ban him from office. On Sunday, opposition forces are planning a street protest in Warsaw to defend democracy against a law they call the government's "Lex Tusk".

But should the government win re-election, Obajtek would be a contender for a high-profile job inside it. He has been mentioned in Poland's media as a possible replacement for Prime Minister Mateusz Morawiecki.

Obajtek says his only ambition is to remain one of Europe's most active deal-makers. "I have no ambition to be a prime minister, it was just to put me at odds with the [current] prime minister," he says of the media reports. "My element is business: I am too dynamic for politics."

The FT View

FINANCIAL TIMES
'Without fear and without favour'

ft.com/opinion

How to make Britain's pensions assets work harder

MPs should make the case for funds to invest in the UK, rather than forcing them

Pensions are not usually considered the sexiest of discussion topics. But suddenly MPs from both of Britain's main parties are falling over themselves to talk about them. The penny has finally dropped on how the country's vast pension savings of about £3tn — one of the largest globally — could be deployed more productively to boost the UK's long-term economic growth prospects. The bulk of total pension assets are stashed in low-risk, low-yield bonds. Unlocking just a portion of that for long-term investment in promising British businesses and infrastructure projects would drive higher productivity.

The consensus on finding ways to sweat Britain's pensions assets harder is welcome. The average allocation to UK equities by UK defined benefit pension schemes — which provide retirees a specified income — has fallen from close to 50 per cent in 2000 to below 2 per cent today. This has sapped the London Stock Exchange. But since reversing this trend involves shifting the savings of millions of individuals into riskier and less liquid assets, albeit probably with higher returns, how it is achieved is important.

The Conservative government has not ruled out mandating funds to invest more in the UK — something the opposition Labour party has suggested it could support. Compulsion is not the right approach. Decisions need to be made in the best interests of savers, and effective risk management requires freedom from other constraints. The ability to invest in global assets also provides important channels for diversification. Instead, policymakers should focus on raising the low incentives funds face in investing in UK assets in the first place.

Defined benefit funds have historically been the dominant pension type. Accounting changes in 2000 that forced companies to note deficits or surpluses on their balance sheets encouraged the shift into longer term, and less risky, fixed-income assets. With the funds more than £300bn in surplus, rules could be reviewed to help stimulate investment in other asset classes. Supporting the consolidation of Britain's 5,000-plus DB schemes could also create a better buffer for riskier investments.

With fewer DB schemes open to new members or seeking returns, defined contribution schemes — which provide retirement incomes based on individuals' investments — may be a better vehicle. They are projected to surpass £1tn in holdings by 2030, and already allocate the majority of assets to equities as they are not obliged to provide fixed returns. Again, pooling the plethora of small DC schemes could incentivise chunkier investments into alternative assets. Reforming the pensions charge cap, which is designed to protect savers from excessive fees, could also unlock greater access to managers investing in less liquid assets, such as unlisted equities and infrastructure.

> Decisions need to be made in the best interests of savers, and effective risk management requires freedom from other constraints

The skills and knowledge of pension professionals will also need improving. Investing in riskier and more opaque asset classes such as private companies and road and rail projects requires specialist due diligence. Regulatory resources to monitor dicier investments will also need scaling up to ensure retirement savings are protected.

Ultimately, the biggest check on pension funds investing in UK plc will be confidence in the economy. Political instability and a lack of industrial strategy have encouraged myopic and risk-averse investing. A poor record of delivering public investments on time does not help. Even if UK pension funds are set free from regulatory burdens and armed with sophisticated investors, without more capable and clear-sighted political leadership there is no guarantee they will invest in promising companies or infrastructure projects in Britain.

Opinion Technology

We need to keep CEOs away from AI regulation

Maria Hergueta

Marietje Schaake

Tech companies recognise that the race for AI dominance is decided not only in the marketplace but also in Washington and Brussels. Rules governing the development and integration of their AI products will have an existential impact on them, but currently remain up in the air. So executives are trying to get ahead and set the tone, by arguing that they are best placed to regulate the very technologies they produce. AI might be novel, but the talking points are recycled: they are the same ones Mark Zuckerberg used about social media and Sam Bankman-Fried offered regarding crypto. Such statements should not distract democratic lawmakers again.

Imagine the chief executive of JPMorgan explaining to Congress that because financial products are too complex for lawmakers to understand, banks should decide for themselves how to prevent money laundering, enable fraud detection and set liquidity to loan ratios. He would be laughed out of the room. Angry constituents would point out how well self-regulation panned out in the global financial crisis. From big tobacco to big oil, we have learnt the hard way that businesses cannot set disinterested regulations. They are neither independent nor capable of creating countervailing powers to their own.

> A decade of technological disruption has highlighted the importance of independent oversight

Somehow that basic truth has been lost when it comes to AI. Lawmakers are eager to defer to companies and want their guidance on regulation; Senators even asked OpenAI chief executive Sam Altman to name potential industry leaders to oversee a putative national AI regulator.

