FINANCIAL TIMES

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War in Ukraine PAGE 19

“A new Iron Curtain has come down across Europe
GIDEON RACHMAN

“We should be ploughing fields, not fighting Russians
OLEG USTENKO, ZELENSKY ADVISER

“Tech groups must be held to account over propaganda
MARIETJE SCHAAKE

Markets rattled by push for Russian crude ban as refugee crisis mounts

- Berlin resists bid to bar imports
- Brent touches $139 before falling back to $120
- Putin seeks to enlist Syrian fighters

NAOMI ROVNICK AND NEIL HUME — LONDON
HUDSON LOCKETT — HONG KONG

Oil and natural gas prices see-sawed yesterday after a US push to ban Russian crude faced German resistance, leaving markets rattled by the threat of energy sanctions cascading through the global economy.

On an extraordinary day of trading volatility, the international benchmark Brent crude surged to a high of $139 — a level last seen 14 years ago — before falling back to around $120.

The spike came after Joe Biden's administration signalled it was open to a freeze on Russian imports, setting aside reservations over the hit to consumers. But the cost of crude fell after Olaf Scholz, German chancellor, expressed reluctance to restrict trade of "essential importance" to Europe's economy.

Natural gas prices were also roiled by the debate, climbing as high as €345 a megawatt hour before slipping back to trade at about €214. A year ago, natural gas was trading at €16.

With concern rising over the humanitarian crisis in Ukraine, Biden hosted a two-hour call with the leaders of France, Germany and the UK to raise pressure on Vladimir Putin, Russia's president, and co-ordinate a response.

The discussions followed another day of grinding battle in Ukraine, where Russian forces continued to bombard frontline cities while attempting to address the severe logistical issues that have hampered their ground offensives, particularly in the north.

A senior US defence official said nearly 100 per cent of the Russian troops massed on Ukraine's borders had moved into the country and that Putin was trying to bring foreign fighters, including from Syria, to Ukraine to bolster his forces.

Even before Russia invaded Ukraine last month, stockpiles of many commodities were running low as the global economy began to throw off the constraints of coronavirus lockdowns. The Ukraine war has deepened concerns over a supply crunch.

"Global oil markets are in the throes of the biggest crisis for decades," said Ehsan Khoman, head of emerging markets research for Emea at MUFG. "Oil's rally will accelerate inflation, rates will go much higher, financial conditions will tighten significantly, consumers will be squeezed and corporate activity will be jolted. Recessionary territory is on the horizon."

Yesterday's volatility spread across commodity markets. In one of the most extraordinary moves ever seen on the London Metal Exchange, the benchmark nickel contract surged more than 70 per cent to a 15-year high of above $50,000 a tonne, as those holding short positions rushed to cover their trades.

The sharp moves across markets came after Antony Blinken, US secretary of state, said Washington was in "very active discussions" with European allies over an oil ban.

Russia's economy has been battered by trade curbs and a corporate boycott that has spread to all aspects of consumer life, from Disney films and Ikea furniture to spare parts for cars. But Moscow has continued to receive strong backing from China, which has bucked global calls to condemn the invasion.

Wang Yi, foreign minister, defended China's "everlasting friendship" with Russia and criticised the US for trying to establish an "Indo-Pacific version of Nato". He reaffirmed an "unequivocal message to the world that China and Russia jointly oppose attempts to revive the cold war mindset".

Additional reporting by Erika Solomon in Berlin and Myles McCormick in Houston

A woman and child fleeing Ukraine arrive at the border in Medyka, Poland, yesterday — Visar Kryeziu/AP

Main developments

- China defended its friendship with Russia and accused the US of trying to set up an 'Indo-Pacific Nato'
- Details emerged of refugee destinations, with 1mn received by Poland and 180,000 entering Hungary
- EY said it would axe its business in Russia, the third Big Four firm to ditch its operations in the country
- A former British climate minister has quit as chair of EN+, the metals group founded by Oleg Deripaska
- Derivatives market price changes increased fears that cover against a Russian default might not pay out

Inside

Orban's Kremlin reversal narrows election contest

The war in Ukraine has landed Viktor Orban with an identity problem, say observers. With a month to go before a general election, Hungary's prime minister has been forced to denounce Russia after promoting close ties for decades. The opposition is keen to capitalise on the U-turn. It knows that older voters who lived under Soviet domination until the collapse of communism in 1989 remain very sensitive to threats from the east.

