FINANCIAL TIMES

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The US economy's delicate balancing act
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Trump and Johnson put rule of law on trial
GIDEON RACHMAN, PAGE 15

JPMorgan settles Epstein lawsuit for up to $290mn

- Sex offender was client for 15 years
- Further legal challenge outstanding

JOSHUA FRANKLIN — NEW YORK
JOE MILLER — LONDON

JPMorgan Chase has agreed to pay up to $290mn to settle one of two lawsuits over its 15-year relationship with Jeffrey Epstein, in which the bank was accused of profiting from human trafficking by ignoring multiple internal warnings about its former client's sex crimes.

The agreement came just hours after a federal judge ruled that the case, originally brought by an Epstein accuser under the pseudonym Jane Doe, would be widened to include dozens of women who claim to have been abused by the disgraced financier. The total size of the group who will share the payout exceeds 150 victims, a lawyer for Doe said.

JPMorgan has not admitted any liability. It declined to comment on the size of the payout, which was confirmed by Doe's lawyers. The settlement has yet to be approved by a federal court.

The settlement brings JPMorgan one step closer to drawing a line under the two perilous proceedings, which generated unflattering headlines for the biggest US bank and embarrassed some of its most senior executives.

It comes almost a month after Deutsche Bank, which took on Epstein as a client in 2013 after JPMorgan terminated its relationship with the late convicted sex offender, agreed to pay up to $75mn to settle a similar lawsuit on behalf of dozens of alleged victims.

JPMorgan still faces allegations in a separate legal challenge from the US Virgin Islands, where Epstein had a home. The bank is also in the process of suing Jes Staley, one of its former senior executives, to make him liable for damages it may face over the Epstein claims.

"Taken together or individually, the historic recoveries from the banks who provided financial services to Jeffrey Epstein, speak for themselves," said David Boies, a lawyer for the accusers. "It has taken a long time, too long, but today is a great day for Jeffrey Epstein survivors."

JPMorgan said the settlement was "in the best interests of all parties, especially the survivors who were the victims of Epstein's terrible abuse".

It added that "any association with [Epstein] was a mistake and we regret it. We would never have continued to do business with him if we believed he was using our bank in any way to help commit heinous crimes."

The pre-trial process led to troves of internal communications at JPMorgan being made public, including an email in which a compliance official said there was "lots of smoke, lots of questions" about Epstein, and one in which the financier was referred to as a "Sugar Daddy!" for young women.

Court filings also revealed that employees at JPMorgan, where Epstein began banking in 1998, were aware by July 2006 that he had been arrested in Florida, and had discussed his 2008 guilty plea to a state charge of soliciting a minor, as well as the requirement that he register as a sex offender.

JPMorgan chief Jamie Dimon last month sat for seven hours of testimony about the bank's ties to Epstein. There was no record of Dimon interacting with Epstein, but one message by a JPMorgan employee contained a reference to a "Dimon review" into the bank's relationship with Epstein. The bank denied Dimon had knowledge of such a review.

Seat of power Berlusconi dies at 86, leaving big questions for Meloni's rightwing coalition

Fabio Frustaci/Eidon/ROPI

Italian former prime minister Silvio Berlusconi has died aged 86, marking the end of a controversial career that ranged from billionaire media magnate to trailblazing populist.

As Italy's longest-serving postwar leader, he led the country for almost a decade in total, marked by criminal investigations into his business affairs and sex scandals.

Even towards the end of his life he was active in Italian politics, playing a leading role in the crisis that brought down Mario Draghi's government last year, before helping to form Giorgia Meloni's ruling coalition.

Berlusconi's death, which comes months after it was revealed that he had leukaemia, raises questions about the division of power within Meloni's rightwing coalition, as well as the future of his Forza Italia party, given the lack of a clear successor. "The party cannot survive the end of Berlusconi," said political scientist Giovanni Orsina.

His longstanding friendship with Vladimir Putin proved to be a liability for Meloni's government. Russia's president yesterday said: "For me, Silvio was a dear and true friend. I was always sincerely in awe of his wisdom."

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Briefing

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UBS has announced the exit of five key executives hours after the takeover closed. Departures include chief financial officer Dixit Joshi.— PAGE 5

▸ Sunak and Johnson clash
Rishi Sunak and Boris Johnson have traded recriminations in the spat between the UK premier and the ex-leader.— PAGE 4; FT VIEW, PAGE 14; GIDEON RACHMAN, PAGE 15

▸ Lithuania warns Nato
Foreign minister Gabrielius Landsbergis has said the alliance needs to boost Baltic defence plans as Russia prepares to send nuclear arms to Belarus.— PAGE 2

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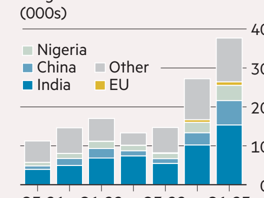
Datawatch

Staying on
UK graduate route visa issuance (000s)



Source: Home Office; excludes dependents

The number of work visas granted to those in the UK on student visas who opted after graduating to extend their stay — the so-called graduate route — more than doubled in the past year. Chinese and Indians are particularly keen

Overseas investors lose enthusiasm for China tech

Foreign investors are getting cold feet about the China tech scene. Venture capital giant Sequoia Capital last week became the latest group to shiver over rising Beijing-Washington tensions, unveiling a plan to split off its China arm. A weak economic recovery is not helping, with the result that even profitable big names like Tencent and Alibaba have lost their allure. 'China is getting cancelled and the economy is a dumpster fire,' says one analyst.

China 'cancelled' ▸ PAGE 7

Netherlands plans to screen students from China over national security risks

ANDY BOUNDS — BRUSSELS

The Dutch government plans to vet international students after universities barred some Chinese postgraduates from top technology degrees over fears they could be a risk to national security.

Education minister Robbert Dijkgraaf said he was investigating how many students were funded by the state-run Chinese Scholarship Council after several universities started excluding them.

Recipients of Chinese grants have to swear allegiance to the Communist party, return to China within two years of completing their studies and report to the Chinese embassy in the country where they study.

It is the latest sign of a stricter stance by EU countries concerned by security threats from Beijing after decades of openness. Dijkgraaf told the Financial Times he shared the fears of universities. "In general, the targeted use of grant programmes to obtain high-quality knowledge and technology for the state is undesirable. I have set up a study to see how many CSC researchers there are in the Netherlands and in which fields they are active."

He said he would report to parliament this year and was preparing a Knowledge Security Screening law. "The risk areas — sensitive technologies — are currently being mapped out."

Dijkgraaf added that there was no specific policy "to exclude Chinese students . . . or to discourage co-operation with Chinese institutes or researchers in sensitive fields".

However, The Hague has come under pressure from Washington to restrict the transfer of advanced technology to China. It has announced that the most advanced silicon chipmaking machines from manufacturer ASML would require an export licence.

Liesje Schreinemacher, Dutch trade minister, said China might try to skirt controls by procuring the knowledge from Dutch universities instead. "If you want a certain technology, you first try to buy the technology. If that doesn't work, you try to invest. If that doesn't work, you send people to the technology institutions to get the technology or to get the knowledge of that technology."

Robert-Jan Smits, president of Eindhoven university of technology, said: "Gradually, all Dutch universities will reduce the number of students from China."

China's foreign ministry said it hoped that the situation would not be "politicised and stigmatised".

World Markets

STOCK MARKETS

	Jun 12	Prev	%chg
S&P 500	4313.79	4298.86	0.35
Nasdaq Composite	13360.39	13259.14	0.76
Dow Jones Ind	33925.36	33876.78	0.14
FTSEurofirst 300	1821.50	1819.53	0.11
Euro Stoxx 50	4314.83	4289.79	0.58
FTSE 100	7570.69	7562.36	0.11
FTSE All-Share	4140.42	4133.32	0.17
CAC 40	7250.35	7213.14	0.52
Xetra Dax	16097.87	15949.84	0.93
Nikkei	32434.00	32265.17	0.52
Hang Seng	19404.31	19389.95	0.07
MSCI World $	2885.63	2882.13	0.12
MSCI EM $	1002.33	994.08	0.83
MSCI ACWI $	667.08	665.76	0.20
FT Wilshire 2500	5565.27	5563.14	0.04
FT Wilshire 5000	43402.30	43392.20	0.02

CURRENCIES

Pair	Jun 12	Prev	Pair	Jun 12	Prev
$/€	1.075	1.076	€/$	0.930	0.930
$/£	1.251	1.258	£/$	0.799	0.795
£/€	0.859	0.855	€/£	1.164	1.170
¥/$	139.625	139.375	¥/€	150.062	149.925
¥/£	174.671	175.341	£ index	81.544	81.218
SFr/€	0.977	0.970	SFr/£	1.138	1.135

CRYPTO

	Jun 12	Prev	%chg
Bitcoin ($)	25898.80	26050.05	-0.58
Ethereum	1736.46	1767.07	-1.73

COMMODITIES

	Jun 12	Prev	%chg
Oil WTI $	67.93	70.17	-3.19
Oil Brent $	72.64	74.79	-2.87
Gold $	1960.30	1966.40	-0.31

GOVERNMENT BONDS

Yield (%)	Jun 12	Prev	Chg
US 2 yr	4.61	4.60	0.01
US 10 yr	3.78	3.74	0.04
US 30 yr	3.92	3.89	0.04
UK 2 yr	4.63	4.55	0.08
UK 10 yr	4.44	4.34	0.10
UK 30 yr	4.53	4.44	0.10
JPN 2 yr	-0.08	-0.07	-0.01
JPN 10 yr	0.42	0.43	-0.01
JPN 30 yr	1.26	1.26	0.00
GER 2 yr	2.90	2.91	-0.01
GER 10 yr	2.39	2.37	0.01
GER 30 yr	2.55	2.53	0.02

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INTERNATIONAL

Russia threat

Nato urged to reinforce Baltic defences

Lithuania asks for help as Moscow plans to deploy nuclear weapons nearby

RICHARD MILNE
NORDIC AND BALTIC CORRESPONDENT

Nato needs to improve its defence plans for the Baltic countries, especially as Russia prepares to send nuclear weapons into neighbouring Belarus, Lithuania's foreign minister has said.

Gabrielius Landsbergis, whose country will host next month's Nato summit, said that while there was sufficient planning in place for crises, Nato needed to do more against Russia's continued threats against its neighbours on the alliance's eastern flank.

Russian president Vladimir Putin said at the weekend that nuclear weapons would be moved to Belarus in early July, and some officials in the Baltics believe they could be paraded there during Nato's Vilnius summit.

"The Baltic states have to be reinforced. Lithuania has to be reinforced because we have a vulnerable territory," Landsbergis said.

Improving the defence of the three Baltic states, illegally annexed to the Soviet Union after the second world war, is one of the main topics of Nato's Vilnius summit on July 11-12.

Nato has positioned multinational battalions in each of the Baltic states and is discussing how to raise the number of troops and equipment in Estonia, Latvia, Lithuania and other frontline countries such as Poland. The multinational battalion in Lithuania is led by Germany, and Vilnius is trying to entice more German troops by building extra barracks and infrastructure. However, Germany has until now tried to keep most of its troops based at home and earmarked for Lithuania if needed.

> 'The question is what do you do in peacetime? What kind of message do you send to Putin?'

The alliance has also developed new plans, shared with the Baltic states, which Vilnius judged to be satisfactory for how they deal with a stepping up of tensions up to a full-scale war. But Landsbergis said that while the plans were useful in case of a crisis, they did not account for situations such as now, when Russia was continuing to pose security threats to the Baltic nations.

"The question is what do you do in peacetime? What kind of message do you send to Putin? Unfortunately, we don't have a message yet."

Lithuania believes it is vulnerable in the so-called Suwalki Gap, the 100km-wide border between it and Poland that is squeezed between Russia's exclave of Kaliningrad and Belarus.

"The Suwalki Gap, if that's lost, it changes a lot. The Baltic countries can't be left as they are," said Landsbergis.

Lithuania's premier Ingrida Šimonytė, who local officials have touted as a potential next head of Nato, has said that the path of Russian tanks to Lithuania is shorter because of military integration between Russia and Belarus.

Estonia's premier Kaja Kallas said last year that Nato's previous defence plans would have let Russia invade the Baltic states before liberating them within 180 days, adding that this would have meant the "complete destruction of countries and our culture" as Tallinn and other cities would be "wiped off the map".

Nato said it did not comment on "operational details" but "strengthening deterrence and defence" was a priority.

Estonia's foreign minister Margus Tsahkna added that the new plans needed "to be backed with real capabilities" such as more troops and pre-placed equipment.

Islamic republic: Economic headwinds

Sanctions put the brake on Iran's car industry

Shortages of parts and soaring prices hit supplies to country's biggest non-energy sector

NAJMEH BOZORGMEHR — TEHRAN

Iran's authorities were confident that the country's car industry would prove a bastion of economic resilience against the sweeping US sanctions imposed after Tehran's nuclear deal with world powers collapsed.

But hopes that imports from countries such as China would compensate for the impact of the US curbs have not been realised. The plunging rial and shrinking state revenues have created a widespread shortage of crucial materials and a sudden increase in prices, which have hit the industry hard and scuppered the hopes of would-be car owners.

"I can't even think of it for the rest of my life," said Mohammad Reza, a construction worker who had been saving for years to buy a Pride, Iran's cheapest car. "Before it was difficult, now it's impossible."

Iran's car industry is the country's largest sector outside oil and gas, accounting for 4 per cent of gross domestic product and employing about 500,000. It was a major beneficiary of the optimism that followed the 2015 nuclear accord, as foreign companies, notably from France, began exploring the country's market.

But the sanctions that were imposed in 2018 when Donald Trump, the then US president, pulled his country from the nuclear deal, ended that by devastating Iran's economy, particularly its motor industry.

The French companies that had jumped into the market began to pull out. PSA cancelled production deals totalling €700mn, while Renault abandoned a plan to lift output to 350,000 vehicles a year.

The industry initially sought to fill the gap with domestic production and imports from China. Iran continued to produce some Peugeot models, with half the parts sourced from the Chinese market, according to one industry executive.

But carmakers still have been unable to meet demand at a reasonable cost. Production reached 1.5mn units in 2017, one of the highest levels ever, but from there the number fell below 1mn annually.

Stalled: a Saipa vehicle factory in Tehran. Iran's car sector employs about 500,000 but has been hard hit by sanctions — Borna News/Farzam Saleh/Iran Images/ATP Images/Getty Images

"As long as US sanctions continue, the gap between supply and demand will remain wide," said Siamak Ghassemi, managing director of Tehran-based consultancy Bamdad Institute.

The cheapest unused locally made Peugeot 206 model on sale in a Tehran showroom this month cost IR5.2bn ($10,800), some 15 times higher in rial terms than in May 2018, when sanctions were imposed, and 5.5 times more than the average annual wage of labourers in Iran.

In an attempt to curb prices, Tehran has revised its own ban on car imports. It recently allowed in a limited number of new vehicles from China and is considering whether to permit the import of second-hand cars.

Iran's defence industry did step in to produce some components, such as airbags and electronic control units, boosting production to 1.2mn vehicles in the most recent Iranian year that ended in March. Prices have also fallen slightly over the past two months as supply subsequently increased. But such are the shortages that those with money to spend are limited to unused older models made by popular global vehicle brands, albeit offered at astronomical prices.

One Tehran showroom was selling an unused 2017 Mercedes-Benz E 200 class for IR170bn, about six times the price of this year's model in western markets.

Even used foreign cars fetch premium prices. "Iran is perhaps the only country in the world where you buy a car, drive it for 100,000km for years and then sell it for double, triple or even quadruple the original price," said a western diplomat in Tehran.

Some Iranians see buying a car that can at least hold its value as a way to insulate their savings against inflation, which stands at 49 per cent, say analysts. The rial has lost more than a third of its value over the past year.

Many have put their savings in special bank accounts set up by the government to support domestic industries, including the car sector. Savers register their intention to purchase a product and successful applicants are chosen at random in the style of a lottery. It is unclear how long customers generally wait before being able to buy a car from a local manufacturer such as Iran Khodro or Saipa. The companies declined to give details of their output or comment on any production problems.

> 'How can an Iranian carmaker make profits and provide after-sale services when the country is fighting with other countries all the time?'

Analysts have suggested that the crisis in key industries such as the car sector could prompt the Islamic republic to seek at least a temporary new nuclear agreement with the US to ease the economic pressure.

Saeed Laylaz, an analyst specialising in Iran's political economy, did not rule out such a deal but said the country's isolation would remain a problem for the car industry.

"How can an Iranian carmaker make profits and provide after-sale services when the country is fighting with other countries all the time?" he said.

"Politics have overshadowed the economy. The car industry can only thrive if it can increase production beyond Iran's market, and that needs a change of attitude in foreign policy."

Post-Brexit trade

EU electric vehicle groups call for tariffs delay on exports to UK

ANDY BOUNDS — BRUSSELS

European carmakers have warned that they stand to lose €4.3bn and will have to cut production by almost 500,000 electric vehicles unless Brussels agrees to delay the imposition of tariffs between the EU and the UK.

The European Automobile Manufacturers Association (Acea), an industry group, said China would be the biggest beneficiary if the EU did not agree to a British request to push the changes back from 2024 until 2027.

From next January, electric vehicles shipped between the UK and EU face 10 per cent tariffs unless at least 45 per cent of their parts by value are sourced from within the two regions, under terms set out in the post-Brexit Trade and Cooperation Agreement.

Acea argues that the industry needs more time to wean itself off batteries that are still imported from China, South Korea or Japan, despite a push to build factories in Europe.

"Money is being spent to support electrification and the building of a European supply chain is accelerating. But it needs time. We've all been too optimistic," Sigrid de Vries, director-general of Acea, said. "We're not asking to change the TCA . . . we need more time."

She said the group estimated that EU-based companies would pay €4.3bn in tariffs and lose sales between 2024 and 2027, resulting in about 500,000 fewer vehicles being made. "The UK is the number one export market for European carmakers. A quarter of EVs go to the UK," she said.

Maroš Šefčovič, EU commissioner for UK relations, said in May that the bloc would not budge as it wanted to encourage carmakers to invest in domestic battery-making capacity. But he has asked Acea to submit evidence of the likely damage to the industry.

The commission said it had "taken note of Acea's estimates" but defended the TCA rules as a means to "develop a strong and resilient battery value chain in the EU", adding: "Any issues regarding the TCA and its operation can be raised by either side in the bodies that were set up by the TCA."

De Vries pointed out that the US had also offered vast subsidies to vehicle producers to make batteries and electric models as part of President Joe Biden's $370bn Inflation Reduction Act, making Europe a less attractive option.

Investment plans in Europe have also been hit by Russia's invasion of Ukraine, which increased energy and raw material prices, and the lockdowns that disrupted supply chains.

Without a postponement, China would be the big winner, De Vries said. Models made there were paying tariffs but could already undercut EU rivals, which have a higher cost of production and less access to the critical raw materials used in batteries, she said. In the UK, Chinese-made vehicles accounted for a third of EV purchases in 2022, 15 times the proportion in 2020.

"You are giving China sales by levying these tariffs. Lost market share is very hard to get back," De Vries said.

UK ministers have held talks with EU counterparts and stress privately that a postponement would benefit London and Brussels.

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Sport

Match-fixing scandal echoes around China's snooker halls

THOMAS HALE AND WANG XUEQIAO
SHANGHAI
OLIVER BARNES — LONDON

At Star Billiards, a cue sports venue in the Workers Cultural Palace of Shanghai's Changning District, a scandal unfolding several thousand miles away feels uncomfortably close to home.

Snooker's top authority last week banned 10 UK-based Chinese players, including leading talents Liang Wenbo and Yan Bingtao, for their involvement in a match-fixing scandal. "Many of us here are fans of these players," said Ding, who runs Billiards and only gave his surname. "We are repulsed by this incident. We all feel this is a great pity."

With thousands of snooker halls, China now accounts for an estimated 50mn recreational players and a quarter of the world's top 100 players, compared with none a few decades ago.

The scandal raises questions for the industry and could threaten its popularity in China, which is responsible for 30 per cent of snooker's global revenues across events and broadcasting. The "video views [in China] are in the billions, not the millions", said Jason Ferguson, chair of the World Professional Billiards and Snooker Association, the governing body, and a former professional player.

Any fall in active Chinese players could have commercial implications, said Mark Thomas, an analyst at S2M Consulting, a Chinese sports consultancy. "That means there'll be less Chinese involvement, which will probably mean less media interest, which means if there's less media interest, there's less sponsorship, there's less advertising revenue," he said.

Snooker gained momentum in China in the early 2000s, propelled by stars such as Ding Junhui, who contested a memorable Masters final in 2007 against Ronnie O'Sullivan. The 2016 World Championship, in which he reached the final, attracted 300mn viewers globally, more than two-thirds of them in China.

The match-fixing scandal emerged after suspicious betting activity last year prompted authorities to investigate. The WPBSA, which oversaw a detailed report, noted that the Chinese players, a "close-knit group", were based in Sheffield to participate in international competitions and had been unable to return home during the pandemic.

Some players did not earn money unless they won matches, a system that is now under review. The players were isolated, under financial pressure from travel expenses, living costs and their own "ill-judged gambling and betting habits", the report said.

The Chinese Billiards and Snooker Association had already banned six players from domestic competitions in December for the incident, adding that it "firmly opposes match fixing, gambling and other acts that violate sports integrity and ethics". It promised to mete out further punishment following the WPBSA investigation.

Liang Wenbo: one of 10 UK-based Chinese players who are now banned

The scandal highlights the sport's exposure to international gambling networks that have distorted competitions from tennis to basketball.

Although the players in question received match-fixing fees of several thousand pounds, they facilitated larger and ultimately unknowable flows of money behind the scenes.

"This is not a snooker problem, neither is it a Chinese problem — it is a global issue in all sports," said Ferguson. "It's not going to go away, it's a fight that is ongoing. Probably no amount of education whatsoever would have stopped these players falling into that trap."

At a recent tournament at Star Billiards, players vied for a prize pot of Rmb14,700 ($2,060) in the kind of grassroots event that could for many participants be the first step on a ladder to international glory.

"I hope this will pass as soon as possible," said Ding, the Star Billiards boss. "From Ding Junhui to so many players nowadays, reaching that level of development is not easy."

Scottish ‘home of golf’ takes swing at sport’s Saudi merger

People in St Andrews unimpressed by tie-up that hands Riyadh huge clout

Rory McIlroy at the Open, St Andrews, last year. Below, Seve Ballesteros lifts the Claret Jug in 1984
Warren Little/Getty Images

LUKANYO MNYANDA — ST ANDREWS

As he prepared to tee off at the historic Old Course in St Andrews, the Scottish town known as the “home of golf”, Dominic Clemons was still digesting the shock tie-up that has handed Saudi Arabia enormous sway over the future of the professional game.

“I feel sorry for the guys who were loyal,” said the 20-year-old, referring to the players who resisted the hundreds of millions of dollars offered by LIV Golf, the oil-funded upstart launched in 2021 to shake up the ancient game, in favour of preserving its traditions.

The arrival of LIV Golf, backed by Saudi Arabia’s $650bn sovereign wealth fund, threw the elite level of the sport into unprecedented turmoil, as some of its biggest names signed up for the fortunes on offer.

Tiger Woods, one of golf’s most bankable stars, reportedly turned down a huge sum to join, but other leading players, including Phil Mickelson, Dustin Johnson and Brooks Koepka, signed up. Recriminations and lawsuits followed as the US PGA Tour and its European counterpart banned the rebels from their competitions.

Then, out of the blue last week, a deal was announced to combine the commercial activities of the US and European tours with LIV Golf, with the new entity chaired by Saudi powerbroker Yasir al-Rumayyan and bankrolled by the kingdom’s petrodollars.

The news left many complaining of a takeover by Saudi Arabia’s Public Investment Fund rather than a commercial merger, although the PGA Tour will hold a majority of the voting rights.

The audacious Saudi move underscored how professional golf has become a global sport, hugely popular in the US and much of Europe, growing fast in Asia and played by hundreds of millions with little or no connection to its origins in Scotland.

But it remains an important part of the Scottish identity, particularly in St Andrews, a quaint east coast town where golf was first played during the Middle Ages and which lays claim to having the oldest course in the world.

The flagship Old Course — the town has six others — has hosted the Open, one of golf’s four “majors”, 30 times, more than any other, and legends such as Jack Nicklaus, Seve Ballesteros and Woods have all navigated its feared 17th “road hole” to lift the famous Claret Jug.

Few in St Andrews were willing to give the sport’s new Saudi Arabian co-owner the benefit of the doubt. Gary Maxwell of Glasgow-based Ideal Executive Travel, who was showing clients round the town, struggled to reconcile the previous positions taken by the sport’s US and European bosses, that LIV Golf was an existential threat, with their sudden embrace of the organisation.

He concluded the merger was “for money and money alone”, adding: “I’m not overly keen on it. Golf should stay with its traditions.”

The PIF does have ambitious plans, as it seeks to gain acceptance of LIV Golf’s team-based format and marry it with the commercial appeal of the PGA Tour, which boasts blue-chip sponsorships and lucrative broadcast deals. The details will be thrashed out in the coming weeks, but the PIF could pump about $3bn into the new entity, people familiar with the matter admitted.

The Saudi golf drive comes less than two years after the PIF took a majority stake in English Premier League football club Newcastle United. That deal sparked accusations from human rights organisations that its vast sums were being used to soften the image of a country accused of human rights abuses.

The “sportswashing” label has been revived since the golf merger by those who say Riyadh is again using its wealth to buy up prestigious assets in an attempt to improve its image, this time on an even bigger scale. Moraig Orton, 78, a St Andrews local who first picked up a golf club when she was a child, said recent events had reinforced her view the professional sport had abandoned its roots. “Golf . . . has lost the idea of being everyone’s game.”

Two other golfers, both members of an “80-plus ladies club”, were more forthright in their disapproval. “It’s a shame if the Saudis take it over,” said one, who preferred not to be named. “Saudi Arabia’s history with human rights is just not good. St Andrews is inclusive of all genders and ethnic groups.”

Neil Coulson, chief executive of the St Andrews Links Trust, which runs the town’s seven courses, declined to comment on the merger, other than to say he welcomed “initiatives which develop and promote participation and growth of the game”.

But the shake-up was hailed by the organisation that runs courses owned by former US president Donald Trump, including Trump Turnberry in Ayrshire, on Scotland’s west coast. Sarah Malone, executive vice-president for Trump International Golf Scotland, called it “the best news to come out of the golf world for a long time”.

> ‘Golf . . . has lost the idea of being everyone’s game’
>
> Moraig Orton, below

It was not a view shared by Rebecca Roberts, who was visiting the Old Course to support her son Matt, a top amateur golfer who was preparing to play in the St Andrews Links Trophy tournament.

She was left pondering how the LIV Golf merger would shape the future of the game, particularly the repercussions for young golfers who have witnessed large rewards going to those who had initially decided to jump ship.

“You make a decision to walk away for financial gain . . . and then you’re the one sitting pretty,” she said. “I’m not sure this portrays the right message to the younger generation.”

Additional reporting by Samuel Agini

INTERNATIONAL

Peerage nominees

Sunak rejects Johnson's version of honours list spat

UK premier 'didn't think it right' to overturn names blocked by House of Lords

JIM PICKARD, GEORGE PARKER AND LUCY FISHER

Rishi Sunak and Boris Johnson traded recriminations yesterday as the row between the UK prime minister and former prime minister over the latter's resignation honours list worsened.

Sunak claimed Johnson had asked him to interfere and wave a long list of his allies through to the UK's unelected second chamber, to which Johnson retorted angrily that Sunak was "talking rubbish".

Addressing the row head-on, Sunak said Johnson had asked him to reverse a decision by the House of Lords appointment committee to block some of the names Johnson proposed to put forward for peerages.

"When it comes to honours and Boris Johnson, Boris Johnson asked me to do something that I wasn't prepared to do because I didn't think it was right, either to over-rule the Holac committee or make promises to people," Sunak said.

Holac has confirmed it rejected eight peerage nominees put forward in Johnson's resignation honours, which were announced on Friday. Johnson's supporters have claimed Sunak broke a promise to wave through the entire list, a charge denied by Downing Street.

"I wasn't prepared to do that because I didn't think that was right," Sunak said yesterday. "And if people don't like that, then tough. When I got this job I said I was going to do things differently because I was going to change politics."

Johnson hit back: "Rishi Sunak is talking rubbish. To honour these peerages it was not necessary to over-rule Holac — but simply to ask them to renew their vetting, which was a mere formality."

Responding to Johnson's comments, Downing Street said it was "not going to get into more detail".

Two former MPs who had expected to receive peerages from Johnson, Nadine Dorries and Nigel Adams, have quit parliament, prompting imminent by-elections.

Johnson quit as an MP on Friday night ahead of publication of a report by the cross-party House of Commons privileges committee that is expected to criticise him heavily for misleading parliament when he said he did not know about parties held in Number 10 during lockdowns.

The committee was meeting yesterday to finalise its report into whether Johnson lied to parliament over the partygate affair, amid heightened security arrangement for its members.

Johnson called the committee, which has a Tory majority, a "kangaroo court" and also claimed that he was the victim of "a witch hunt" in his resignation statement.

The committee's report is expected to be released this week. Johnson's decision to step down will trigger a by-election in his west London constituency.

Labour is confident of winning in Uxbridge, where Johnson had a majority of 7,210 at the last election, but Adams's Selby seat in Yorkshire will be harder for Labour: the Tories won that seat with a 20,137 majority last time.

The Liberal Democrats, meanwhile, are pouring their efforts into Dorries's Mid Bedfordshire seat, where the Tories are defending a 24,664 majority.

See FT View

Obituary Media tycoon whose spells as Italy PM were marred by scandal

Silvio Berlusconi
Politician and businessman
1936-2023

Clockwise, from main: Silvio Berlusconi on the set of his commercial TV network Canale 5 in 1986; at football club AC Milan with his family in 1992; and in the Senate, Rome, two years later
Frederic Meylan/Sygma; Franco Origlia; Livio Anticoli/Gamma-Rapho, all via Getty Images

Silvio Berlusconi, the former Italian prime minister who has died at the age of 86, was a billionaire business tycoon turned politician who exploited his personal wealth, reputation and influence over the media to acquire and wield power in a manner that defied the conventions of western democracy.

Like Donald Trump and others who came after him, he had millions of adoring supporters, and numerous critics outraged by what they considered his scandalous behaviour as a public figure and disregard for the law.

Berlusconi held the premiership for a total of nine years, making him the longest-serving prime minister of postwar Italy. For this reason he bears an inescapable, though not exclusive, responsibility for the national economic decline and sometimes deplorable standards of public life that coincided with his two decades at the very top of politics.

He did not launch his political career until January 1994 when he was 57 and best known as a sharp-witted entrepreneur who had made a fortune out of property and television. A mere two months later, leading a party he had created and named Forza Italia ("Come on, Italy") after a football fans' chant, he profited from the collapse of a discredited party system and swept to victory in the general election of March 1994.

A chaotic seven-month spell as prime minister ended with his resignation amid a judicial inquiry into his business affairs. However, Berlusconi bounced back in 2001 with an election triumph, followed by a five-year term as premier.

He won a third election victory in 2008 but fell from power in 2011, at the height of the eurozone's sovereign debt crisis, in a manoeuvre orchestrated by his domestic and European opponents. Like the financial markets, they were deeply troubled by his refusal, or inability, to implement economic reforms necessary to avoid contagion from other stricken eurozone states.

Throughout these years, Italian prosecutors launched hundreds of investigations into his business affairs. They sought to convict him on charges ranging from tax fraud and false accounting to bribery of judges and illegal political party financing. Until 2013 Berlusconi, who denounced his pursuers as leftwing conspirators, was never found definitively guilty in all his many trials. In that year, however, Italy's highest court upheld his conviction for tax fraud, which prompted his expulsion from the Senate, parliament's upper house.

In a separate case, Berlusconi was convicted in 2015 of bribing a senator to switch political parties, a criminal offence that had helped to bring down Romano Prodi's centre-left government seven years earlier. Despite his legal troubles and the decline of Forza Italia, Berlusconi remained active in politics. He was elected, at 82, to the European parliament in May 2019.

He backed the formation of a national unity government under former European Central Bank president Mario Draghi in February 2021, as the pandemic struck Italy. But he joined his conservative allies in pulling the plug on Draghi's government in July 2022, a step that forced Italy into snap elections.

The rightwing coalition that won the elections and formed the new government was dominated by Giorgia Meloni and her Brothers of Italy party. The junior role that fell to Berlusconi and Forza Italia wounded his pride, and frictions were evident with Meloni, the new prime minister and a figure whom many view as Berlusconi's political heir.

Berlusconi's occasional public outbursts expressing enthusiasm for Russian president Vladimir Putin and disdain for Ukraine were an embarrassment for Meloni, who was at pains to keep Italy aligned with its western allies in support of Ukraine's war of self-defence against Putin's invasion.

By this time Berlusconi's finances, like his political fortunes, were in decline, although Forbes magazine estimated shortly before his death that his net worth still amounted to about $7bn.

Berlusconi's domination of Italian politics foreshadowed the rise in democracies of other rich businessmen who combined a rightwing message with defiance of the legal system, such as Trump, the former US president, and former Czech premier Andrej Babiš.

Yet Berlusconi's record as prime minister was a disappointment, insofar as he failed to revive Italy's stagnant economy and spent too much time passing laws to protect his business interests and obstruct the efforts of magistrates to put him on trial. Moreover, he never appeared to understand why his two roles as Italy's most powerful commercial TV mogul and premier represented a glaring conflict of interests.

In foreign policy he won the gratitude of George W Bush, US president, for defying domestic public opinion and sending Italian troops to Iraq after the US-led invasion of March 2003. But he was often on bad terms with France and Germany, Italy's closest allies in Europe. He caused astonishment in July 2003 when, in remarks to the European parliament, he likened Martin Schulz, a German legislator, to a Nazi concentration camp guard.

Even his friends acknowledged he fitted no recognisable mould as a public figure. "The truth is that Berlusconi is not a political animal," Fedele Confalonieri, chair of Mediaset, Berlusconi's media company, said in 1994. "He's utopian. In another time and place he could have been an enlightened monarch. But as a democratic politician, he's decidedly anomalous."

The son of a bank employee, Berlusconi was born into a modest middle-class Milan family on September 29 1936. He was educated at a Roman Catholic boarding school where he displayed precocious entrepreneurial gifts by completing his classmates' homework for a fee. He graduated in law from Milan university and, after a spell as a singer on cruise ships, went into business in the 1960s with a series of real estate projects that flourished in line with Italy's then booming economy.

By the mid-1980s, Berlusconi had emerged as Italy's leading commercial TV operator, partly by exploiting his friendship with Bettino Craxi, a socialist prime minister who later fled to Tunisia after being convicted of corruption.

Berlusconi's combination of quiz shows, Hollywood films and light programming for housewives, threaded with advertisements and in evening prime time with scantily clad hostesses, proved a winning formula. He might never have entered politics, had it not been for the scandals that erupted in 1992 and destroyed the Christian Democrat and Socialist parties by sparking judicial probes that revealed a political establishment riddled with corruption.

In a footballing metaphor typical of Berlusconi, whose love for the sport caused him to buy AC Milan in 1986, he joked: "I heard that the game was getting dangerous, and that it was all being played in the two penalty areas, with the midfield being left desolately empty."

> 'In another time he could have been an enlightened monarch. But as a democratic politician, he's decidedly anomalous'

His answer was to fill the gap on the centre-right with Forza Italia. Berlusconi's 1994, 2001 and 2008 election victories demonstrated his flair for projecting himself as a rich, successful genius who, in office, would deliver a miracle. The reality was different, however.

Berlusconi's final premiership degenerated into squalid farce amid revelations of "bunga bunga" sex parties and dalliances with women a quarter his age. He was convicted, but later exonerated, of charges that he had paid for sex with a teenage Moroccan-born belly-dancer, known by her stage name as "Ruby the heart-stealer". Veronica Lario, his second wife, divorced him. She is the mother of three of Berlusconi's children. With his first wife, Carla Dall'Oglio, he had two children.

Critics saw Berlusconi as a dangerous man who had used his wealth to buy power and manipulate the political and judicial processes. He saw himself as a self-made man who had never lost the common touch, and as a freedom and free-market competition crusader who defined western civilisation.