Within industry circles, the calls for AI regulation have verged on apocalyptic. Scientists warn that their creations are too powerful and could go rogue. A recent letter, signed by Altman and others, warned that AI posed a threat to humanity's survival akin to nuclear war. You would think these fears would spur executives into action but, despite signing, virtually none have modified their own behaviour. Perhaps their framing of how we think of guardrails around AI is the actual goal. Our ability to navigate questions about the type of regulation needed is also heavily influenced by our understanding of the technology itself. The statements have focused attention on AI's existential risk. But critics argue that prioritising the prevention of this down the line overshadows the much-needed work against discrimination and bias that should be happening today.

Warnings about the catastrophic risks of AI, supported by the very people who could stop pushing their products into society, are disorienting. The open letters make signatories seem powerless in their desperate appeals. But those sounding the alarm already have the power to slow or pause the potentially dangerous progression of artificial intelligence.

Former Google chief executive Eric Schmidt maintains that companies are the only ones equipped to develop guardrails, while governments lack the expertise. But lawmakers and executives are not experts in farming, fighting crime or prescribing medication either, yet they regulate all those activities. They should certainly not be discouraged by the complexity of AI — if anything it should encourage them to take responsibility. And Schmidt has unintentionally reminded us of the first challenge: breaking the monopolies on access to proprietary information. With independent research, realistic risk assessments and guidelines on the enforcement of existing regulations, a debate about the need for new measures would be based on facts.

Executive actions speak louder than words. Just a few days after Sam Altman welcomed AI regulation in his testimony before Congress, he threatened to pull the plug on OpenAI's operations in Europe because of it. When he realised that EU regulators did not take kindly to threats, he switched back to a charm offensive, pledging to open an office in Europe.

Lawmakers must remember that businesspeople are principally concerned with profit rather than societal impacts. It is high time to move beyond pleasantries and to define specific goals and methods for AI regulation. Policymakers must not let tech CEOs shape and control the narrative, let alone the process.

A decade of technological disruption has highlighted the importance of independent oversight. That principle is even more important when the power over technologies like AI is concentrated in a handful of companies. We should listen to the powerful individuals running them but never take their words at face value. Their grand claims and ambitions should instead kick regulators and lawmakers into action based on their own expertise: that of the democratic process.

The writer is international policy director at Stanford University's Cyber Policy Center and serves as special adviser to Margrethe Vestager

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Letters

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US freight rail remains on course as the safest in the world

Oren Cass (Opinion, May 22) characterised US freight rail as failing and argued that policymakers unwilling to support sweeping new policies were market fundamentalists. Yet the rail network, supported by more than $20bn in annual private investments, is the best in the world. It is safe, with mainline accidents, employee injuries and accidents involving hazardous materials continuing an era of all-time lows. US rail is one of the most regulated sectors, with two agencies focused solely on railroads.

Policymakers would be wise to ensure policy addresses specific problems. Readers should consider a few other factors, too.

First, the legislation is far from modest — it has 35 "Secretary shall" clauses calling for future regulation.

Next, detectors exist today because of the incentive to be safe, not government regulation. The spacing of these detectors is informed by performance data. Industry has agreed to expansion and more stringent thresholds, underscoring railroads' incentives to increase safety.

Third, derailments are often cited as justification for new regulation. Railroads need to reduce them and have, yet just 26 per cent of derailments by major railroads were on the mainline — railroads' equivalent to the highway.

At the same time, crew sizes have always been dictated by collective bargaining. Preserving railroads' ability to change operations in a future dominated by automation is wise. Freezing current practices into statute following a derailment with three cab members is opportunistic and cynical.

Last, Cass points to US vs UK rail comparisons, a simplistic operational risk analysis. Far fewer derailments are reported in the UK based on thresholds. And UK freight rail operations are also much smaller.

The question at hand has far less to do with a dogmatic view on regulation and more to do with the proper role of government. While the rail industry can support a host of policies under consideration, there is no market failure in US railroading. Castigating it may support politically-driven policy, but that policy is woefully misguided.

Ian Jefferies
President and CEO
Association of American Railroads
Washington, DC, US

Social housing zones offer Labour a middle ground

Lex views Labour's plans to force landowners to cut the prices at which they sell land to local authorities for residential development as expropriation ("Labour/houses: crenellations for a nation", Lex, May 31).

However, there is a compromise approach which would avoid expropriation while achieving most of Labour's goals. Legislation could be amended to allow local authorities to compulsorily buy land that it has zoned as social housing at the lower land value commensurate with that use. The landowners who would be required to sell at this price would retain the right to further payments if the land was subsequently used to develop higher value properties such as housing for sale. They could even be granted the right to repurchase the land at the original sale price if not developed within, say, 20 years.

Obviously there is an element of expropriation involved in this approach in the zoning of the land for social housing, but such a decision would be subject to democratic scrutiny and the resulting social housing would help address a desperate shortage.

Having said that, the landowner would receive market price, albeit of land zoned for social housing, which would still be a multiple of its value as agricultural land.