Russia stance rethought ▸ PAGE 3

Kyiv rejects Putin's proposal for 'humanitarian corridors' to Russia

GUY CHAZAN AND JOHN REED — LVIV

Ukraine and the west poured scorn on Vladimir Putin's proposal for so-called humanitarian corridors out of frontline cities yesterday, describing it as a cynical offer as Moscow's armed forces continued to bombard urban areas.

Russia offered to suspend attacks on Kharkiv, Kyiv, Sumy and Mariupol but most transport corridors out of the cities led to Russia. Moscow claimed its offer followed "a personal request" from Emmanuel Macron, but the French president condemned it as "moral and political cynicism" and said he had failed to persuade Putin of the need for a ceasefire. Ukrainian officials said bombing continued after the supposed ceasefire time despite the offer.

Iryna Vereschchuk, Ukraine's minister for reintegration, urged Russia to "stop manipulating" world leaders and open genuine routes for safe passage.

Macron discussed the humanitarian crisis with his German, US and British counterparts yesterday. Berlin said they had agreed that the protection of civilians was their "utmost priority" as they again called on Russia to "immediately end its attack on Ukraine".

Several proposals for a ceasefire have failed to take hold since the weekend, highlighting the seemingly irreconcilable distance between Ukraine's and Russia's positions as they entered a fourth round of ceasefire talks in Belarus.

During 12 days of war, Russian forces have targeted civilian infrastructure in crowded cities, hitting schools, hospitals and residential buildings.

Foreign defence analysts said that in offering to evacuate Ukrainian cities, Russia could be exploiting humanitarian issues to distract diplomatic partners.

Civilian protests against Russian rule in cities such as Kherson have underlined the extraordinary challenges Russia faces in occupying Ukraine's urban areas. Valery Zaluzhny, commander-in-chief of Ukraine's armed forces, said: "No matter how many miles the enemy has advanced into our territory, he won't be able to hold it."

Andriy Kluchko, who lives in Kharkiv, said: "Of those who are left . . . no one is going to want to go to Russia."

Solomiia Bobrovska, MP for Ukraine's opposition Holos party, dismissed the humanitarian corridor idea as "bullshit" designed for Russian TV. "Nobody wants to evacuate to Russia and Belarus because they are killing Ukrainians."

Additional reporting by Erika Solomon in Berlin

Corridor publicity stunt page 2

World Markets

STOCK MARKETS

	Mar 7	prev	%chg
S&P 500	4247.43	4328.87	-1.88
Nasdaq Composite	13054.42	13313.44	-1.95
Dow Jones Ind	33023.35	33614.80	-1.76
FTSEurofirst 300	1651.90	1713.80	-3.61
Euro Stoxx 50	3512.22	3556.01	-1.23
FTSE 100	6987.14	7238.85	-3.48
FTSE All-Share	3884.43	4023.90	-3.47
CAC 40	5982.27	6061.66	-1.31
Xetra Dax	12834.65	13094.54	-1.98
Nikkei	25221.41	25985.47	-2.94
Hang Seng	21057.63	21905.29	-3.87
MSCI World $	2896.52	2942.45	-1.56
MSCI EM $	1144.91	1172.56	-2.36
MSCI ACWI $	679.32	690.75	-1.65

CURRENCIES

	Mar 7	prev		Mar 7	prev
$ per €	1.088	1.092	£ per $	0.761	0.757
$ per £	1.314	1.322	€ per £	1.208	1.211
£ per €	0.828	0.826	¥ per €	125.487	125.373
¥ per $	115.385	114.815	£ index	82.680	82.858
¥ per £	151.563	151.763	SFr per £	1.216	1.214
SFr per €	1.007	1.003			
€ per $	0.920	0.916			

COMMODITIES

	Mar 7	prev	%chg
Oil WTI $	118.00	115.68	2.01
Oil Brent $	122.37	118.11	3.61
Gold $	1945.30	1929.60	0.81

INTEREST RATES

	price	yield	chg
US Gov 10 yr	147.58	1.76	0.05
UK Gov 10 yr		1.30	0.10
Ger Gov 10 yr		-0.02	0.05
Jpn Gov 10 yr	111.00	0.14	-0.01
US Gov 30 yr	111.80	2.17	0.02
Ger Gov 2 yr	104.13	-0.68	0.05

	price	prev	chg
Fed Funds Eff	0.08	0.08	0.00
US 3m Bills	0.34	0.38	-0.04
Euro Libor 3m	-0.58	-0.58	0.00
UK 3m	0.94	0.95	-0.01

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Moscow accused of corridor publicity stunt

Kremlin trying to present image of liberator by accepting Ukrainian refugees in Russia or Belarus, say officials

JOHN REED AND GUY CHAZAN — LVIV

The phrase "humanitarian corridors" has been little more than a euphemism to many Ukrainians in recent days, as they found themselves running into more fear and terrifying dead ends.