Tony Barber

Additional reporting by Amy Kazmin

Market reaction

Nigeria's economic reform plan cheers investors

AANU ADEOYE — LAGOS
JONATHAN WHEATLEY — LONDON

Early moves by Nigeria's new president to put the country on a more orthodox economic trajectory sparked a positive response from investors and markets yesterday, with borrowing costs for Africa's most populous country falling.

Bola Tinubu late on Friday suspended Godwin Emefiele, central bank governor since 2014, citing an "investigation and the planned reforms in the financial sector". Emefiele, later detained by Nigeria's intelligence agency, pursued a policy at the central bank of spending large amounts of the country's foreign reserves to prop up the naira.

This followed the decision by Tinubu, who took office last month, to scrap the fuel subsidies that cost Nigeria more than $10bn last year. The IMF and the World Bank had long urged Abuja to end the subsidies and instead channel the money into health and education.

Analysts said Tinubu's moves suggested a change of direction for the battered economy, which stagnated under his predecessor, Muhammadu Buhari.

"The markets are getting everything they hoped for from the change of president in Nigeria," said Charlie Robertson, head of macro strategy at FIM Partners, an asset management firm.

Kevin Daly, investment director at EM specialist asset manager Abrdn, said talk of changes to Nigeria's foreign exchange system had been "another trigger for a big rally in Nigerian bonds".

Nigerian eurobonds maturing in 2051 were 3.8 per cent higher, at 73.8 cents in the dollar yesterday, the strongest level since January.

"It's been a long time since we had positive reform momentum in Nigeria and we're seeing it now," Daly said.

But, he added, investors still had to be convinced by Tinubu, who promised in his inauguration speech to keep interest rates low. "We've seen how that played out in Turkey," Daly added. "You can't start talking rates down until there's a meaningful decline in inflation." Annual inflation was 22.22 per cent in April.

There are concerns that Emefiele's removal threatens the central bank's independence.

Cheta Nwanze, a partner at the Lagos-based consultancy SBM Intelligence, said the manner of Emefiele's exit was "fraught with illegality".

"The central bank act doesn't quite give the president the powers he has just exercised," he said. "Another layer of instability has become entrenched in Nigeria's political economy."

Power sharing

Romanian premier steps aside in coalition deal

MARTON DUNAI — BUDAPEST

Romania's centre-right prime minister Nicolae Ciucă stepped down yesterday, handing over his post to the Social Democrats, as part of a power-sharing deal agreed in late 2021.

His departure, which was delayed by several weeks because of a strike by teachers, is most likely to usher in Social Democrat party leader Marcel Ciolacu as premier once the parties agree on a roster of ministers.

"Our objective is to have a new government sworn in by Thursday so that we can continue . . . to handle the priorities," Ciucă said.

The two former rivals formed a grand coalition two years ago, which includes the ethnic Hungarian UDMR party, following a rapid succession of unstable governments that plunged the country into a political crisis during the Covid-19 pandemic.

To stabilise the political landscape, the centre-right National Liberal party and the Social Democrats agreed to join forces and swap leadership midway through the term, with elections expected in the second half of 2024. Former army general Ciucă took the helm first.

Russia's invasion of Ukraine last year solidified the coalition, which held together despite decades of bad blood between centre-right and centre-left.

The changeover, originally due on May 25, was delayed as thousands of teachers went on strike to demand higher wages, a request to which the government acceded yesterday.

The new cabinet could face more unrest over public sector pay demands — a difficult tightrope to walk as Bucharest is struggling to keep spending down and enact economic reforms in order to meet Brussels' criteria for EU post-pandemic recovery funds.

Ciolacu has backed the coalition even after next year's election, as a guarantee of political stability. Romania has had 11 prime ministers since joining the EU in 2007.

UDMR threatened to leave the coalition yesterday unless it received leading ministries — particularly the one responsible for distributing billions in development funds, according to party chair Hunor Kelemen. But the liberals and social democrats have a comfortable majority without the UDMR.

Romania's power-sharing agreement was replicated last month by neighbouring Bulgaria, where feuding parties formed a coalition to end a two-year political logjam that led to five elections.

Mergers on way Wall Street 'oracle' Whitney says several US regional banks will become attractive acquisition targets ➔ COMPANIES

Companies & Markets

Top leaders at Credit Suisse quit after UBS seals takeover

- CFO among five key exits announced
- Job cuts programme set to continue

OWEN WALKER — LONDON

UBS has announced the departure of five of the most senior Credit Suisse executives just hours after sealing the official takeover of its Swiss rival.

Among those leaving are Dixit Joshi, chief financial officer, Markus Diethelm, general counsel, Edwin Low, head of the Asia-Pacific region, David Miller, co-head of the investment bank, and Ken Pang, co-head of markets.

The exits were disclosed in an internal memo seen by the Financial Times and confirmed by UBS, which also revealed that Francesco De Ferrari, who had run Credit Suisse's wealth management arm, would become an adviser to UBS wealth head Iqbal Khan.

> 'We cannot cling to old rivalries or be distracted by the integration and external pressures'

"The acquisition of Credit Suisse by UBS has now legally closed, marking a historic moment for both banks," wrote Ulrich Körner, who has stayed on as chief executive of Credit Suisse, which will be run as a subsidiary of UBS during the integration.

UBS's rescue of Credit Suisse, engineered by Swiss authorities three months ago, was completed yesterday. The takeover is the most complicated bank merger since the financial crisis.

Speaking to Swiss television, UBS chief executive Sergio Ermotti said that 10 per cent of Credit Suisse's workforce had left in recent months.

Further job cuts are expected in the coming weeks, with Credit Suisse's investment bank and its domestic business — should it be retained by UBS — set to bear the brunt of redundancies.

To limit its risk from the transaction, UBS has set out almost two-dozen "red lines" for Credit Suisse staff to follow, which restrict certain activities such as bringing on new clients from high-risk countries or offering complex financial products.

UBS executives fear they are taking on a bank that has traditionally been much more willing to accept risky clients and offer them high-stakes products.

"We are worried about 'cultural contamination'," UBS chair Colm Kelleher said last month. "We are going to have an incredibly high bar for who we bring into UBS."

Among other Credit Suisse executives who have secured roles at UBS are Joanne Hannaford, former chief technology and operations officer, and former Credit Suisse chief risk officer David Wildermuth, who has been named chief risk officer for the Americas.

Michael Ebert, who co-led Credit Suisse's investment bank with Miller, has been made sole head of the business as well as head of the Americas for UBS's investment bank.

Four Credit Suisse executives — head of HR Christine Graeff, Swiss bank head André Helfenstein, chief operating officer Francesca McDonagh, and chief compliance officer Nita Patel — have retained their roles.

"While the transaction has closed, the most crucial phase is just beginning," wrote Kelleher and Ermotti in a separate email to staff yesterday. "We cannot cling to old rivalries, or be distracted by the integration and external pressures."

In a further email to UBS's wealth management staff seen by the FT, Khan said Yves-Alain Sommerhalder would run Credit Suisse's wealth arm, while former Credit Suisse executive Jin Yee Young had returned, having joined Deutsche Bank at the start of the year, to be co-head of wealth management in Asia-Pacific.

Gig is up EU agreement puts Deliveroo and Uber on notice over worker protection rules

Riding solo: a Deliveroo employee in Rennes, north-west France, negotiates traffic — Quentin Vernault/Hans Lucas

IAN JOHNSTON AND JAVIER ESPINOZA
BRUSSELS

EU member states have reached a long-awaited agreement on rules that pave the way to give greater employment protection to the bloc's 28mn gig economy workers.

The agreement yesterday on industry rules could eventually allow workers, including Uber drivers and food delivery riders, to receive social security and other benefits. The deal unlocks drawn-out negotiations among the 27 member states.

"The gig economy has brought many benefits to our lives, but this must not come at the expense of workers' rights," said Paulina Brandberg, the Swedish minister for gender equality and working life who chaired discussions in Luxembourg.

"The council's approach strikes a good balance between protecting workers and providing legal certainty for the platforms that employ them," she added.

Most of the workers at companies such as Deliveroo are registered as self-employed. Under the proposals agreed by the European Council, companies that control workers' hours, what they wear at work and restrict whether they can accept or turn down work will have to class them as employees and shoulder the costs.

The deal also includes the first EU rules on the use of artificial intelligence in the workplace, with companies obliged to guarantee human oversight of their automated monitoring and decision-making systems.

Member states will now engage in discussions on the proposals with the European parliament, with time running out to secure the package before the end of the EU's legislative cycle in summer 2024.

The European parliament has adopted a position that would classify gig workers as employees under fewer conditions than the council position.

The "employee" definition has huge implications for companies such as Uber and Deliveroo. The more workers registered as employees rather than as self-employed, the more these companies will be liable to pay for employment benefits such as parental leave and social security.

As a result, the text has been one of the most heavily lobbied in Brussels in recent years, according to MEPs and diplomats. Chief executives, including Uber boss Dara Khosrowshahi, and Markus Villig, head of ride-hailing rival Bolt, this month warned in a letter to the Financial Times that employment conditions would take away couriers' independence.

"The text voted today does not provide the legal certainty needed to guarantee that the genuine self-employed will not be forced into employment," Uber said yesterday.

Fox warns Carlson to halt videos on Twitter

ANNA NICOLAOU — NEW YORK

Fox has sent Tucker Carlson a 'cease and desist' letter over videos he is posting to Twitter, according to his lawyer, in an escalation of tensions between the rightwing media star and his former employer.

Carlson had been among the most popular anchors on Fox News, the conservative news and commentary television channel, before he was abruptly fired in April. His exit came in the wake of the company's $787.5mn settlement with voting company Dominion over its role in airing conspiracy theories about alleged fraud in the US presidential election. His exit has shaken up a US conservative media landscape long dominated by Fox.

He last month announced plans to relaunch his show on Twitter, a point of contention with Fox as the two sides battle over the details of his contract. According to Carlson's lawyers, any non-compete provision was no longer valid because Fox had previously breached his contract.

Harmeet Dhillon, a lawyer representing Carlson, said: "Doubling down on the most catastrophic programming decision in the history of the cable news industry, Fox is now demanding that Tucker Carlson be silent until after the 2024 election" in the US.

Fox News did not respond to a request for comment.

Carlson last week posted two "episodes" to Twitter, which were monologues each about 10 minutes long.

Last month he alluded to his exit from Fox, warning his followers on Twitter that journalists face limits at established media groups and that breaching them too often results in being sacked.

He said: "What's it like to work in a system like that? After more than 30 years in the middle of it we could tell you stories. The best you could hope for in the news business at this point is the freedom to tell the fullest truth that you can.

"But there are always limits. And you know that if you bump up against those limits often enough, you will be fired for it," he added.

Fox fired Carlson partly because of private messages he had sent, which were made public in legal filings in recent months, according to people briefed on his exit. Some of the messages showed Carlson criticising Fox's management.

Opioid victims fear pain of junior creditor status at Mallinckrodt

INSIDE BUSINESS
AMERICAS
Sujeet Indap

It is common for senior creditors of a distressed company to object when a cheque is about to be mailed out to parties ranking lower in the priority of payouts.

Those junior claims are likely soon to be worthless and it is argued that the cash out the door really should stay within the company, reserved for top creditors who eventually become the owners in a restructuring.

But what happens when those junior creditors are not aggressive hedge funds but rather victims of the US opioid crisis? Last week pharma company Mallinckrodt wrote in a regulatory filing that its lenders and bondholders had asked the board to consider alternatives to making a mid-June, $200mn payment to a trust that paid out to parties allegedly harmed by opioids manufactured and marketed by Mallinckrodt.

In total, the company is to pay $1.725bn through to the end of 2028. The trust and schedule were created as part of a global settlement enacted last year after Mallinckrodt had filed for bankruptcy in 2020 in order to sort out its financial troubles and legal liabilities.

But since its reorganisation, the business has struggled under a pile of $3.5bn of expensive debt. The separate trust payments are unsecured and ranked junior to Mallinckrodt's loans and bonds in the creditor structure. Some holders of that debt do not want any "leakage" of cash prior to another company restructuring inside or outside bankruptcy court.

In a May letter written to the company board seen by the FT and first reported on by Bloomberg, lawyers for opioid victims warned the company about reneging on its obligations. "Does Mallinckrodt — do you — really want to short-change its (and your) opioid human victims and deny them the relief promised and so desperately needed. If so, to what end? To save the business for your secured debt holders? If you embark down the path that has been publicly discussed, you will have blood on your hands."

Companies facing so-called mass tort liabilities — usually from defective or dangerous product that harmed thousands of victims — have increasingly turned to the US bankruptcy court. US law has there proved to be an efficient, if controversial, method for resolving disputes, allowing victims to get their economic redress while letting underlying businesses escape endless litigation.

> 'Does Mallinckrodt really want to short-change its opioid human victims and deny them the relief promised?'

The Mallinckrodt bankruptcy deal was consensually settled among thousands of parties — US states and municipalities, victims, as well the typical holders of leveraged loans and junk bonds.

Mallinckrodt's rapid unravelling can be attributed to both misfortune of underperforming business and misguided confidence that there could be enough money in the pot to minimise the pain on both financial creditors and victims of wrongdoing.

When Mallinckrodt was trying to clinch its restructuring in 2021, it wrote in court papers that its case was the "first ever reorganisation of a defendant in the nationwide opioid litigation that will not come to be owned by opioid claimant trusts".

The deal cut its debt load by only $1.3bn — junior bondholders took new equity while senior creditors got new or reinstated debt in the NewCo. Mallinckrodt agreed to fund the opioid trust over eight years and also separately set up a schedule to pay the US Department of Justice and others $260mn over several years related to a kickback and rebate scandal over the drug Acthar Gel.

In financial projections built in 2021 during the bankruptcy, the company expected it would reach operating cash flow of around $830mn in both 2022 and 2023. In 2022, Mallinckrodt hit just $675mn with the company forecasting as little as $510mn in 2023.

Worse yet, interest expense because of spiking interest rates has further hurt cash flow. The consequence is that there is simply not enough money to satisfy the obligations to the opioid trust.

In a March research note, analysts at CreditSights said that the opioid settlement as an unsecured obligation would "arguably be dischargeable in a bankruptcy". But should senior creditors attempt such a gambit, it would not be so straightforward. "[Given] the highly politicised nature of the opioid epidemic and the unpredictability of bankruptcy, generally, Mallinckrodt may not be able to easily jettison this liability in a future bankruptcy."

Chapter 22 cases — where a company comes out of Chapter 11 but then its recovery plan fails — typically elicit feelings of embarrassment and ignominy. Anger and anguish will mark this one if opioid victims suffer further.

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COMPANIES & MARKETS

Mining

Glencore in cash swoop for Teck arm

Move would create coal mining business with few rivals in scale anywhere

HARRY DEMPSEY AND LESLIE HOOK
LONDON

Swiss mining and trading group Glencore wants to purchase the coal business of Teck Resources for cash, the latest twist in one of the mining industry's biggest takeover battles in a decade.

Under the new proposal, Glencore will buy Teck's steelmaking coal business for an undisclosed valuation and then spin out a new company combining its own coal and Teck's coal assets one or two years later.

That would create a coal mining group with few rivals in scale anywhere, producing just over 100mn tonnes of thermal coal and 30mn tonnes of steelmaking coal a year.

The proposal marks the first time that Glencore — the most profitable coal mining company — has publicly outlined how it would spin out its coal business even in the absence of a full acquisition of Teck Resources, which has so far rebuffed multiple takeover offers.

Glencore had previously offered to pay up to $8.2bn in cash for Teck's coal business as part of its broader proposal to buy all of Teck Resources in a $23bn cash-and-share deal.

Teck's coal business, which includes four metallurgical coal mines in Canada's British Columbia, previously had an implied valuation of just over C$11bn (US$8.2bn) as part of an investment agreement struck earlier this year

> The unit had an implied valuation of $8.2bn as part of an investment deal this year with Nippon Steel

with Nippon Steel, which aims to take a 10 per cent stake in the business.

Glencore made an unsolicited offer in April for the entirety of the Canadian group — including its copper and zinc mines across the Americas.

Under that proposal, it planned to split the combined companies' assets after the merger, ultimately creating a metals mining and trading business and a separately listed coal business.

Teck said it was engaging with Glencore to discuss the potential coal deal but noted that Glencore's was just "one of a number" of proposals under consideration.

The Canadian mining group has been working on finding a simpler way to separate its coal business from its metals business after shareholders balked at its complex original proposal to separate the two companies.

Canadian mining investor Pierre Lassonde said in May that he was assembling a consortium of investors to bid for Teck's coal business, without disclosing further details.

Glencore said it "remains willing to pursue" its original offer to buy the whole company, despite Teck twice rebuffing approaches.

Glencore's pursuit of Teck has been complicated by the Canadian group's dual-class share structure. Norman Keevil, a Canadian who in effect controls the company through supervoting class A shares, has staunchly opposed the deal.

Glencore chief executive Gary Nagle said in May that buying only Teck's coal business would be a "distant second" in terms of benefits that could be achieved by merging.

See Lex

Technology

Ex-Samsung figure accused of attempting to build China copycat plant

CHRISTIAN DAVIES AND SONG JUNG-A
SEOUL

A former executive at Samsung Electronics has been arrested and indicted in South Korea for allegedly stealing the leading chipmaker's technology to build a copycat plant in China.

The indictment of the 65-year-old Korean national, who had also served as a vice-president at rival Korean chipmaker SK Hynix, comes as South Korea tries to beef up its defences against a concerted push by Chinese groups to get cutting-edge Korean technologies.

According to a statement released by Korean prosecutors yesterday, the former Samsung executive, who has not been named, illegally acquired information needed to build advanced chipmaking facilities.

His plan, said prosecutors, was to replicate a semiconductor factory just 1.5km away from Samsung's memory-chip plant in Xi'an in western China.

"This is not a simple semiconductor tech leak but an attempt to copy a whole chip plant," the Suwon District Prosecutors' Office said in a statement.

The former executive hired about 200 workers from Samsung and SK Hynix for a company he set up in Chengdu in China's Sichuan province. They were allegedly tasked with acquiring trade secrets from their former employers, costing Samsung an estimated $230mn, according to the indictment.

"Samsung strictly forbids outsiders from entering its chip plants because the factory design and its equipment layout are closely related to productivity and product quality," said Lee Dong-hwan, a former state investigator now working as a patent attorney at WeFocus, a Seoul-based law firm.

He added that there was no way for the company to prevent tech leaks if a senior executive with good access to information intentionally gave it to Chinese competitors.

Samsung Electronics and SK Hynix, two of the world's leading memory-chip makers, both have plants in China. Their technologies are regarded by industry experts as more advanced than those of their leading Chinese competitors.

Last year, the US government gave the Korean companies a one-year reprieve from export controls that were designed to reduce China's ability to develop high-end chips. The Financial Times reported last month that Washington had signalled it would extend permission for them to send US chipmaking tools to China for at least another year.

Among the trade secrets the former executive is alleged to have stolen was information relating to keeping impurities out of advanced chip plants, and the floor plans and dimensions necessary for several processes in advanced chipmaking technologies.

But his plan fell apart after he failed to secure a $6.2bn investment allegedly promised by an unnamed Taiwanese group for a company he set up in Singapore. Instead, he raised just over $350mn from Chinese investors to produce trial products from a plant in Chengdu. The Chengdu plant's construction was also based on technology stolen from Samsung, prosecutors said.

Six other people were also indicted yesterday as part of the same case, including the employee of a Samsung subcontractor and five employees of the executive's Chinese chipmaking company.

Interview. Meredith Whitney

Wall Street 'oracle' projects wave of bank mergers

Head of advice boutique who called financial crisis cites threats to regional lenders

STEPHEN GANDEL — NEW YORK

Meredith Whitney, once dubbed "The Oracle of Wall Street" for predicting the financial crisis, is relaunching her firm at a time when she projects that, once again, a large number of banks may disappear.

Whitney said a combination of headwinds, including the US housing market and new bank regulation, would make it harder for many regional banks to survive on their own. This would weigh on their stock prices and make them attractive acquisition targets.

"There are good reasons investors don't want to be in bank stocks right now," Whitney told the Financial Times. "There will be many fewer banks."

Whitney's eponymous research boutique specialises in covering bank stocks, but also writes thematic pieces about the economy.

It began offering access to individual investors for $257 a month earlier this month. Whitney said she would offer more bespoke research to a limited number of clients for higher fees.

She projects a wave of mergers that will cull the ranks of midsized lenders, especially in areas of the country such as Texas that are continuing to show economic growth. "There are a lot of headwinds facing the regional banks right now," said Whitney. "Just don't know the type of loan pressure they are going to be under and also the capital requirements they may face."

Whitney rose to fame following the financial crisis for her prescient call on the housing bubble and how it would cause significant problems for the nation's biggest banks.

She is best known for warning in the autumn of 2007, almost a year before the crisis, that Citigroup, then the largest bank in the US, was headed for bankruptcy. Within months, Citi's then chief executive Chuck Prince was gone and the company was bailed out in 2008. Its shares plunged more than 95 per cent during the next two years. A decade and a half later, Citi's shares have still yet to fully recover.

Few of Whitney's other public investment calls since have seemed as seerlike. In 2011, she projected highly indebted cities and other local governments, and rising pension obligations, would cause a crash in the muni bond

Shortly after Meredith Whitney warned in 2007 that Citi was headed for bankruptcy, its boss was gone and it was bailed out — Wesley Mann/August Image

market that has never materialised. Whitney opened a hedge fund in 2013 that closed about two years later after poor performance.

She thinks the large banks are generally in good financial shape and says they have the financial wherewithal to swallow the cost of new regulations.

"Large banks are sitting in a very good position," she said. "They have more than enough deposits so they don't face the same pressure as regional banks."

She thinks that if there is a recession, it will be mild. Her biggest call since relaunching her firm has been on the US housing market, which she thinks will enter a prolonged slump, but not a crash.

"The foundation for consumer banking is housing, and so I am not worried about the economy because homeowners have a lot of wealth in their houses right now," said Whitney. "Over the near and medium term, things are great."

Whitney said the US housing market benefited from having less leverage than it did in 2007, with the average US homeowner owning a mortgage that was just 30 per cent of the value of their house. That meant that few homebuyers would find themselves in a situation where they owed more than their house was worth, and either be forced to sell or go into foreclosure.

Whitney projects US housing prices will fall by about 2 per cent to 3 per cent at most during the next five years.

She is also sanguine about commercial real estate. Questioning the productivity of remote work, she thinks

> 'Just don't know the type of loan pressure they are going to be under and the capital requirements they may face'

employers will increasingly require their staff to return to the office, reversing the recent drop in the value of office buildings and other properties in city centres.

She thinks the regional banking crisis is over, even if the economics are still stacked against many smaller institutions. "Silicon Valley Bank and the others that have failed — I look at those as unforced errors," said Whitney.

"The banks reported decent first-quarter earnings and the market is not telling you that other banks have made similar mistakes."

Since pausing her research firm nearly a decade ago, Whitney has taken a number of roles at start-ups, none of which have lasted long.

Most recently, she joined buzzy fertility care start-up Kindbody as chief financial officer in April 2021.

She lasted just 11 months in the position, but has remained an adviser to the company, which earlier this year landed another $100mn in financing.

Whitney declined to say why she left the role after less than a year.

"I stopped writing about banks a decade ago because banks had become boring," said Whitney.

"Now I have more than enough to write about. The banks are interesting again."

Healthcare

Illumina chief quits after Icahn proxy fight

JAMIE SMYTH — NEW YORK

Illumina chief executive Francis deSouza has resigned following a bruising proxy battle with activist Carl Icahn over the future of the biggest gene sequencing company.

Illumina said on Sunday that the company's board of directors had accepted deSouza's immediate resignation and begun a search for a replacement. DeSouza would stay on in an advisory capacity until July 31, said the company.

Illumina said Charles Dadswell, a senior vice-president and general counsel at the company, has been named interim chief executive.

The resignation of deSouza, who was appointed chief executive in 2016, follows the departure last month of Illumina chair John Thompson, who was ousted in a shareholder vote following a proxy campaign by Icahn.

The 87-year-old activist investor led a shareholder campaign that focused on Illumina's "reckless decision" to close its $8bn acquisition of cancer test developer Grail in 2021 against the wishes of EU and US antitrust regulators.

Icahn, who has a 1.4 per cent stake in Illumina, said it was "inexplicable and unforgivable" that the board led by Thompson went ahead with the deal without ascertaining whether it would get clearance from EU regulators.

Icahn had called on Illumina's board to fire deSouza, saying he had masterminded a "Hail Mary" power grab by acquiring Grail and allowing the core business to deteriorate.

He also alleged most of Illumina's directors were handpicked by deSouza — a claim the company denied.

DeSouza survived the leadership vote on May 25, receiving 71 per cent support from shareholders. But the proxy battle weakened his position, and he began negotiations with the company last week on his exit, according to sources with knowledge of the talks. Illumina said there was no severance payment associated with the resignation.

The Grail acquisition has plunged Illumina into years-long legal battles with antitrust regulators in Brussels and Washington at a time when its core business is under pressure from new entrants to gene sequencing.

In December, Brussels ordered Illumina to divest Grail and is planning to issue a fine of up to $453mn for "gun jumping". The US Federal Trade Commission has also ordered Illumina to divest Grail. Illumina is appealing against both regulators' orders.

Illumina's market capitalisation has plunged from $75bn in August 2021, when it bought Grail, to less than $32bn as of Friday. In a letter to Illumina employees, deSouza said his decision to leave was "extremely difficult" but he felt a sense of "fulfilment and pride at where we have taken the company", including the acquisition of Grail.

See Lex

Financials

Greensill faces Swiss criminal case after probe

BY FT REPORTERS

Lex Greensill and four former Credit Suisse bankers have been identified as suspects in a Swiss criminal case that is due to be formally opened this month, according to people with knowledge of the matter.

The case being brought by the Zurich public prosecutor — which follows a two-year probe by Swiss police, including raids on homes, a hotel room and Credit Suisse offices — is related to the collapse of a $10bn group of funds the bank offered clients that were linked to finance group Greensill Capital.

The four former Credit Suisse managers have been asked to attend a hearing with the prosecutor at Zurich's Police and Justice Centre on June 26, where the case of suspected unfair competition, which includes allegations of mis-selling, will be formally opened.

Greensill, an Australian banker who was considered a billionaire before his eponymous company collapsed in 2021, has not been invited to the hearing, though he has provided a 12-page statement in response to a list of questions.

The case is one of several criminal investigations related to the collapse of Greensill Capital, a specialist in so-called supply-chain finance that counted former prime minister David Cameron as an adviser.

Germany's watchdog filed a criminal complaint against the management of Greensill Capital's German banking subsidiary in March 2021, citing suspected balance sheet manipulation. Later that year, the UK's Serious Fraud Office announced an investigation into metals magnate Sanjeev Gupta's business empire, including "its financing arrangements with Greensill Capital".

A Swiss lawyer representing Greensill in the case said his client had been instructed to keep details of the investigation confidential and would not be commenting. "Even if Mr Greensill understands the public interest in the case, he feels committed to this instruction of the prosecutor," he said.

The investigation began two years ago following a complaint to Zurich police from one of the investors in the supply-chain finance funds. Since then, several other investors and the Swiss State Secretariat for Economic Affairs have added their own complaints.

In September 2021, police raided the homes of the four former Credit Suisse staff members and the bank's offices. They also raided the hotel room of another former Credit Suisse employee.

Police confiscated a range of personal devices — including laptops, iPhones, iPads, USB sticks and hard drives — as well as notepads and a green "pencil case clearly containing various documents", according to legal documents.

Credit Suisse declined to comment.

Reporting by Owen Walker, Robert Smith and Cynthia O'Murchu in London. and Sam Jones in Zurich

COMPANIES & MARKETS

China is 'cancelled' for many foreign investors

Sharply deteriorating Sino-US relations and what one analyst calls an economic 'dumpster fire' take heavy toll on stocks

RYAN MCMORROW AND NIAN LIU
BEIJING
HUDSON LOCKETT AND QIANER LIU
HONG KONG

Chinese online entertainment platform Bilibili was worth $54bn two years ago as Wall Street investors rushed to bet on the rising tech business.

Today the Nasdaq-listed group's market capitalisation has fallen to about $6.5bn, a collapse that has brought forward debt repayments that threaten to sap its remaining cash, leading to drastic cost-cutting.

Bilibili's travails are symptomatic of broader problems across the Chinese tech scene. Overseas investors are selling shares even in profitable internet companies such as Tencent and Alibaba, while becoming reluctant to back the country's most promising start-ups.

Venture capital group Sequoia last week became the latest business to bow to rising tensions between Beijing and Washington, announcing a plan to split its China business into a separate entity.

Adding to the flight of foreign capital is an unsteady economic recovery that has deflated Chinese tech stocks that had briefly jumped on hopes for the country's post-pandemic reopening. The downward trend has left employees and investors concerned that the depressed valuations for Chinese tech groups listed in New York and Hong Kong may be long-lasting.

"China is getting cancelled and the economy is a dumpster fire," said a Hong Kong-based equity analyst. He said JPMorgan Chase's labelling of Chinese internet stocks "uninvestable" last year now looked better judged.

The trend is even hurting cash-rich groups such as Tencent and Alibaba, which have tightened their belts and funnelled savings into share buybacks. Employees said cycles of cost-cutting and sinking pay had hit morale.

Recent positive updates from the internet businesses have done little to lift their stock prices, with Tencent shares down 19 per cent and Alibaba's down 29 per cent from January highs.

Since the pandemic's onset, China's 10 largest tech groups have collectively lost $300bn in market value, while their biggest US peers have added almost $5tn, according to S&P Capital IQ.

For many investors, spiralling US-China tensions are a constant reminder of the fate of those who backed Russian companies, with billions of dollars of value evaporating soon after Russian president Vladimir Putin ordered a full-scale invasion of Ukraine, leading to crippling western sanctions.

Adding to the complexity are Washington's mulled restrictions on US investment in China, which would add to export controls designed to limit Beijing's access to vital technologies such as advanced semiconductors and chipmaking equipment.

Big foreign investors are backing off as a result, including western pension funds that have historically been leading backers of Chinese tech in both private and public markets.

The Ontario Teachers' Pension Plan, Canada's third-largest pension fund, had almost $1bn invested in shares of Alibaba and Tencent two years ago. Neither company ranks among its top investments today and the group recently cut its Hong Kong-based team, which led such deals.

Warren Buffett has quietly sold down more than half his stake in Chinese electric car group BYD over the past year. Buffett bought and then promptly sold a large stake in TSMC, the Taiwan chipmaker, this year after re-evaluating "its location" at the centre of a potential US-China flashpoint.

Winnie Wu, China equity strategist at Bank of America, agreed that the future did not appear bright for Chinese internet groups in particular. "Stocks and sectors once well-owned by foreign investors are suffering higher cost of capital and more derating," she said.

There are 252 Chinese groups trading in the US or Hong Kong that meet the definition of a "net-net" — companies with current assets minus total liabilities greater than their market value, according to S&P Capital IQ. This group includes depressed stocks such as Tencent-backed DouYu, a profitable video game platform with $880mn of net cash and a market cap of just $323mn.

"Global long-only [investors] have been out for a long time," one trader at a Chinese brokerage group said of the country's internet stocks.

With the downturn unabating, tech groups have prioritised share repurchases and slimming down. A big Chinese tech investor and director at several leading companies said such strategies were sensible with stock prices so low. He hoped it would help lift share prices so that his company could sell long-held positions.

The depressed valuations are most problematic for smaller, unprofitable groups such as Bilibili, where staff said management had cut bonuses and jobs while curtailing business lines as they fought to reach break-even.

The company's cratering share price has made the challenge more acute. Investors who lent the group $2.9bn, betting its stock would continue climbing, have the option and impetus to recall their convertible notes early.

Bilibili will by mid-June have spent $1.7bn repurchasing the convertible notes, shrinking its cash pile to about $2bn. It faces another $900mn of debt payments next year, potentially problematic when coupled with its large losses, which totalled almost $900mn over the past 12 months after adjusting for certain non-cash charges.

Bilibili declined to comment.

"There is not enough financing to support their cash burn," said a person close to the group, noting that management "lacked imagination on how to grow".

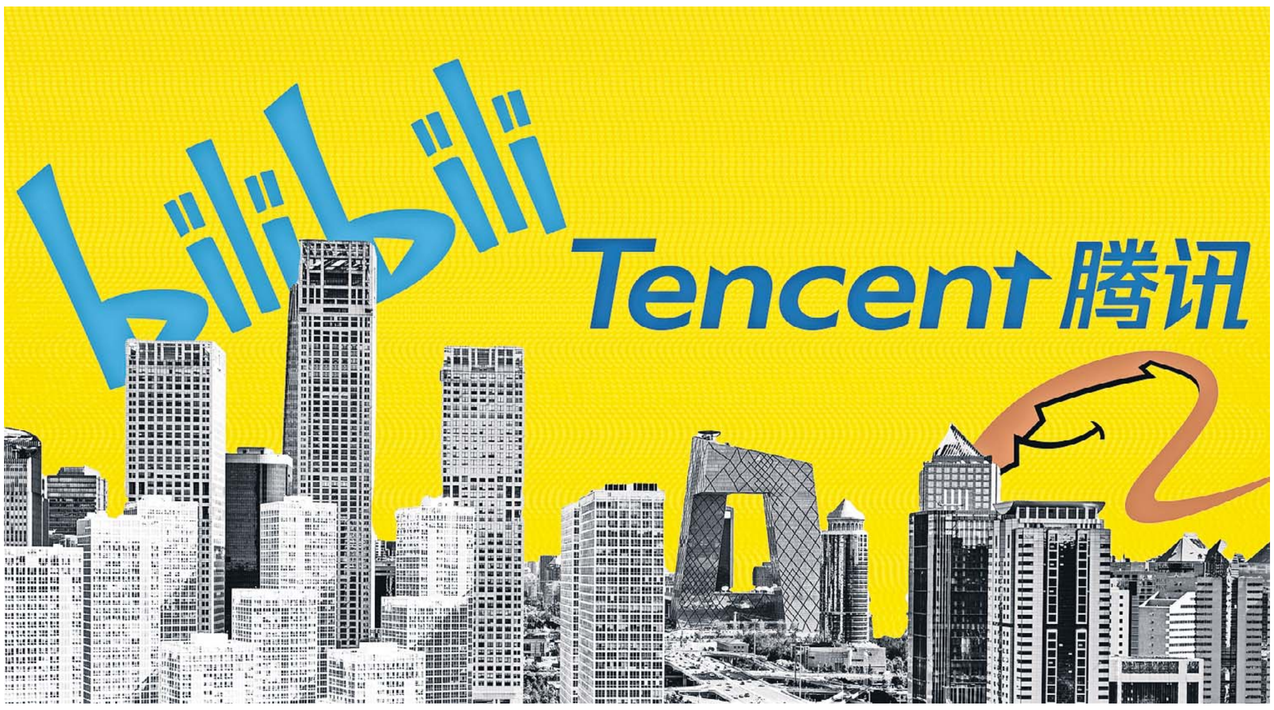
Even China's biggest tech companies are taking drastic action. Alibaba has spent the equivalent of about half its free cash flow repurchasing shares over the past year and cut 24,000 positions. Employees widely expect that the group's continuing split into six entities will entail further job losses.

Staff said they were being hit doubly, by the declining value of stock compensation, which for some made up half of their pay, and increasing workloads.

A developer at Tencent said the pay was no longer worth the pressure. "Everyone is doing three people's work," he said. "There's not a lot of cash now, so they want to lower costs and raise efficiency. The golden time for internet companies is gone."