Martin Allen
London N1, UK

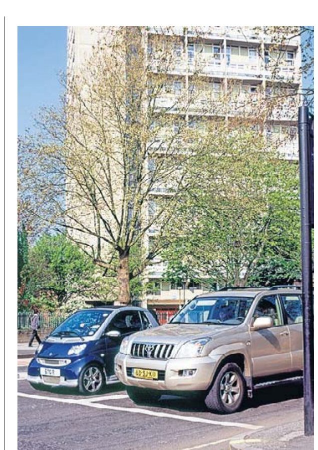
Credit Suisse story shows dangers of social media

Robin Harding's article on Credit Suisse's demise highlights the importance of social media and communications surveillance, particularly in distressed market conditions ("Scary reality of the Credit Suisse horror story", Opinion, May 31). This was already highlighted in the Reddit-fuelled meme stock craze in 2021 with corporates, and recent crises show that financials are no exception.

While Credit Suisse may not have been as weakly positioned on paper as the US banks that collapsed, the confluence of a relatively newly appointed CEO, without the depth of relationships among investors, and a recent history of poor risk management, made it a prime candidate for rapid deposit flight in the event of market distress.

Traditional risk management is fundamental to bank resilience, but firms should be alert to dangers posed by social media accounts of influential investors and message boards that can compound risks during market events.

Milo Brett
London N15, UK



Phasing out the combustion engine will not solve urban mobility issues

Change land use to lessen need for cars — even EVs

Brooke Masters ("Driving an electric car is still a gamble in America", Opinion, May 29) is of course correct: the network of charging stations for EVs needs to vastly expand.

However, that observation raises two larger challenges: the source of the added generating capacity to support these stations and the source of the need for so much mobility. If the answer to the first one is more use of coal and gas-generated power, then that merely intensifies the environmental problem. The sustainable answer is of course a drastic expansion in renewable and nuclear power generation. However, it is not clear that these supply-side responses alone will be adequate to meet the expanding metropolitan demand for ever more mobility.

A comprehensive solution thus requires addressing the second challenge, the need for more mobility. Addressing that will require an extensive reconsideration of our contemporary approach to metropolitan land use planning. Contemporary patterns emerged under an implicit and powerful assumption that inexpensive, albeit environmentally harmful, power sources for mobility were sustainable. That assumption is no longer viable. Even as we phase out internal combustion, we must also rethink the spatial patterns in which our mobility-oriented lives are to be lived.

Urban sustainability, as a matter of mobility, is thus a three-pronged challenge: to expand the use of EVs, expand the use of renewable energy to power them and change land use patterns to lessen the need for EVs.

Elliott Sclar
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Bankruptcy court played its part in opioid case

The Second Circuit's decision to clear the way for Purdue Pharma's settlement to move forward is a rightful win for the court of equity over the court of public opinion (Report, May 31.)

Under the terms of the agreement, the Sacklers, who were not a debtor in Purdue's bankruptcy, agreed to contribute up to $6bn to the bankruptcy estate in exchange for a release of certain claims from Purdue's creditors and claimants affected by their OxyContin business (Lex, May 31). The Second Circuit reversed the decision of the District Court, which previously found that the bankruptcy court didn't have the authority to release the Sacklers.

Coverage of Purdue's bankruptcy and efforts to release the Sacklers from liability surrounding the opioid crisis was deservedly critical, but often glossed over what was actually occurring in the negotiating trenches. Sensational headlines lead to public outrage, misguided policy efforts to dramatically amend the bankruptcy code, and reckless allegations of judicial corruption. Fortunately, courts rely on facts, not public sentiment, and the bankruptcy code has remained intact.

Bankruptcy forces parties to the table and third-party releases can provide an essential incentive to reach a global deal. Over 95 per cent of claimants in Purdue voted in favour of the settlement, including the deal with the Sacklers. As the settlement wove its way through the appellate process, negotiations continued and consensus expanded further. At the time of the Second Circuit's ruling, the only main objector was the US Trustee, a "government entity without a financial stake in the litigation".

No amount of money can truly compensate the individuals and families affected by the opioid crisis. But the bankruptcy court is a court of equity, and its role is to maximise the value of the bankruptcy estate for all creditors and claimants. As noted by the Second Circuit, the court "prioritise[s] fair allocation over the full payment of any one claim".

Ryan Dattilo
Chevy Chase, MD, US

It wouldn't do any harm to ask AI to be nice

Laith Kalai (Letters, May 30) invites "the smartest people in the world" who invented AI "to stop instilling fear and to start proposing realistic solutions".

Would it be realistic to commission AI to set in hand its own unswerving commitment to doing no harm in the world?

Nick Towers
Hampton, Middlesex, UK

China is becoming more hostile to foreign groups

China's recent targeting of foreign consultancies engaged inter alia in the gathering of competitor information and data on industry sectors upends the risk calculus for foreign firms operating in China. ("China is an increasingly hostile place for foreign consultancies", Inside Business, May 24). In addition, the ensuing lack of transparency adversely affects their ability to be competitive vis-à-vis local firms.

China's determination to make itself as opaque as possible by limiting information to foreign entities can be seen in part as an effort to lessen the effectiveness of restrictions by the US and its allies on key sectors of China's development and upgrading.

The western world is already woefully lacking in understanding and insight when it comes to China. These latest steps by China will exacerbate further this deficit on the part of the west. While this deficit can provide China with an advantage in dealing with the west, it also adds to the distrust on the part of the west as to China's intentions and thus exacerbates further the already tense relationship between the two parties.