Over the weekend thousands of residents in Mariupol and Volnovakha who boarded buses to flee Russian forces twice had to return to dark, freezing basements and shelled-out houses. The International Committee of the Red Cross said both sides had failed to make a "concrete, actionable, and precise" evacuation plan.

Then Moscow's announcement yesterday that it would authorise more "corridors" from Kyiv, Mariupol and Kharkiv, as well as Sumy in north-east Ukraine, was met with anger among Ukrainians when it emerged that proposed destinations included cities in western Russia and Belarus.

"It's despicable and cynical in the extreme," said Vadym Boichenko, Mariupol's mayor. "People don't want to go to Russia, they want to stay in their homeland, Ukraine. No one wants to leave."

Ukrainian leaders described Moscow's initiative as a publicity stunt designed to produce footage of Russia helping desperate people and to support Vladimir Putin's propaganda about "denazifying" Ukraine and "liberating" it from its elected government.

Ukrainian officials and foreign defence analysts said Russia has used the concept of "humanitarian corridors" to distract diplomatic partners and exploit war victims as propaganda tools in previous conflicts. It did so during the war in the eastern Ukrainian region of Donbas in 2014-2015, and in Syria, where Russia's bombing campaign helped Bashar al-Assad's regime crush rebels.

French president Emmanuel Macron, who spoke to Putin for nearly two hours on Sunday, dismissed Russia's proposal as "moral and political cynicism."

Separately humanitarian officials have accused Russia of targeting people during evacuations. Human Rights Watch said Russian forces killed civilians in a "reckless" attack during an evacuation of Irpin near Kyiv on Sunday, where Ukrainian officials said eight civilians died.

Boichenko said that on Saturday and Sunday, shortly after authorities had arranged buses to transport thousands of people out of Mariupol, "the shelling resumed", sending civilians back to their bomb shelters.

Yesterday he said Russian forces had entered villages they controlled on the outskirts of Mariupol and forced their inhabitants at gunpoint to evacuate to Russia. "They said move to Russia or we'll shoot you," he claimed. He added

> 'It's despicable and cynical. People don't want to go to Russia, they want to stay in their homeland'

that one elderly woman was forced by Russian soldiers to walk 27km to territory controlled by pro-Russian separatists. These claims could not be independently verified.

Emile Hokayem, Middle East analyst for the International Institute for Strategic Studies, said negotiations on humanitarian issues during the war in Syria were "part and parcel of the military campaign, designed to help advance Russia's armed efforts".

"Moscow used humanitarian discussions to divide its rivals, create a narrative of diplomacy that it itself consistently undermined, and entangled the US and the UN in never-ending discussions and processes that they — the US and UN — valued more than Russia ever did," he said.

Russia and the Assad regime used humanitarian dialogue as a "tool of war" which the western powers and the UN were in effect forced to accept because they did not want to intervene, Hokayem said.

Russia yesterday proposed two escape routes from Mariupol — one east to the Russian city of Rostov, and the other to Zaporizhzhia in western Ukraine, where the pro-Kyiv population has been seeking refuge. One analyst said he believed Moscow was looking to alter the demographics of cities coming under his control.

Putin "wants general displacement", said Hugo Slim, senior fellow at Blackfriars Hall, Oxford university, and a humanitarian specialist. "He wants dispersal of democratically minded people to the west."

Solomiia Bobrovska, an MP with Ukraine's opposition Holos party, said Russia's desire for propaganda lay behind its offer. "They are doing this specifically to make pictures," she said. "They frighten people, and then take photos to say 'Look, we are giving people bread'."

Additional reporting by John Paul Rathbone in London, Erika Solomon in Berlin, and Victor Mallet in Paris

Alliance

US pursues 'every option' on sanctions

DANIEL DOMBEY — MADRID

The US is considering every available sanction on Russia, a top diplomat said, even as Washington struggles to win round its allies to an oil embargo on Moscow.