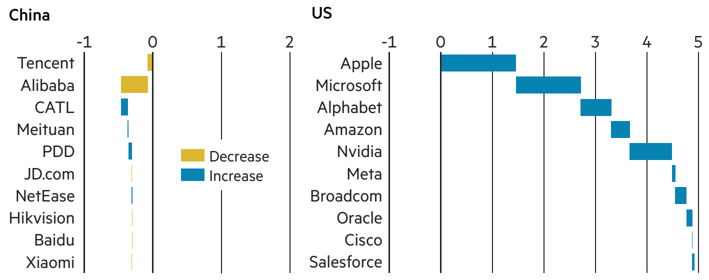
Additional reporting by Andy Lin in Hong Kong

See Markets



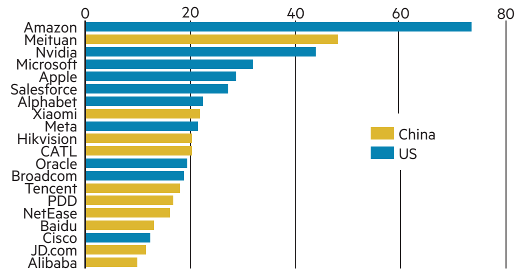
Little to smile about: Tencent is down 19% from January highs while entertainment venue Bilibili has dropped nearly 90% in two years
FT montage

China Big Tech loses $300bn in market value since pandemic onset while US peers add $5tn
Market cap change since Jan 15 2020 ($tn)



Source: Capital IQ

Large China tech businesses trade at lower multiples than most US peers
Forward price-to-earnings ratio as of Jun 5 2023



> Managers are short of 'imagination on how to grow' and 'there is not enough financing to support their cash burn'

Support services

Clients put pressure on consultancy fees

STEPHEN FOLEY AND ANDREW EDGECLIFFE-JOHNSON — NEW YORK

Uncertainty in the global economy threatens a year of upheaval in the US consulting industry, as firms deal with a wave of cancelled projects and clients push for lower fees.

Consultancies from Accenture to EY have already cut thousands of jobs to reflect new patterns of demand, and surveys point to a further slowdown in hiring as firms move to protect profits, even as revenues continue to grow overall.

An annual report on the consulting market by Source Global Research, which includes contributions from big firms and is considered a benchmark for the industry, reveals a significant rethink of the use of consultants by US clients because of the economic outlook.

More than three-quarters of professional services buyers had cancelled at least some existing projects or scrapped new ones, a Source Global survey found, while two-thirds had paused all existing project work.

"Given the current uncertainty in the economic environment and the tightening of clients' budgets, projects are being staggered into smaller pieces," Chiaki Nishino, North America president at the consulting firm Prophet, told Source Global. "I doubt we've seen the worst or the best of the market so far this year."

While the report, which was due to be published yesterday, forecasts 11 per cent revenue growth in 2023, roughly the same as 2022, pressure is building on consultants' fees after years of concern about whether businesses are getting value for money, Source Global chief executive Fiona Czerniawska told the Financial Times.

Clients were five times more likely to be expecting fee rates to come down than they were before the coronavirus pandemic, she said. "Only about 50 per cent of clients think that firms add value above the fees they charge. This is a longstanding gap, and it comes back to haunt the industry every time there is even a sense of economic uncertainty."

Cybersecurity work and HR consulting were among those areas in the doldrums, Czerniawska said, along with M&A work for private equity firms and others. While spending on IT consulting remained high, it was being targeted at projects that immediately boosted the bottom line.

The changes have left firms overstaffed in many areas, after a hiring spree in the past two years. Accenture, McKinsey, KPMG, EY and Deloitte are among those to have cut underutilised staff or restructured their operations.

"What firms have done is take on a lot more staff than they needed to, and certainly paid them more," Czerniawska said. "Broadly speaking the problem here is not demand, it's about what clients are willing to pay for it."

Consulting budgets typically come under pressure when companies are looking for savings. Goldman Sachs said in February that it would cut the amount it spent on professional services this year, as well as cut its own headcount. Accenture blamed lower spending by Big Tech companies, which are cutting thousands of staff, for its own weaker than expected revenue growth.

A sharp decline in hiring that began in the Big Four accounting and consulting firms has spread to smaller players, according to the latest monthly survey by the investment bank William Blair.

Job postings by US speciality consultants were 57 per cent lower in June than the same month last year and are now lower than before the pandemic. At the Big Four, job postings were down 80 per cent, year on year.

Asset management. Allocations

Clients rush for Asia investment products that exclude China

Tokyo drift: the trend to exclude countries as locations for investment began with Japan three decades ago, said fund managers Carl Court/Getty

Rally for rest of region leaves its largest economy behind in early sign of structural shift

HUDSON LOCKETT — HONG KONG
LEO LEWIS — TOKYO

Global fund managers say they are rushing to meet client demand for new Asian investment products that exclude China as investor appetite for the region's largest economy is hit by slowing growth and mounting geopolitical risk.

Fund managers said requests for "ex China" products included the possibility of "Asian allies" funds that would invest in US-friendly markets and provide insulation from Beijing-related geopolitical risk in the region.

The widespread adoption of such investing would mark one of the biggest structural shifts for Asia-Pacific markets since the advent of "Asia ex Japan" portfolios roughly three decades ago, according to asset managers.

They said demand had been stoked by worsening US-China tension and a rally for the rest of the region that had left its biggest market behind.

"Investors are concerned about geopolitics," said Minyue Liu, investment specialist at BNP Paribas Asset Management.

Liu said international clients had begun sending out RFPs — requests for proposals — to provide investment funds that would cover the Asia-Pacific region but exclude both China and Japan.

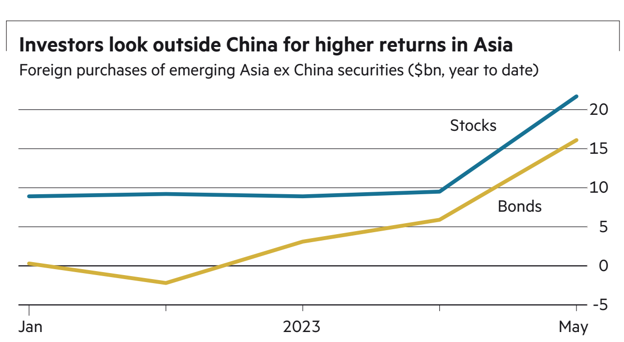
"That means there's a real opportunity, it's not just investors asking about this hypothetically," said Liu, who added that BNP Paribas AM was already in talks with clients about providing Asia ex China investment products. "It clearly shows there's interest in this kind of product."

Investor concerns over China exposure came to the fore after Russia's full-scale invasion of Ukraine, which drove many to reassess the risk of a Chinese assault on Taiwan.

But fund managers said demand for ex China investment products had grown more concrete in recent months thanks to worsening relations between Washington and Beijing and China's lacklustre economic recovery.

The divergence is clear from the performance of the MSCI Emerging Markets Asia index, which has delivered net returns of just 1.3 per cent this year compared with returns of 8.6 per cent for the MSCI EM Asia ex China index.

Among the top performers in the region are markets in South Korea and Taiwan, up about 20 and 30 per cent, respectively.



Christopher Lees, senior fund manager at J O Hambro Capital Management, said he had heard about potential client demand for "emerging markets ex China and Asian allies products" as a way to tap into the region's growth while concentrating exposure in countries with strong ties to the US.

"On geopolitics, there are a lot of different opinions among clients but I think that anyone who thought the US-China tension was going to go away is now very aware that it will not," Lees said. "At the same time, clients are seeing that they can get a lot of exposure to China through other markets like Australia, Japan and South Korea."

However, the main driver of the trend towards ex China investment was "economic, not geopolitical", he added, because many emerging markets investors viewed China's weighting in investment benchmarks from the likes of MSCI and FTSE as too large, tilting the balance away from markets such as Vietnam, Thailand and Indonesia.

"This would be a clear echo of what we had with Japan 30 years ago," said Lees. Back then, when both the size and volatility of the post-bubble Japanese market skewed Asian portfolios too much, demand rose for Asia ex Japan products that have remained the fundamental approach to investing in the region.

> 'Clients are seeing that they can get a lot of exposure through Australia, Japan and South Korea'

Hugh Young, Asia-Pacific chair of UK asset manager Abrdn, said: "The ex Japan approach has been well ensconced for at least three decades and clients with whom we have direct mandates aren't asking us: 'can you sell all of our China exposure?' But there are certainly some large institutional investors out there who have gone ex China."

Foreign institutional investors are already taking steps to reduce exposure to China while boosting holdings elsewhere in the region.

Goldman Sachs data based on customers' trading flows show hedge funds' allocation to Chinese equities has dropped from 13 per cent in January to 9 per cent at the end of May.

Total net inflows to China stocks this year have plateaued at about $26bn following an initial jump in January as the country reopened.

The latest data showed investors trading Chinese debt through Hong Kong's Bond Connect scheme had dumped about $31bn worth of government bonds in the first four months of 2023.

In contrast, figures from ANZ bank show foreign investors have snapped up nearly $38bn worth of emerging Asia ex China stocks and bonds this year — with net purchases of $22.4bn in May alone marking the largest monthly inflows since 2011.

Equities

Nasdaq to buy Adenza for $10.5bn in US exchange's biggest deal

ANTOINE GARA AND JENNIFER HUGHES
NEW YORK
DONATO PAOLO MANCINI — LONDON

Nasdaq is acquiring financial risk software company Adenza for $10.5bn in its largest-ever such deal as the world's big exchange operators expand beyond their core units into more stable revenue streams like data and risk management.

The New York group said yesterday that the cash-and-stock purchase from private equity group Thoma Bravo would "significantly" enhance Nasdaq's offerings in regulatory technology, compliance and risk management.

Shares in the exchange, best known as the listing home of names like Apple and Meta, were almost 13 per cent lower in midday trade and it was downgraded a notch by Standard & Poor's to triple B.

Adena Friedman, Nasdaq chief executive, said Nasdaq approached Thoma Bravo and that the deal would help banks cope with increasing demands on compliance and regulation.

Adenza includes the brands AxiomSL and Calypso Technology, two well-established names in the technology behind capital markets.

"It's a great strategic and financial fit," she added. The deal comes as competitors such as London Stock Exchange Group and Intercontinental Exchange have bought businesses focused on data and software.

> Before the announcement, Nasdaq stock had fallen almost 10 per cent over the past six months

Before yesterday's announcement, Nasdaq stock had fallen almost 10 per cent over the past six months, underperforming rival exchanges including ICE, CME Group and LSE, which have gained between 5 and 17 per cent.

Other large exchange groups have bought businesses from private equity firms in recent years as they seek to lower their exposure to volatile trading conditions and build products beyond offering companies access to capital.

In the first quarter, revenue from Nasdaq's solutions unit — in which Adenza will sit — grew 5 per cent and made up 71 per cent of its $914mn net revenues, versus 3 per cent growth for its trading business, which will be less than 25 per cent of total revenue after the deal.

Thoma Bravo built Adenza by buying software firm Calypso in 2021 for $3.7bn and combining it with AxiomSL, a compliance software company it had acquired in 2020 for a reported price of around $2bn.

It is set to receive $5.75bn in cash from Nasdaq and an equity stake of about 15 per cent in the company, worth nearly $5bn at Friday's closing price.

Qatalyst Partners was the lead financial adviser to Thoma Bravo. Goldman Sachs was the lead financial adviser to Nasdaq.

See Lex

Financials

Calpers plans multibillion-dollar push into venture capital after 'lost decade'

JOSEPHINE CUMBO

Calpers, the biggest public pension scheme in the US, is planning a multibillion-dollar push into international venture capital as the $442bn fund tilts towards riskier asset classes in a hunt for higher returns after a "lost decade".

The California Public Employees' Retirement System set out plans to expand its venture capital allocation in a review of its $52bn private equity portfolio, published on Friday.

As part of the shake-up, the fund plans to expand its investments in Europe and Asia.

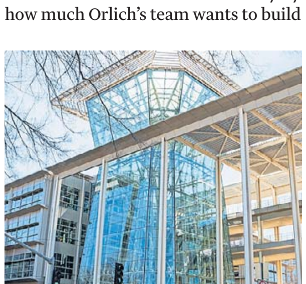
Calpers could put as much as $5bn in new money into venture capital, scheme officials said.

That would make it one of the single largest US investors in the sector at a time when many funds are struggling to raise new money. Total venture funding fell 35 per cent last year to $445bn, according to data company Crunchbase.

"If you look at the highest-performing private equity programmes, many of those have extremely high proportions of their private equity portfolio in venture," Anton Orlich, Calpers' managing investment director for growth and innovation, told the Financial Times. "So bearing that in mind, Calpers should be participating more in venture."

Currently, 73 per cent of the private equity portfolio is allocated to "buyout" — buying assets and selling them at a profit; followed by 20 per cent to assets that generate returns through capital growth or dividends. About 1 per cent of the portfolio is in venture capital.

The review document did not say by how much Orlich's team wants to build out the venture capital programme. But it could be ramped up over time from about $800mn currently toabout $5bn with the allocation to be eventually set by Calpers' board, according to scheme officials.



Calpers is looking to expand investments in Europe and Asia

The proposal comes as Calpers seeks to make up for what Orlich described as a "lost decade" of returns stemming from a decision to put the pension plan's private equity programme on hold between 2009 and 2018.

Nicole Musicco, appointed Calpers' chief investment officer in 2022, estimates this cost up to $18bn of returns.

Plans for the portfolio shake-up come two months after Calpers conceded that it had probably lost about $77mn on its investments in Silicon Valley Bank and Signature Bank, both of which collapsed earlier this year.

Orlich stressed that the venture capital push was not just about returns but also diversification.

Venture capital is regarded as higher risk because finance is provided to unproven start-ups and small businesses, so returns take longer to materialise.

See Lex

Equities

AI euphoria and electric vehicle bets drive rally in South Korean stocks

SONG JUNG-A AND CHRISTIAN DAVIES
SEOUL

South Korea's $1.8tn stock market is approaching bull market territory as foreign investors pile into artificial intelligence stocks and local investors pick up electric vehicle battery-related shares.

The tech-heavy Kospi has rallied 18 per cent this year, joining a surge by other indices in the region, including Japan's Topix and Taiwan's Taiex, that has been driven in large part by searing gains for chipmaker shares.

In contrast, Chinese stocks are falling over doubts about the country's economic recovery with Hong Kong's Hang Seng down 2 per cent this year and the CSI 300, China's key benchmark of onshore-listed groups, falling 1 per cent.

Global funds bought a net Won12tn ($9.5bn) of Korean shares this year after a three-year hiatus, spending about Won10.5tn on Samsung Electronics stock.

The rally has been driven by technology hardware exporters with foreign investors returning to emerging markets as concerns over the impact of the US Fed's rate raising cycle ease. It follows a deep rout last year, triggered by rate rises, high inflation and South Korea's slowing economy.

Samsung Electronics, which accounts for more than 20 per cent of the Kospi, is the biggest contributor, surging nearly 40 per cent from a September low.

Fellow chipmaker SK Hynix provided the second-biggest boost as overseas investors bet that the global AI race would fuel demand for chips following the launch of ChatGPT in November and Nvidia's recent rally.

> 'They are flocking to sectors with secular, structural growth regardless of the economic cycle'

"The AI-related euphoria served as a trigger for the chipmakers' rally on top of growing expectations for the industry's upturn in the second half," said Lee Chai-won, chair of Life Asset Management.

Local investors are buying shares of companies that are part of the EV supply chain. Korean battery producers and manufacturers are expected to benefit from the rapid expansion of the global EV market and the US Inflation Reduction Act, which is aimed at curbing China's control of the green energy sector.

LG Energy Solution, the world's second-largest battery maker, has shot up 38 per cent this year while steelmaker Posco Holdings, whose subsidiaries have made upstream investments in the global battery supply chain, has risen 42 per cent.

Shares of the country's four biggest K-pop agencies — Hybe, SM Entertainment, YG Entertainment and JYP Entertainment — have gone up by at least a third this year, double the Kospi's advance and outperforming global recording labels such as Universal Music Group and Warner Music Group.

"There are still some macroeconomic risks but investors seem to think that the worst is over," said James Lim, an analyst at US hedge fund Dalton Investments. "They are flocking to sectors with secular, structural growth regardless of the economic cycle, such as batteries, AI and entertainment."

The day in the markets

What you need to know

- **Wall Street rises ahead of key inflation data and Fed meeting**
- **Crude oil slips as Goldman Sachs cuts its price forecast for third time**
- **European and Asian equity indices edge higher**

Oil price falls on signs of weak demand in China
Brent crude price ($ per barrel)

Source: Refinitiv

Wall Street stocks rose yesterday as investors prepared for a week of key central bank policy meetings while oil prices slipped amid concerns about weak demand in China.

The benchmark S&P 500 rose 0.4 per cent by midday in New York, consolidating its move last week into bull market territory, while the tech-heavy Nasdaq Composite added 0.7 per cent.

But the rally eschewed oil companies after the S&P 500 energy sector dropped 0.8 per cent.

Oil prices have fallen despite Saudi Arabia announcing an additional 1mn barrel a day production cut in July at the meeting of Opec+ at the start of this month with traders focusing on strong supplies elsewhere and signs of relatively lacklustre demand growth in China.

Also yesterday, Goldman Sachs revised its end-of-year price estimate for Brent crude, the global benchmark, to $86 from $95 following two previous downward revisions in the past six months.

Brent fell 3.2 per cent to $72.39 a barrel while US marker West Texas Intermediate slid 3.7 per cent to $67.59 a barrel.

Equities were buoyed by bets that the US Federal Reserve would resist raising interest rates when it met today and tomorrow, marking the first pause in the central bank's 14-month campaign to tame inflation.

"With signs that the economy is shuffling off into a potential recession, the expectation is that [Fed policymakers] are likely to keep rates on hold," said Susannah Streeter, head of money and markets at Hargreaves Lansdown.

The latest US consumer price index report is published today and is expected to show that headline inflation slowed to 4.1 per cent year on year in May, according to economists surveyed by Reuters.

The reading would mark a significant improvement from the 4.9 per cent rate in April and would give the Fed more room to pause.

"Any deviation from the forecast path is likely to cause a jolt of volatility on markets," added Streeter.

Across the Atlantic, the region-wide Stoxx Europe 600 edged 0.1 per cent higher while the CAC 40 in Paris added 0.5 per cent and Frankfurt's Xetra Dax advanced 0.9 per cent.

In Asia, China's CSI 300 index of Shanghai and Shenzhen stocks gained 0.2 per cent while Hong Kong's Hang Seng firmed 0.1 per cent and Tokyo's Topix rose 0.7 per cent. **Daria Mosolova**

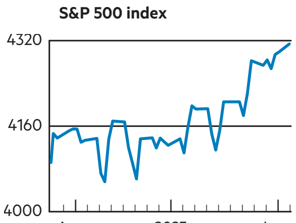
Markets update

	US	Eurozone	Japan	UK	China	Brazil
Stocks	**S&P 500**	**Eurofirst 300**	**Nikkei 225**	**FTSE100**	**Shanghai Comp**	**Bovespa**
Level	4313.79	1821.50	32434.00	7570.69	3228.83	117263.22
% change on day	0.35	0.11	0.52	0.11	-0.08	0.21
Currency	**$ index (DXY)**	**$ per €**	**Yen per $**	**$ per £**	**Rmb per $**	**Real per $**
Level	103.464	1.075	139.625	1.251	7.142	4.885
% change on day	-0.090	-0.093	0.179	-0.556	0.251	0.140
Govt. bonds	**10-year Treasury**	**10-year Bund**	**10-year JGB**	**10-year Gilt**	**10-year bond**	**10-year bond**
Yield	3.779	2.387	0.424	4.439	2.709	10.876
Basis point change on day	3.500	1.300	-0.590	10.000	0.000	2.400
World index, Commods	**FTSE All-World**	**Oil - Brent**	**Oil - WTI**	**Gold**	**Silver**	**Metals (LMEX)**
Level	441.18	72.64	67.93	1960.30	24.32	3737.20
% change on day	0.24	-2.87	-3.19	-0.31	2.72	0.45

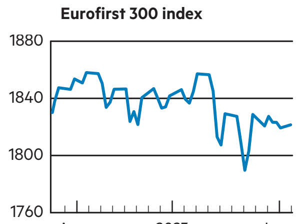
Yesterday's close apart from: Currencies = 16:00 GMT; S&P, Bovespa, All World, Oil = 17:00 GMT; Gold, Silver = London pm fix. Bond data supplied by Tullett Prebon.

Main equity markets

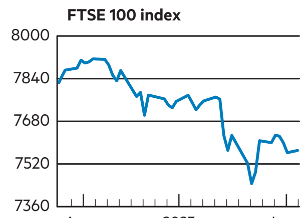
S&P 500 index



Eurofirst 300 index



FTSE 100 index



Biggest movers

%	US		Eurozone		UK	
Ups	Carnival	13.87	Casino Guichard	10.36	Ocado	3.62
	Catalent	10.85	Adidas	5.25	Croda Int	3.19
	Norwegian Cruise Line Holdings Ltd	8.10	Cap Gemini	3.06	Auto Trader	3.11
	Oracle	6.23	Hermes Intl	3.04	Experian	2.82
	Advance Auto Parts	5.85	Publicise	2.95	Airtel Africa	2.50
Downs	Nasdaq	-13.13	Ses	-13.88	Fresnillo	-4.22
	Key	-6.98	Bollore	-1.84	Vodafone	-2.71
	Citizens Fin	-6.35	Telecom Italia	-1.83	Segro	-2.65
	Comerica	-4.54	Klepierre	-1.50	Bt	-2.28
	Cme	-3.75	Saint Gobain	-1.47	Anglo American	-1.65

Prices taken at 17:00 GMT. Based on the constituents of the FTSE Eurofirst 300 Eurozone

All data provided by Morningstar unless otherwise noted.

Wall Street

Biopharma group **Chinook Therapeutics** soared on news it was being bought by Swiss drugs company Novartis for $40 a share upfront — 67 per cent above Friday's closing price.

Up to $4 a share would also be paid "upon the achievement of certain regulatory milestones", said Novartis.

The deal with an initial value of $3.5bn would give Novartis access to "two high-value, late-stage medicines in development for rare, severe chronic kidney diseases".

Contract drug manufacturer **Catalent** rallied after its delayed quarterly results revealed higher revenue than Wall Street had expected.

US-listed electric-car maker **Nio** rallied following reports it was cutting the price of its vehicles by Rmb30,000 ($4,199) on all models and ending its free battery swapping service to new buyers.

The Chinese group last week posted a loss of Rmb2.51 a share in the first quarter, missing the Refinitiv-compiled estimate by more than 8 per cent.

Sinking to the bottom of the S&P 500 index was exchange operator **Nasdaq**, which announced it was buying Adenza, a financial risk software group, from private equity firm Thoma Bravo.

It would be Nasdaq's largest acquisition if the $10.5bn cash and stock deal went through. *Ray Douglas*

Europe

A takeover offer sent Spain's **Opdenergy** soaring with private equity firm Antin bidding €5.85 per share for the renewable energy producer — 46 per cent above its most recent closing price.

The French group said investors representing around 70 per cent of the share capital had already agreed to accept the €866mn deal, which represented a 23 per cent premium over Opdenergy's listing price in July 2022.

Antin planned to delist Opdenergy if its takeover is completed.

Luxembourg-based satellite operator **SES** sank on news that chief executive Steve Collar would be stepping down at the end of June "to pursue other professional and personal endeavours".

The news came as SES begins rolling out its O3b mPower second-generation satellite system, a big project expected to ramp up later this year.

Polish games developer **CD Projekt** rose sharply on announcing an expansion pack for its blockbuster title *Cyberpunk 2077*.

Jefferies said the September 26 launch was a "sweet spot . . . as it targets the back-to-school period and it's right before the discount season".

Initial reception was also "positive with 1mn views on YouTube within 13 hours of the trailer release", said the broker.
Ray Douglas

London

AO World jumped on announcing a "strategic partnership" with Frasers Group, which bought an 18.9 per cent stake in the electricals retailer through the purchase of 109.4mn shares.

Shore Capital said it believed Frasers' intention was to simply be a shareholder with the deal "offering a gateway to partner on the fulfilment of two-man deliveries".

The high street group, for example, sold domestic appliances through its Studio Retail channel, noted the broker.

Pharmaceutical company **Futura Medical** rallied after revealing that the US Food and Drug Administration had granted marketing authorisation for MED3000, its treatment of erectile dysfunction.

With this green light, the product could be purchased over the counter without the need for a prescription.

The update prompted Liberum to lift Futura's target price by 17 per cent, citing MED3000's "potential to take a significant market share".

New business buoyed mining services group **Capital**, which was awarded an earth moving and crushing services contract with Ivindo Iron in Gabon, central Africa.

The five-year deal would generate about $30mn of revenue annually "once fully operational", it said. *Ray Douglas*

Fed's framing of its call on rates is too narrow

Mohamed El-Erian

Markets Insight

The US Federal Reserve has three primary options for interest rates when its policymaking committee meets this week. None of them is optimal, and the one that the Fed has guided the markets to expect could potentially be the least desirable. Further, all three reflect broader challenges that require a significant supply-side improvement in the economy and institutional reforms.

Based on guidance from a top Fed official, market expectations are that the central bank will "skip", maintaining rates unchanged with an inclination to resuming rises at the following meeting in July (similar to what Australia and Canada have done).

This approach is seen as providing officials with more data to evaluate the effects of the most concentrated set of rate rises in decades. As such, the implied market probability of a June rise has fluctuated about 20-30 per cent in the past week, having peaked above 70 per cent before the last guidance.

There are two issues with this approach. First, an additional month of data is unlikely to significantly enhance the Fed's understanding of the effects of a policy tool that acts with variable lags. Second, recent data favours a rise for a central bank that has repeatedly insisted it is "data dependent".

No wonder some other Fed officials favour a rise this week. Their view points to the data surprises, including most recently higher job vacancies and robust monthly employment creation, as well as the lifting of immediate concerns regarding the US debt ceiling and banking instability.

But at least one Fed official believes that the May rate rise may have already erred on the side of being excessive, as some forward indicators of economic activity have been signalling weakness. In this view, a pause would be followed by a rate cut as the next change.

Much has been written about why the Fed finds itself in this uncomfortable situation. The most commonly cited reason is that it misjudged the inflation threat for most of 2021 and the first quarter of 2022 before being forced into 10 successive rate rises.

As a result, the Fed has experienced a significant erosion of its public standing and policy credibility. There has been a prolonged discrepancy between the

> The Fed is operating with an inflation target that is probably too low for durable economic wellbeing

Fed's communication on the path of rates for 2023 and what markets expect. Moreover, a public disagreement has arisen between the Fed chair and central bank staff on the likelihood of a recession.

The Fed's reputation has been further undermined by costly slips in bank supervision, lack of a suitable strategic policy framework, weak accountability, and susceptibility to groupthink.

Given the multiple causes, the Fed is unlikely to resolve its predicaments any time soon. Moreover, unless the CPI inflation data due out today shows significant weakness, its proposed course of action — the "skip" — would end up as the muddled middle option, rendering future decisions even more challenging.

If the Fed is genuinely data dependent and truly committed to achieving its current inflation target of 2 per cent, it should raise rates by 0.25 percentage points and leave the door open for additional rises. Recent data surprises, combined with the balance of risks associated with Fed's policies, both suggest that this route is preferable to a "skip".

However, if the Fed believes, as I do, that it is operating with an outdated inflation target due to significant changes on the supply side of the economy, and that the modification of the target requires a lengthy and delicate process, then it should opt for a pause with an inclination to cut when appropriate.

This would allow the effects of the previous rate increases to permeate through the economy, and reduce the likelihood of both undue damage to economic growth and unsettling financial instability.

Recall that the Fed's policy mistakes over the past two years and its institutional weaknesses are not the only factors that have undermined its effectiveness. Changing patterns of globalisation, the restructuring of corporate supply chains, the energy transition, and labour market mismatches all indicate that the Fed is operating with an inflation target that is probably too low for durable economic wellbeing.

In this context, the current framing of the policy debate is overly narrow. It is more likely to confuse matters than to stimulate the type of deliberations that can rebuild the foundation for the Fed to contribute to high inclusive growth and financial stability.

Mohamed El-Erian is president of Queens' College, Cambridge, and an adviser to Allianz and Gramercy

MARKET DATA

WORLD MARKETS AT A GLANCE

FT.COM/MARKETSDATA

Change during previous day's trading (%)

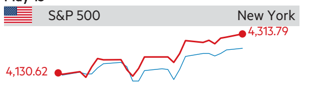
S&P 500	Nasdaq Composite	Dow Jones Ind	FTSE 100	FTSE Eurofirst 300	Nikkei	Hang Seng	FTSE All World $	$ per €	$ per £	¥ per $	£ per €	Oil Brent $ Sep	Gold $
0.35%	0.76%	0.14%	0.11%	0.11%	0.52%	0.07%	0.24%	-0.093%	-0.556%	0.179%	0.468%	-2.64%	-0.31%

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

AMERICAS

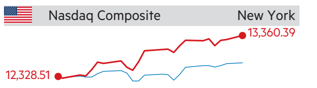
May 13 - - Index All World

S&P 500 New York



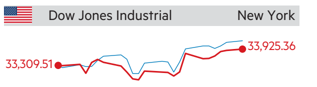
Day 0.35% Month 4.59% Year 10.57%

Nasdaq Composite New York



Day 0.76% Month 8.74% Year 17.80%

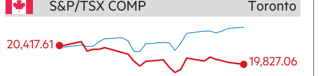
Dow Jones Industrial New York



Day 0.14% Month 1.84% Year 8.03%

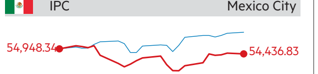
May 13 - Jun 12 Index All World

S&P/TSX COMP Toronto



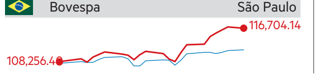
Day 0.05% Month -2.53% Year -1.83%

IPC Mexico City



Day -0.22% Month -0.99% Year 12.24%

Bovespa São Paulo

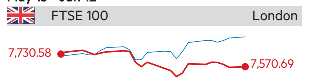


Day 0.21% Month 8.11% Year 11.17%

EUROPE

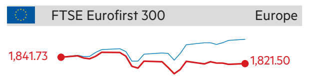
May 13 - Jun 12 Index All World

FTSE 100 London



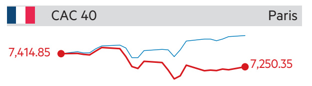
Day 0.11% Month -2.44% Year 3.39%

FTSE Eurofirst 300 Europe



Day 0.11% Month -1.14% Year 9.88%

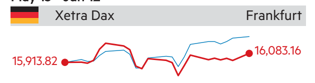
CAC 40 Paris



Day 0.52% Month -1.78% Year 17.18%

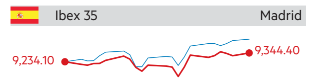
May 13 - Jun 12 Index All World

Xetra Dax Frankfurt



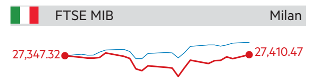
Day 0.93% Month 0.29% Year NaN%

Ibex 35 Madrid



Day 0.37% Month 1.76% Year 11.37%

FTSE MIB Milan

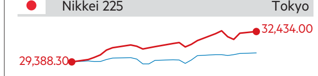


Day 0.91% Month 1.15% Year 21.57%

ASIA

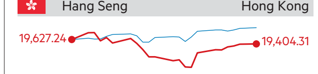
May 13 - Jun 12 Index All World

Nikkei 225 Tokyo



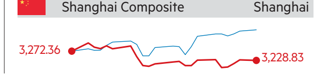
Day 0.52% Month 11.42% Year 16.63%

Hang Seng Hong Kong



Day 0.07% Month -1.73% Year -11.03%

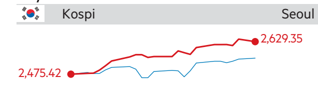
Shanghai Composite Shanghai



Day -0.08% Month -2.44% Year -1.70%

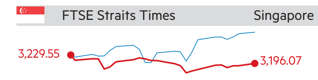
May 13 - Jun 12 Index All World

Kospi Seoul



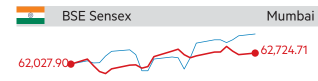
Day -0.45% Month 5.55% Year 1.29%

FTSE Straits Times Singapore



Day 0.29% Month -1.05% Year 0.44%

BSE Sensex Mumbai



Day 0.16% Month 1.40% Year 15.59%

Country	Index	Latest	Previous
Argentina	Merval	382913.96	381763.86
Australia	All Ordinaries	7312.30	7288.30
	S&P/ASX 200	7122.50	7099.70
	S&P/ASX 200 Res	6028.00	5976.20
Austria	ATX	3171.19	3160.73
Belgium	BEL 20	3642.11	3639.40
	BEL Mid	10207.96	10166.34
Brazil	IBovespa	117263.22	117019.48
Canada	S&P/TSX 60	1197.21	1196.03
	S&P/TSX Comp	19901.36	19892.06
	S&P/TSX Div Met & Min	1755.10	1764.95
Chile	S&P/CLX IGPA Gen	29123.97	29092.66
China	FTSE A200	10101.49	10075.34
	FTSE B35	9000.71	8988.96
	Shanghai A	3384.66	3387.29
	Shanghai B	270.92	274.41
	Shanghai Comp	3228.83	3231.41
	Shenzhen A	2114.53	2099.08
	Shenzhen B	1123.26	1128.41
Colombia	COLCAP	1261.61	1260.21
Croatia	CROBEX	2013.05	2011.29

Country	Index	Latest	Previous
Cyprus	CSE M&P Gen	68.46	68.68
Czech Republic	PX	1316.55	1308.12
Denmark	OMXC Copenahgen 20	2034.96	2036.69
Egypt	EGX 30	17739.63	17521.36
Estonia	OMX Tallinn	1880.89	1885.66
Finland	OMX Helsinki General	10372.92	10343.53
France	CAC 40	7250.35	7213.14
	SBF 120	5537.55	5509.51
Germany	M-DAX	27305.83	27154.14
	TecDAX	3230.00	3198.39
	XETRA Dax	16097.87	15949.84
Greece	Athens Gen	1263.38	1261.67
	FTSE/ASE 20	3071.56	3062.57
Hong Kong	Hang Seng	19404.31	19389.95
	HS China Enterprise	6585.68	6589.32
	HSCC Red Chip	3812.00	3844.35
Hungary	Bux	50009.74	49320.70
India	BSE Sensex	62724.71	62625.63
	Nifty 500	15929.10	15877.40
Indonesia	Jakarta Comp	6722.37	6694.02
Ireland	ISEQ Overall	8532.64	8503.43
Israel	Tel Aviv 125	1801.02	1801.02

Country	Index	Latest	Previous
Italy	FTSE Italia All-Share	29557.50	29282.40
	FTSE Italia Mid Cap	43587.52	43031.00
	FTSE MIB	27410.47	27162.02
Japan	2nd Section	7228.27	7239.06
	Nikkei 225	32434.00	32265.17
	S&P Topix 150	1952.29	1940.21
	Topix	2238.77	2224.32
Jordan	Amman SE	2510.41	2511.19
Kenya	NSE 20	1594.02	1587.29
Kuwait	KSX Market Index	6633.44	6603.51
Latvia	OMX Riga	1155.77	1152.72
Lithuania	OMX Vilnius	992.29	992.29
Luxembourg	LuxX	1449.77	1483.51
Malaysia	FTSE Bursa KLCI	1386.77	1376.08
Mexico	IPC	54392.86	54512.14
Morocco	MASI	11060.42	11003.59
Netherlands	AEX	760.34	759.32
	AEX All Share	1029.93	1028.93
New Zealand	NZX 50	11615.55	11690.34
Nigeria	SE All Share	55930.97	55956.59
Norway	Oslo All Share	1017.37	1006.88
Pakistan	KSE 100	41782.93	41904.21

Country	Index	Latest	Previous
Philippines	Manila Comp	6507.15	6539.36
Poland	Wig	66213.39	66531.53
Portugal	PSI 20	5984.40	5966.71
	PSI General	4631.63	4615.29
Romania	BET Index	12187.24	12251.01
Russia	Micex Index	2436.57	2445.30
	RTX	1245.71	1212.57
Saudi-Arabia	TADAWUL All Share Index	11396.13	11397.14
Singapore	FTSE Straits Times	3196.07	3186.97
Slovakia	SAX	316.91	316.91
Slovenia	SBI TOP	-	-
South Africa	FTSE/JSE All Share	76282.13	76936.11
	FTSE/JSE Res 20	66626.46	68392.51
	FTSE/JSE Top 40	70968.68	71602.07
South Korea	Kospi	2629.35	2641.16
	Kospi 200	344.57	346.79
Spain	IBEX 35	9344.40	9309.70
Sri Lanka	CSE All Share	9014.83	8818.39
Sweden	OMX Stockholm 30	2299.50	2301.98
	OMX Stockholm AS	855.15	855.10
Switzerland	SMI Index	11301.25	11254.42