Professor Louis Brennan
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Perfect storm brewing for commercial real estate

In Alphaville's article "The NYC CRE bloodbath" (May 30), Robin Wigglesworth provides an entertaining perspective on current troubles in the New York City office sector. It is, however, easy to point fingers at others; and doing so makes for a rather convenient distraction from the fact that in the UK, continental Europe and elsewhere, houses are far from in order.

Cheung Kei's Canary Wharf fire sale comes to mind following foreclosures of its Hong Kong assets, including its chairman's homes. So does Blackstone's default on a €531mn loan backed by a Finnish office portfolio and Blackstone, KKR et al, limiting real estate investment trust redemptions.

Ghost towns are the new normal from NYC to the City of London and beyond. Office occupancy rates have hit rock bottom. In the UK, it is reported to be at 35.9 per cent, well below the pre-pandemic forecast of 80 per cent. Germany's Ifo Institute recently reported that on any given day, 12.3 per cent of workplaces remain unused because staff work from home.

The combination of this post-pandemic reality and the shelving of the ECB bazooka (or its equivalent elsewhere) will cause the perfect storm for commercial real estate globally.

Christian Liedtke
Düsseldorf, Germany

Opinion

Europe's new success stories are built on high luxury, not high tech

MARKETS

Ruchir Sharma

European markets have received a big lift from the global boom in luxury sales — a piece of unambiguously good news for the region. Nonetheless this success story also raises a troubling question: has Europe become too reliant on a sector many see as a symbol of decadence?

Contrast Europe to the US where, over the past 12 months, 10 of the biggest tech firms accounted for 65 per cent of stock market returns — which is itself an alarming sign of industry concentration. The similar signs of concentration are even more concerning in Europe. There, 10 of the biggest luxury stocks, from LVMH to Ferrari, have accounted for about 30 per cent of returns — a share unmatched since records began.

Long a source of pride in Europe, the luxury industry took off over the past decade and had its best years ever during the pandemic. Record stimulus added trillions in new wealth, much of it in the hands of the very rich, who spent a good chunk of it on high-end goods.

As a result, Europe is finally making sizeable money from an industry that it has ruled for centuries. Two-thirds of global luxury sales revenues flow to Europe, and now the continent has stock market winners to show for it.

Europe's list of top 10 companies by market capitalisation, which has historically been dominated by banks, utilities and industrial conglomerates, now features four luxury names, up from zero at the start of the 2010s. Its big luxury brands are even more profitable than big US tech, with earnings amounting to nearly 25 per cent of revenue.

This may be a step forward for the luxury industry but it is not so much of one for Europe. Building a knowledge economy on crafts dating back to the 17th century is arguably a backwards move at a time when western capitalism faces weak productivity growth, rising wealth inequality and the conundrum of how to compete and coexist with China.

If it's not clear how much smartphones boost productivity growth, it is safe to say that French perfume and Italian handbags contribute even less. While tech tycoons are subjects of controversy in the US, luxury tycoons are targets of street protests in France. And as the west debates whether to "derisk"

> In an age of wealth inequality, an economy centred on centuries-old crafts is arguably a backwards move

its relationship with China, the European luxury sector is as dependent as ever on Chinese consumers, who now account for about a third of its sales.

As US tech got bigger over the past decade, so did European luxury. Since 2010, the 10 big tech firms have roughly quadrupled their share of the US stock market to nearly 25 per cent. Over the same period, the 10 biggest luxury stocks have roughly tripled their share of the European markets to nearly 15 per cent — with much of that gain over the past year.

In luxury as in tech, power is concentrating at the very top. The top European brands now account for a third of global sales, up from a quarter in 2010. Europe's top four luxury companies, by market cap, are all French: LVMH, L'Oréal, Hermès, and Christian Dior (which is owned by LVMH).

The roots of French dominance lie in a luxury ecosystem that dates to the court of Louis XIV, and a culture of corporate raiding that began with Bernard Arnault. After gaining control of LVMH in 1989, he set out to build the first house of luxury brands through serial acquisitions. Rivals followed his lead. Increasingly, the global luxury industry is based on goods that are still made by small Italian firms but sold by big French conglomerates. Gucci, Bulgari, Fendi — all are Italian brands now under French owners.

While US tech firms overshadow all rivals, the same can be said of French luxury. Among the top luxury firms, the French have annual sales three times higher than the Swiss, more than four times the Americans and Chinese and 12 times the Italians.

In April, LVMH became the first European company to pass the half-trillion-dollar mark. Hermès now has margins over 40 per cent, up from 25 per cent in 2010 and above that of even Microsoft, the most profitable of the big tech firms.

One reason for such high profits is pricing power. Luxury companies serve a clientele that is increasingly price-insensitive. The price of a Chanel handbag has doubled over the past five years to $10,000 — far outpacing the surge in general consumer price inflation seen over that period.

So Europe has finally found a winner, but with an asterisk. Capitalism gains more from competition than concentration. And given the choice between concentration in high tech or high luxury, the answer would be clear. There is something a bit outdated, if not actually decadent, in Europe's luxury-led model.