Country	Index	Latest	Previous
Taiwan	Weighted Pr	16955.37	16886.40
Thailand	Bangkok SET	1551.17	1555.10
Turkey	BIST 100	5655.83	5626.49
UAE	Abu Dhabi General Index	9222.93	9251.11
UK	FT 30	2779.10	2768.80
	FTSE 100	7570.69	7562.36
	FTSE 4Good UK	6921.42	6909.20
	FTSE All Share	4140.42	4133.32
	FTSE techMARK 100	6788.04	6727.30
USA	DJ Composite	11203.48	11200.26
	DJ Industrial	33925.36	33876.78
	DJ Transport	14233.14	14243.36
	DJ Utilities	912.72	915.24
	Nasdaq 100	14655.59	14528.36
	Nasdaq Cmp	13360.39	13259.14
	NYSE Comp	15503.72	15499.91
	S&P 500	4313.79	4298.86
	Wilshire 5000	42053.18	41446.59
Venezuela	IBC	35500.36	34072.78
Vietnam	VNI	1116.02	1107.53

Country	Index	Latest	Previous
Cross-Border	DJ Global Titans ($)	498.29	495.76
	Euro Stoxx 50 (Eur)	4314.83	4289.79
	Euronext 100 ID	1350.48	1345.81
	FTSE 4Good Global ($)	10882.59	10852.17
	FTSE All World ($)	441.18	440.11
	FTSE E300	1821.50	1819.53
	FTSE Eurotop 100	3615.72	3613.68
	FTSE Global 100 ($)	2946.50	2933.20
	FTSE Gold Min ($)	1877.71	1887.35
	FTSE Latibex Top (Eur)	4440.00	4432.20
	FTSE Multinationals ($)	3035.89	3029.11
	FTSE World ($)	804.97	802.95
	FTSEurofirst 100 (Eur)	4884.86	4877.99
	FTSEurofirst 80 (Eur)	5855.80	5822.48
	MSCI ACWI Fr ($)	667.08	665.76
	MSCI All World ($)	2885.63	2882.13
	MSCI Europe (Eur)	1853.07	1858.85
	MSCI Pacific ($)	2821.28	2791.72
	S&P Euro (Eur)	1908.40	1897.62
	S&P Europe 350 (Eur)	1867.43	1865.99
	S&P Global 1200 ($)	3201.99	3193.12
	Stoxx 50 (Eur)	3972.58	3972.76

(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	195.9	247.10	2.70
Nvidia	68.6	389.03	1.33
Advanced Micro Devices	62.8	127.13	2.21
Apple	31.0	182.34	1.38
Microsoft	26.4	328.06	1.27
Amazon.com	25.9	125.62	2.19
Meta Platforms	17.2	268.99	4.04
Broadcom	16.9	841.60	36.98
Oracle	16.2	116.70	6.85
Adobe	12.7	467.97	13.97
BIGGEST MOVERS	**Close price**	**Day's change**	**Day's chng%**
Ups			
Carnival	14.91	1.82	13.87
Catalent	43.02	4.21	10.85
Norwegian Cruise Line Holdings Ltd	18.56	1.39	8.10
Oracle	116.70	6.85	6.23
Advance Auto Parts	67.30	3.72	5.85
Downs			
Nasdaq	50.24	-7.59	-13.13
Key	9.94	-0.75	-6.98
Citizens Fin	26.54	-1.80	-6.35
Comerica	40.17	-1.91	-4.54
Cme	177.90	-6.94	-3.75

Based on the constituents of the S&P500

LONDON

ACTIVE STOCKS	stock traded m's	close price	Day's change
Shell	221.1	2278.00	-16.50
Bp	157.9	462.60	-6.30
Astrazeneca	153.2	11830.00	118.00
Rio Tinto	121.1	5068.00	-57.00
Experian	109.4	2949.00	81.00
Unilever	89.2	3996.00	26.00
Glencore	89.1	436.95	1.95
Hsbc Holdings	72.0	605.30	-2.20
London Stock Exchange	65.2	8678.00	28.00
Reckitt Benckiser	61.5	5990.00	-44.00
BIGGEST MOVERS	**Close price**	**Day's change**	**Day's chng%**
Ups			
Carnival	1024.50	115.10	12.66
Kainos	1361.00	77.00	6.00
Wizz Air Holdings	2842.00	117.00	4.29
Trainline	275.60	10.80	4.08
Games Workshop	9660.00	345.00	3.70
Downs			
Fresnillo	648.60	-28.60	-4.22
Videndum	640.00	-22.00	-3.32
Iwg	160.40	-5.10	-3.08
Ibstock	155.20	-4.70	-2.94
Tullow Oil	25.02	-0.70	-2.72

Based on the constituents of the FTSE 350 index

EURO MARKETS

ACTIVE STOCKS	stock traded m's	close price	Day's change
Novartis N	327.1	92.95	0.69
Nestle N	305.6	109.65	0.00
Roche Gs	299.1	286.55	-2.10
Richemont N	286.5	148.42	3.22
Iberdrola	206.9	11.55	0.05
Unicredit	205.9	18.51	0.16
Eni	178.3	12.83	-0.15
Asml Holding	163.5	669.60	3.00
Novo Nordisk B A/s	161.6	146.79	0.32
Abb Ltd N	138.3	35.62	0.32
BIGGEST MOVERS	**Close price**	**Day's change**	**Day's chng%**
Ups			
Capgemini	173.55	5.15	3.06
Hermes Intl	1974.60	58.20	3.04
Sartorius Sted Bio	272.30	6.70	2.52
Volkswagen Ag Vzo O.n.	129.34	3.06	2.42
Sika N	259.08	5.73	2.26
Downs			
Dsv A/s	175.71	-3.89	-2.17
Totalenergies	54.05	-0.90	-1.64
Essilorluxottica	165.18	-2.64	-1.57
Mowi	15.48	-0.21	-1.37
Orange	10.39	-0.13	-1.27

Based on the constituents of the FTSEurofirst 300 Eurozone index

TOKYO

ACTIVE STOCKS	stock traded m's	close price	Day's change
Advantest	812.2	18365.00	515.00
Softbank .	698.3	5995.00	94.00
Tokyo Electron	585.6	18955.00	45.00
Mitsubishi	471.1	6287.00	2.00
Mitsubishi Ufj Fin,.	467.0	961.00	-6.90
Eisai Co.,	459.2	10795.00	205.00
Keyence	457.9	70010.00	1600.00
Fast Retailing Co.,	411.1	34790.00	-490.00
Toyota Motor	407.9	2069.00	17.50
Kawasaki Kisen Kaisha,	378.3	3182.00	-133.00
BIGGEST MOVERS	**Close price**	**Day's change**	**Day's chng%**
Ups			
Taiheiyo Cement	2688.50	116.50	4.53
Nippon Paper Industries Co Ltd	1278.00	53.00	4.33
Daiichi Sankyo ,	5111.00	202.00	4.11
Mitsubishi Heavy Industries,	6663.00	237.00	3.69
Tse Growth Market Core Index	1014.01	33.35	3.40
Downs			
Kawasaki Kisen Kaisha,	3182.00	-133.00	-4.01
Tokyo Electric Power ,orporated	504.40	-20.40	-3.89
Nippon Yusen Kabushiki Kaisha	3003.00	-73.00	-2.37
Mitsui O.s.k.lines,	3212.00	-66.00	-2.01
Sekisui House,	2707.50	-55.50	-2.01

Based on the constituents of the Nikkei 225 index

UK MARKET WINNERS AND LOSERS

FTSE 100	Jun 12 price(p)	%Chg week	%Chg ytd
Winners			
Ocado	400.60	16.7	-
Melrose Industries	527.00	7.6	30.8
Ashtead	5414.00	5.7	14.5
Hargreaves Lansdown	859.20	5.5	0.8
Airtel Africa	131.30	5.3	17.4
Auto Trader	637.00	4.3	22.5
Burberry	2259.00	4.1	11.3
Int Consolidated Airlines S.a.	163.05	3.7	31.7
Smiths	1678.50	3.2	5.0
Abrdn	216.30	3.0	16.2
Intercontinental Hotels	5532.00	2.6	16.6
Whitbread	3427.00	2.6	33.3
Losers			
Croda Int	5442.00	-12.4	-
Beazley	574.50	-6.5	-
Vodafone	72.85	-6.5	-
Segro	779.40	-5.3	2.3
Reckitt Benckiser	5990.00	-4.9	4.1
Fresnillo	648.60	-4.8	-28.1
Jd Sports Fashion	148.95	-3.9	18.1
Smurfit Kappa	2882.00	-3.4	-6.2
Hiscox Ltd	1124.00	-3.3	3.2
Johnson Matthey	1745.50	-3.3	-
Smith & Nephew	1185.00	-3.1	6.8
Endeavour Mining	2034.00	-3.0	16.1

FTSE 250	Jun 12 price(p)	%Chg week	%Chg ytd
Winners			
Firstgroup	142.00	19.1	40.6
Carnival	1024.50	17.5	76.8
Discoverie	929.00	15.8	29.3
Paragon Banking	560.50	11.3	-0.5
Apax Global Alpha	183.00	10.9	-2.9
Chemring	295.50	10.1	-0.7
Indivior	1745.00	9.7	-5.5
Ti Fluid Systems	134.80	7.3	0.9
Tui Ag	571.50	7.0	54.6
Investec	468.60	6.8	-8.1
Digital 9 Infrastructure	65.40	6.3	-
Integrafin Holdings	264.00	5.9	-11.8
Losers			
Asos	329.30	-12.2	-
Warehouse Reit	91.40	-11.6	-
Lancashire Holdings	570.50	-8.6	-12.0
Plus500 Ltd	1390.00	-7.8	-
Crest Nicholson Holdings	234.00	-6.9	-1.0
Synthomer	88.00	-6.2	-
Videndum	640.00	-5.9	-
Barr (a.g.)	485.50	-5.7	-8.9
Hunting	212.50	-5.3	-
Great Portland Estates	472.40	-5.3	-4.6
Vanquis Banking	211.00	-5.0	10.4
Morgan Advanced Materials	278.50	-4.9	-

FTSE SmallCap	Jun 12 price(p)	%Chg week	%Chg ytd
Winners			
888 Holdings	106.70	52.4	22.7
Alfa Fin Software Holdings	188.00	15.7	14.5
Ocean Wilsons (holdings) Ld	920.00	9.8	-1.1
Galliford Try Holdings	200.50	9.6	26.1
Ao World	75.00	9.3	44.2
Paypoint	445.00	8.5	-12.7
Funding Circle Holdings	58.20	7.8	5.8
Foresight Holdings	458.00	7.3	5.3
Bloomsbury Publishing	449.50	7.0	0.0
Capital	102.50	6.8	5.7
Schroders Capital Global Innovation Trust	14.58	6.4	-7.2
Lsl Property Services	276.00	6.2	10.4
Losers			
Esken	4.05	-17.0	-
De La Rue	35.55	-10.0	-
Costain	47.70	-10.0	21.1
Kin And Carta	59.00	-9.1	-
Dwf	50.00	-7.4	-
Dfs Furniture	110.00	-6.9	-
Residential Secure ome	67.20	-6.1	-20.0
Vpc Specialty Lending Investments	71.80	-5.5	-
Saga	113.20	-5.4	-9.7
Renewi	507.00	-5.2	-
Taylor Maritime Investments	77.60	-5.1	-
Robert Walters	459.00	-4.4	-15.0

Industry Sectors	Jun 12 price(p)	%Chg week	%Chg ytd
Winners			
Industrial Transportation	3877.96	5.1	11.8
Personal Goods	31159.77	2.5	1.2
Aerospace & Defense	6401.51	2.3	24.7
Software & Computer Services	2034.84	1.4	15.0
Automobiles & Parts	1793.66	1.1	20.6
Travel & Leisure	7680.75	0.9	23.6
Industrial Engineering	14490.49	0.8	4.7
Construction & Materials	8032.50	0.8	17.1
General Financial	13838.27	0.7	19.9
Support Services	10755.33	0.6	8.2
Industrial Metals	6405.85	0.6	-18.3
Tobacco	28380.71	0.2	-
Losers			
Chemicals	9903.49	-8.4	-
Mobile Telecommunications	2071.46	-3.9	-2.8
Health Care Equip.& Services	10597.08	-3.9	-3.6
Nonlife Insurance	3182.71	-3.6	-5.2
Mining	10861.81	-3.5	-2.5
Real Estate Investment Trusts	2190.57	-2.8	-1.8
Food & Drug Retailers	4113.88	-2.3	-0.2
Household Goods	11013.72	-2.1	11.2
General Industrials	6302.44	-1.1	3.8
Oil & Gas Producers	7899.30	-1.1	-2.8
Gas Water & Multiutilities index	6006.73	-0.9	6.1
Life Insurance	6770.95	-0.9	-4.1

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

CURRENCIES

Jun 12	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	246.8265	1.8735	265.2765	1.7813	308.7802	0.6167
Australia	Australian Dollar	1.4817	-0.0011	1.5925	-0.0026	1.8536	-0.0118
Bahrain	Bahrainin Dinar	0.3770	-	0.4052	-0.0004	0.4716	-0.0027
Bolivia	Bolivian Boliviano	6.9100	-	7.4265	-0.0066	8.6444	-0.0487
Brazil	Brazilian Real	4.8845	0.0069	5.2496	0.0027	6.1105	-0.0258
Canada	Canadian Dollar	1.3370	0.0053	1.4369	0.0044	1.6725	-0.0028
Chile	Chilean Peso	808.2500	22.9900	868.6657	23.9641	1011.1214	23.2239
China	Chinese Yuan	7.1423	0.0179	7.6762	0.0125	8.9350	-0.0278
Colombia	Colombian Peso	4180.0000	-17.8450	4492.4518	-23.1566	5229.1847	-51.9234
Costa Rica	Costa Rican Colon	544.0400	0.7450	584.7064	0.2856	680.5945	-2.8986
Czech Republic	Czech Koruna	22.1331	0.1005	23.7875	0.0871	27.6885	-0.0297
Denmark	Danish Krone	6.9342	0.0067	7.4526	0.0006	8.6748	-0.0405
Egypt	Egyptian Pound	30.9069	-0.0125	33.2172	-0.0428	38.6646	-0.2337
Hong Kong	Hong Kong Dollar	7.8339	-0.0056	8.4194	-0.0135	9.8002	-0.0623
Hungary	Hungarian Forint	343.4055	1.3956	369.0746	1.1757	429.6005	-0.6655
India	Indian Rupee	82.4325	-0.0288	88.5942	-0.1091	103.1231	-0.6174

Jun 12	Currency	DOLLAR Closing Mid	DOLLAR Day's Change	EURO Closing Mid	EURO Day's Change	POUND Closing Mid	POUND Day's Change
Indonesia	Indonesian Rupiah	14862.5000	22.5000	15973.4713	10.1231	18593.0284	-76.4711
Israel	Israeli Shekel	3.6001	0.0106	3.8692	0.0080	4.5037	-0.0120
Japan	Japanese Yen	139.6250	0.2500	150.0618	0.1366	174.6710	-0.6699
..One Month		139.6244	0.2487	150.0614	0.1357	174.6703	-0.6714
..Three Month		139.6230	0.2460	150.0604	0.1338	174.6687	-0.6744
..One Year		139.6173	0.2346	150.0561	0.1252	174.6703	-0.6803
Kenya	Kenyan Shilling	139.4450	0.0450	149.8683	-0.0838	174.4458	-0.9266
Kuwait	Kuwaiti Dinar	0.3074	0.0001	0.3303	-0.0002	0.3845	-0.0020
Malaysia	Malaysian Ringgit	4.6200	0.0060	4.9653	0.0021	5.7796	-0.0250
Mexico	Mexican Peso	17.3220	-0.0075	18.6168	-0.0245	21.6698	-0.1316
New Zealand	New Zealand Dollar	1.6355	0.0040	1.7577	0.0028	2.0460	-0.0065
Nigeria	Nigerian Naira	465.0000	0.5000	499.7582	0.0970	581.7154	-2.6495
Norway	Norwegian Krone	10.8279	0.0828	11.6373	0.0788	13.5457	0.0278
Pakistan	Pakistani Rupee	287.4100	0.5400	308.8936	0.3084	359.5501	-1.3471
Peru	Peruvian Nuevo Sol	3.6581	0.0151	3.9315	0.0128	4.5763	-0.0068
Philippines	Philippine Peso	56.0500	-	60.2397	-0.0531	70.1186	-0.3952

Jun 12	Currency	DOLLAR Closing Mid	DOLLAR Day's Change	EURO Closing Mid	EURO Day's Change	POUND Closing Mid	POUND Day's Change
Poland	Polish Zloty	4.1337	0.0088	4.4427	0.0055	5.1713	-0.0181
Romania	Romanian Leu	4.6115	0.0047	4.9562	0.0007	5.7690	-0.0265
Russia	Russian Ruble	83.3250	0.7000	89.5534	0.6740	104.2396	0.2931
Saudi Arabia	Saudi Riyal	3.7501	-0.0004	4.0304	-0.0040	4.6914	-0.0269
Singapore	Singapore Dollar	1.3441	0.0006	1.4445	-0.0006	1.6814	-0.0087
South Africa	South African Rand	18.5588	-0.1425	19.9460	-0.1709	23.2170	-0.3101
South Korea	South Korean Won	1288.1000	-3.5500	1384.3841	-5.0398	1611.4142	-13.5481
Sweden	Swedish Krona	10.8118	-0.0179	11.6200	-0.0295	13.5256	-0.0987
Switzerland	Swiss Franc	0.9094	0.0073	0.9773	0.0069	1.1376	0.0027
Taiwan	New Taiwan Dollar	30.7555	0.0330	33.0544	0.0063	38.4752	-0.1753
Thailand	Thai Baht	34.6000	-0.0150	37.1863	-0.0489	43.2846	-0.2628
Tunisia	Tunisian Dinar	3.1096	0.0043	3.3420	0.0016	3.8900	-0.0166
Turkey	Turkish Lira	23.6575	0.2995	25.4259	0.2997	29.5956	0.2100
United Arab Emirates	UAE Dirham	3.6729	-0.0001	3.9474	-0.0036	4.5948	-0.0260
United Kingdom	Pound Sterling	0.7994	0.0045	0.8591	0.0041	-	-
..One Month		0.7994	0.0045	0.8590	0.0041	-	-

Jun 12	Currency	DOLLAR Closing Mid	DOLLAR Day's Change	EURO Closing Mid	EURO Day's Change	POUND Closing Mid	POUND Day's Change
..Three Month		0.7995	0.0045	0.8588	0.0041	-	-
..One Year		0.7993	0.0045	0.8575	0.0040	-	-
United States	United States Dollar	-	-	1.0747	-0.0009	1.2510	-0.0071
..One Month		-	-	1.0746	-0.1833	1.2511	-0.0071
..Three Month		-	-	1.0742	-0.1833	1.2512	-0.0070
..One Year		-	-	1.0727	-0.1833	1.2510	-0.0071
Vietnam	Vietnamese Dong	23480.0000	6.5000	25235.1283	-15.2927	29373.5791	-157.3516
European Union	Euro	0.9304	0.0008	-	-	1.1640	-0.0055
..One Month		0.9303	0.0008	-	-	1.1639	-0.0055
..Three Month		0.9299	0.0008	-	-	1.1637	-0.0055
..One Year		0.9284	0.0008	-	-	1.1624	-0.0056

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

FTSE ACTUARIES SHARE INDICES

UK SERIES www.ft.com/equities

Produced in conjunction with the Institute and Faculty of Actuaries

	£ Strlg Jun 12	Day's chge%	Euro Index	£ Strlg Jun 09	£ Strlg Jun 08	Year ago	Div yield%	Cover	P/E ratio	X/D adj	Total Return
FTSE 100 (100)	7570.69	0.11	6860.92	7562.36	7599.74	7317.52	3.76	1.83	14.54	159.51	7941.36
FTSE 250 (250)	19190.81	0.52	17391.63	19091.66	19107.55	19673.32	3.30	0.71	42.91	286.63	16225.41
FTSE 250 ex Inv Co (169)	19826.67	0.52	17967.88	19724.94	19765.63	20235.84	3.42	0.75	39.04	307.14	17114.44
FTSE 350 (350)	4180.77	0.17	3788.82	4173.74	4191.92	4076.70	3.70	1.68	16.06	84.43	8695.90
FTSE 350 ex Investment Trusts (266)	4126.65	0.15	3739.76	4120.30	4139.45	4011.44	3.75	1.75	15.22	85.09	4437.72
FTSE 350 Higher Yield (135)	3491.64	-0.33	3164.30	3503.22	3514.27	3580.66	5.17	1.69	11.42	94.94	8248.95
FTSE 350 Lower Yield (215)	4470.31	0.66	4051.21	4441.00	4465.61	4139.95	2.27	1.66	26.61	59.71	5580.96
FTSE SmallCap (226)	6281.49	0.31	5692.59	6262.34	6261.93	6617.56	3.59	-0.61	-45.69	96.93	10745.91
FTSE SmallCap ex Inv Co (119)	5114.16	0.50	4634.70	5088.57	5093.60	5563.94	3.69	0.83	32.69	80.78	9099.08
FTSE All-Share (576)	4140.42	0.17	3752.24	4133.32	4150.90	4046.16	3.70	1.63	16.59	83.15	8695.69
FTSE All-Share ex Inv Co (385)	4052.31	0.16	3672.39	4045.89	4064.51	3945.96	3.75	1.74	15.32	83.31	4424.28
FTSE Fledgling (78)	11606.41	0.15	10518.28	11588.73	11582.34	12816.14	3.22	-1.02	-30.49	172.47	25566.42
FTSE Fledgling ex Inv Co (30)	15667.27	0.65	14198.43	15565.99	15576.83	18056.68	3.50	6.19	4.61	294.40	33608.10
FTSE All-Small (304)	4378.68	0.30	3968.17	4365.71	4365.30	4624.36	3.57	-0.63	-44.42	67.43	9607.40
FTSE All-Small ex Inv Co (149)	3849.83	0.51	3488.90	3830.35	3834.08	4197.09	3.68	1.03	26.38	61.24	8675.46
FTSE AIM All-Share (713)	792.48	-0.11	718.18	793.34	792.90	950.92	1.83	1.57	34.83	5.95	938.68
FTSE All-Share Technology (18)	2124.94	1.85	1830.42	2086.43	2091.60	1758.54	1.81	1.50	37.01	20.62	3110.71
FTSE All-Share Telecommunications (6)	1333.38	-2.17	1148.57	1362.99	1357.57	2005.14	7.93	1.50	8.39	39.79	2107.98
FTSE All-Share Health Care (13)	15072.53	0.59	12983.49	14984.00	15017.96	14224.22	2.38	1.14	37.06	216.02	14162.96
FTSE All-Share Financials (254)	4791.30	-0.05	4127.23	4793.53	4810.06	4431.55	3.93	1.64	15.46	124.95	5474.96
FTSE All-Share Real Estate (54)	805.70	-0.72	726.04	811.58	814.93	1047.38	4.44	-1.53	-14.70	15.57	866.81
FTSE All-Share Consumer Discretionary (82)	5129.55	1.00	4418.60	5078.57	5102.02	4486.85	2.31	1.31	32.88	66.92	5514.66
FTSE All-Share Consumer Staples (22)	18157.62	0.29	15640.99	18104.46	18172.66	18959.00	4.30	1.64	14.18	335.26	17004.78
FTSE All-Share Industrials (84)	6951.87	0.99	5988.34	6883.89	6929.82	5934.23	2.23	1.14	39.19	85.63	8156.33
FTSE All-Share Basic Materials (21)	7701.69	-0.42	6634.24	7733.92	7797.77	9120.97	6.61	3.43	4.41	255.73	10831.94
FTSE All-Share Energy (14)	8167.31	-0.95	7035.32	8245.55	8299.14	8270.35	4.18	1.65	14.46	177.52	10137.12
FTSE All-Share Utilities (8)	8985.67	-0.14	7740.26	8998.06	8978.79	8936.09	4.67	0.68	31.70	218.79	14054.22
FTSE All-Share Software and Computer Services (16)	2301.59	1.87	1982.59	2259.37	2264.94	1890.98	1.79	1.52	36.89	21.94	3564.05
FTSE All-Share Technology Hardware and Equipment (2)	4132.76	0.10	3559.96	4128.43	4141.87	4910.29	3.17	0.65	48.66	89.37	5472.14
FTSE All-Share Telecommunications Equipment (1)	407.96	-1.08	351.42	412.43	410.86	518.61	3.44	2.14	13.55	9.21	597.03
FTSE All-Share Telecommunications Service Providers (5)	2068.33	-2.21	1781.66	2115.10	2106.69	3125.24	8.10	1.49	8.28	62.32	2981.92
FTSE All-Share Health Care Providers (2)	11056.73	-0.05	9524.27	11062.18	11255.66	10140.35	0.49	2.90	70.35	18.58	10279.22
FTSE All-Share Medical Equipment and Services (2)	5668.84	-0.38	4883.14	5690.64	5700.15	5758.71	2.66	1.16	32.35	92.56	5568.32
FTSE All-Share Pharmaceuticals and Biotechnology (9)	21575.77	0.64	18585.38	21437.50	21485.71	20287.76	2.37	1.13	37.29	310.15	18256.77
FTSE All-Share Banks (12)	3529.52	-0.43	3040.33	3544.80	3561.72	3094.95	4.56	2.67	8.22	136.68	3243.80
FTSE All-Share Finance and Credit Services (8)	11925.37	0.31	10272.52	11888.49	12003.56	9832.25	1.76	1.87	30.34	148.60	16247.63
FTSE All-Share Investment Banking and Brokerage Services (31)	9415.67	0.05	8110.66	9410.63	9418.94	8303.01	4.76	2.36	8.90	182.55	13581.46
FTSE All-Share Closed End Investments (191)	11475.49	0.37	9885.00	11432.95	11420.79	11820.69	2.86	-0.54	-64.60	147.70	7290.85
FTSE All-Share Life Insurance (6)	6888.27	-0.06	5933.56	6892.73	6927.06	6570.94	4.67	0.57	37.32	215.96	8697.24
FTSE All-Share Nonlife Insurance (6)	3599.06	0.12	3100.24	3594.68	3641.60	3393.42	4.67	1.24	17.33	56.37	7786.24
FTSE All-Share Real Estate Investment and Services (10)	2078.91	0.47	1790.78	2069.10	2076.36	2492.08	2.39	1.66	25.14	27.21	6303.35
FTSE All-Share Real Estate Investment Trusts (44)	1994.76	-0.94	1718.29	2013.73	2022.26	2630.83	4.81	-1.83	-11.38	40.87	3096.62
FTSE All-Share Automobiles and Parts (3)	1802.85	0.34	1552.98	1796.66	1814.70	2086.31	0.25	-25.17	-16.02	2.74	1878.37
FTSE All-Share Consumer Services (1)	3603.41	0.64	3103.98	3580.33	3586.92	2877.30	1.70	1.17	50.54	61.00	4655.77
FTSE All-Share Household Goods and Home Construction (11)	9181.61	0.73	7909.05	9115.26	9205.11	10885.01	7.48	1.98	6.75	287.84	8521.50
FTSE All-Share Leisure Goods (2)	26640.94	3.51	22948.52	25737.91	25561.58	17752.40	3.37	1.14	25.93	666.68	30571.37
FTSE All-Share Personal Goods (4)	26758.48	1.47	23049.77	26371.82	26390.74	23886.25	2.11	2.93	16.16	81.05	21109.94
FTSE All-Share Media (10)	10028.63	0.81	8638.67	9948.13	10023.56	8684.74	2.53	1.85	21.35	172.51	7175.03
FTSE All-Share Retailers (22)	2178.50	0.57	1876.56	2166.10	2176.95	1963.52	2.56	3.49	11.22	17.80	2868.56
FTSE All-Share Travel and Leisure (29)	7489.69	1.53	6451.62	7377.14	7391.62	6110.04	0.71	-6.70	-20.97	34.60	7784.95
FTSE All-Share Beverages (5)	26059.03	0.69	22447.26	25881.50	25948.61	27043.96	2.38	2.29	18.28	273.41	21109.15
FTSE All-Share Food Producers (8)	6618.77	0.49	5701.41	6586.44	6625.45	6194.04	2.33	2.40	17.87	38.29	6484.70
FTSE All-Share Tobacco (2)	28380.76	-0.29	24447.20	28462.03	28375.59	36454.59	8.49	1.58	7.48	752.81	27635.34
FTSE All-Share Construction and Materials (15)	8524.52	1.37	7343.03	8409.58	8510.36	7009.00	2.97	0.53	63.80	185.09	10633.42
FTSE All-Share Aerospace and Defense (9)	6709.82	0.68	5779.84	6664.19	6663.09	4979.36	1.84	0.15	358.17	74.85	8275.72
FTSE All-Share Electronic and Electrical Equipment (11)	12165.34	1.24	10479.23	12016.04	12136.40	10389.84	1.49	2.32	28.98	81.67	12134.42
FTSE All-Share General Industrials (7)	5072.72	0.36	4369.64	5054.51	5128.95	4855.75	3.45	1.32	21.92	93.04	6836.11
FTSE All-Share Industrial Engineering (6)	15994.23	0.60	13777.44	15898.23	15953.11	14354.98	1.96	2.38	21.44	210.47	21757.55
FTSE All-Share Industrial Support Services (29)	10342.65	1.33	8909.16	10207.19	10299.73	9190.26	2.00	1.61	31.16	109.85	12044.88
FTSE All-Share Industrial Transportation (8)	5822.18	0.84	5015.23	5773.84	5739.10	4635.21	1.98	0.90	55.90	16.99	6124.43
FTSE All-Share Industrial Materials (1)	17928.35	-1.78	586.70	18253.41	18053.37	15402.87	1.90	1.34	39.36	231.04	22932.52
FTSE All-Share Industrial Metals and Mining (8)	6901.74	-0.61	5945.17	6944.15	6954.12	8226.06	7.08	3.54	3.99	243.73	10953.87
FTSE All-Share Precious Metals and Mining (5)	10268.08	-0.98	8844.93	10369.54	10437.32	10114.93	3.28	1.79	17.05	169.32	7360.87
FTSE All-Share Chemicals (7)	11021.38	1.92	9493.82	10813.53	11698.01	13176.80	3.24	1.80	17.17	207.36	11258.58
FTSE All-Share Oil. Gas and Coal (13)	7928.49	-0.95	6829.60	8004.45	8056.47	8026.61	4.18	1.65	14.46	172.35	10205.69
FTSE All-Share Electricity (2)	11113.21	0.48	9572.92	11059.74	11043.17	10807.76	4.71	0.15	142.01	181.71	22920.16
FTSE Sector Indices											
Non Financials (322)	**5004.60**	**0.24**	**4535.41**	**4992.69**	**5015.15**	**4969.06**	**3.62**	**1.63**	**16.97**	**91.47**	**9231.98**

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	7619.10	7605.49	7602.26	7577.83	7567.03	7555.65	7562.22	7563.20	7575.72	7619.10	7546.54
FTSE 250	19051.87	19082.40	19086.36	19027.38	18975.95	19004.18	19037.12	19063.14	19078.87	19099.16	18970.70
FTSE SmallCap	6250.85	6257.47	6255.91	6256.14	6254.98	6254.82	6254.51	6253.46	6253.56	6262.34	6250.38
FTSE All-Share	4157.91	4152.70	4151.32	4138.36	4131.85	4127.49	4131.49	4132.70	4138.91	4157.91	4124.52

Time of FTSE 100 Day's high:07:03:00 Day's Low12:34:45 FTSE 100 2010/11 High: 8014.31(20/02/2023) Low: 7335.40(17/03/2023)
Time of FTSE All-Share Day's high:07:03:00 Day's Low12:35:00 FTSE 100 2010/11 High: 4377.36(16/02/2023) Low: 4007.66(17/03/2023)

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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.

FT 30 INDEX

	Jun 12	Jun 09	Jun 08	Jun 07	Jun 06	Yr Ago	High	Low
FT 30	2779.10	2768.80	2770.80	2789.80	2777.10	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
2768.8	2784.6	2788.1	2785.7	2784.8	2784.4	2784.5	2779.7	2779.6	2790.1	2768.8

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

FT WILSHIRE 5000 INDEX SERIES

	Jun 09		Jun 09
FT Wilshire 5000	43402.30	FT Wilshire Mid Cap	5499.04
FT Wilshire 2500	5565.27	FT Wilshire Small Cap	5029.45
FT Wilshire Mega Cap	5665.69	FT Wilshire Micro Cap	4730.38
FT Wilshire Large Cap	5639.40		

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FTSE SECTORS: LEADERS & LAGGARDS

Year to date percentage changes

Aerospace & Defense	24.73	Media	8.63	Real Est Invest & Tr	-2.20
Automobiles & Parts	20.49	Technology	6.56	Oil & Gas Producers	-2.72
Travel & Leisure	19.91	Household Goods & Ho	6.41	Oil & Gas	-2.77
Electronic & Elec Eq	18.98	Gas Water & Multi	6.03	Telecommunications	-2.97
Fixed Line Telecomms	18.45	Utilities	5.59	Personal Goods	-3.95
Construct & Material	17.11	Financials	4.41	Life Insurance	-3.96
Leisure Goods	15.50	Electricity	4.39	Nonlife Insurance	-4.48
General Retailers	15.12	Real Est Invest & Se	3.16	Industrial Metals &	-5.07
Financial Services	15.07	Pharmace & Biotech	2.90	Consumer Goods	-6.10
Consumer Services	14.44	Health Care	2.83	Beverages	-6.78
Food Producers	12.71	FTSE 250 Index	1.79	Industrial Transport	-7.83
Industrials	12.41	FTSE 100 Index	1.60	Oil Equipment & Serv	-9.51
Software & Comp Serv	11.02	FTSE All{HY-}Share Index	1.60	Mobile Telecoms	-11.90
Food & Drug Retailer	10.68	Health Care Eq & Srv	1.29	Chemicals	-14.75
Industrial Eng	9.74	FTSE SmallCap Index	0.66	Tech Hardware & Eq	-17.08
Support Services	9.46	NON FINANCIALS Index	0.61	Basic Materials	-17.54
Banks	8.74	Beverages	31.66	Mining	-17.89
		Equity Invest Instr	-0.91	Tobacco	-20.38

FTSE GLOBAL EQUITY INDEX SERIES

Jun 12 Regions & countries	No of stocks	US $ indices	Day %	Mth %	YTD %	Total retn	YTD %	Gr Div Yield
FTSE Global All Cap	9488	746.07	0.2	2.4	9.7	1211.46	10.9	2.2
FTSE Global All Cap	9488	746.07	0.2	2.4	9.7	1211.46	10.9	2.2
FTSE Global Large Cap	1936	676.47	0.3	2.7	11.2	1132.49	12.5	2.2
FTSE Global Mid Cap	2228	925.23	0.0	0.9	4.8	1413.28	5.9	2.2
FTSE Global Small Cap	5324	958.85	-0.2	3.0	6.4	1398.42	7.4	2.1
FTSE All-World	4164	440.11	0.2	2.4	10.0	756.94	11.3	2.2
FTSE World	2658	802.95	0.2	2.6	10.9	1853.57	12.2	2.2
FTSE Global All Cap ex UNITED KINGDOM In	9208	788.14	0.2	2.7	9.8	1254.73	11.0	2.1
FTSE Global All Cap ex USA	7698	522.69	0.4	-0.5	6.9	947.28	8.7	3.2
FTSE Global All Cap ex JAPAN	8066	776.74	0.1	2.4	9.6	1272.30	10.8	2.2
FTSE Global All Cap ex Eurozone	8847	787.45	0.2	2.9	9.5	1249.42	10.6	2.1
FTSE Developed	2148	736.86	0.2	2.5	10.9	1204.71	12.2	2.1
FTSE Developed All Cap	5773	764.51	0.1	2.6	10.4	1231.26	11.7	2.1
FTSE Developed Large Cap	815	698.74	0.2	2.9	12.3	1162.89	13.7	2.1
FTSE Developed Europe Large Cap	205	414.49	-0.3	-3.0	9.5	842.44	12.2	3.2
FTSE Developed Europe Mid Cap	346	614.89	-0.2	-2.9	8.5	1078.95	10.6	3.1
FTSE Dev Europe Small Cap	734	844.60	0.1	-2.2	5.6	1426.31	7.8	3.2
FTSE North America Large Cap	234	934.78	0.2	4.6	13.8	1417.73	14.7	1.6
FTSE North America Mid Cap	413	1135.06	-0.2	2.2	3.9	1593.27	4.7	1.8
FTSE North America Small Cap	1319	1133.68	-0.6	4.6	6.8	1523.42	7.5	1.7
FTSE North America	647	603.62	0.1	4.1	11.8	936.10	12.7	1.6
FTSE Developed ex North America	1501	283.15	0.3	-0.9	8.8	554.02	11.0	3.1
FTSE Japan Large Cap	175	420.08	1.3	4.2	13.2	626.27	14.7	2.3
FTSE Japan Mid Cap	339	563.27	0.9	-0.4	6.4	798.53	7.8	2.4
FTSE Global wi JAPAN Small Cap	908	615.29	0.9	-2.4	3.5	907.40	5.1	2.7
FTSE Japan	514	171.32	1.3	3.3	11.9	286.06	13.3	2.3
FTSE Asia Pacific Large Cap ex Japan	1123	690.39	0.7	0.8	2.8	1274.66	3.8	3.2
FTSE Asia Pacific Mid Cap ex Japan	839	997.11	0.6	-0.1	3.6	1777.57	4.6	3.2
FTSE Asia Pacific Small Cap ex Japan	2089	565.11	0.9	1.7	5.8	975.84	6.7	2.8
FTSE Asia Pacific Ex Japan	1962	550.73	0.7	0.7	2.9	1080.81	3.9	3.2
FTSE Emerging All Cap	3715	726.70	0.6	1.4	3.2	1284.29	4.4	3.5
FTSE Emerging Large Cap	1121	667.15	0.6	1.2	2.6	1185.47	3.7	3.6
FTSE Emerging Mid Cap	895	1068.42	0.8	1.2	4.5	1905.35	6.1	3.6
FTSE Emerging Small Cap	1699	799.92	0.7	3.2	6.2	1350.67	7.3	3.2
FTSE Emerging Europe	147	128.92	0.7	2.9	0.3	276.36	2.5	2.9
FTSE Latin America All Cap	252	806.18	1.8	7.9	15.5	1655.80	18.8	8.7
FTSE Middle East and Africa All Cap	330	708.62	0.7	-0.5	-2.2	1328.56	0.0	3.6
FTSE Global wi UNITED KINGDOM All Cap In	280	334.06	-0.1	-2.7	6.3	698.25	8.5	3.7
FTSE Global wi USA All Cap	1790	1034.25	0.0	4.5	11.6	1511.57	12.5	1.6
FTSE Europe All Cap	1467	467.04	-0.3	-2.8	8.9	910.23	11.5	3.2
FTSE Eurozone All Cap	641	461.88	-0.3	-2.5	11.5	894.36	14.3	3.1
FTSE EDHEC-Risk Efficient All-World	4164	478.54	0.0	0.0	3.3	765.35	4.6	2.6
FTSE EDHEC-Risk Efficient Developed Europe	551	337.07	-0.2	-3.2	7.5	606.68	9.8	3.2
Oil & Gas	133	390.95	-0.2	0.0	-4.3	820.58	-2.4	4.8
Oil & Gas Producers	88	392.47	-0.1	0.0	-3.6	846.92	-1.6	5.0

Jun 12 Sectors	No of stocks	US $ indices	Day %	Mth %	YTD %	Total retn	YTD %	Gr Div Yield
Oil Equipment & Services	25	263.15	-0.8	-0.6	-5.3	499.57	-3.4	4.7
Basic Materials	405	600.74	-0.1	-2.4	0.5	1129.46	2.3	4.2
Chemicals	202	804.18	-0.6	-1.8	3.2	1448.59	4.7	3.1
Forestry & Paper	19	238.09	-0.1	0.3	-5.5	494.85	-3.2	4.2
Industrial Metals & Mining	104	513.02	0.5	0.1	3.8	1003.05	5.6	4.6
Mining	80	932.09	0.4	-4.8	-4.6	1862.18	-2.4	5.6
Industrials	811	526.85	0.1	2.1	8.0	851.67	9.3	2.1
Construction & Materials	163	627.03	-0.2	0.4	12.6	1070.66	14.0	2.1
Aerospace & Defense	36	942.87	0.1	2.0	4.2	1486.96	5.2	1.5
General Industrials	79	264.60	0.0	2.2	10.9	475.33	12.5	2.4
Electronic & Electrical Equipment	158	659.57	0.6	3.3	10.0	955.82	10.8	1.5
Industrial Engineering	159	1069.89	0.0	2.8	8.9	1724.82	10.2	2.0
Industrial Transportation	129	926.03	-0.7	-2.2	2.7	1537.77	4.5	3.6
Support Services	87	543.54	0.5	4.7	7.5	816.74	8.4	1.5
Consumer Goods	562	588.56	0.6	-0.3	9.4	1005.25	10.9	2.4
Automobiles & Parts	132	584.92	1.9	15.0	34.2	964.00	36.6	2.0
Beverages	71	777.70	0.1	-5.2	0.4	1337.96	1.3	2.4
Food Producers	137	726.19	-0.2	-5.8	0.8	1274.27	2.4	2.5
Household Goods & Home Construction	61	558.03	0.0	-3.8	3.9	953.82	5.2	2.6
Leisure Goods	54	265.82	1.0	4.4	15.7	379.00	16.5	1.1
Personal Goods	94	968.14	0.0	-7.6	4.7	1506.77	5.6	1.8
Tobacco	13	928.31	0.3	-3.9	-7.0	2717.62	-5.3	6.8
Health Care	337	722.39	0.1	-2.4	-0.8	1164.51	0.2	1.8
Health Care Equipment & Services	131	1368.61	0.4	-2.0	-0.8	1688.44	-0.3	1.1
Pharmaceuticals & Biotechnology	206	490.64	-0.1	-2.6	-0.9	853.61	0.5	2.3
Consumer Services	424	572.71	0.0	2.0	11.5	823.91	12.3	1.2
Food & Drug Retailers	69	302.58	0.5	-2.4	-3.8	487.95	-2.5	2.5
General Retailers	139	998.53	-0.1	3.6	12.1	1373.15	12.7	1.0
Media	75	337.64	0.1	2.8	16.5	488.91	17.3	1.3
Travel & Leisure	141	504.08	0.1	-0.8	13.9	741.78	14.6	1.2
Telecommunication	83	128.03	0.2	-4.6	-0.5	308.85	1.5	4.4
Fixed Line Telecommuniations	29	100.75	0.0	-5.2	0.1	280.31	2.4	5.2
Mobile Telecommunications	54	150.68	0.3	-4.3	-0.9	312.48	1.1	4.0
Utilities	201	317.92	0.0	-3.3	-1.3	759.37	0.5	3.5
Electricity	145	357.26	0.0	-2.7	-2.3	838.01	-0.7	3.3
Gas Water & Multiutilities	56	319.29	0.0	-4.6	1.1	794.62	3.5	4.0
Financials	853	261.12	0.1	0.6	0.6	512.27	2.4	3.4
Banks	271	195.58	0.1	1.2	-1.3	430.73	1.2	4.5
Nonlife Insurance	72	370.45	0.0	-2.3	1.2	633.01	3.5	3.0
Life Insurance	51	219.79	0.1	-1.4	-3.5	433.07	-1.6	4.1
Financial Services	213	445.06	0.1	2.3	4.9	683.04	5.8	1.7
Technology	355	602.77	0.5	10.8	36.3	790.86	36.9	0.9
Software & Computer Services	180	899.28	0.5	9.2	32.7	1092.09	33.1	0.6
Technology Hardware & Equipment	175	541.10	0.5	12.5	40.3	765.11	41.0	1.2
Alternative Energy	20	157.31	-1.3	2.9	-14.0	226.19	-13.9	0.4
Real Estate Investment & Services	139	242.03	0.1	-1.3	-3.6	479.78	-2.0	3.2
Real Estate Investment Trusts	107	430.39	-0.3	-1.1	-1.2	1028.22	0.3	4.2
FTSE Global Large Cap	1936	676.47	0.3	2.7	11.2	1132.49	12.5	2.2

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	2001	9.50	Jd Sports Fashion PLC	148.95	0.30
Abrdn PLC	216.30	2.00	Johnson Matthey PLC	1745.5	9.50
Admiral Group PLC	2328	34.00	Kingfisher PLC	238.20	0.50
Airtel Africa PLC	131.30	3.20	Land Securities Group PLC	608.40	-5.20
Anglo American PLC	2416.5	-40.50	Legal & General Group PLC	240.40	1.00
Antofagasta PLC	1456	-11.50	Lloyds Banking Group PLC	44.98	-0.29
Ashtead Group PLC	5414	46.00	London Stock Exchange Group PLC	8678	28.00
Associated British Foods PLC	1875	15.50	M&G PLC	201.30	-0.40
Astrazeneca PLC	11830	118.00	Melrose Industries PLC	527.00	3.20
Auto Trader Group PLC	637.00	19.20	Mondi PLC	1244.5	1.50
Aviva PLC	398.20	-2.70	National Grid PLC	1047.5	-7.00
B&M European Value Retail S.A.	535.00	1.80	Natwest Group PLC	260.90	-0.10
Bae Systems PLC	948.80	8.80	Next PLC	6480	46.00
Barclays PLC	155.24	-1.10	Ocado Group PLC	400.60	14.00
Barratt Developments PLC	465.00	2.10	Pearson PLC	817.20	-2.20
Beazley PLC	574.50	-3.50	Pershing Square Holdings LTD	2776	-10.00
Berkeley Group Holdings (The) PLC	3991	14.00	Persimmon PLC	1220.5	7.50
BP PLC	462.60	-6.30	Phoenix Group Holdings PLC	553.60	-5.20
British American Tobacco PLC	2579	-11.50	Prudential PLC	1115	1.00
British Land Company PLC	343.90	-3.10	Reckitt Benckiser Group PLC	5990	-44.00
Bt Group PLC	143.65	-3.35	Relx PLC	2560	29.00
Bunzl PLC	3094	24.00	Rentokil Initial PLC	649.00	5.60
Burberry Group PLC	2259	34.00	Rightmove PLC	523.40	1.60
Centrica PLC	117.90	1.00	Rio Tinto PLC	5068	-57.00
Coca-Cola Hbc AG	2338	-	Rolls-Royce Holdings PLC	150.15	0.90
Compass Group PLC	2186	14.00	Rs Group PLC	817.20	17.20
Convatec Group PLC	204.80	1.60	Sage Group PLC	867.40	7.80
Crh PLC	3930	68.00	Sainsbury (J) PLC	269.80	2.80
Croda International PLC	5442	168.00	Schroders PLC	455.00	-3.90
Dcc PLC	4680	-53.00	Scottish Mortgage Investment Trust PLC	687.00	0.40
Diageo PLC	3346.5	26.00	Segro PLC	779.40	-21.20
Endeavour Mining PLC	2034	10.00	Severn Trent PLC	2746	-3.00
Entain PLC	1297.5	1.50	Shell PLC	2278	-16.50
Experian PLC	2949	81.00	Smith & Nephew PLC	1185	-9.00
F&C Investment Trust PLC	896.00	-	Smith (Ds) PLC	309.90	-1.00
Flutter Entertainment PLC	15390	150.00	Smiths Group PLC	1678.5	19.00
Frasers Group PLC	684.50	-	Smurfit Kappa Group PLC	2882	-8.00
Fresnillo PLC	648.60	-28.60	Spirax-Sarco Engineering PLC	11260	70.00
Glaxosmithkline PLC	1373.8	-4.20	Sse PLC	1849.5	6.50
Glencore PLC	436.95	1.95	St. James's Place PLC	1146	-14.00
Haleon PLC	321.35	0.50	Standard Chartered PLC	656.40	-4.40
Halma PLC	2434	19.00	Taylor Wimpey PLC	114.60	0.70
Hargreaves Lansdown PLC	859.20	-2.40	Tesco PLC	263.20	1.30
Hiscox LTD	1124	-6.00	Unilever PLC	3996	26.00
HSBC Holdings PLC	605.30	-2.20	Unite Group PLC	910.00	-13.00
Imperial Brands PLC	1730	5.00	United Utilities Group PLC	1055.5	-
Informa PLC	708.60	1.40	Vodafone Group PLC	72.85	-2.03
Intercontinental Hotels Group PLC	5532	90.00	Weir Group PLC	1812.5	18.00
International Consolidated Airlines Group S.A.	163.05	3.25	Whitbread PLC	3427	55.00
Intertek Group PLC	4337	50.00	Wpp PLC	871.00	8.80

UK STOCK MARKET TRADING DATA

	Jun 12	Jun 09	Jun 08	Jun 07	Jun 06	Yr Ago
Order Book Turnover (m)	59.66	142.60	142.60	141.22	46.25	160.98
Order Book Bargains	511313.00	488528.00	488528.00	458174.00	461255.00	482800.00
Order Book Shares Traded (m)	1459.00	2702.00	2702.00	1493.00	1557.00	1634.00
Total Equity Turnover (£m)	4939.06	4732.67	4732.67	20679.69	5907.60	6576.15
Total Mkt Bargains	689954.00	663206.00	663206.00	634815.00	643013.00	655769.00
Total Shares Traded (m)	4008.00	6775.00	6775.00	5523.00	5142.00	6087.00

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

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

Company		Turnover		Pre-tax		EPS(p)		Div(p)		Pay day	Total	
Actual Experience	Int	0.225	0.825	2.520L	2.850L	1.160L	4.970L	0.00000	0.00000	-	0.000	0.000
Altona Rare Earths	Int	0.000	0.000	0.412L	0.418L	1.400L	1.550L	0.00000	0.00000	-	0.000	0.000
Personal Assets Trust	Pre			8.140L	108.630	3.700L	30.670	1.40000	1.40000	Apr 12	2.800	2.800
ProVen Growth & Income VCT	Pre			23.858L	22.440	8.300L	9.400	0.00000	1.50000	-	1.500	3.000
ProVen VCT	Pre			13.831L	10.642	5.900L	5.700	0.00000	2.25000	-	1.750	3.750
Templeton Emerging Markets Inv Tr	Pre			11.274	432.731L	0.220	37.460L	3.00000	2.80000	Jul 28	5.000	3.800
Triad Group	Pre	14.858	17.015	0.009	1.081	0.270L	7.160	0.00000	4.00000	-	2.000	6.000