The writer is chair of Rockefeller International

What the debt ceiling debate missed

Matt Kenyon

BUSINESS

Rana Foroohar

Debt is an everything, everywhere, all at once problem. Both public and private debt has been crucial to growth creation since pretty much the beginning of civilisation. But too much of it (particularly when it's private) slows the economy. The burden of servicing debt depresses real incomes and it also creates greater inequality, since the owners of capital benefit disproportionately as debt tends to fuel higher asset prices — at least until bubbles burst.

We've heard a lot about this topic recently thanks to the wrangling in Washington over the debt ceiling. Republican concerns about US government deficit levels were belied by the fact that they focused so much of their negotiations on highly political issues such as defunding the Internal Revenue Service.

In any case, the areas of the federal budget up for grabs represented only 15 per cent of total spending. The upshot is that instead of federal debt rising to 119 per cent of gross domestic product in a decade, it will rise to 115 per cent.

So far, so small. What got lost in the heat and noise of the debate is that the debt created by the government sector turned into growth in the household sector. This is a point made by former banker Richard Vague, now the Secretary of Banking and Securities for the Commonwealth of Pennsylvania, in his upcoming book *The Paradox of Debt*.

Vague notes that in 2020, during the Covid pandemic, the US federal deficit reached $3tn as the government acted to help rescue America's economy — and to some extent the world's. At the same time the wealth of the country as a whole increased by around $11tn, thanks largely to the fact that the net worth of US households rose by $14.5tn that same year.

In fact, if you look at the full three years of the pandemic from 2019 to 2022, government net worth went down $1.7tn dollars (it was down $6tn at the federal level), while household net worth went up $30.9tn. This is true even when you account for the stock market decline of last year.

Why? Because government debt became household income, as well as rising asset wealth from stocks and home values, which have increased along with debt — public and private — since the 1980s. "Debt is, quite simply, required to create GDP growth," says Vague, who lays out why total debt to GDP ratios in the US, and in all but two of the world's seven largest economies, have risen in tandem since the 1950s.

He refers to this as a "government debt and spending model" in which the benefits of government spending flow to non-financial businesses as well as households. This occurs to varying degrees — in the US for example the benefits go mostly to households, while in Japan they go mostly to non-financial businesses. The notable exceptions to this model are Germany, which relies on trade surpluses to drive growth, and China, where debt from the non-financial sector bolsters household income.

The takeaway is basically that debt begets growth. So then, why worry about it, be it public or private? Because debt also comes with problems.

Problem number one is that rising debt causes inequality to go up. This is because higher asset values are mostly captured by the wealthy. In the US, this has been particularly true since the late 1980s, when financialisation really took off. Even if incomes are rising, you may

> The cycle of debt-driven growth has been with us for a long time. We don't yet know how to go beyond it

get a cost of living crisis (as is evident right now in the US and many other parts of the world) when the price of homes, healthcare or education outpaces wages.

Problem number two is that rising private debt becomes a drag on economies, as household debt servicing becomes an increasing burden for those who are less well off.

The cycle of debt-driven growth has been with us for centuries. Governments use debt to fund wars, and in their aftermath there tends to be a private sector resurgence which leads to greater financial lending. Eventually, there is too much lending, which leads to debt excesses. Those in turn require government bailouts.

It's a process that is not only exhausting, but leads to economic and political fragility — from stock market collapses and housing crises to debt ceiling debacles and popular revolts against the rich.

We don't yet know how to move beyond the cycle of debt-driven growth but Vague offers up thoughts on how to curb the most dangerous debt excesses and prioritise different stakeholders when the inevitable defaults happen. The key lesson is that, in many cases, the speed of a debt run-up matters as much as the total amount of debt itself. He advises policymakers to watch this metric across both the public and private sector.

Debt forgiveness should be thought about less in moral terms than as a practical economic fix. Vague deems jubilees in areas such as student loans and healthcare debt worthy, since they encourage spending. Reducing large trade deficits is another way to deal with debt issues, something that will bolster the arguments from those in the US who want to better balance consumption and production. This goal has been prioritised by both the Trump and Biden White Houses.

Of course, one country's deficit is another nation's surplus. Just as public and private sector lending are intertwined, so is the debt of the US and the world.

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Ukraine's rapid reconstruction will be in the EU's own interest

ECONOMICS

Martin Sandbu

Foremost on the minds of Ukrainians and their friends is the need to win the war. But to delay preparations for what comes afterwards would risk losing the peace. Kyiv is aware of this, and economic plans for a postwar Ukraine are being formulated. The Ukraine recovery conference in London this month will be an opportunity for the country's friends to buy into the plans, metaphorically and literally.

The most ambitious vision involves turning Ukraine into an enabler of Europe's green transition. Carbon-free energy should be a key target for investments in the country's reconstruction, according to Rostyslav Shurma, deputy head of the Ukrainian president's office in charge of economic policy.