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

UK RECENT EQUITY ISSUES

Issue date	Issue price(p)	Sector	Stock code	Stock	Close price(p)	+/-	High	Low	Mkt Cap (£m)
06/08	81.00		AMIF	Amicorp FS (UK) Plc	1.50	-	0.00	0.00	180.0
06/06	3.00		ASHI	Ashington Innovation PLC	3.50	0.40	4.75	3.80	214.9
06/05	1.00		TAB	Becket Invest PLC	1.13	-	0.00	0.00	92.3
05/25	5.00		ONE	Oneiro Energy PLC	8.50	1.04	9.04	5.98	378.4
05/17	10.00		ADMR	Admiral Acquisition UK Ltd	9.89	0.00	10.10	9.00	533.8
05/10	8.50	AIM	GMET	Golden Metal Resources PLC	8.38	0.18	8.80	6.20	705.1
05/03	100.00		AWEM	Ashoka WhiteOak Emerging Markets Trust plc	102.50	0.35	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	Day Chg	52 Week High	52 Week Low	Yld	P/E	MCap m
Australia (A$)							
ANZ Bank	22.85	0.17	26.08	20.78	6.61	9.56	46282
BHP Group	44.72	0.59	50.09	35.83	9.20	10.48	152780.89
CmwBkAu	95.80	-0.09	111.38	86.98	3.66	17.98	108897.16
CSL	305.30	-0.45	314.21	254.30	0.99	43.64	99317.06
NatAusBk	25.20	0.04	32.83	25.10	3.57	13.40	53342.85
Telstra	4.31	-0.01	4.43	3.62	2.32	35.00	33584.79
Wesfarmers	47.58	0.12	52.79	40.03	3.75	24.42	36387.48
Westpac Bank	20.25	0.06	24.50	18.80	4.39	14.70	47922.06
Woolworths	37.57	0.03	39.88	31.67	2.88	42.77	30878.49
Belgium (€)							
AnBshInBv	51.05	-0.12	62.01	45.56	1.02	26.05	95312.92
KBC Grp	61.96	-0.48	72.46	45.53	5.43	10.31	27779.91
Brazil (R$)							
Ambev	15.17	0.03	16.88	12.60	3.63	23.44	48927.31
Bradesco	14.52	-0.02	17.71	11.15	5.58	6.87	15845.24
Cielo	4.68	-0.01	6.22	3.66	3.04	16.20	2603.06
ItauHldFin	23.55	-0.12	26.04	18.86	3.21	9.53	23905.75
Petrobras	33.97	0.22	42.08	23.61	13.80	4.95	51759.66
Vale	67.15	-1.21	94.48	61.90	18.90	3.07	62400.32
Canada (C$)							
Bausch Hlth	9.80	0.22	13.81	5.10	-	-3.01	2652.54
BCE	61.58	0.21	67.39	55.66	5.56	21.07	42014.76
BkMontrl	116.19	-0.15	137.64	111.88	3.80	9.13	61981.43
BkNvaS	66.00	-0.13	82.50	63.19	5.50	8.44	59149.19
Brookfield	58.88	11.29	63.88	41.28	1.09	19.91	69948.82
CanadPcR	101.74	-0.30	112.27	86.42	0.73	24.90	70852.3
CanImp	56.90	-0.16	68.74	53.58	10.32	4.03	39054.72
CanNatRs	73.72	-1.55	84.45	58.75	2.65	11.67	60459.62
CanNatRy	152.02	-0.39	175.39	137.26	1.58	22.57	75422.83
Enbridge	50.11	-0.51	58.60	47.66	6.52	17.86	75886.55
GtWesLif	38.00	-0.07	39.88	27.99	4.97	10.91	26467.14
ImpOil	66.23	-0.80	79.83	52.67	1.52	19.47	28937.83
Manulife	25.78	0.06	27.50	20.81	4.44	7.45	35586.76
Nutrien	78.62	0.17	132.75	70.69	2.89	11.53	29172.72
RylBkC	123.75	-0.14	140.18	116.75	3.52	11.23	128725.07
SHOP	87.11	5.23	87.53	33.00	-	3.08	78008.51
Suncor En	39.81	-0.62	53.45	36.39	2.58	14.70	39068.83
ThmReut	164.77	0.66	180.93	121.67	1.21	11.60	58044.18
TntoDom	78.69	-0.43	94.05	76.32	4.06	10.07	108273.63
TrnCan	54.65	-0.60	72.95	50.70	6.23	30.06	42081.32
China (HK$)							
AgricBkCh	3.09	-0.01	3.28	2.20	7.10	3.93	12124.62
Bk China	3.16	-0.03	3.45	2.51	7.24	3.79	33731.55
BkofComm	5.26	-0.05	5.65	3.83	6.84	4.21	23508.72
BOE Tech	0.66	-	0.85	0.53	-	10.31	16.76
Ch Coms Cons	4.83	-0.07	5.52	3.09	4.33	3.88	2724.26
Ch Evrbrght	2.48	-0.02	2.78	2.03	9.93	3.25	4013.71
Ch Rail Cons	6.13	-0.08	7.46	3.75	4.40	3.16	1624.7
Ch Rail Gp	5.29	-0.04	6.30	3.41	4.00	4.12	2841.12
ChConstBk	5.16	0.02	5.70	4.10	7.40	3.63	158358.08
China Vanke	11.02	-0.14	19.90	9.87	13.29	4.81	3103.95
ChinaCitic	4.31	-0.04	4.74	2.92	6.70	3.87	8187.87
ChinaLife	13.34	-0.20	15.84	8.53	5.27	5.65	12671.35
ChinaMBank	37.75	-0.10	53.00	25.40	3.89	6.74	22122.77
ChinaMob	64.40	-0.75	70.20	46.80	5.14	9.63	168205.44
ChinaPcIns	21.15	0.05	26.50	12.10	6.39	6.68	7492.81
ChMinsheng	3.09	-0.10	3.52	2.19	8.19	3.87	3281.86
ChMrchSecs	13.86	-0.02	15.98	12.12	3.37	11.57	14402.77
Chna Utd Coms	5.22	-0.09	6.45	3.30	2.29	24.49	22631.56
ChShenEgy	26.30	0.25	28.70	20.50	8.02	7.73	11338.98
ChShpbldng	4.48	-0.04	5.32	3.37	-	-311.43	13852.07
ChStConEng	6.05	-0.13	7.35	4.68	3.80	4.38	35001.26
ChUncHK	5.91	-0.06	6.58	3.27	2.74	12.62	23083.84
CNNC Intl	6.88	-	7.33	5.78	1.94	16.82	18176.98
CSR	4.86	-0.02	5.26	2.37	4.38	12.94	2711.72
Daqin	7.60	-0.14	8.21	5.95	6.76	10.76	16114.86
GuosenSec	9.11	-0.03	10.55	8.43	2.70	9.79	11258.99
HaitongSecs	5.18	-0.09	6.01	3.77	5.71	5.45	2254.51
Hngzh HikVDT	31.75	-0.61	48.84	26.80	2.70	16.32	40491.66
Hunng Pwr	4.81	-0.14	5.28	2.62	4.23	-5.23	2886.04
IM Baotou Stl	1.81	-0.01	2.71	1.75	-	28.82	7982
In&CmBkCh	4.33	-0.01	4.73	3.37	7.22	3.84	47973.67
IndstrlBk	16.94	-0.16	21.00	14.91	4.90	4.34	49271.98
Kweichow	1696	30.00	2077	1333	1.22	35.72	298294.92
Midea	0.36	-	0.49	0.32	-	-3.79	13.83
New Ch Life Ins	21.60	0.15	25.00	12.04	7.30	3.97	2851.3
PetroChina	5.69	-0.08	5.87	2.95	4.32	11.12	15324.98
PingAnIns	53.75	0.30	63.10	31.30	4.80	8.28	51099.69
PngAnBnk	11.79	-0.09	15.27	10.22	1.58	6.58	32033.32
Pwr Cons Corp	5.75	-	8.45	5.61	1.65	11.18	8848.74
SaicMtr	13.87	0.07	19.29	13.09	4.58	6.49	22688.7
ShenwanHong	0.13	-	0.18	0.07	-	3.58	140.59
ShgPdgBk	7.43	-0.13	8.22	6.63	6.62	4.45	30534.48
Sinopec Corp	4.85	-0.32	5.47	3.06	2.96	5.66	15342.13
Sinopec Oil	2.01	-0.01	2.39	1.81	-	624.89	3818.69
Denmark (kr)							
DanskeBk	161.00	0.35	165.35	86.90	1.22	11.26	20018.27
MollerMrsk	12180	-135.00	22650	11100	2.74	2.03	13108.17
NovoB	1094	2.40	1185.6	730.60	0.84	53.87	270975.95
Finland (€)							
Nokia	3.80	0.02	5.20	3.66	-	13.40	22987.43
SampoA	43.13	0.02	49.97	39.86	3.88	9.39	23685.82
France (€)							
Airbus Grpe	129.44	1.02	131.22	86.52	-	24.27	109956.26
AirLiquide	157.96	1.36	164.52	114.48	1.70	29.82	88901.67
AXA	26.23	-0.29	30.34	20.34	5.33	9.04	64669.02
BNP Parib	56.43	0.36	67.02	40.67	4.64	8.31	74859.83
ChristianDior	790.50	12.00	872.00	525.00	0.87	29.52	153357.18
Cred Agr	10.79	-0.04	12.03	8.09	7.25	6.03	35090
Danone	53.81	0.19	61.88	46.76	3.52	18.73	39176.71
EDF	12.00	-	12.05	7.27	3.97	9.44	53889.44
Engie SA	14.11	-0.12	15.56	10.07	3.67	10.17	36925.16
EssilorLuxottica	165.80	-2.02	188.40	132.70	0.64	51.72	79775.07
Hermes Intl	1974	57.60	2036	957.60	0.23	86.69	223971.22
LOreal	404.40	2.20	442.60	300.45	0.97	50.40	232944.78
LVMH	834.80	14.80	904.60	535.00	0.82	35.76	450437.97
Orange	10.39	-0.14	11.87	9.08	5.64	3528.13	29703.89
PernodRic	200.50	1.60	218.00	166.60	1.52	30.97	55584.34
Renault	33.93	0.84	43.96	22.33	-	-25.92	10782.29
Safran	138.50	1.86	145.52	87.85	0.30	1417.19	63598.89
Sanofi	95.02	-0.38	105.18	76.45	3.29	19.65	128916.79
Sant Gbn	54.96	-0.86	58.53	35.18	2.42	13.45	30466.84
Schneider	164.18	0.24	166.96	110.02	1.55	29.63	100770.63
SocGen	23.31	-0.02	28.39	18.97	2.32	4.03	20243.23
Total	53.95	-1.00	60.93	45.81	4.89	10.60	144392.12
UnibailR	49.68	0.06	73.09	39.68	-	-7.44	7615.7
Vinci	107.16	0.46	112.40	80.84	2.45	24.31	68691.08
Vivendi	8.00	-0.14	11.05	7.59	7.33	-14.62	9487.25
Germany (€)							
Allianz	208.60	0.65	228.40	156.22	4.50	13.48	90420.01
BASF	46.30	0.27	53.77	37.90	6.97	7.84	44474.19
Bayer	51.11	-0.04	66.16	46.70	3.82	51.27	53964.96
BMW	110.14	2.06	110.14	68.44	1.69	6.00	71259.87
Continental	69.76	0.88	79.24	44.31	-	11.00	14995.34
Deut Bank	9.86	0.01	12.09	7.25	-	9.92	21611.72
Deut Tlkm	19.01	-0.04	23.13	17.35	3.09	22.35	101856.79
DeutsPost	42.12	0.32	44.64	29.68	3.21	10.91	56083.6
E.ON	11.36	-0.04	12.29	7.28	4.04	6.46	32248.26
Fresenius Med	42.41	0.07	51.66	25.95	3.09	13.11	13373.81
Fresenius SE	25.44	-0.39	30.44	19.69	3.46	8.23	15270.35
HenkelKgaA	66.56	0.18	70.10	56.55	2.69	18.11	18584.57
Linde	334.60	-0.20	345.00	261.20	1.09	53.19	176330.62
Mercedes-Benz	73.60	1.00	75.92	50.19	1.79	7.53	84625.76
MuenchRkv	325.10	1.70	346.90	212.70	2.95	15.89	47682.08
SAP	123.68	0.48	125.10	79.58	1.46	28.38	163298.84
Siemens	160.78	2.64	161.02	93.67	2.13	24.74	138238.49
Volkswgn	157.65	1.75	209.00	138.70	2.98	5.45	49998.29
Hong Kong (HK$)							
AIA	81.55	0.80	93.65	57.25	1.52	20.17	120961.46
BOC Hold	24.30	-0.15	31.85	23.05	4.74	12.05	32795.92
Ch OSLnd&Inv	17.60	-0.10	25.60	14.40	6.33	4.22	24589.43
ChngKng	44.85	-0.30	57.00	42.00	3.67	9.92	20568.58
Citic Ltd	9.79	-0.11	10.86	7.01	5.10	4.38	36354.1
Citic Secs	14.90	-0.18	18.52	11.60	2.98	7.42	4983.39
CK Hutchison	49.55	0.25	54.55	38.55	4.27	6.07	24225.46
CNOOC	11.68	-0.20	13.36	9.22	3.59	9.85	66462.62
HangSeng	112.80	-	141.40	103.80	5.02	17.54	27528.72
HK Exc&Clr	310.40	1.60	404.20	208.20	2.74	33.82	50235.4
MTR	37.25	0.20	42.75	33.15	3.06	26.06	29490.86
SandsCh	27.65	0.35	30.20	12.50	-	-29.51	28565.82
SHK Props	103.00	0.30	114.80	83.10	4.46	11.37	38100.21
Tencent	338.40	2.40	397.60	188.69	0.44	12.87	414184.64
India (Rs)							
Bhartiartl	836.35	2.85	888.75	628.75	-	174.56	60563.67
HDFC Bk	1600.8	-9.80	1734.45	1271.6	-	26.53	108541.19
Hind Unilevr	2643.45	7.25	2741.6	2100	1.24	69.23	75346.83
HsngDevFin	2640.8	-12.10	2867	2026	0.89	21.98	59095.74
ICICI Bk	935.95	-2.10	958.85	669.95	0.22	29.03	79399.03
Infosys	1291.95	26.00	1672.6	1185.3	2.40	24.95	65040.24
ITC	436.95	-1.50	452.00	258.55	2.52	35.49	65877.19
L&T	2339.95	-23.05	2416.35	1456.35	0.79	37.94	39896.15
OilNatGas	155.05	0.80	169.00	119.85	6.01	4.29	23662.62
RelianceIn	2484.15	2.20	2755	2180	0.29	27.79	203900.55
SBI NewA	578.65	-0.05	629.55	430.70	0.71	15.78	62647.92
SunPhrmInds	985.45	1.50	1070.95	789.90	0.78	35.90	28683.18
Tata Cons	3246.9	37.60	3575	2926.1	1.15	30.32	144124.87
Israel (ILS)							
TevaPha	27.62	0.70	38.39	23.83	-	21.49	8468.83
Italy (€)							
Enel	6.11	0.04	6.26	3.96	5.86	29.09	66772.62
ENI	12.83	-0.15	14.98	10.45	5.14	5.53	46550.91
Generali	18.61	0.31	19.23	13.67	7.72	10.70	31178.92
IntSPaolo	2.31	0.00	2.60	1.58	1.55	73.13	45311.54
Unicred	18.51	0.16	20.05	8.24	0.63	28.12	38609.06
Japan (¥)							
AstellasPh	2277	17.50	2360.5	1823.5	2.26	31.35	29511.93
Bridgestne	5855	-2.00	5941	4548	3.17	12.18	29928.04
Canon	3586	10.00	3617	2754.5	3.05	15.87	34255.15
CntJpRwy	17580	55.00	17920	14730	0.83	-30.15	25937.19
Denso	9188	36.00	9288	6389	1.71	23.03	51850.58
EastJpRwy	7895	8.00	8325	6525	1.42	-7.25	21369.93
Fanuc	5130	79.00	24930	4409	9.87	5.58	36854.21
FastRetail	34790	-490.00	35430	21903.33	1.69	14.94	79290.29
Fuji Hvy Ind	2562.5	-4.00	2684	1938.5	2.45	26.93	14116.48
Hitachi	8684	18.00	8720	5983	1.48	11.64	58354.08
HondaMtr	4297	48.00	4328	2990.5	3.36	8.31	55747.24
JapanTob	3148	7.00	3174	2275.5	4.86	14.66	45092.22
KDDI	4474	2.00	4560	3825	3.00	13.71	73785.74
Keyence	70010	1600	71890	44880	0.32	53.51	121947.86
MitsbCp	6287	2.00	6322	3740	2.46	12.83	64727.12
MitsubEst	1015.7	4.33	1036.81	876.51	-	-	-
MitsubishiEle	2003.5	21.50	2011	1273	2.24	16.38	30810.52
MitsuiFud	1014.01	33.35	1023.66	684.38	-	-	-
MitUFJFin	961.00	-6.90	999.50	632.60	3.03	8.91	87325.96
Mizuho Fin	2098	-26.00	2238	1486.5	4.17	9.17	38154.67
Murata Mfg	8509	61.00	8620	6438	1.58	15.62	41183.91
Nippon TT	4118	-15.00	4334	3674	2.86	11.86	106825.07
Nissan Mt	524.30	-0.80	570.00	408.10	-	15.23	15849.04
Nomura	515.20	-3.40	573.90	464.30	5.00	-31.68	11673.17
Nppn Stl	2889	-6.00	3294	1838	3.10	4.08	19663.23
Panasonic	1647.5	23.50	1661	1006.5	1.70	14.89	28956.54
Seven & I	6156	28.00	6619	5041	1.87	20.95	39082.81
ShnEtsuCh	4582	57.00	21055	3797	7.09	3.92	66424.57
Softbank	5995	94.00	7180	4708	0.82	4.61	63116.36
Sony	13805	140.00	14025	9213	0.49	15.76	124685.65
SumitomoF	5749	-10.00	6261	3907	3.90	10.00	56602.32
Takeda Ph	4504	-33.00	4629	3497	4.48	14.45	51041.82
TokioMarine	3232	11.00	3330	2417.67	7.62	4.70	46353.31
Toyota	2069	17.50	2216.5	1764	2.76	8.35	241759.73
Mexico (Mex$)							
AmerMvl	19.19	-0.15	20.25	15.67	1.59	16.57	46749.58
FEMSA UBD	186.63	0.89	186.91	120.63	1.02	162.96	23284.88
WalMrtMex	67.48	0.05	79.15	64.81	0.70	35.91	68022.99
Netherlands (€)							
ASML Hld	671.50	4.90	698.10	375.75	0.49	53.04	290942.36
Heineken	92.94	-0.16	106.30	78.28	1.03	16.48	57535.26
ING	12.05	-0.03	13.55	8.43	4.86	10.03	46890.85
Unilever	46.51	0.13	50.93	41.24	3.08	23.88	146422.92
Norway (Kr)							
DNB	192.45	-1.75	209.50	168.20	10.25	10.84	27715.17
Equinor	312.65	-1.00	410.95	278.70	1.79	11.89	91690.05
Telenor	109.20	-0.50	135.80	87.60	9.35	16.26	14113.62
Qatar (QR)							
QatarNtBk	16.00	-0.10	23.00	14.31	3.28	12.41	40599.65
Saudi Arabia (SR)							
AlRajhiBnk	73.50	1.20	7317	0.00	3.03	13.43	78389.56
NatnlcomBnk	37.45	0.80	1552.5	0.00	3.59	13.54	59912.04
SaudiBasic	88.90	0.60	2115	0.00	3.39	12.46	71110.53
SaudiTelec	43.10	0.85	8480	0.00	8.61	8.21	57459
Singapore (S$)							
DBS	31.25	0.34	36.40	29.45	3.62	13.14	59963.81
JardnMt US$	50.00	-0.17	57.80	42.60	3.18	9.01	14493.13
OCBC	12.38	-0.01	13.23	11.20	3.12	12.66	41417.85
SingTel	2.44	0.01	2.82	2.31	2.82	42.23	29967.34
UOB	28.10	-0.06	31.40	25.91	3.24	12.82	35048.14
South Africa (R)							
Firstrand	66.62	-1.42	71.00	56.80	4.24	11.07	20136.94
MTN Grp	137.28	0.64	160.00	107.35	-	17.18	13937.87
Naspers N	3126.23	16.53	3510	1693.51	0.20	15.43	73362.01
South Korea (KRW)							
HyundMobis	222000	-500.00	239500	189500	1.80	8.65	16249.74
KoreaElePwr	18980	-100.00	23200	16500	6.47	-11.07	9459.26
SK Hynix	114800	-600.00	115800	60600	1.34	8.20	64882.13
SmsungEl	71000	-1000.00	79000	51800	2.04	12.28	329054.06
Spain (€)							
BBVA	6.55	0.04	7.56	3.97	5.54	9.13	42475.54
BcoSantdr	3.19	-0.01	3.87	2.32	2.34	6.54	56393.93
CaixaBnk	3.61	0.01	4.14	2.64	0.73	24.27	29090.94
Iberdrola	11.55	0.05	11.96	9.09	3.57	20.26	79986.29
Inditex	33.76	0.51	34.20	20.53	0.64	36.43	113083.11
Repsol	13.36	-0.14	15.90	11.19	4.39	8.33	19052.47
Telefonica	3.85	-0.04	4.96	3.22	8.79	2.87	23763.25
Sweden (SKr)							
AtlasCpcoB	138.15	0.25	139.70	82.30	5.83	8.43	19944.42
Ericsson	56.50	-0.11	82.11	53.36	4.39	7.62	16107.89
H & M	144.98	1.76	157.30	98.27	4.79	18.27	19246.36
Investor	215.20	-2.00	223.60	158.20	1.79	8.46	36264.16
Nordea Bk	113.34	0.12	134.94	88.32	14.22	12.09	37720.37
SEB	118.30	-0.95	133.50	99.42	9.41	9.04	23150.89
SvnskaHn	90.16	-2.32	112.90	80.88	6.11	8.09	16217.57
Swedbank	177.00	-2.30	219.90	124.50	9.07	8.65	18532.07
Telia Co	24.27	-0.33	40.53	24.24	9.09	7.83	8826.68
Volvo	214.30	1.30	219.75	154.28	3.34	12.77	31484.86
Switzerland (SFr)							
ABB	34.81	0.31	34.86	23.84	2.20	17.22	75210.62
CredSuisse	0.82	0.01	6.07	0.66	11.28	-1.32	3595.7
Nestle	107.16	-	118.70	103.42	2.37	19.18	314639.23
Novartis	90.84	0.67	93.95	73.33	3.06	10.17	227509.85
Richemont	145.05	3.15	161.10	91.80	1.24	35.66	83263.98
Roche	280.05	-2.05	335.85	256.05	2.89	19.34	216366.29
Swiss Re	88.38	0.24	99.68	68.16	6.17	22.01	30857.66
Swisscom	547.80	-9.40	619.40	443.40	3.70	16.80	31205.92
UBS	18.35	0.15	20.85	13.87	1.92	8.86	63529.31
Zurich Fin	426.40	-0.40	458.30	384.70	4.33	14.65	70551.73
Taiwan (NT$)							
Chunghwa Telecom	125.00	-0.50	130.50	105.50	3.51	26.53	31528.67
Formosa PetChem	88.20	-0.70	97.80	75.20	0.69	16.56	27318.36
HonHaiPrc	110.50	2.50	114.00	98.00	3.72	10.86	49807.65
MediaTek	767.00	3.00	908.00	533.00	4.95	10.64	39892.95
TaiwanSem	574.00	9.00	574.00	370.00	1.91	22.27	483978.8
Thailand (THB)							
PTT Explor	31.50	-0.25	38.25	29.50	6.14	8.69	26003.75
United Arab Emirates (Dhs)							
Emirtestele	24.30	0.70	38.98	11.60	2.75	27.17	57535.64
United Kingdom (p)							
Anglo American	2416.5	-40.50	3892	2223.5	7.38	4.79	40435.56
AscBrFd	1875	15.50	2076	1223	0.33	30.99	18258.19
AstraZen	11830	118.00	12828.45	9399	1.75	2003.05	229370.51
Aviva	398.20	-2.70	473.70	366.70	5.36	52.39	13640.09
Barclays	155.24	-1.10	198.86	128.12	1.93	3.77	30204.98
BP	462.60	-6.30	570.57	359.20	3.40	16.78	101270.87
BrAmTob	2579	-11.50	3645	2543	8.36	8.72	72151.96
BT	143.65	-3.35	196.60	22.98	-	13.95	17849.41
Compass	2186	14.00	2250	1630.5	0.64	53.19	47492.97
Diageo	3346.5	26.00	3960	3304.32	2.17	25.74	94086.5
GlaxoSmh	1373.8	-4.20	2753.96	16.64	5.82	15.86	70377.54
Glencore	436.95	1.95	584.50	395.40	2.03	16.00	68133.97
HSBC	605.30	-2.20	653.80	434.70	2.67	13.22	150675.22
Imperial Brands	1730	5.00	2185	1692.5	7.98	5.78	19798.55
Jardine Mathes.	62.50	-	55.30	46.89	2.54	11.26	18116.41
LlydsBkg	44.98	-0.29	54.33	38.51	5.71	6.25	36542.86
LSE Group	8678	28.00	8893.86	6710	0.88	88.73	54913
Natl Grid	1047.5	-7.00	1229.21	844.29	4.69	24.42	48200.99
Natwest Group	260.90	-0.10	308.65	210.90	4.02	10.27	29283.31
Prudential	1115	1.00	1336	782.40	1.06	18.11	38403.63
ReckittB	5990	-44.00	6824	5502	2.91	-25.92	53764.37
RELX	2560	29.00	2735	2064	1.86	33.77	60760.31
RioTinto	5068	-57.00	6329	4424.5	9.91	5.30	79310.97
RollsRoyce	150.15	0.90	160.00	64.44	-	102.14	15717.53
Shell PLC	2278	-16.50	2613.5	1908.6	2.66	12.01	194692.69
StandCh	656.40	-4.40	797.40	515.60	1.35	14.72	23101.94
Tesco	263.20	1.30	307.23	194.35	3.48	13.40	23708.67
Unilever	3996	26.00	4868.64	3531.5	3.62	20.51	125802.18
Vodafone	72.85	-2.03	132.04	72.85	10.62	-162.98	24601.19
WPP	871.00	8.80	1082	713.00	3.04	16.59	11709.33
United States of America ($)							
21stC Fox A	33.33	-0.21	37.26	28.02	1.30	14.61	8967.65
3M	100.91	1.01	152.30	92.38	5.42	10.80	55669.24
AbbottLb	101.19	-0.50	115.69	93.25	1.64	27.81	175964.03
Abbvie	137.53	-0.65	168.11	131.10	3.49	23.09	242642.76
Accenture	309.35	0.63	322.88	242.80	1.10	34.01	204973.97
Activision Bli.	80.21	-0.18	87.01	70.94	0.54	25.24	62904.78
Adobe	467.97	13.97	468.98	274.73	-	49.84	214657.84
Advanced Micro	127.13	2.21	130.79	54.57	-	53.56	204727.4
AEP	83.56	-0.12	105.60	80.30	3.32	18.24	42937.52
Aflac	68.47	-0.50	74.02	52.07	1.78	11.60	41371.42
AirProd	277.62	-0.97	328.56	218.88	2.00	31.57	61665.71
Allstate	112.03	0.07	142.15	103.20	2.67	7.14	29447.3
Alphabet	122.40	0.17	129.04	83.34	-	1.18	727173.05
Altria	45.46	0.24	49.39	40.35	7.15	36.73	81147.9
Amazon	125.62	2.19	146.57	81.43	-	2.10	1288895.37
AmerAir	16.08	0.51	17.64	11.65	-	-4.65	10495.37
AmerExpr	172.33	0.61	182.15	130.65	1.00	18.12	128088.04
AmerIntGrp	55.62	-1.26	64.88	45.66	2.13	5.57	40255.11
AmerTower	186.23	-1.07	282.47	178.17	2.58	35.62	86791.18
Amgen	216.37	-2.39	296.67	211.71	3.01	22.79	115612.25
Amphenol Corp	79.33	1.10	82.86	61.67	0.91	34.22	47226.66
Analog Devices	186.03	3.57	198.25	133.48	1.38	67.63	93278.85
Anthem	482.58	12.71	-	-	-	-	-
Aon Cp	316.83	2.51	338.27	246.21	0.58	61.81	64710.09
Apple	182.34	1.38	184.95	124.17	0.44	32.74	2867971.52
Applied Materi.	139.32	3.20	139.54	71.12	0.63	20.81	116993.61
Aptiv	99.96	1.97	124.88	77.96	-	55.79	27039.82
ArcherDan	73.11	0.57	98.28	69.92	1.87	16.53	39818.25
AT&T	15.82	-0.13	21.39	14.46	12.14	6.21	113097.18
Autodesk	204.94	3.55	235.01	163.20	-	98.12	44226.14
AutomData	216.55	1.33	274.92	196.61	1.63	36.29	89461.77
AutoZone	2413.73	50.54	2750	1959.58	-	23.61	44407.09
Avago Tech	841.60	36.98	921.78	415.07	1.65	51.46	350880.87
BakerHu	29.81	-0.20	36.16	20.42	2.29	74.70	30178.52
Bank of NY	43.61	-0.82	52.26	36.22	2.75	11.40	34414.05
BankAm	28.97	-0.31	38.60	26.32	2.49	8.78	230826.51
Baxter	42.90	0.93	73.63	37.35	2.34	18.36	21698.44
BectonDick	250.18	-1.32	269.06	215.90	1.24	46.86	71054.85
BerkshHat	507169.85	-3670.15	515738.99	393012.25	-	9.23	297124.44
Biogen	314.75	5.87	319.76	188.54	-	32.77	45557.64
BlackRock	683.43	-0.98	785.65	503.12	2.23	19.36	102351.54
Boeing	218.03	0.72	221.33	113.02	-	-33.02	131165.43
Booking Holdings	2596.97	-9.16	2786.85	1616.85	-	99.81	95915.59
Bristol-Myers	64.54	-0.27	81.44	63.07	2.88	22.39	135578.17
Broadcom	841.60	36.98	921.78	415.07	1.65	51.46	350880.87
Cadence Design	230.81	1.51	239.00	138.76	-	99.96	62938.19
CapOne	110.98	-0.51	120.94	83.93	1.66	4.46	42372.85
CardinalHlth	87.00	0.23	87.13	49.70	2.08	48.81	22150.22
Carnival	14.91	1.82	15.07	6.11	-	-1.92	16634.19
Caterpillar	236.52	1.49	260.50	160.60	1.67	21.65	121891.92
Centene Corp	68.92	-0.09	98.53	61.34	-	32.73	37818.43
CharlesSch	53.30	-1.71	86.63	45.00	1.25	20.39	94286.43
Charter Comms	331.08	2.60	496.37	297.66	-	14.65	49852.45
Chevron Corp	156.90	-1.96	189.68	132.54	3.13	20.87	297269.56
Chipotle Mexic.	2060.89	20.34	2139.88	1196.28	-	97.44	56859.63
Chubb	189.76	-1.39	230.27	173.78	1.55	10.66	78593.75
Cigna	267.35	1.47	340.11	240.11	1.38	18.40	79101.44
Cintas Corp	484.53	4.10	486.30	343.86	0.69	45.99	49277.58
Cisco	50.21	0.55	52.56	38.61	2.75	19.30	204588.29
Citigroup	48.06	-0.25	66.00	40.01	3.92	5.13	93551.16
CME Grp	177.90	-6.94	212.09	166.55	1.87	26.42	63993.21
Coca-Cola	60.26	-0.22	65.47	54.02	2.58	28.99	260577.46
Cognizant	62.91	0.86	70.67	51.33	1.41	16.82	31924.29
ColgtPlm	75.48	-0.36	83.81	67.84	2.19	32.05	62615.72
Comcast	40.15	-0.08	43.72	28.39	2.30	14.30	167018.36
ConocPhil	102.06	-1.83	138.49	78.30	1.76	18.20	123498.71
Constellation	242.02	0.41	261.32	208.12	1.17	-1179.86	44345.8
Corning	32.77	-0.02	37.73	28.98	2.71	27.71	27854.53
Corteva	56.90	0.46	68.43	50.03	0.86	25.99	40448.67
Corteva	56.90	0.46	68.43	50.03	0.86	25.99	40448.67
Costco	517.16	-0.12	564.75	443.20	0.57	44.70	229178.62
CrownCstl	113.35	-0.61	184.92	110.22	4.45	45.96	49155.99
CSX	31.99	-0.32	34.71	25.80	1.13	19.13	65037.43
CVS	71.42	-0.34	107.26	66.34	2.59	13.00	91562.25
Danaher	237.32	1.95	303.82	221.22	0.35	29.32	175118.14
Deere	385.40	6.53	448.40	283.81	0.94	22.91	114202.6
Delta	39.89	0.61	40.31	27.20	-	51.83	25634.69
Devon Energy	49.38	-0.49	78.82	44.03	3.68	12.76	32294.52
Digital Realty	104.23	-0.02	139.14	85.76	4.11	19.00	30982.57
DiscFinServ	114.04	-0.10	118.71	87.64	1.52	6.92	28960.01
Disney	91.89	-0.04	126.48	84.07	-	57.84	167909.05
Dollar General	152.76	-0.29	261.59	151.27	1.03	16.11	33506.55
DominRes	52.63	-0.46	86.28	48.48	4.42	17.86	43996.6
DukeEner	91.15	-0.37	113.67	83.76	3.95	20.02	70244.9
DuPont	69.77	0.10	78.40	49.52	1.59	23.39	32025.6
Eaton	189.08	1.78	189.08	122.50	1.48	38.34	75367.29
eBay	45.25	-0.56	50.82	35.92	1.47	128.92	24196.84
Ecolab	177.31	-0.17	179.77	131.04	1.02	49.10	50483.87
Edwards Lifesc.	84.77	0.67	107.92	67.13	-	38.56	51389.12
Eli Lilly	442.73	-3.31	454.95	283.11	0.71	78.32	420271.61
Emerson	84.03	-0.17	99.65	72.41	2.23	19.86	48023.15
EOG Res	114.36	-1.89	150.88	92.16	1.30	15.50	66884.43
Equinix	747.37	3.68	762.69	494.89	1.42	146.32	69897.73
EquityResTP	65.83	-0.35	80.89	54.60	3.38	20.80	24943.29
Exelon	40.08	-	47.23	35.19	3.53	24.94	39862.33
ExxonMb	106.08	-1.31	119.92	80.69	3.04	21.31	428879.84
Fedex	223.99	0.23	248.76	141.92	1.18	13.04	56300.32
Fidelity NIS	54.40	-0.26	105.16	48.57	2.65	87.91	32228.55
Fiserv	114.23	2.00	122.39	87.03	-	62.66	71750.87
FordMtr	13.80	0.06	16.68	10.61	0.67	3.36	54213.22
Franklin	26.53	0.16	32.88	20.24	3.93	7.60	13287.91
GenDyn	212.03	-0.24	256.86	202.35	2.03	19.88	58167.38
GenElectric	106.41	0.11	107.33	46.77	0.28	-35.45	115876.24
GenMills	81.70	-0.60	90.89	64.94	2.33	23.37	47986.5
GenMotors	36.77	0.54	43.63	30.33	-	5.94	51107.89
GileadSci	77.70	-0.42	89.74	57.17	3.38	17.06	96919.3
GoldmSchs	336.96	0.94	389.58	277.84	1.78	6.14	112021.71
Halliburton	31.84	-0.50	43.42	23.30	0.76	19.37	28725.89
HCA Hold	273.90	2.11	294.02	164.47	0.65	14.01	75374.49
Hew-Pack	30.31	0.51	36.23	24.08	2.56	5.92	29879.4
Hilton Worldwi.	142.10	0.57	152.89	108.41	-	105.38	37603.43
HiltonWwde	142.10	0.57	152.89	108.41	-	105.38	37603.43
HomeDep	300.23	2.88	347.25	264.51	2.05	20.73	301844.08
Honywell	197.58	-0.31	220.96	166.63	1.76	27.04	131524.41
HumanaInc	514.11	0.77	571.30	418.70	0.50	24.55	64235.47
IBM	136.10	0.80	153.21	115.55	4.45	28.28	123584.98
IDEXX Laborato.	455.82	4.95	515.79	317.06	-	57.38	37787.06
IllinoisTool	238.70	1.19	247.09	173.52	1.83	30.37	72541.59
Illumina	207.29	6.76	248.87	173.45	-	44.53	32772.55
Intcntl Exch	108.11	-1.85	113.07	88.60	1.13	16.30	60527.22
Intel	33.12	1.78	40.73	24.59	3.88	7.38	138122.67
Intuit	441.64	10.09	490.83	352.63	0.54	59.88	123685.58
John&John	159.47	-0.54	183.35	150.11	2.43	22.11	414420.12
JohnsonCn	63.48	-0.03	69.15	45.52	1.67	31.38	43553.55
JPMrgnCh	140.03	-0.98	144.34	101.28	2.51	9.87	409208.06
Kimb-Clark	134.13	-0.38	147.87	108.74	3.24	27.25	45251.09
KinderM	16.87	-0.16	19.36	15.78	6.08	39.46	37809.28
KLA Corp	473.31	7.66	477.91	250.20	0.76	26.37	64937.61
Kraft Heinz	36.44	-0.45	42.80	32.73	4.06	48.11	44714.4
Kroger	46.01	-0.17	52.00	41.82	1.58	22.74	33015.41
LasVegasSd	58.77	0.29	65.58	30.14	-	-42.14	44916.23
LibertyGbl	16.52	-0.24	22.86	15.22	-	0.76	2827.26
Lilly (E)	442.73	-3.31	454.95	283.11	0.71	78.32	420271.61
Linde	359.21	-1.55	373.58	262.47	1.09	53.13	176134.02
Lockheed	459.88	-2.81	508.10	373.67	2.23	21.38	116465.78
Lowes	212.24	3.12	221.42	170.12	1.32	18.91	124368.56
Lyondell	89.01	-0.01	106.49	71.46	4.61	5.75	28952.65
Marathon Ptl	112.90	-0.11	138.83	77.62	1.90	60.51	47901.53
Marsh&M	177.97	-0.28	182.43	143.33	1.39	29.64	88045.56
MasterCard	371.83	2.61	392.20	276.87	0.56	45.96	349626.96
McDonald's	287.46	0.67	298.86	230.58	1.69	31.00	209872.79
McKesson	396.02	2.11	401.78	298.69	0.42	48.56	53701.21
Medtronic	83.61	-0.12	95.60	75.77	2.75	24.70	111240.72
Merck	109.71	-1.00	119.65	83.05	2.22	24.44	278371.95
Meta	268.99	4.04	276.57	88.09	-	21.15	595047.09
Metlife	53.56	-0.31	77.36	48.95	3.28	7.93	41016.37
Microsoft	328.06	1.27	338.56	213.43	0.65	37.83	2439286.05
Mnstr Bvrg	57.55	0.30	60.47	41.95	-	24.24	57550
MondelezInt	72.36	-0.61	78.59	54.72	1.70	25.77	98543.72
Monsanto	10.07	0.02	11.13	9.56	-	51.84	251.75
MorganStly	86.15	-0.06	100.99	72.05	2.25	11.62	143880.29
Netflix	419.98	-0.05	425.90	164.28	-	40.45	186694.38
NextEraE	73.96	-0.12	91.35	69.64	2.03	105.18	149642.17
Nike	105.87	0.01	129.23	82.22	1.02	29.96	130441.53
NorfolkS	214.56	-1.62	264.22	196.33	1.79	19.18	48842.35
Northrop	451.08	-3.19	556.27	429.10	1.26	11.22	68500
NXP	188.92	3.92	194.55	132.08	1.10	30.12	49023.44
Occid Pet	58.99	-0.33	77.13	54.30	0.06	31.00	52604.05
Oracle	116.70	6.85	117.51	60.78	1.02	47.77	315053.39
Pepsico	181.49	-0.86	196.88	154.86	2.16	35.79	250037.52
Perrigo	33.07	-0.34	43.90	30.78	2.68	-36.53	4474.55
Pfizer	39.80	0.83	54.93	36.17	3.62	10.96	224671.36
Phillips66	97.45	-1.31	113.53	74.02	3.43	35.52	44716.13
PhilMorris	92.77	0.18	104.75	82.85	4.88	17.23	143997.29
PNCFin	126.35	-2.58	176.34	110.31	3.51	10.77	50425.98
PPG Inds	140.16	0.49	145.51	107.06	1.57	33.30	32995.91
ProctGmbl	145.50	-1.06	158.11	122.18	2.27	26.77	342939.04
Prudntl	84.29	-0.26	110.96	75.37	5.04	4.68	30765.85
PublStor	285.59	-1.26	357.13	270.13	2.59	31.33	50210.17
Qualcomm	121.62	2.51	156.66	101.47	2.04	15.08	135484.68
Raytheon	99.28	-0.06	104.91	80.27	1.87	41.66	145062.18
Regen Pharm	749.61	3.09	837.55	538.01	-	11.28	82239.35
S&P Global	384.94	0.94	395.80	279.32	0.74	33.31	123950.68
Salesforce	219.80	4.49	225.00	126.34	-	159.27	214085.2
Schlmbrg	47.05	-0.49	59.45	30.65	0.98	38.59	66812.77
Sempra Energy	147.60	-0.11	176.47	136.54	2.75	39.85	46441.18
Shrwin-Will	241.32	0.56	265.64	195.24	0.84	37.43	62234.09
SimonProp	110.06	-0.65	129.55	86.02	6.00	17.42	35986.72
SouthCpr	70.45	-0.83	82.05	42.42	4.20	17.37	54465.01
Starbucks	97.88	-0.08	115.48	70.35	1.74	28.64	112209.63
StateSt	73.50	-0.41	94.74	58.62	2.74	11.07	24568.02
Stryker	278.16	-2.48	306.56	188.84	0.86	57.80	105375.7
Sychrony Fin	33.39	-0.30	40.89	26.59	2.50	4.76	14309.97
T-MobileUS	129.79	-1.58	154.38	121.76	-	58.31	155728.04
Target	125.77	-1.22	183.89	125.08	2.34	9.57	58050.35
TE Connect	130.02	2.02	138.24	104.76	1.41	19.13	40969.3
Tesla Mtrs	247.10	2.70	314.67	101.81	-	54.60	783184.51
TexasInstr	172.89	2.30	186.30	144.46	2.25	22.66	156924.28
TheTrvelers	173.91	-1.69	194.45	149.65	1.92	11.61	40169.13
ThrmoFshr	522.72	4.54	611.06	475.77	0.18	29.08	201624.23
TJX Cos	79.85	0.49	83.13	54.55	1.21	31.72	91766.69
Truist Financial Corp	31.46	-1.18	52.22	25.56	5.46	7.62	41895.48
Twitter	53.70	0.35	60.16	31.30	-	-224.30	41093.72
UnionPac	197.30	-2.37	242.36	183.69	2.17	19.74	120402.99
UPS	170.59	0.10	209.39	154.87	2.21	12.58	123640.17
USBancorp	31.70	-1.16	49.80	27.27	5.13	6.73	48588.99
UtdHlthcre	491.23	-2.40	558.10	449.70	1.05	29.42	457346.21
ValeroEngy	114.26	0.87	143.32	96.93	3.17	54.49	41305.12
Verizon	35.52	0.05	52.18	33.72	6.59	7.23	149304.76
VertexPharm	337.01	2.90	354.46	243.17	-	40.50	86797.49
VF Cp	19.18	0.07	48.63	16.77	9.49	6.81	7454.83
Visa Inc	224.40	0.84	235.57	174.60	0.55	40.22	363129.33
Walgreen	31.45	0.03	42.74	29.48	5.63	4.93	27130.61
WalMartSto	153.55	0.46	154.64	117.90	1.34	33.81	413484.83
Walt Disney	91.89	-0.04	126.48	84.07	-	57.84	167909.05
Waste Manage.	162.14	-0.54	175.98	138.89	1.31	40.92	65961.26
WellsFargo	41.48	-0.66	48.84	35.25	1.72	9.08	155623.47
Williams Cos	30.62	0.23	35.79	27.80	4.95	26.73	37294.8
Workday	208.60	4.22	218.88	128.72	-	1864.34	42971.6
Yum!Brnds	134.08	0.64	143.25	103.97	1.38	27.86	37554.06
Zoetis	164.20	1.11	187.82	124.15	0.56	41.63	75878.81
Zoom	69.74	2.60	124.05	60.45	-	16.62	17496.02
Venezuela (VEF)							
Bco de Vnzla	4.22	-	4.59	1.00	131.53	-	570.30
Bco Provncl	9.50	1.25	70000	6.80	-	0.00	132.01

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 %
Carnival	14.91	13.09	1.82	13.87	0.79	21.2	51.75
Tesla Mtrs	247.10	244.40	2.70	1.10	26.79	13.6	46.98
Intel	33.12	31.34	1.78	5.66	1.48	10.9	14.62
Petrobras	33.60	33.75	-0.15	-0.44	3.33	10.5	15.31
FordMtr	13.80	13.74	0.06	0.40	1.15	9.6	18.12
MTN Grp	137.28	136.64	0.64	0.47	10.98	9.2	25.54
Oracle	116.70	109.85	6.85	6.23	2.92	9.1	19.57
Bradesco	14.57	14.54	0.03	0.21	1.16	8.9	9.06
DanskeBk	161.00	160.65	0.35	0.22	12.35	8.6	16.16
AmerAir	16.08	15.57	0.51	3.24	0.76	8.5	14.68
Aptiv	99.96	97.99	1.97	2.01	5.72	8.3	7.71
Panasonic	1647.50	1624.00	23.50	1.45	99.00	8.0	19.79
Qualcomm	121.62	119.11	2.51	2.11	6.38	7.9	17.31
MitsbCp	6287.00	6285.00	2.00	0.03	455.00	7.8	17.21
Advanced Micro	127.13	124.92	2.21	1.77	6.99	7.8	33.51
Adobe	467.97	454.00	13.97	3.08	19.82	7.8	39.62
GenMotors	36.77	36.23	0.54	1.48	2.10	7.7	13.43
Delta	39.89	39.28	0.61	1.54	2.18	7.5	20.00
VF Cp	19.18	19.11	0.07	0.37	1.19	7.0	-9.98
NXP	188.92	185.00	3.92	2.12	8.44	7.0	14.73

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 %
Bausch Hlth	9.65	9.58	0.07	0.73	-1.48	-12.7	23.87
Hngzh HikVDT	31.75	32.36	-0.61	-1.89	-3.55	-11.6	-12.46
Pwr Cons Corp	5.75	5.75	0.00	0.00	-0.57	-9.0	-22.92
Vodafone	72.85	74.88	-2.03	-2.71	-3.04	-6.5	-18.82
Midea	0.36	0.36	0.00	0.00	-0.02	-5.3	-10.00
MuenchRkv	325.50	323.40	2.10	0.65	-19.20	-5.0	-4.99
ReckittB	5990.00	6034.00	-44.00	-0.73	-264.00	-4.9	-7.75
CME Grp	177.90	184.84	-6.94	-3.75	-1.43	-4.5	-3.70
Kraft Heinz	36.44	36.88	-0.45	-1.21	-1.18	-4.3	-10.39
Swiss Re	88.38	88.14	0.24	0.27	-4.14	-4.2	-1.21
GenMills	81.70	82.30	-0.60	-0.73	-2.94	-4.2	-9.80
Zoetis	164.20	163.09	1.11	0.68	-8.03	-4.0	-10.55
CanadPcR	101.45	102.04	-0.59	-0.58	-3.62	-4.0	-8.77
Telia Co	24.27	24.60	-0.33	-1.34	-0.67	-4.0	-10.38
Telenor	109.20	109.70	-0.50	-0.46	-3.95	-3.9	-11.61
Roche	280.05	282.10	-2.05	-0.73	-9.35	-3.9	-0.85
Dollar General	152.76	153.05	-0.29	-0.19	-5.82	-3.8	-30.22
Danone	53.81	53.62	0.19	0.35	-2.33	-3.8	-8.74
CNOOC	11.68	11.88	-0.20	-1.68	-0.26	-3.8	-8.89
Orange	10.39	10.53	-0.13	-1.27	-0.27	-3.8	-10.13

Based on the FT Global 500 companies in local currency

BONDS: HIGH YIELD & EMERGING MARKET

Jun 12	Red date	Coupon	Ratings S*	Ratings M*	Ratings F*	Bid price	Bid yield	Day's chge yield	Mth's chge yield	Spread vs US
High Yield US$										
HCA Inc.	04/24	8.36	BB-	Ba2	BB	113.75	4.24	0.00	0.12	-
High Yield Euro										
Aldesa Financial Services S.A.	04/21	7.25	-	-	B	71.10	28.23	0.00	0.64	25.98
Emerging US$										
Peru	03/19	7.13	BBB+	A3	BBB+	104.40	2.60	-	-	0.34
Colombia	01/26	4.50	-	Baa2	BBB-	109.50	2.33	0.16	0.52	1.28
Brazil	04/26	6.00	-	Ba2	BB-	115.15	2.78	-0.01	0.65	1.73
Poland	04/26	3.25	-	A2	A-	111.22	0.98	0.03	0.16	-0.07
Mexico	05/26	11.50	-	Baa1	BBB-	149.00	1.61	0.00	-0.12	0.56
Turkey	03/27	6.00	-	Ba2	BB+	101.26	5.82	0.00	0.17	3.07
Turkey	03/27	6.00	-	B2	BB-	102.88	5.43	0.14	0.83	4.38
Peru	08/27	4.13	BBB+	A3	BBB+	103.50	3.66	0.01	-0.02	0.80
Russia	06/28	12.75	-	Baa3	BBB	168.12	2.48	0.07	0.05	-
Brazil	02/47	5.63	-	Ba2	BB-	101.48	5.52	0.08	0.80	-
Emerging Euro										
Brazil	04/21	2.88	BB-	Ba2	BB-	103.09	0.05	0.01	-0.09	-1.19
Mexico	04/23	2.75	BBB+	A3	BBB+	107.76	0.76	0.00	-0.07	-1.56
Mexico	04/23	2.75	-	Baa1	BBB-	106.48	-0.26	-	-	-0.36
Bulgaria	03/28	3.00	BBB-	Baa2	BBB	117.04	1.00	0.02	-0.15	-1.42

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

BONDS: GLOBAL INVESTMENT GRADE

Jun 12	Red date	Coupon	Ratings S*	Ratings M*	Ratings F*	Bid price	Bid yield	Day's chge yield	Mth's chge yield	Spread vs US
US$										
FleetBoston Financial Corp.	01/28	6.88	BBB+	Baa1	A-	129.00	2.54	-0.01	-0.05	-
The Goldman Sachs Group, Inc.	02/28	5.00	BBB+	A3	A	117.21	2.47	0.00	0.32	-
NationsBank Corp.	03/28	6.80	BBB+	Baa1	A-	127.69	2.72	-0.01	0.06	-
GTE LLC	04/28	6.94	BBB+	Baa2	A-	128.27	2.80	0.00	-0.11	-
United Utilities PLC	08/28	6.88	BBB	Baa1	A-	130.43	2.62	-0.07	-0.22	-
Barclays Bank plc	01/29	4.50	A	A1	A+	96.46	5.02	0.00	0.02	-
Euro										
Electricite de France (EDF)	04/30	4.63	A-	A3	A-	137.45	0.82	-0.01	0.10	-
The Goldman Sachs Group, Inc.	02/31	3.00	BBB+	A3	A	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 12	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 12 (Libor: Jun 09)	Over night	Change Day	Change Week	Change Month	One month	Three month	Six month	One year
US$ Libor	5.06671	-0.003	4.141	-0.003	5.21929	5.54443	5.65971	5.78386
Euro Libor	-0.64957	-0.064	-0.224	0.001	-0.61943	-0.58057	-0.55600	-0.48571
£ Libor	0.18063	-0.005	-0.043	0.001	4.20130	4.93250	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				0.032	3.29000	3.46900	3.76200	3.92800
Sterling CDs				0.000	0.50000	0.63000	0.78500	
US$ CDs				0.000	5.22000	5.47000	5.56000	
Euro CDs				0.020	3.29000	3.47000	3.66000	

Jun 12	Short term		7 Days notice		One month		Three month		Six month		One year	
Euro	2.89	3.19	2.95	3.25	3.14	3.44	3.32	3.62	3.51	3.81	3.60	3.90
Sterling					0.45	0.55	0.58	0.68	0.71	0.86	0.90	1.05
US Dollar	4.88	5.08	4.98	5.18	5.12	5.32	5.37	5.57	5.46	5.66	5.49	5.69
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	208.00	0.39	0.56	2.10	-1.63	2.18
Corporates(£)	323.78	0.16	0.04	0.20	-1.77	-7.19
Corporates(€)	212.27	0.19	-0.20	2.39	0.01	-1.68
Eurozone Sov(€)	212.50	0.41	-0.36	2.40	0.34	-4.23
Gilts(£)	260.50	0.33	0.04	-3.36	-2.80	-15.52
Overall(£)	271.76	0.28	0.03	-2.41	-2.50	-13.34
Overall(€)	208.75	0.33	-0.31	2.23	0.22	-3.79
FTSE						
Sterling Corporate (£)	-	-	-	-	-	-
Euro Corporate (€)	104.47	-0.05	-	-	0.54	-1.73
Euro Emerging Mkts (€)	669.68	-6.82	-	-	8.02	10.55
Eurozone Govt Bond	110.04	-0.19	-	-	-0.34	-0.64

CREDIT INDICES	Index	Day's change	Week's change	Month's change	Series high	Series low
Markit iTraxx						
Crossover 5Y	409.76	1.79	-5.78	-42.13	510.17	403.76
Europe 5Y	77.58	0.66	-0.17	-8.90	101.15	76.07
Japan 5Y	71.08	-0.05	0.93	-7.84	99.54	69.88
Senior Financials 5Y	88.51	0.83	-0.22	-13.06	124.01	86.56
Markit CDX						
Emerging Markets 5Y	220.00	-3.22	-11.72	-28.41	265.81	220.00
Nth Amer High Yld 5Y	440.83	-1.31	-9.50	-55.73	511.98	440.83
Nth Amer Inv Grade 5Y	70.53	-0.18	-0.72	-10.31	88.71	70.53

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

VOLATILITY INDICES

	Jun 12	Day Chng	Prev	52 wk high	52 wk low
VIX	14.46	0.63	13.83	35.05	13.50
VXD	10.68	-2.28	12.96	37.57	9.57
VXN	19.68	0.79	18.89	41.12	5.85
VDAX	14.69	0.09	14.59	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	79.82	3.95	-0.06	0.31	0.51	0.34
	02/50	1.00	95.70	1.83	-0.05	0.19	0.19	0.25
Austria	02/29	0.50	87.61	2.89	-0.02	0.08	0.13	1.19
	02/47	1.50	72.09	3.20	-0.06	0.03	-0.02	1.06
Belgium	06/27	0.80	92.48	2.80	-0.01	0.10	0.17	1.35
	06/47	1.60	70.20	3.44	-0.07	0.03	-0.03	0.95
Canada	03/25	1.25	94.67	4.51	-0.03	0.19	0.71	1.43
	06/30	1.25	86.58	3.43	-0.02	0.16	0.50	0.18
	12/48	2.75	90.67	3.29	-0.02	0.11	0.17	0.08
Denmark	11/29	0.50	87.72	2.60	-0.03	0.08	0.07	0.89
	11/52	0.25	51.81	2.62	-0.07	0.03	-0.05	0.71
Finland	09/24	0.00	96.17	3.15	0.00	0.07	0.29	2.18
	09/29	0.50	86.71	2.85	-0.02	0.07	0.08	1.13
France	05/28	0.75	90.85	2.75	-0.02	0.09	0.12	1.20
	05/48	2.00	77.76	3.33	-0.07	0.04	-0.04	0.96
Germany	08/29	0.00	86.72	2.34	-0.03	0.08	0.10	1.03
	08/50	0.00	52.10	2.43	-0.07	0.03	0.00	0.82
Greece	-	-	-	-	-	-	-	-
	01/28	3.75	102.31	3.20	0.00	0.03	-0.32	0.42
Ireland	-	-	-	-	-	-	-	-
	05/26	1.00	94.98	2.81	-0.03	0.05	0.17	1.58
	02/45	2.00	80.34	3.28	-0.07	0.03	-0.05	0.93
Italy	02/25	0.35	95.16	3.42	-0.05	0.10	0.12	1.33
	05/30	0.40	91.49	1.71	-0.07	0.08	-0.11	0.77
	03/48	3.45	86.01	4.38	-0.11	0.03	-0.21	0.54
Japan	04/25	0.05	100.06	0.02	0.00	0.02	-0.03	-0.01
	12/29	0.10	99.47	0.18	-0.01	0.01	-0.02	0.00
	12/49	0.40	81.24	1.23	0.00	0.00	-0.02	0.21
Netherlands	07/27	0.75	92.67	2.67	-0.02	0.08	0.15	1.30
	01/47	2.75	99.67	2.77	-0.06	0.03	-0.02	0.93
New Zealand	05/31	1.50	80.36	4.47	-0.04	0.19	0.33	0.64
	09/40	2.50	119.88	2.61	-0.02	0.12	0.23	0.54
Norway	08/30	1.38	86.04	3.62	0.09	0.25	0.43	0.61
Poland	-	-	-	-	-	-	-	-
	07/27	2.50	88.38	5.75	-0.04	-0.08	-0.05	-1.54
	04/47	4.00	77.05	5.80	0.00	0.00	-0.05	-0.93
Portugal	04/27	4.13	104.97	2.74	-0.03	0.11	0.05	0.85
Spain	-	-	-	-	-	-	-	-
	10/29	0.60	85.79	3.09	-0.04	0.07	0.00	0.85
	10/46	2.90	85.52	3.85	-0.08	0.02	-0.07	0.78
Sweden	06/30	0.13	113.95	0.70	0.01	0.10	-0.02	1.91
	03/39	3.50	112.28	2.55	-0.04	0.04	0.04	0.55
Switzerland	04/28	4.00	114.38	0.93	-0.01	0.11	-0.05	0.19
	06/29	0.00	94.61	0.92	-0.01	0.11	-0.09	0.09
United Kingdom	07/23	0.75	99.59	4.49	-0.08	0.02	0.06	2.72
	07/27	1.25	88.46	4.34	0.00	0.15	0.62	2.38
	07/47	1.50	56.31	4.48	-0.04	0.01	0.24	1.95
United States	-	-	-	-	-	-	-	-
	03/25	0.50	92.77	4.74	0.09	0.11	0.67	1.75
	02/30	1.50	86.35	3.84	0.05	0.06	0.35	0.79
	02/50	0.25	69.35	1.68	0.00	-0.02	0.02	0.92

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

GILTS: UK CASH MARKET

Jun 12	Price £	Red Yield	Change in Yield Day	Week	Month	Year	52 Week High	52 Week Low	Amnt £m
	-	-	-	-	-	-	-	-	-
Tr 0.75pc '23	99.61	4.39	0.23	0.23	5.02	127.46	99.61	97.34	34.36
Tr 0.125pc '24	97.13	4.78	1.27	0.21	15.46	132.04	97.53	94.34	35.55
Tr 2pc '25	94.25	4.74	2.16	3.95	23.44	125.71	101.22	93.15	39.93
Tr 0.125pc '26	89.17	4.54	2.25	4.37	24.73	119.32	95.25	86.33	35.32
Tr 1.25pc '27	88.16	4.44	2.54	3.98	23.33	110.43	98.68	85.65	40.99
Tr 0.5pc '29	80.72	4.40	2.33	3.53	19.24	97.31	95.06	78.21	28.92
Tr 1pc '32	76.53	4.28	2.15	2.64	16.94	76.86	122.11	76.20	35.96
Tr 4.25pc '36	98.32	4.42	2.08	2.31	15.10	72.66	125.01	94.91	31.68
Tr 4.5pc '42	99.23	4.56	2.01	1.79	11.49	74.05	135.11	93.79	28.35
Tr 3.75pc '52	87.33	4.54	1.79	1.11	10.19	78.74	132.80	82.51	25.11
Tr 4pc '60	92.45	4.42	1.84	0.45	9.95	81.89	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 12	Day's chg %	Total Return	Return 1 month	Return 1 year	Yield
1 Up to 5 Years	80.21	-0.19	2325.56	-1.35	-2.42	4.63
2 5 - 10 Years	141.10	-0.63	3036.06	-3.70	-9.25	4.28
3 10 - 15 Years	148.54	-0.92	3460.43	-4.75	-13.83	4.42
4 5 - 15 Years	141.81	-0.72	3134.82	-4.02	-10.55	4.34
5 Over 15 Years	194.17	-1.34	3400.78	-5.56	-26.07	4.49
7 All stocks	128.45	-0.72	2904.01	-3.54	-13.85	4.46

Index Linked	Jun 12	Day's chg %	Month chg %	Year's chg %	Total Return	Return 1 month	Return 1 year
1 Up to 5 Years	324.07	-0.22	-0.70	1.06	2754.38	-0.70	2.17
2 Over 5 years	508.34	-1.39	-4.42	-24.83	3885.95	-4.42	-24.41
3 5-15 years	442.41	-0.86	-2.54	-8.69	3593.76	-2.54	-7.92
4 Over 15 years	554.78	-1.77	-5.75	-33.32	4113.28	-5.75	-33.07
5 All stocks	487.15	-1.19	-3.79	-21.33	3800.52	-3.79	-20.83

Yield Indices	Jun 12	Jun 09	Yr ago		Jun 12	Jun 09	Yr ago
5 Yrs	4.35	4.25	2.20	20 Yrs	4.56	4.47	2.70
10 Yrs	4.35	4.25	2.50	45 Yrs	4.34	4.27	2.43
15 Yrs	4.49	4.40	2.67				

Real yield	inflation 0% Jun 12	Dur yrs	Previous	Yr ago	inflation 5% Jun 12	Dur yrs	Previous	Yr ago
Up to 5 yrs	1.68	2.25	1.58	-2.04	1.30	2.27	1.19	-2.48
Over 5 yrs	1.00	18.67	0.92	-0.94	0.97	18.72	0.90	-0.96
5-15 yrs	0.85	9.14	0.76	-1.23	0.77	9.15	0.68	-1.31
Over 15 yrs	1.03	25.47	0.96	-0.90	1.02	25.48	0.95	-0.91
All stocks	1.01	15.76	0.94	-0.96	0.98	15.83	0.90	-0.98

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

COMMODITIES

www.ft.com/commodities

Energy		Price*	Change
Crude Oil†	Jun	68.32	-1.85
Brent Crude Oil‡		72.64	-2.15
RBOB Gasoline†	Jun	2.55	-0.04
Natural Gas†	Jun	2.25	-0.01
Base Metals (♠ LME 3 Months)			
Aluminium		2228.50	-33.50
Aluminium Alloy		2150.00	-75.00
Copper		8295.50	-43.50
Lead		2065.00	6.00
Nickel		20960.00	-190.00
Tin		25700.00	-490.00
Zinc		2332.50	-40.00
Precious Metals (PM London Fix)			
Gold		1960.30	-6.10
Silver (US cents)		2431.50	64.50
Platinum		1001.00	-19.00
Palladium		1324.00	-57.00
Bulk Commodities			
Iron Ore		112.96	1.53
Baltic Dry Index		1056.00	1.00
Richards Bay ICE Futures		106.85	0.35

Agricultural & Cattle Futures		Price*	Change
Corn♦	Jul	613.75	9.50
Wheat♦	Jul	633.00	2.75
Soybeans♦	Jul	1387.00	0.50
Soybeans Meal♦	Jul	400.40	3.20
Cocoa (ICE Liffe)✠	Jul	2441.00	-21.00
Cocoa (ICE US)♥	Jul	3181.00	1.00
Coffee(Robusta)✠	Jul	2705.00	-23.00
Coffee (Arabica)♥	Jul	189.50	-1.15
White Sugar✠		685.40	4.50
Sugar 11♥		25.95	0.57
Cotton♥	Jul	83.70	-0.34
Orange Juice♥	Jul	260.10	2.15
Live Cattle♣	Jun	178.60	-0.18
Feeder Cattle♣	May	134.88	-
Lean Hogs♣	Jul	89.88	2.68

	Jun 09	% Chg Month	% Chg Year
S&P GSCI Spt	529.69	-1.71	-34.18
DJ UBS Spot	100.06	-1.14	-26.14
TR/CC CRB TR	288.86	-0.91	-17.76
LEBA EUA Carbon	58.91	-1.98	129.94
LEBA UK Power	1048.00	-37.43	-39.60

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

BONDS: INDEX-LINKED

	Price Jun 09	Yield Jun 09	Yield Prev	Month return	Value stock	Market	No of stocks
Can 4.25%' 26	108.02	1.852	1.870	-0.57	5.25	70388.89	8
Fr 0.25%' 24	99.71	0.514	0.436	-0.07	17.92	262266.61	17
Swe 1.00%' 25	126.49	1.155	1.116	-0.19	35.93	226247.37	7
UK 2.500%' 24	374.39	2.890	2.889	-0.04	6.82	530589.81	31
UK 2.50%' 24	374.39	2.890	2.889	-0.04	6.82	530589.81	31
UK 2.00%' 35	239.65	0.792	0.795	0.67	9.08	530589.81	31
US 0.625%' 26	96.05	2.199	2.110	-0.12	42.42	1655331.52	48
US 3.625%' 28	108.14	1.860	1.775	-0.36	16.78	1655331.52	48

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

BONDS: TEN YEAR GOVT SPREADS

	Bid Yield	Spread vs Bund	Spread vs T-Bonds		Bid Yield	Spread vs Bund	Spread vs T-Bonds
Australia	3.95	1.62	0.12	Netherlands	2.67	0.33	-1.17
Austria	2.89	0.56	-0.95	New Zealand	4.47	2.14	0.63
Canada	3.43	1.09	-0.41	Norway	3.62	1.28	-0.22
Denmark	2.60	0.26	-1.24	Portugal	2.74	0.41	-1.10
Finland	2.85	0.51	-0.99	Spain	3.09	0.75	-0.75
Germany	2.34	0.00	-1.50	Sweden	0.70	-1.64	-3.14
Italy	1.71	-0.63	-2.13	Switzerland	0.92	-1.41	-2.91
Japan	0.18	-2.15	-3.66	United States	3.84	1.50	0.00

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

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

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ARTS

Irish giant walks tall in Suffolk

OPERA & CLASSICAL

Aldeburgh Festival
Aldeburgh, Suffolk

Richard Fairman

The celebration of music and place has always been at the heart of the Aldeburgh Festival. Since Benjamin Britten led the founding of the festival in 1948, the town itself may have changed, becoming an upmarket destination with many holiday lets, but the panoramic views of the Suffolk fens and village-like seafront remain unspoilt.

For the festival, the intervening 75 years have been a period of reinvention. From his international standing as a composer, Britten was able to bring in musician friends and colleagues at a similar level to perform. Once he and that generation had passed on, it was never going to be possible for the festival to continue as it had been, and it is prospering today as a showcase for the new and inventive in music.

This year's programme follows that trend. Featured musicians include a pair of composers who have much to say, Cassandra Miller from Canada and Anna Thorvaldsdottir from Iceland, and two performers who are keen to break the mould, pianist Pavel Kolesnikov and baritone Roderick Williams, basking in the regal glow of his appearance at the coronation.

An opera to start is de rigueur. It is a shame that these are no longer full-length operas staged in the main Snape Maltings, but the smaller Britten Studio has hosted an almost unbroken series of successful chamber-sized operas, so maybe the venue is blessed.

No two have been remotely the same and Sarah Angliss's *Giant* proved to be another one-off. It tells the story of the 18th-century "Irish giant", Charles Byrne. His dying wish was that his body would not be put on public display, but an unscrupulous physician arranged to have it stolen before the funeral.

'Giant' tells the story of 18th-century 'Irish giant' Charles Byrne, played by Karim Sulayman
Marc Brenner

The opera, 80 minutes straight through, includes roles for the physician and Byrne's manager, who exhibits him like a freak show, both written with a sharp ear by librettist Ross Sutherland. Their rapacious, down-to-earth attitudes contrast with the almost noble characterisation of Byrne, who was said to be a gentle soul, an easy target for exploitation.

A look at Angliss's spare musical score, with its tinkling percussion, ethereal string chords and distant pre-recorded sounds, might suggest that it could never fit a story of such dark realism. Instead, the two complement each other. The otherworldly music adds an extra layer, questioning, uneasy, timeless, that elevates the issues involved to a higher level.

Casting the giant cannot be easy, but Karim Sulayman, perched on six-inch heels, looked convincing and captured Byrne's sensitivity. Jonathan Gunthorpe and Gweneth Ann Rand created vivid characters out of the physician and manager, not only singing well but delivering spoken text with uncommon skill. Héloïse Werner, Melanie Pappenheim and Steven Beard completed a fine cast, very well directed by Sarah Fahie and played by a small ensemble, led by Ben Smith at the keyboard. ★★★★☆

The start of the festival also included late-night and morning recitals by the Kreutzer Quartet. Their programmes featured mostly living British composers and included two premieres.

David Horne's *Different Ghosts* for clarinet quintet, with clarinettist Linda Merrick, creates a distinctive, spectral atmosphere of incorporeal sounds, though the different personalities of the seven ghosts were sometimes hard to discern. David Matthews's String Quartet No 17 showed how much life there still is in traditional structures and a musical language that verges on Romanticism.

Best of the rest were Priaulx Rainier's tautly argued String Quartet in C Minor of 1939 and a brief lament, entitled *Remember*, by Eleanor Alberga. All would have benefited from more secure playing from the Kreutzer Quartet, woeful in tuning even in their Haydn and Mozart, but it seems ungenerous to complain when this ensemble champions music that other string quartets rarely reach. ★★★☆☆

Festival continues to June 25, brittenpearsarts.org

THE LIFE OF A SONG

Toots and the Maytals' 'Pressure Drop' brought them worldwide acclaim — and was widely covered. Jude Rogers tells its story

ft.com/arts

Joyous homecoming for Sheffield heroes

POP

Arctic Monkeys
Hillsborough Park, Sheffield
★★★★★

Alastair Bailey

You don't wear a cravat in Sheffield. It's not the done thing. A tumbling shagpile haircut redolent of a Butlin's Elvis could land you in hot water too. But different rules apply if you're Alex Turner, lead singer of the Arctic Monkeys, gazing out over 40,000 people at the first of two sun-drenched shows, their first hometown appearances in five years. As he launched into "A Certain Romance", a misty-eyed love letter to the city from the band's 2006 debut album, all sartorial excesses were instantly forgiven.

The Arctic Monkeys are Sheffield's band. Few of their stature are as revered by the city that made them and so rooted in a sense of place. Yet that loyalty has been tested since the creative volte-face of 2018's *Tranquility Base Hotel and Casino* and last year's *The Car*. Heady conceptual lyrics and luscious string arrangements are far removed from the origins of the band, who, barely out of their teens, rose to fame with songs about lager-fuelled scraps and unscrupulous bouncers.

Friday evening's crowd was a patchwork of football terrace casuals, excited students and diehard older couples. "Sensational," bellowed Turner as the cavernous final note of "Sculptures of Anything Goes" rang out into the twilight; they roared their agreement.

Drummer Matt Helders tumbled into "Brianstorm", sparking pandemonium at the front as brilliant blue smoke announced the arrival of the evening's first flare — the dominant colour of the band's beloved Sheffield Wednesday. Older songs such as the euphoric "505" were driven by Helders' signature propulsive style while newer, more measured cuts like "Four Out of Five" came cushioned by a precise hi-hat here, a careful cymbal roll there.

The open-air setting of Hillsborough Park and the beer-friendly weather hardly seemed conducive to their recent brand of spacey contemplation. But when last year's longing single "There'd Better Be a Mirrorball" arrived, accompanied by crystalline shards and warm orange hues sent out by a descending disco ball, it was met with the ferocious applause it deserved.

The visual flourishes continued. For "Body Paint", refracted fireworks splashed across a circular backdrop and, during an extended outro, Turner turned his Gretsch guitar vertically to the dying light like some trident-wielding Neptune, oozing confidence. "Arabella", an obvious touchstone for its crunching riffs and slinking verses, was followed by a brief detour into Black Sabbath's "War Pigs", a knowing embrace of the band's wider rock lineage.

But the loudest reception greeted the kitchen-sink realism of "Mardy Bum" and the raucous "I Bet You Look Good on the Dancefloor", both now firmly established in Britain's cultural consciousness. They had even greater resonance tonight, the crowd screaming the lyrics word-for-word into each other's faces, arms slung joyfully around necks.

An elongated "R U Mine?" prefigured the tide of people flowing steadily away from the park, into the night. Three huge concerts at London's Emirates Stadium and the band's third Glastonbury headline slot are still to come, but the homecoming had made its mark. Twenty years to the month after their first gig in the tiny upstairs room of Sheffield pub The Grapes, this was as much a celebration of a city united as the long-awaited return of its most talented sons.

arcticmonkeys.com

Confidence: Arctic Monkeys' Alex Turner — Peter Parks/AFP via Getty Images

Dating and sleuthing in the netherworld

GAMING

Mask of the Rose
PC & Nintendo Switch
★★★☆☆

Lewis Gordon

A homesick golem, a couple who may or may not be the devil incarnate and a doctor with an acute case of melancholia. These are just a few of the characters you meet in the dating-sim/murder-mystery *Mask of the Rose*, all of whom you can converse with and, should the mood take you, seduce in the name of romance or something more Machiavellian.

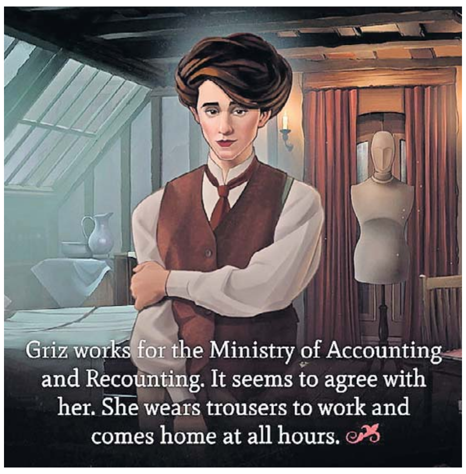
The year is 1862, and London has just fallen into a vast cavern. Your immediate task is to conduct a census of those who survive in the so-called "Neath", and so you set out on to the city's newly subterranean streets to speak with its inhabitants. Each character you encounter draws you deeper into a dark, delightfully perverted fictional universe, one that developer Failbetter Games has explored since 2009's excellent text-based RPG, *Fallen London*. Like that game, and other entries in the series such as 2019's *Sunless Skies*, you can practically smell the breath of the spluttering characters and hear the tinkling of china cups, such is the strength of the game's character writing and world-building.

The story is told as a first-person visual novel. Once you have created your character (I played as a friendly, well-meaning tailor first; an assertive dockworking seductress second), you're free to explore London and gab away with its residents in any order you please.

There's a wrinkle, though: unlike most other visual novels, this isn't a story of branching paths, but one that rearranges itself dynamically according to your actions. Such is the accommodating nature of the game, you can even pursue the romance and murder mystery to whatever degree you please. Prefer to gallivant about town in the name of sexual liberation? No problem. Hope to bring about a resolution that maintains a semblance of justice? That's your prerogative.

However, there is a punishing time limit imposed on your actions. You are given two conversations per day and only a handful of weeks in total, within which you must make both your advances and deductions. *Mask of the Rose* convinces more as a dating simulator than as a mystery, modelling relationships with considerable nuance, from sexual desire and romantic intimacy to platonic friendship and outright hostility. As a piece of crime fiction, however, it lacks the major beats that typically make the genre sing: the twists and turns, the revelations. If you don't crack the case (a murder victim that comes back from the dead just as quickly as they've been killed) in the allotted time (a near-certainty on your first playthrough), then the court case ends with disappointing abruptness.

Still, as a work of romance, *Mask of the Rose* is enjoyably subversive, alternating between beauty, horror, lust and gratification in ways that are never less than thoughtful or sensitive. I won't quickly forget my tailor's moonlit tryst with the golem, coupling as if it were just another night in London — and not one in which the city sat hundreds of metres below the ground.



Characters such as Griz draw players into the game's atmospheric universe

FT BIG READ. US ECONOMY

Consensus is breaking down about the pace at which inflation will moderate and just how close the economy is to a cliff edge — putting the central bank in a tough spot about its next move on interest rates.

By Colby Smith

The Fed's waiting game

In the 16 years that Mike Zaffaroni has run Liberty Landscape Supply in north-east Florida, no stretch proved quite as difficult as last year.

Soaring costs, supply chain bottle-necks and an acute worker shortage mounted a challenge for the lawn and garden centre, which Zaffaroni said was even worse than the early days of the Great Recession more than a decade ago and the mass shutdowns stemming from the pandemic in 2020.

But despite these hardships — made all the more potent by rapid interest rate increases from the Federal Reserve — customers continued to flock to his outlets. Sales rose 16 per cent in 2022 compared to 2021 and just this month the company opened another location.

Florida's economy stands out as one of the country's strongest. The state has seen a huge influx of new residents in recent years — drawn, in part, by balmy weather and no income tax — and now leads the nation in terms of net income migration. Business applications have also boomed, making it one of the most popular places to open up shop. That has helped to keep the unemployment rate at 2.6 per cent, well below the national average of 3.7 per cent.

While Florida enjoys unique tailwinds, the durability of its economy exemplifies a national trend that has flummoxed policymakers seeking to damp demand to stamp out elevated inflation. But with the collective weight of the US central bank's forceful monetary tightening efforts to date and

> 'The cost of capital going up will cause us to grow slower for an unknown amount of time. That's just the reality'

the ongoing retreat by regional lenders across the country in the wake of a string of bank failures, there is growing apprehension that the US economy's resilience is finally beginning to crack.

As a small-business owner, Zaffaroni said he is "always worried" about the future and warned that the second half of 2023 could become tenuous. "We are not a sexy tech company from San Francisco that is living off of the fumes of private equity or venture capital. We are a real, tangible, boring business that relies on capital in order for us to continue to invest in infrastructure, equipment, inventory and people," says Zaffaroni.

"So the cost of capital going up will cause us to grow slower for an undetermined amount of time. That's just the reality of it."

Whether the economy buckles enough to tip into a recession is an issue that has tormented officials at the Fed since they began aggressively lifting interest rates in March 2022. In just over a year, the Fed has raised its benchmark rate over 5 percentage points to the highest level since 2007, changes that take time to affect the economy.

Now Jay Powell, the Fed chair, has to forge a consensus across a Federal Open Market Committee that holds diverse views about the speed at which inflation will moderate, the impact of the recent banking stress and just how close the economy is to a cliff edge.

"We're getting to the real hard part here of how we assess trade-offs," Loretta Mester, president of the Cleveland Fed, told the Financial Times earlier this month.

Progress on getting inflation down has been slow, but the central bank is now considering a more patient approach. That is widely expected to mean forgoing additional tightening at its policy meeting this week while keeping the door open to fresh increases if warranted. Cuts are not being considered until 2024. Powell himself has said the Fed can "afford" to look at the data and make "careful assessments".

For Charles Evans, who retired from the Fed in January after serving 15 years as president of its Chicago bank, the upcoming debates boil down to one question: "What kind of policy mistake are you most comfortable making?"

Where cracks are forming

Nestled in northern Indiana sits the RV capital of the world. Almost nine out of every 10 recreational vehicles sold in the US and Canada are manufactured in or around the city of Elkhart, according to the RV Industry Association.

RV enthusiasts are not the only ones keeping close tabs on Elkhart, which boasts a Hall of Fame dedicated to the industry. Economists do too. That is because an RV, a discretionary purchase typically financed with borrowed money, is the "classic disposable income and interest rate sensitive item", says Michael Hicks, an economics professor at Indiana's Ball State University.

A cooldown in RV sales typically augurs a weaker economic backdrop, with Hicks claiming RV sales are better recession predictors than economists.

Sales and shipments have both recently declined and Elkhart employment recorded the largest year-over-year drop among the biggest US counties as of the fourth quarter of 2022.

Distortions tied to Covid have muddied the signals slightly, however. RV sales exploded during the pandemic as people sought alternative ways to travel, so recent softening could simply represent a reversion to a more normal trend.

But Hicks expects the US economy to at best grow at an annualised rate of 0.5 per cent this year and warns it could even register a 0.5 per cent contraction.

What has kept the economy afloat and out of the grips of a recession so far is the labour market, which roared back from the depths of the pandemic and has shown surprising strength as worker shortages have fuelled intense competition among employers. Despite lay-offs in Silicon Valley and Wall Street, many companies are still hiring in droves, vacancies are rising again after a recent dip and the rate at which Americans are quitting remains elevated.

"People's confidence and their willingness to spend are most importantly determined by how they feel about their job situation, and right now people are feeling very secure in their employment," says Kristin Forbes, a former Bank of England official now teaching at the Massachusetts Institute for Technology's Sloan School of Management.

Beneath the surface though, some of the labour market's momentum has faded. Over the past three months, job gains have averaged about 280,000 positions — a robust monthly pace but well below the roughly 400,000 increase registered the same time last year. And while still historically low, the unemployment rate edged up 0.3 percentage points in May to a seven-month high of 3.7 per cent.

Across the US, well over a dozen states are flashing warning signals, triggering the "Sahm rule", which links the start of a recession to when the three-month moving average of the unemployment rate rises at least half a percentage point above its low over the past 12 months.

The Sahm rule traditionally applies to national unemployment — not state-level data, which can be distorted by small sample sizes — but the trend across the country suggests labour market conditions have softened. Still, the weakness is not yet broad-based and would need to intensify for the worst prognoses to be realised.

Wage gains have cooled in tandem, offering relief to policymakers concerned that rapidly rising pay is pressuring companies to raise prices. For the time being, however, consumers continue to spend, buoyed by savings accrued early on in the pandemic as the federal government injected $5tn to bolster household balance sheets. Americans have run down those nest eggs, but economists at the San Francisco Fed estimate there are still $500bn of excess savings to support consumer spending at least until the end of 2023.

Some sectors initially battered by Fed rate rises have already begun to stabilise, including the housing market, while demand for service-related activities like travel or entertainment have seen little let-up. That has kept upward pressure on "core" inflation, which excludes volatile food and energy costs, frustrating the Fed's attempts to get this key metric back to its 2 per cent target.

In a sign that businesses are tentative about the future, however, orders placed with US factories for machinery and other "core capital goods", which exclude aircraft and military hardware, have dipped below shipments on a three-month moving average basis.

In preparation for a downturn, Matt Hirsch, president of Primus, which builds cold-storage facilities and just broke ground on a new warehouse in Jacksonville, says he is focused on lining up three years' worth of projects.

"We have a backlog larger than we've ever had before and it's easy to sit back and say, 'Let's just execute'," he says.

"I can't let that happen, I have to fill the bucket again because I do believe sales are going to soften."

Delinquencies are also rising as more people fall behind on payments. By the end of 2022, fewer Americans reported being able to cover an unexpected $400 expense using cash, savings or a credit card that could be immediately paid off.

As president of Feeding Northeast Florida food bank, Susan King is already seeing this first-hand. Families living one pay cheque to another who once needed assistance on an emergency basis now need it "very consistently".

"It is always in the back of our mind that a recession is looming," she says.

Banking woes

Officials at the Fed and its staff have long contended that there is a narrow path to get inflation down without causing a painful economic downturn. For staffers at the Fed, that changed following Silicon Valley Bank's collapse.

In March, they updated their forecast to a "mild" recession later this year, before the economy staged a recovery in 2024. Concerns stemmed from the immediate retreat expected by small and midsized banks, which account for 40 per cent of all outstanding loans and leases, as they confronted rapid deposit outflows, plunging share prices and the spectre of harsher regulatory scrutiny.

Lending standards have since tightened, extending a trend that was already under way as the Fed raised borrowing costs. Powell has warned that tighter credit conditions could dent economic activity, hiring and inflation. It could well mean the Fed does not need to raise interest rates as much as initially expected to reach its inflation goal, he has also said.

But there is considerable debate about just how much pain the banking turbulence will inflict.

Former Chicago Fed president Evans is sympathetic to the view that it could have little impact on the economy. "If I were a policymaker, I'd be nervous that the credit distress channel isn't nearly as powerful [as first predicted]," he says, especially given the strength of the labour market. "The banks seem to be making their way through it."

Torsten Slok, chief economist at Apollo Global Management, is among those to consider the banking crisis a "substantial event", warning that over the coming quarters it will have a "significant negative impact" on the economy. Small businesses are already finding it harder to get finance and he reckons the banking stress is akin to roughly 0.75 percentage points of Fed tightening.

> 'If I were a policymaker, I'd be nervous that the credit distress channel isn't nearly as powerful [as first predicted]'

Coupled with his concerns that inflation will prove more difficult for the Fed to tame and require the central bank to tighten more, Slok is now worried about a recession that is much deeper and more drawn out than expected. "We are waiting for Godot, and I do believe Godot will eventually arrive," he says.

Fed fears

Against this backdrop, the policy decisions confronting the central bank are becoming far more fraught.

For the bulk of the monetary tightening campaign, officials have hesitated little about the appropriate path forward for policy. Having been late to react to inflation, the Fed has moved with unanimity at nearly all of its meetings since last year, repeatedly relying on jumbo half-point and three-quarter-point increases to catch up.

That cohesion now risks being eroded as different policymakers draw different conclusions about when the full effects of the Fed's actions so far will be felt and how much more to squeeze the economy — divisions that Alan Blinder, a former Fed vice-chair, said are not only "natural" at this stage but also a "problem" for Powell.

"A chair likes to get as close to unanimity as he or she can," he says.

For at least the next gathering, top leadership at the Fed appear to have forged a compromise: omit an increase this week but keep in play the prospects of one later. Waiting would give officials more time to learn how economic activity and credit conditions are evolving, Christopher Waller, a governor, said in a May speech, as he laid out the options.

Waller adds that there needs to be "clear evidence" that inflation is moving down to the desired level before he would be comfortable stopping rate rises. Individual projections from officials of the peak policy rate this year, due to be published this week, could indicate broad support for at least one more quarter-point rate rise. Economists polled in a recent FT survey reckon the Fed will eventually implement a minimum of two.

Pausing rate rises prematurely and finding out in a couple of months' time that the Fed has not done enough would be "very disappointing", says Evans. "You can just see the regret in that kind of commentary." But unnecessarily crushing demand and throwing an excessive number of people out of work comes with its own costs.

"The problem is when we get to the point where the interest rate does change behaviour, if the Fed has done too much too fast, it'll be too late," says Claudia Sahm, a former Fed economist and creator of the Sahm rule.

"People on the margins will be hit first, whether it's a minority-owned business or its Black or Hispanic workers, who typically have been on the sidelines but have jobs right now."

In terms of what the Fed could more easily correct, however, economists seem confident in the central bank redressing having overtightened.

"The biggest risk now is that inflation does not come down as quickly as expected," says Forbes. "If you hike too much today and growth slows too much, you can quickly lower rates. That's an easier problem to fix."

An even more pernicious problem would be a stagflation scenario taking hold, in which the economy is hobbled by both an extended period of slow growth as well as stubbornly high inflation. That is increasingly a concern for Nela Richardson, chief economist at ADP, a payroll processor, who warns that it would severely limit the Fed's latitude to respond in either direction.

"It definitely means they have to sleep with one eye open."

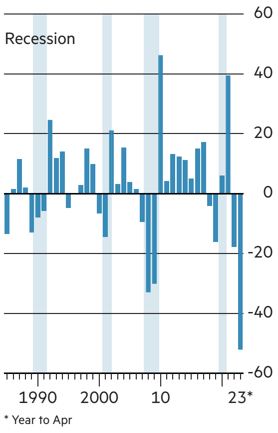
Additional reporting by Oliver Roeder in New York

The forceful monetary tightening efforts by the Fed and its chair Jay Powell — coupled with the retreat by regional lenders across the US — has led to a growing apprehension that the economy's resilience is finally beginning to crack

Rory Griffiths/FT montage/Getty Images

RV sales stoke recession concerns

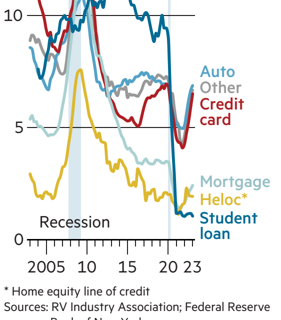
Year-on-year % change, since 1985



* Year to Apr

More debtors are falling behind

Delinquency rates on various loan types, Q1 2003 to Q1 2023 (%)



* Home equity line of credit

Sources: RV Industry Association; Federal Reserve Bank of New York

The FT View

FINANCIAL TIMES

'Without fear and without favour'

ft.com/opinion

There should be no second act for Boris Johnson

Sunak must intervene if the former premier tries to run for parliament again

Boris Johnson's resignation from parliament is nothing other than a good day for British democracy. As prime minister, Johnson besmirched and subverted his own office, and other institutions he touched. He announced his departure in a petulant statement before a parliamentary report that is expected to deliver the most damning criticism of an ex-premier in living memory for misleading the Commons over what he knew about Downing Street parties during lockdown. By saying he was leaving "for now", Johnson hinted at a comeback like that of his hero, Winston Churchill. He should not be given the chance.

Johnson will remain, no doubt, one of the most consequential prime ministers in recent history. By steering Britain out of the EU he changed the nation's political trajectory and granted the wishes of the 52 per cent who backed Brexit in the 2016 referendum. Yet in his self-centredness, his casual disregard for truth and for the rules and conventions that bind others, his cronyist tendencies and his lack of managerial seriousness and competence, he damaged his office and the UK's global standing.

In part by promising to "get Brexit done", Johnson won the biggest Tory majority in three decades. But he lacked the abilities to make a success of the EU departure, or at least to deliver it in the least harmful way. His bare-bones exit deal prioritised illusory "sovereignty" but maximised the economic hit. Signing up to Northern Ireland trade rules he did not intend to stick to sullied the UK's reputation for respect for the law.

At home, Johnson sapped trust in Britain's government and institutions, and made many ministers, civil servants and aides complicit. Attempting to sideline parliament as he jousted with Brussels strained the UK's unwritten constitution. The shambolic handling of Covid-19 left Britain with the highest deaths per million in the G7. Allowing social gatherings in Downing Street that breached rules Johnson himself had written enraged millions.

The Commons privileges committee is expected to deliver a damning verdict on whether Johnson lied to parliament in assertions over those parties. By calling the committee a "kangaroo court", some members suggest Johnson or his allies may have impugned its integrity and engaged in contempt of parliament. In an echo of polarised US politics, heightened security arrangements are in place for the committee after reports of threats from the public.

As US Republicans did with Donald Trump, too many Conservative MPs initially threw in their lot with Johnson because they saw him as a winner who could connect with a different voter base. Unlike the Republicans, the Conservative party has gone a good way towards shaking him off, because enough MPs concluded in the end that he was damaging their prospects.

In his casual disregard for truth and for the rules and conventions that bind others, he damaged his office and the UK's global standing

Johnson now has a vested interest in Conservative failure at the next general election. A defeat of Prime Minister Rishi Sunak would present him with the possibility of reclaiming the leadership, if he could secure a safe seat, in a vote among party members — or at least of being able to claim that he alone was sprinkled with electoral stardust. Johnson's acolyte Jacob Rees-Mogg has suggested barring the ex-premier from standing again as a Conservative would cause "civil war" in the party.

But a mooted broader mutiny after Johnson's resignation on Friday fizzled, and there is no advantage for Sunak in trying to make peace with a man he can never trust. If Johnson attempts to run again as a Tory, Sunak should block him. The former premier had his chance and squandered it. A second act would not be in the interests of his party — or the country.

Opinion Politics

Sturgeon's great success is becoming her great failure

Ewan White

Stephen Bush

Nicola Sturgeon's great political success was in making the abnormal seem normal. She made support for Scottish independence — a political project that takes the costs of Brexit and ramps them up — a natural home for grieving Remainer Scots and, not, say, the equivalent of responding to the loss of a hand by chopping off both legs and an arm.

The most effective politicians always manage to create a reality distortion field around them, and Sturgeon was no different. The halo even managed to outlive her time in office: her sudden resignation as first minister was depicted by many commentators as a refreshing change, rather than, as was obvious even then, the act of a politician whose project was running out of road and whose party was increasingly ungovernable.

Running the SNP as a narrow clique has proved the only way of making it an effective electoral force

During the subsequent contest, Kate Forbes, her finance minister, was depicted as a rational choice. Forbes's pitch, to remind you, was that the money she had signed off as finance minister had been misspent, that the government's public policy record was dire, that its social policies were sinful, but that these were prices worth paying for the great prize of tearing Scotland out of the legal, political and social union it has been a part of for three centuries. In addition, Forbes's social attitudes placed her far from median opinion and her pool of support in the parliamentary party shrank to more of a damp patch. Only a media class still bamboozled by Sturgeon's charisma could have seen that candidacy as sensible, or a party membership that came perilously close to electing her as anything but reckless.

Sturgeon's distortion field also means that the Scottish National party — still! — manages to avoid awkward questions about whether the UK crisis that Liz Truss's disastrous budget precipitated might also suggest real constraints on the short-term ability of an independent Scotland to do even a quarter of the things it has promised to do.

The field applied not only to her own political project but the personal details of her leadership, as well. Although political parties generally come off badly when compared to all but the most eccentric of businesses, even by such standards, the SNP's internal arrangements were unusual.