With the EU "on the cusp of the green transition", Ukraine offers many advantages, he told me in Kyiv in April: geographical closeness, significant natural resources for renewable energy generation and a nuclear sector that can serve green hydrogen production. Its strong metallurgy tradition and with relatively cheap labour mean it can fill a supply gap in manufacturing and processing as the EU tries to diversify from China. Shurma listed green steel, chemicals and lithium processing as examples.

This vision makes strategic and economic sense for the EU and Ukraine. The relevant competence is there: Ukraine has undoubted nuclear expertise, and it managed to link its electricity grid with the EU's in wartime. Even after Vladimir Putin's campaign to bombard its energy infrastructure, Ukraine is back as a net power exporter to Europe.

Seeing Ukraine as a hub for Europe's green transition would provide the narrative and conceptual coherence required for a wholehearted commitment to the country's reconstruction. Once the immediate drama of war is over — hopefully soon — less of Europe's political attention will focus on Ukraine, to say nothing of a US that may be in the grip of isolationist temptations or worse. The plans afoot in Brussels for a four-year budget support commitment, intended to press Washington into something similar, are welcome.

But there is still no strong political will to mobilise the much larger financial support that reconstruction will require above ordinary budget aid. Without

> To secure long-term backing from corporates and voters, look not to their altruism but to their benefit

confidence in sufficient public funding, private investments will not be forthcoming in the required amounts. (Shurma envisages that 70-80 per cent of total reconstruction spending — more than $400bn in a World Bank-led estimate — will consist of private money.)

So, much as the US saw Marshall aid as the instrument to shape postwar Europe in its image and create new markets for its booming output, Europe today must see Ukraine's rapid recovery as essential to its self-interest. To secure voter and corporate support for strong long-term backing of Ukraine, look not to their altruism but to their benefit from having a supplier of decarbonised energy, a substitute for Chinese green industry supply chains, and a contributor to the hydrogen economy, right on the EU's border and eventually inside it.

This ambition would help to focus the planning and allocation of reconstruction spending, overcome divisions in Ukraine, and between it and its donors over what to finance, and signal to the private sector where the investment opportunities are. If Ukraine is rebuilt at the admittedly higher upfront cost of the most net zero-compatible standards and technologies, as proposed by the German Marshall Fund of the US think-tank and others, EU-based green industry companies would have a ready-made market to scale up in. This should speed up learning curves and cost reductions also for their home markets, and help to keep up or catch up with Chinese competitors faster.

One can legitimately raise questions about these plans, such as the risk of excessive dirigisme in a country working to shed the remnants of its Soviet legacy. But the greater risk would be a lack of top-down direction. Even in the west, the era of leaving things to the market is over. All countries need to find the right government role in directing structural transformation.

Another question is whether this is too ambitious and long term to meet Ukraine's more urgent needs. The more reason to agree the direction now, so Kyiv can invite investors to propose projects for pre-clearance, so as to start building as soon as security allows. Economic predictability, meanwhile, requires support ranging from war insurance to security guarantees and boosting Ukrainian air power.

Ukraine's military prowess, its diplomatic agility and the west's unity in its support have all outperformed expectations. Their economic statecraft must now do the same.

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The world's trading system needs to ditch its paper trail

Chris Southworth

We think of the world today as a digital one. But right now the global trading system is suffocating under a mountain of billions of paper documents. It doesn't need to be that way.

A recent Trade Barometer survey by Santander UK found 35 per cent of UK companies trading internationally say bureaucracy is a barrier to their business overseas. At the same time, 65 per cent said they will remove paper as soon as laws enable them to do so.

Currently, a trade transaction can require up to 40 different paper-based trade documents, many of which ask for the same information over and over again. The process is slow and costly and can take up to two to three months to complete.

As Commonwealth trade ministers gather in London this week, it is a golden moment to reform laws and digitalise trade across the Commonwealth. According to the Commonwealth's own business case, this would deliver $1.2tn in economic growth by 2026. It would also reduce trade transaction costs by 80 per cent and enable more SMEs to participate. If combined with customs digitalisation, this number increases to $2tn, the equivalent to the Commonwealth's trade target by 2030.

Globally, we need to stop thinking about documents and start thinking about how to use data and technology more effectively. By simplifying the system and removing all the duplicative information requirements, there is real potential to remove swaths of paperwork

> A transaction can require up to 40 different documents, many asking for the same information

completely. After years of advocacy by the International Chamber of Commerce, alongside organisations such as the Bankers Association for Finance and Trade, the UN, WTO, as well the UK government and others such as Singapore, we are seeing progress. Paper is falling out of use everywhere.

In the UK, the electronic trade documents bill, currently completing its legislative journey, will remove all requirements to use paper trade documentation from this autumn. This includes 80 per cent of bills of lading worldwide.

Legal barriers are being removed across 50 per cent of world trade. France, Germany, the US and UK will have removed all legal barriers by the end of this year. The ICC is expecting 90 per cent of world trade to be on a path to digitalisation from February 2024. This is too good an opportunity to pass up for the Commonwealth, who all share the same trade laws.

We have significantly underestimated just how many companies want to ditch paper. Several test projects over the past 12 months have delivered between 40 per cent and 90 per cent efficiency gains and cost savings, enabling companies to increase the speed and flow of their international trade.