Her husband, Peter Murrell, the party's CEO since 1999, remained in charge throughout her leadership. Across the western world, more and more high-powered people have spouses who are high-powered in their own right but vanishingly few of them would be able to persuade a board of directors or their shareholders to accept such a close level of proximity outside a family firm, and rightly so.

Yet this close relationship was treated by the party as just another well-connected couple. This remained the case even when the organisation's treasurer resigned stating he had not "received the support or financial information" to do the role and was replaced by his predecessor. None of this is normal and all of it is so far from best practice that it would take a rocket ship to reach it. It is a measure of Sturgeon's political abilities that it took an arrest and a police tent in a garden for the situation to be widely questioned.

But this abnormal arrangement existed for a reason. Sturgeon was merely the inheritor of a party that had long been run as a narrow clique. Alex Salmond, her mentor turned rival and the de facto founder of the modern SNP, likewise ran the party out of a small circle (of which Sturgeon and Murrell were both members).

One reason is that running the SNP as a narrow clique has, historically, proved the only way of making it an effective electoral force, and no wonder. The SNP is a party committed to a very painful breach in Scotland's workings with a long timeframe, an uncertain pay-off, and a series of significant disagreements about what to do afterwards. It contains larger ideological and strategic divisions — over everything from defence to social policy to economics — than any of the UK's other major parties.

Concentrating power in this way helped to facilitate Sturgeon's great success. It allowed her to position the SNP as a normal, centre-left party, and Scottish independence as an escape from Westminster's chaos and cuts, as opposed to a vote to turbocharge both. But it also means that as questions swirl around the party, it is hard for her or her successors to escape the suspicion that they were at worst actively complicit or at best stunningly incurious about the party's inner workings. It means, too, that the internal divisions that Salmond and Sturgeon so successfully hid from public view may well become a prominent and scarring feature of Scottish politics for some time.

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Letters

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Polar competition is inevitable, conflict is not

The exclusion of Russia from the Arctic Council's deliberations ("China and Russia tensions create Arctic chill", Report, June 9) may have triggered reactions that are unduly alarmist. State actors and corporate interests should rest assured — co-operative and risk management processes are alive and well in a region that is unique, but not singularly vulnerable to governance gaps.

The enormous economic potential of the region, from increasingly ice-free shipping, to rare earths, to energy, are not subject to a "scramble for Africa" free-for-all contest of exploitation, but rather a norm- and rules-based set of processes for prudent development.

In many ways, the Arctic and its resources are akin to a "new space race": both the polar regions and space are "cold, dark, and dangerous" in character, and both spheres have already developed (and are continuing to develop) rules for both governmental and private scientific and economic activity. Both regions have (so far) resisted "weaponisation", if not "militarisation".

With prudent strategies and care, the Arctic can remain a peaceful stage for development and co-operation. Competition at the north pole is inevitable — but conflict is not.

Colin Alberts
Director, PolarConsult, Arlington, VA, US

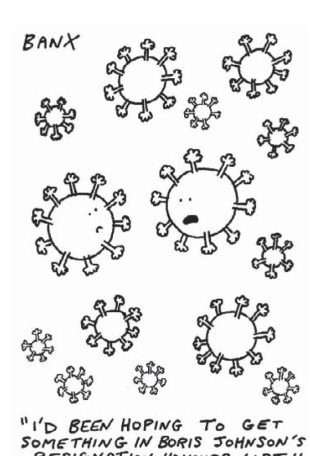
Reform to use of umbrella companies is long overdue

Umbrella companies are a uniquely British problem; the consequence of piecemeal changes to tax laws over many years instead of the holistic overhaul of the system advocated by Matthew Taylor in his "Good Work: The Taylor Review of Modern Working Practices" report in 2017.

It is thus reassuring that the latest consultation (Report, June 7) is a joined-up effort between Treasury, HM Revenue & Customs and the Department for Business and Trade. This is an opportunity to finally set the flexible labour market on a clearer footing, providing a framework for both tax compliance and the fair treatment of contingent workers.

The challenge will be in creating clear definitions, while allowing for pragmatic innovations that benefit both workers and businesses.

In the US and other nations, for example, the "agent of record" and "employer of record" models see professional payroll and employment providers work in partnership with the labour supply chain to deliver both compliance and an improved service to the worker.



In the UK too, businesses are increasingly turning to the flexible workforce for agility. This long overdue regulation needs to balance financial protection for both workers and hirers, while continuing to enable this growing sector to flourish and evolve.

Matthew Fryer
Managing Director, Brookson Group Warrington, Cheshire, UK

I'm for digital tax returns, but not quarterly reporting

Regarding the National Audit Office report on making tax digital ("Watchdog hits at HMRC over making case for digital tax", Report, June 12), as a retired accountant I can see the case for more electronic reporting of information. But I have never seen the reason for the quarterly reporting of information for income tax purposes, given that income tax is essentially an annual tax.

HM Revenue & Customs should be making more effort to allow taxpayers to report information directly to it without the need for third-party software. Living largely in Ireland and as a member of partnerships in both countries, I can file tax returns electronically in Ireland whether resident or not without the need for third-party software. In the UK I have to file paper returns unless I pay for the software. One wonders whether HMRC has been captured by the accountancy profession or the software suppliers. Or is it downright incompetence on the part of HMRC?

PE Shirley
Carrickmacross, County Monaghan Ireland

Investing in wellness apps carries responsibilities too

I was delighted to see your Lex column (June 5) propose that not only should the designers of generative artificial intelligence chatbots and other "wellness" apps avoid spurious health claims and provide evidence of their effectiveness in advance of deployment, but that investors also have "a corresponding duty of care".

The seeming lack of even basic due diligence of the negative social impacts of AI in general, and generative AI in particular, by venture capitalists, institutional investors and individual shareholders is at the core of the problems we face with AI and yet remains bizarrely unscrutinised.

Or am I being too generous in judging these investors merely incompetent when their behaviour is much more heinous? Perhaps they have done their due diligence, seen the potential for harms to individuals and society, but decided that the money to be made is just too tempting, so they will fund them anyway and just dump the stock when the problems become visible and the share prices fall? Either way, it is high time investors' responsibility for the negative impacts of their investments was subject to greater scrutiny by regulators, policymakers and society. I am delighted to see the FT taking a lead on this.

Hilary Sutcliffe
Director, SocietyInside, London SE21, UK

Can being president count as 'community service'!

Although as a Canadian lawyer there are things about American law I do not know, I wonder, if Trump is convicted and sentenced to community service, would serving as president count (FT View, June 12)?

Bruce Couchman
Ottawa, ON, Canada

OUTLOOK

SOUTH ASIA

India's new map ruffles regional feathers

by John Reed

India's new triangular parliament building — set alongside the old circular, colonnaded structure of British colonial rule — symbolises its efforts to build a country free from the trappings of past foreign domination.

But its inauguration has not been straightforward. Prime minister Narendra Modi carried a gold sceptre as he presided over the opening last month in the company of Hindu holy men. This gave fuel to his opponents, who repeated longstanding claims that he was fraying India's secular constitutional democracy and argued that president Droupadi Murmu, the head of state, should have been allowed to open the building. Opposition parties boycotted the ceremony and the Indian National Congress's Rahul Gandhi, Modi's chief nemesis, dismissed it as a "coronation".

Even after that controversy died down, a three-dimensional map on a mural inside the new building has caused a fresh stir. The mural features a backlit outline of the subcontinent without any of its present-day borders, stretching west to Pakistan and Afghanistan and east as far as Myanmar. The names are archaic and some of the cities labelled are in other countries, including Purushpur, the Sanskrit name for Peshawar, Pakistan.

Officials and opposition politicians in Pakistan, Nepal, and most recently Bangladesh have voiced concerns. India's foreign ministry insists the mural depicts the spread of the third century BC empire ruled by Ashoka the Great, "and the idea of responsible and people-oriented governance [he] adopted and propagated". But some members of Modi's Bharatiya Janata party had claimed the map represented "Akhand Bharat" ("undivided India"), a maximalist conception of a greater India floated by some Hindu nationalists that incorporates swaths of neighbouring countries.

Pralhad Joshi, a government minister, asserted "The resolve is clear — Akhand Bharat" in a tweet with the hashtag #MyParliamentMyPride on the day of the opening. Manoj Kotak, a BJP MP representing Mumbai, also tweeted about "Akhand Bharat in new parliament", adding: "It represents our powerful & self-reliant India". Pakistan's foreign ministry declared it was "appalled" by the statements made by some BJP politicians, and said it was "a manifestation of a revisionist and expansionist mindset that seeks to subjugate the identity and culture of not only India's neighbouring countries but also its own religious minorities".

Some of the outrage — not least from India's arch-enemy Pakistan — may reflect broader tensions, or have been manufactured for domestic political purposes. And India is not the only country where maps have caused problems with the neighbours. Hungarian leader Viktor Orbán last year riled Romania and Ukraine when he was seen wearing a football scarf featuring the outlines of a "Greater Hungary" in the country's pre-1920 borders. Chinese maps featuring the Nine Dash Line, its unrecognised claim on most of the South China Sea, routinely cause fury in neighbouring countries such as Vietnam.

However, India's map is literally embedded in stone in a building Modi called a "temple of democracy", in a country that styles itself as a regional leader. "As the largest nation and economy, India ought to reach out in a positive way to its neighbours," says Aakar Patel, an author and government critic. "The map is going in the opposite direction than we should be going."

None of the map's critics is claiming that India has active annexation plans. Some point out too that an imaginary "Greater India" incorporating Pakistan and Bangladesh would be home to a huge non-Hindu population, running at cross purposes with the BJP's project to create a Hindu *rashtra* (nation).

What's telling is the speed with which objections have started to ebb away in a region where India is the biggest economy and a growing foreign power. Governing officials in Nepal and Bangladesh — which have good relations with the Modi administration — initially protested but are now happy to accept the explanation that the map was a historical one. Indians will have the chance to judge for themselves when the building opens to the public next month.

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Additional reporting by Jyotsna Singh

Opinion

Why ‘harvested by hand’ labels bother me

EMPLOYMENT

Sarah O’Connor

In my local supermarket, there are a whole range of items such as sugar snap peas from China and butternut squash from Guatemala whose labels boast in huge letters that they were “harvested by hand”. Every time I walk down that aisle, the labels get under my skin.

I’ve been trying to work out why they bother me. I’m all for acknowledging the role of human labour, especially in the production processes for goods or services that people might assume have been fully automated by now. There are plenty of instances where the crucial role played by humans is hidden or overlooked, such as the low-paid workers who train artificial intelligence systems or moderate content on social media. And as AI begins to be used in places such as Hollywood and newsrooms, it’s going to be more important than ever for customers to be given clear information about the respective roles in production played by humans and machines.

But even at the best of times, harvesting fruit and vegetables by hand is physically tough and repetitive work. Gone are the days when students might do it casually for a summer, setting their own pace and enjoying the sun. When the UK appealed for Britons to work on farms in the pandemic year of 2020 to help bring in the harvest, few managed to stick it out. One supplier placed 450 people on farms, of whom only 4 per cent were still on assignment by the end of the season.

What’s wrong with turning the work over to machines? One could argue that automation is exactly what the sector needs, especially in countries like the UK which domestic labour shortages have left reliant on imports or seasonal migrant workers brought in on temporary visas who can be vulnerable to exploitation by recruitment agents in their home countries.

Last year, for example, the number of Nepalese workers arriving in Britain through the government’s seasonal worker visa scheme more than quadrupled to 2,472, but this year farmers stopped recruiting workers from there after warnings they were being charged excessive recruitment fees by agents in Nepal. “Given the circumstances we’re in now, we desperately need more automation in horticultural production — it’s got to be better than importing labour from halfway across the world with all of the issues that entails,” says Martin Buttle, who leads on “better work” at CCLA Investment Management.

> If you’re making a point about using human labour, shouldn’t you provide detail on pay and conditions?

It could be a long wait, though. A recent government-initiated review into automation in UK horticulture found that a number of barriers dissuaded farmers from investing in technology, including tight margins and a lack of certainty about their future income. Some of the most labour-saving developments might also need government help to emerge from the “valley of death”, the report said — the phase between academia and commercialisation when innovations can founder for lack of funding. The report predicted that “autonomous selective harvesting” won’t be commercially available until at least 2030 if left to market forces.

The other thing that bothers me about those “harvested by hand” labels is that they don’t give the customer enough information. If you are going to make a point about the use of human labour, shouldn’t you also provide some detail of the pay and conditions under which those people worked?

I emailed the Co-op, the supermarket in question, some photos of Spanish courgettes, Guatemalan butternut squash and Chinese sugar snap peas labelled “harvested by hand” to ask for information about their respective suppliers. The Co-op didn’t give me any supplier details, but it sent a statement which says: “Harvested by Hand is printed on a small number of fresh products to inform customers that the product has not been damaged when harvested. Looking after the people in our supply chain who harvest these vegetables is always a priority and we have a leading, active role in industry groups, established to strengthen due diligence and help protect worker safety, welfare and working conditions.”

Co-op is also a member of the Ethical Trading Initiative, which told me the supermarket was “active” in initiatives to improve working conditions in supply chains and “compares well with others in terms of transparency”.

That said, if the use of human labour is to become a marketing plus point in an age of increased automation, I think there should be some new ground rules. No boasting about the work of human hands unless you give the customer some more information about them. If you make the hands visible, but the rest of the person stays invisible, it somehow feels more dehumanising than not mentioning them at all.

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Trump, Johnson and a trial for the rule of law

GLOBAL AFFAIRS

Gideon Rachman

Both Britain and America flatter themselves that their political systems are admired all over the world. The UK is the home to the “mother of parliaments”. The US is the “leader of the free world”. The two countries see themselves as mature democracies; models that other nations can emulate.

But the last few years have shaken that Anglo-American complacency. Britain has suffered the agonies of Brexit and got through four prime ministers in as many years. The US saw Congress stormed on January 6 2021 in what was essentially an attempted coup by an outgoing president.

The troubles of democracy have deep roots in both countries. But they are also closely associated with two individuals — Donald Trump and Boris Johnson.

Trump and Johnson have championed a similar style of politics. Both have built up cults of personality, convincing their most devoted followers that they are men of destiny. Both are nostalgic nationalists, who have promised to restore their country’s greatness. Both claim to be representatives of the people against a self-interested elite.

Because they regard themselves as unique, indispensable figures, Johnson and Trump have felt free to break the laws and conventions that normally bind political leaders. When challenged or held to account, both have claimed to be the victims of a deep-state conspiracy.

This is a style of politics that is well known all over the world. The charismatic strongman leader — paranoid, power-hungry, unaccountable and surrounded by sycophants — is a sadly familiar figure. Just look at the ranting speeches of Turkey’s president, Recep Tayyip Erdoğan, who claims to see conspiracies against him everywhere.

For Erdoğan, the law is a weapon to be used against his political opponents rather than something that he himself must obey. The same is true for Vladimir Putin in Russia. In Turkey and Russia alike, the president’s political opponents frequently end up in prison, while the leaders themselves are never held to account, despite the accusations of corruption and abuse of power that swirl around them.

It is these questions of the rule of law and accountability that are central to the latest episodes of the Trump and Johnson soap operas.

The former US president has just been indicted for mishandling classified documents. The former UK prime minister has just resigned from the House of Commons after a committee accused him of lying to parliament about breaking the law during the Covid-19 pandemic.

The reactions of Trump and Johnson to their current travails are strikingly similar. They have followed the same paranoid and self-interested narrative, claiming that they are the victims of a political conspiracy and that the system is rigged against them and their followers.

Such assertions strike at the heart of the US and British images of themselves as mature democracies in which the rule of law is not a charade but a reality. The bleak suggestion is that governance in Washington and London is little different from Moscow or Ankara.

Both Trump and Johnson are fabulists for whom the truth is simply what is politically or personally convenient at the time. That style of politics is becoming more common and threatening. We live in a social media age in which “alternative facts” (in the words of a former Trump aide) can always be concocted, if the real facts prove inconvenient.

> Any functioning democracy must be based on the idea that there is such a thing as truth

Any functioning, law-governed democracy must be based on the idea that there is such a thing as truth and that it can be established in a court or by a parliamentary committee. Crucially, that is very different from saying that Trump or Johnson must be found guilty. They have every right to protest their innocence. If either could prove it before a court of law or a parliamentary committee, that would be just as much a sign of democracy in action as a guilty verdict.

The courts, political parties and the voters all have a role to play in making sure that the rule of law and democracy function properly. Here, the outlook looks more promising in the UK than in the US.

The parliamentary committee that found against Johnson contains a majority of members of his own party. By contrast, very few Republicans in Congress have turned against Trump, whatever their private misgivings. The judge who will rule on the latest Trump indictment in Florida was appointed by the former president. She, too, must be seen to behave impartially.

If the courts do their job in an obviously fair and professional manner, it is more likely that their verdicts will command the respect of voters. A majority of voters, like the courts, also have to be able to resist conspiracy theories and “alternative” facts. That seems far from a sure thing in the US, where Trump remains the favourite for the Republican nomination and is neck and neck with President Joe Biden in the polls for an election.

The cases of Trump and Johnson will matter far beyond the shores of the US and the UK. If they are properly handled, it will send a vital message to people battling autocracies all over the world. America and Britain need to show that it really is possible to have a system in which political leaders are held to account — and where the rule of law is a reality not a myth.

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Lessons from past crises could help stave off a commercial property crash

Linda Yueh

The enduring lesson from centuries of boom and bust is that there will always be another financial crisis. Given the current slowburn US banking turmoil and commercial real estate wobbles, this is a good time to learn from history to prevent a bust becoming a financial meltdown.

The worst financial crashes are often banking crises. Worryingly, in the first few months of the year, the US had three bank failures that ranked among the largest in American history: Silicon Valley Bank, Signature Bank and First Republic Bank. The biggest bank failure was Washington Mutual in 2008, during the global financial crisis. In third place is Continental Illinois, then the seventh largest bank in the US, which failed in 1984, during the savings and loan disaster of that decade.

The S&L crisis was triggered by a real estate crash that toppled the already troubled savings and loans association. But with rising interest rates and greater competition, S&Ls ventured outside mortgages and into commercial real estate, to disastrous effect. The crisis rumbled on through the late 1980s until nearly a third of all S&Ls failed, at least one in every US state, and became the worst financial crash since 1929. The S&L crisis was also the most costly banking disaster until the US subprime crisis of 2008.

Now commercial real estate is looming as a risk for banks once again. Rising interest rates have increased the cost of borrowing for property investors. Should those borrowers struggle with their debts, bank balance sheets could be affected. So some US banks are selling their property loans, even at a discount, in anticipation of defaults and falling asset values.

Past lessons could prevent a great crash leading to a recession and economic misery. All crashes share the same three phases: euphoria, a test of policymakers’ credibility when prices start to correct and an aftermath that depends on the first two.

The first phase of any boom and bust cycle is marked by euphoria — the exuberant belief that asset prices will only rise. The problem is when this confidence is funded by debt: when prices inevitably fall, the debt repayment crisis can drag down the economy. Some banks are currently concerned about the value of office real estate on their loan books. This is due to the rise of working from home post-pandemic, as well as a general increase in the cost of borrowing that can hit leveraged property developers.

> Credible policies, deployed rapidly, are crucial to avoiding wider financial disaster

Falling property values need not trigger a financial crisis in themselves — real estate decline and recovery cycles are not abnormal. If the bust drags down the banks, however, then it can be disastrous. Thus, a number of banks are willing to sell their commercial property books at a small loss.

They are wary of a potential property fire sale and its knock-on effects. This can hit the value of assets that banks hold as collateral against loans. That can spur lenders to ask for the loans to be repaid. Borrowers often need to sell assets fast to repay their loans, sometimes regardless of the price. This in turn drives further price falls, and firms begin to fail as they can’t borrow or postpone debt payments. So prices fall further, triggering more firm failures. Banks are also incurring losses and could fail too.

As we know from Silicon Valley Bank, midsized US banks are not as well capitalised as larger ones. The S&L crisis is thus a timely reminder that if enough mid-tier banks are affected, this could trigger a systemic crisis.

Lessons from the second phase of financial crashes — credible policies, deployed rapidly — are crucial. After just days in office, US president Franklin D Roosevelt in 1933 gave a radio broadcast. Backed up by legislation that guaranteed bank deposits, his actions ended a month-long bank run and turned the corner on the Depression.

Unfortunately this was not the case in the Japanese real estate crash of the early 1990s. Unlike governments in Scandinavia and elsewhere, which were also experiencing property crises, Tokyo’s slowness in addressing the issue contributed to its subsequent lost decades of growth. Instead of taking prompt action, Japan’s leaders took years to resolve the banking crisis and suffered a damaging third phase — an aftermath of slow deleveraging and economic stagnation.

The commercial real estate sector may deflate rather than be the next bust. But it is still worth looking to the past to know how to prevent future disaster. Only by acting decisively can crisis and recession be avoided.

The writer is the author of ‘The Great Crashes: Lessons from Global Meltdowns and How to Prevent Them’

Ukraine’s war on corruption is vital for its future

Fergus Drake

Since the start of the spring thaw, Ukraine’s backers have waited with bated breath for the much-heralded counteroffensive. But while Ukraine needs a decisive victory in battle, the war for its future also hinges on its ability to overhaul governance and stamp out corruption. Yes, progress has been made, but it must be kept up. Ukraine’s coming reconstruction provides an opportunity to totally overhaul the public sector and transform the country for the better.

This month’s Ukraine Recovery Conference provides an ideal opportunity to set Ukraine on a permanent path to transparency, probity and prosperity. As hosts, it is incumbent upon the UK to ensure the necessary reforms to Ukraine’s public sector are built into the process. The UK can lead the charge by rallying donor governments, the development community and relevant private sector players to pursue three strategic actions.

First, donor governments must give credit where it is due. Ukraine’s efforts to improve governance deserve endorsement. The transformation of the country’s public health procurement system demonstrates how rooting out corruption can save money and lives.

By 2014, government auditors estimated that Ukraine was overpaying for medicines by 40 per cent. This money was in effect diverted from the taxpayer to a rent-seeking oligopoly. To break the cycle, Ukraine’s health ministry engaged international partners — including Unicef, the UN Development Programme and Crown Agents (which I lead) — to help design and implement a new procurement system. The result has been a boon for Ukrainians and the state’s finances. Reforming pharmaceuticals procurement alone has saved the state $62mn over five years. These reforms have also given more Ukrainians access to medicines they were previously not able to acquire — adding years to lives.

> Allies need to communicate progress and reassure their publics that reconstruction funds will be well spent

Second, governments need to recognise Ukraine’s progress with more than just a pat on the back. One of the principal threats to both the war efforts and future reconstruction is apathy taking hold in western electorates, whose backing ultimately underwrites the funding Ukraine needs to defend itself and eventually rebuild. This means allied governments have work to do on the home front: communicating the progress Ukraine has made in combating corruption and reassuring their publics that reconstruction funds will be well spent.

Thankfully, the data since 2014 backs this up. In the long-running World Bank good governance indicators, Ukraine’s “government effectiveness” has climbed from the 20th percentile in 2011 to the 37th percentile in 2021. According to the Chandler good government index, Ukraine ranks higher in 2023 than in 2021 — showing remarkable progress despite fighting for survival. In short, there is plenty of credible data for allied governments to publicise Ukraine’s hard-won improvement.

Finally, financial support for reconstruction must be paired with training, capability building and sharing the technical knowhow to keep Ukraine’s reforms on track. At the URC, the focus is on private sector engagement and “unity, diversity and delivery”. But we must also continue working through government, and with the scrutiny provided by a robust civil society, to help Ukraine build ever-improving governance structures.

If the UK — acting in concert with our allies — can bring about support and recognition for Ukraine’s continuing reforms, then the upcoming conference could spark a cycle of greater transparency and public sector effectiveness. This would provide Ukraine with the weapons needed to win its war on corruption, deliver a successful reconstruction and further draw this brave nation into our community of free and democratic states.

The writer is CEO of Crown Agents, a non-profit development organisation

Lex.

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Glencore/Teck: a cry for Elk

The planet is safe in my hands — I am a Switzerland-based commodities trader. This would appear to be the message of Glencore boss Gary Nagle. His plan to expand the polluting coal division he has promised to divest merely adds to cognitive dissonance.

The Swiss mining and trading giant Glencore has for months been trying to nudge Canada's Teck Resources into agreeing to a takeover. Yesterday, it proposed an alternative: a cash acquisition of Elk Valley, Teck's coking-coal unit. This would expand Glencore's coal division by about half. It would be the second purchase of coal assets by the group in two years.

This news cannot sit well with all shareholders. Witness investor restlessness with Nagle over Glencore's climate-change goals. This year about 30 per cent of votes at the annual meeting were against this, 6 percentage points more than in 2022. That is a substantial negative minority report.

That may explain why Nagle is vowing to spin off all Glencore's coal assets within two years — earlier than expected. Coal still generates about half of Glencore's ebitda. Adding Teck's coal raises that dominance. The group's paraphrase of St Augustine is: "Make me good, Lord, but not until 2025."

Investors will enjoy the temporary surge in cash flow. But coal remains a drag on the valuation of diversified miners. Shareholders said no to Teck's independent restructuring plan because the black stuff would have funded copper and zinc divisions.

Glencore Coal's demerger would leave the core metals unit valued at about 6-7 times ebitda, says UBS, well above the estimated four times for the whole group. In February, Nippon Steel agreed to buy a tenth of Teck's coal unit, valuing it at $8.2bn, Glencore had put the same value on it, while Teck's own fairness opinion valued EVR at up to $9bn, about three times expected 2024 ebitda.

Teck's hard-nosed chair emeritus, Norman Keevil, can no doubt patiently await suitors. Mining investor Pierre Lassonde is among potential rival bidders. Keevil gave Glencore the brush off when it attempted to put public pressure on him earlier this year.

The alternative bid for Elk alone may founder in the same way. What it does indicate is increasing desperation within Glencore to do a deal.

Investors and campaigners may now expect the group to ditch coal in two years, whatever the outcome at Teck.

Odey AM: after the fall

Hedge funds do not have much of a competitive moat. They depend on the reputation of star fund managers, who can often leave at will. Odey Asset Management has its work cut out to survive the ousting of disgraced founder Crispin Odey.

Fellow partners ejected Odey after allegations of repeated sexual misconduct were reported in the Financial Times. His voting rights in the firm ceased. His initial capital investment will be returned to him.

It is easy to see why former colleagues wanted a clean break. The fallout from the FT's reports has been rapid and severe. Some clients are pulling their investments, and Odey AM has considered gating some funds. Hedgies depend on prime brokers for loans and trading services. Odey AM's prime brokers are moving to cut ties with the firm.

There might just be a business to salvage. Crispin Odey's punchy bets and volatile performance had already limited his role at Odey AM. Out of its $4.4bn of AUM, he ran some $1.2bn, more than half of it his own money. That leaves $3.2bn of assets that might, conceivably, be retained in a rebooted business. The group's heir apparent, James Hanbury, has his own brand of funds at Brook Asset Management, and a good reputation in the market.

But much of Odey's alleged sexual misconduct was connected to Odey AM as a workplace. This means that some investors and banks may not wish to continue a relationship with the group, even though Odey has now gone. They may also fear that the scandal will distract fund managers. Odey himself, who owned 98 per cent of the partnership before the weekend, could conceivably seek financial redress.

Odey AM is a not a one-man band in the same way as Woodford Investment Management. This collapsed in 2019 after a series of bets by star stock picker Neil Woodford soured. But the more toxic nature of the Crispin Odey scandal means the business he set up will struggle to avoid the same fate.

Pharma: bitter medicine

Large drugmakers are habitual buyers of biotech businesses. More than half of the pharmaceuticals sector's mergers and acquisitions deals in 2022 were of this type. M&A is important for biotechs as many face financial challenges arising from a slump in shares in 2021 and the subsequent stalling of the IPO market.

US and European M&A

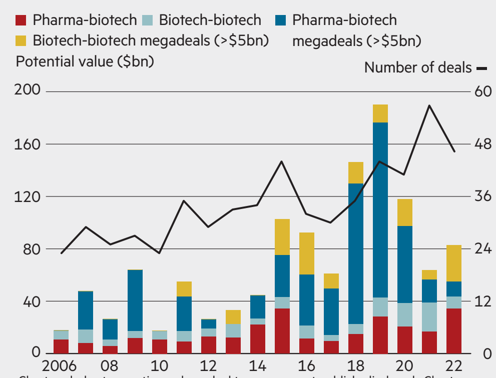
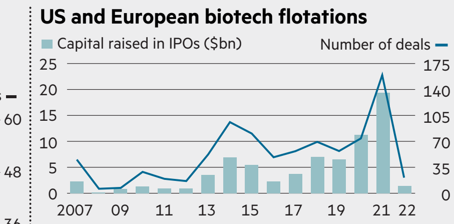


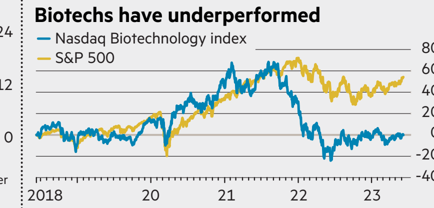
Chart excludes transactions where deal terms were not publicly disclosed. Chart excludesThermo-Fisher/Life Technologies transaction ($13.6bn) because the acquirer is neither a pharma nor a biotech.
Sources: EY analysis; Capital IQ; MedTRAC; company

US and European biotech flotations



Sources: EY analysis; Capital IQ; Dow Jones Venture

Biotechs have underperformed



Source: S&P Capital IQ

Medicines-price gouger Martin Shkreli was one of a kind.

But trustbusters have new reasons to feel cross with the pharma sector. The US Federal Trade Commission now frowns on its "rampant consolidation". One sign of a more interventionist approach is revived suspicion of vertical takeovers. These combine businesses throughout a single supply chain.

Illumina bought cancer-test group Grail for $8bn in 2021, even though US and EU authorities complained that the US gene sequencer could deny crucial inputs to Grail's rivals.

Yesterday, Francis deSouza, Illumina's boss, quit after a proxy fight with activist Carl Icahn over Illumina's decision to proceed.

Another sign of hardening attitudes was the FTC's attempt last month to block Amgen's $28.3bn takeover of Horizon Therapeutics, despite the two businesses treating different diseases. Its — untested — argument is that Amgen could use rebates on its blockbusters to encourage insurers and pharmacy benefit managers to favour Horizon's drugs.

The FTC's intervention shocked the industry, which relies on deals to replenish drug pipelines. Small firms originate two-thirds of new active substances. M&A activity, not R&D excellence, explains the persistence of top-ranking companies, according to Wharton professor Patricia Danzon.

Cash-rich pharma giants spent $85bn on deals in the first five months of the year. Looming patent expiries add urgency to the shopping spree. Yesterday's acquisition by Novartis of Seattle-based biotech firm Chinook Therapeutics for up to $3.5bn is a case in point. Berenberg forecast zero sales growth from 2025, without new additions to the pipeline.

Many analysts expect trustbusters to focus on mid-to-large-size deals. That would come as a relief to small cash-strapped biotechs, particularly after stock prices plummeted in late 2021 and IPO markets largely closed.

But any barriers to M&A would make it harder for pharma giants to smooth their earnings and pay large dividends. The antitrust challenge may force big pharma groups to rethink "pure play" business models.

Venture capital: dry powder slalom

US venture capitalists hope a rising tide will save them from admitting some investments are stuck in the mud.

The valuations of public tech stocks are jumping amid excitement about generative artificial intelligence. But private markets are yet to recover. Start-ups are eking out cash to avoid down rounds. That leaves billions of dollars of potential investment sitting on the sidelines.

The past decade has been prosperous for VCs. Low rates drove more money into risky, early-stage investments. Last year set a new record for VC funds. They raised close to $163bn, according to PitchBook data. Tiger Global, for example, closed a $12.7bn fund. Global venture firms had nearly $586bn of unallocated capital, so-called "dry powder", by October last year.

The tech downturn and collapse of Silicon Valley Bank have made it harder for fund managers to invest or secure capital. Distributions to external investors, known as "limited partners", are down. Exits are scarcer.

PitchBook data shows US VC firms raised less than $12bn across 99 funds in the first quarter of this year. That is down nearly three-quarters on the previous year. In the aftermath of the dotcom bust, a handful of VC firms took the unusual step of reducing fund sizes. Groups such as Accel Partners released investors from some capital commitments.

Limited partners should not expect a repeat performance. Management fees give VC funds too big an incentive to put money to work. One option is to redirect funds away from out-of-favour crypto start-ups towards the AI boom.

Paradigm has expanded its fund's focus. Peter Thiel's Founders Fund is reported to have cut its flagship fund's size; it plans to roll money pledged into a future fund, not release its claim.

The pain of crypto start-ups may eventually become a gain for AI specialists. It does not quite amount to a bait and switch by VCs.

"Bait, wait and reorientate" might be a fairer description.

Nasdaq/Adenza: rule tool

Perhaps there are some businesses that even a fancy takeover cannot save from boringness. Compliance, for example.

Shares in Nasdaq fell 13 per cent in morning trading in New York after the tech-focused exchange operator announced its $10.5bn purchase of compliance-software firm Adenza.

The implementation of Dodd-Frank in 2010 has doubled the number of regulations applied to US banks, says a study by Rice University's Baker Institute for Public Policy. Keeping up with red tape is costly and time-consuming. Spending on compliance by the financial services sector has risen more than $50bn since 2009.

Regulatory burdens will grow in the wake of this year's banking turmoil. Nasdaq wants to cash in on higher demand. It is best known as an exchange operator, but it has steadily reduced its dependence on revenues from trading services. These rose just 1 per cent in the most recent quarter.

A solutions business, which provides back-office and trade-surveillance services and within which Adenza will sit, is far bigger, accounting for about 70 per cent of group revenues.

Nasdaq is paying a lot to get into compliance. Its cash and stock offer values Adenza at 20 times trailing revenue, or 31 times expected 2023 ebitda before cost savings. Nasdaq itself trades on a multiple of just 4.5 times, lagging behind some rival exchanges.

Nasdaq is paying for Adenza with $5.75bn in cash and 85.6mn in new shares to Thoma Bravo, giving the private equity group a near 15 per cent stake. The $5.9bn of debt Nasdaq will take on will increase its leverage ratio to 4.7 times. Nasdaq does not expect the deal to be earnings accretive until two years after the close. Some $80mn in cost cuts, taxed and capitalised, would be worth only $465mn.

The takeover might be partly justified by Adenza's fast growth and high margins. But there is too much competition in this sector. Dull and crowded sounds like a party that no one should pay top dollar to attend.

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CROSSWORD

No 17,441 Set by GOZO

ACROSS

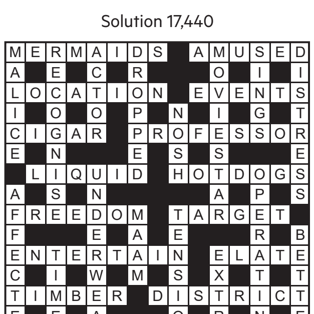
1 Bird takes tiny step back (8)
5 Initially Tony Blair distorted such family links (6)
10 Near the looo! (5,2)
11 It's not so easy housing old compulsive collector (7)
12 River in pass (5)
13 Crazy fellow having explosive projectiles and cases (9)
14 Could Inca material be excavated here? (5,7)
18 Film stars changing some in detail (7,5)
21 Incomplete check involves key singer (9)
23 I complain about girl (5)
24 Like laciest pants? (7)
25 Confirm by signing eleven Latin characters (7)
26 Ford car range (6)
27 Introduces you and me to the girl's vice (6,2)

DOWN

1 Evil, like a candle? (6)
2 Girl I'm awfully gone on (6)
3 Closely watches carriages — with this result? (3,6)
4 Book a week in it — local resort (1,4,4,5)
6 Arrive in Eritrea, cheerfully (5)
7 Shrub from husband leaving spiritual leader holding garland (8)
8 Twenty-four hours at the MCC HQ on the Sabbath (5,3)
9 Antelopes and hinds mingled with small horses (8,6)
15 For instance, worker in business producing plant (9)
16 Parents punishing their children with kisses! (8)
17 Bygone era of individual in phase of development (5,3)
19 Talking points where film buffs go (6)
20 Oil spilt during wine fiddle (6)
22 It turns round and round and round! (5)

JOTTER PAD

Solution 17,440



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