This matters for all trading companies, but for some, such as those trading in perishable goods or just in time delivery systems, it really matters. In both examples, goods need to cross borders swiftly and without delay.

It's not just about trade, either. The electronic trade documents bill will enable new financial instruments such as electronic promissory notes (ePNs) to exchange money in far shorter timeframes to help drive local enterprise and growth. A recent Lloyds Bank pilot testing the use of these ePNs on a domestic land sale delivered an 88 per cent efficiency gain and all the associated cost reductions this brings.

While free trade agreements win headlines and are important to enabling barrier-free trade, the economic gains they offer are dwarfed by the opportunity presented by removing paper and digitalising trade. This is our chance to radically upgrade how the UK trades with her international partners, all at once.

This week we expect Commonwealth trade ministers to launch a programme of reforming laws and digitalise trade. We are truly on the cusp of a new trade revolution.

The writer is secretary-general of the International Chamber of Commerce, United Kingdom

Help is at hand
Could a virtual PA be the answer to annoying life admin?
WORK & CAREERS

The dismal truth about office email

Pilita Clark
Business Life

Kenneth Andersson

When it comes to office tedium, I had thought there was little left to say about the draining, unkillable cockroach of the internet that is work email.

I discovered last week there was, when a friend at work told me how thrilled her 10-year-old was to have his first email account. "He gets unbelievably excited whenever a new mail lands in his inbox," she said. Most came from her or his teacher, but he counted them as they arrived and had just announced he had a whole 175.

As I absorbed the poignant thought of how soon his joy would turn to dread in the face of groaning inbox overload, my friend said: "Guess how many emails I have. Unread."

"100,000?" I said, certain she would have fewer than my own 120,000. "No," she said. "300,000." When I told a colleague at work about this, he said it was nothing because he had more than 500,000. Assuming journalists were at special risk of inundation, I asked an investor I saw the next day how many unread emails she had. "More than 400,000," she said, wincing.

Like the rest of us, she had given up trying to combat a ceaseless digital bombardment. As a senior member of her firm, she was copied into endless internal dross, while unwanted external bilge washed in from all manner of marketers, promoters and pitchers.

When I mentioned this to another colleague last week, he said he was thinking of doing something I have been considering myself: setting a permanent out-of-office message to warn that due to email deluge I may not reply any time soon.

And this is just email, which US workers were checking for more than three hours a day in 2019. Add in the nonstop pings from Slack, Teams, G-chat or WhatsApp, and it is a wonder anyone gets anything of importance done ever.

Some messages are of course necessary, as are some of the online meetings and calls that have surged since the pandemic began. But we have reached the point where the benefits of communication are being outweighed by a dispiriting loss of production.

> **We've reached the point where the benefits of communication are being outweighed by a dispiriting loss of production**

This was confirmed by a Microsoft report last month that found workers around the world are struggling to keep up with a "crush of data, information and always-on communications".

The research showed people are spending 57 per cent of their workday on email, meetings and other communication but just 43 per cent on productive creation. According to Microsoft, a large investor in generative artificial intelligence, the solution to this dilemma is, incredibly, artificial intelligence. The tech giant claims AI will free stressed employees from time-sucking drudgery and unleash their creativity.

Maybe. But it will take much more than that. For a start, employees need to stop thinking the remorseless advice on "productivity hacks" will help. You can do as much email filtering, subscription blocking and notification stopping as you like, but it will never fix your overload problem because it's not you causing it.

Rather, it stems from organisations that adopt layer after layer of communication technologies without thinking about how it affects their wider aims — or the productivity and mental energy of their employees.

I have come across very few companies like GitLab, a software group with detailed guidelines on when to use email, Slack or something else for various tasks.

It did this out of need: it has long had to corral a large remote workforce. But its efforts to avoid what it calls "the chaotic splintering of communication" that bedevils larger organisations apply widely. It is heartening to see a company such as Germany's VW try measures such as switching off access to emails outside normal work hours, even if they are tricky to implement in practice.

I also like the step by the Daimler German car group to allow employees to use settings that automatically delete incoming emails while they are on holiday. The spread of right-to-disconnect policies that limit work contact out of hours is also welcome.

But it is the way we do work in-hours that needs attention. Until that is fixed, we are doomed to endure office life that will always be a grinding, frustrating shadow of what it could be.

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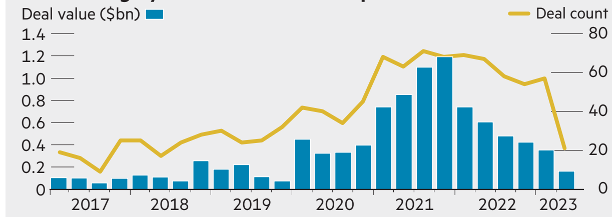
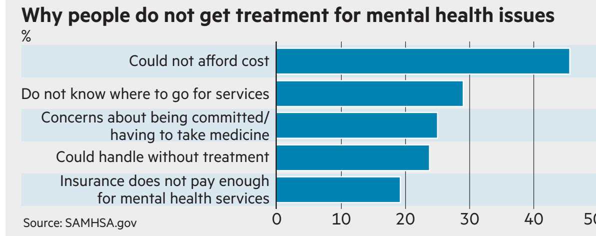
Lex.

Mental health apps: AI not AOK



Source: PitchBook



Source: SAMHSA.gov

Generative artificial intelligence impresses users with its ability to answer online queries convincingly. Could the nascent technology assist or replace human therapists in helping people overcome mental illness?

About one in five US adults suffers from mental health problems. Roughly one in 20 has a serious mental illness. But a shortage of mental health professionals, long waiting lists and high costs mean many people never get the care they need.

Some Americans have reported experimenting with the ChatGPT chatbot as an unofficial therapist. The tech has clear potential to provide a "listening service". This could expand the franchise of mental health apps, which are booming. But unsupervised GAI "self-medication" could be very dangerous, mental health practitioners warn. It could, for example, convince users that delusions were real or low self-esteem was justified.

Money is pouring into mental health apps. Mental health tech groups have raised nearly $8bn since the start of 2020, says PitchBook. The category includes meditation apps such as Calm and Headspace. Their tools can produce mental health benefits but are no substitute for therapy.

Telehealth companies such as Talkspace and Amwell, meanwhile, connect users to therapists online. They have been criticised for not having enough qualified professionals to meet demand. Talkspace and Amwell have shed about 90 per cent of their market value since going public in 2020.

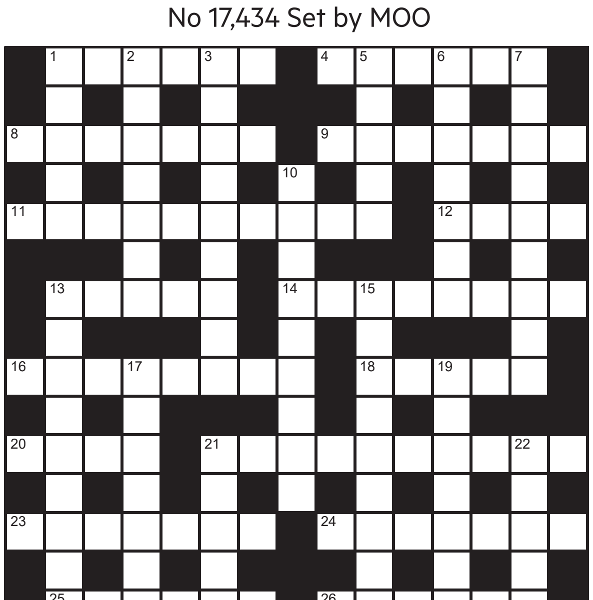
Many mental health apps already use AI at some level. An example is Woebot. This chatbot aims to deliver cognitive behavioural therapy via brief, daily conversations. Most of Woebot's conversations are pre-written by trained clinicians.

Proponents of generative AI chatbots say they could produce dynamic conversations indistinguishable from a dialogue with another human. The technology plainly cannot do this at the moment. It is not even clear whether existing mental health apps help many users. Unsupervised generative AI could actively harm them. No one should risk their mental stability with ad hoc experimentation.

Investors have a corresponding duty of care. They should only put money into apps overseen by responsible physicians and that are seeking regulatory approval as healthcare devices. The medical principle "do no harm" applies.

CROSSWORD

No 17,434 Set by MOO



ACROSS

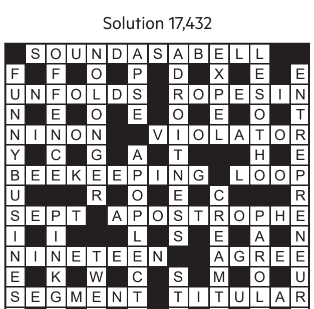
1 Trialled international edition (6)
4 Son clowns about for judge (6)
8 Acknowledgement it's right to hold article back (7)
9 Prominent female ready to accept overseas cash (7)
11 Still writing stuff for the *Herald*? (10)
12 Impatient to find silver and turn back (4)
13 Phrase that is translated (2,3)
14 Falling for a belly button adornment? (8)
16 Hannibal imprisoning ancient city scholar (8)
18 More trouble, billions unaccounted for (5)
20 The language of echoing Zulu drums (4)
21 Criminal, in our view, is without defence (10)
23 F for fool (7)
24 Criticise beer served in Olympic venue (3,4)
25 With head sacked, bank's activity is coming to a close (6)
26 Solicitor having breakfast in pub? (6)

DOWN

1 Crime that puzzles us each day? (5)
2 In retrospect, recognise a danger (7)
3 One using foreign oil expert (9)
5 Instigator of Starmer's right-wing plot (5)
6 Take a look at East Ender's tipple (7)
7 Rupert Murdoch guzzling daughter's drink (9)
10 Wine from eastern US? That's unusual (9)
13 I suspect British trainee is drunk (9)
15 Bootlegged whiskey the stuff of fantasy? (9)
17 Crazy old rocker welcoming cry of pain (7)
19 A suspended sentence? (7)
21 One American writer, or two? (5)
22 Complete madman losing head (5)

JOTTER PAD

Solution 17,432



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