"There is nothing that is off the table; every option is being considered," Wendy Sherman, deputy US secretary of state, told a press meeting in Madrid yesterday. "I expect we will have additional announcements in coming days."

US secretary of state Antony Blinken, Sherman's immediate superior, said at the weekend that Washington was in "very active discussions" with its European partners about banning Russian oil imports.

But yesterday Olaf Scholz, German chancellor, rejected a European embargo, saying he preferred to focus on "sustainable" pressure on Moscow that would not impose too heavy a burden on Germans. "The German government has been working hard for months with its partners within the EU and beyond to develop alternatives to Russian energy. However, this cannot be done overnight," Scholz said.

Asked about Scholz's comments, Sherman said: "We are doing what we do, which is to co-ordinate and see what is possible. We have not been completely identical on all of the sanctions . . . but we have all reached a threshold that is necessary to impose the severe costs that we have all agreed to on [Russian president Vladimir] Putin."

Senior US lawmakers plan to introduce bipartisan legislation banning US energy imports from Russia and Belarus and suspending normal trade relations with both countries.

In a joint statement, the top Democrats and Republicans on the trade committees of both the House of Representatives and the Senate said they had all agreed on a "legislative path forward" to "send a clear message to Putin that his war is unacceptable".

Suspending normal trade relations with Russia and Belarus would allow Washington to increase tariffs on US imports from both countries.

Defending Kyiv

People's army: civilians receive weapons training in Lviv yesterday. In a poll, 82% of Ukrainians say they are confident in their ability to repel Russia's offensive — Bernat Armangue/AP

Fears grow Kremlin will order repression to break resistance

JOHN PAUL RATHBONE — LONDON
DEMETRI SEVASTOPULO — WASHINGTON
HENRY FOY — BRUSSELS

Russian troops are facing stiff Ukrainian resistance around Kyiv and civilian protests in towns captured in the south, raising the stakes for the Kremlin and increasing fears about the repressive tactics Moscow might use to achieve its objectives.

As the invasion entered its 12th day yesterday, Ukrainian forces stood their ground around Kyiv and launched counter-attacks, frustrating Russian attempts to encircle the capital.

"We have been very impressed with the courage and the capability of the Ukrainian armed forces and the people, to be honest, and the extent to which they have, for more than a week now, halted what is a far superior military machine," said a senior European defence official.

To the south, where Russia has nearly completed a land bridge to Crimea, large, unarmed crowds of civilians confronted troops at the weekend in Kherson, the largest city Russia has captured.

Yet how long Ukrainians can resist is the big question, analysts and western defence officials said. Russian forces were switching to a siege strategy that seeks to demolish civilian infrastructure such as power stations and punish Ukrainians for their defiance.

"Whatever problems you are hearing about [the Russian military], we should be very clear how the numerical and capability advantage Russia has is huge," the European defence official added.

The Pentagon said Russia had fired 600 missiles during the invasion, an increase from 500 as of Friday, suggesting an acceleration from the roughly 20 launches a day that were detected at the end of last week.

A senior US defence official said Russia had moved 95 per cent of the forces that had been positioned on the border before the invasion into Ukraine. He said there were only "limited changes on the ground" over the past 24 hours.

Artillery damage: a defence force member patrols in Kharkiv

The official added that Ukrainian air space remained contested. "Both sides have taken losses to both aircraft and missile defence inventories," the official said. "We assess that both sides still possess a majority of their air defence systems and capabilities."

In a recent poll, 82 per cent of Ukrainians said they were confident in their ability to repel Russia's offensive. On Sunday, President Volodymyr Zelensky urged Ukrainians to "drive the Russians out". But the apparently stalled invasion has raised concerns about the tactics Moscow might use, including repressive methods to deter insurgents and control civilian populations after capturing urban centres.

According to European intelligence officials, Russia's FSB, the KGB successor, has been charged with maintaining political order in captured towns.

"Russian officials have been considering aggressive measures to suppress likely protest and resistance . . .[including] violent crowd control, repressive detention of protest organisers and possibly public executions to deter Ukrainian protesters," a European official told the Financial Times.

"The temptation in Moscow to turn to terror in the vast expanses of Ukraine will be great. It is also a cheap and tested method when you don't have enough men," said Sergio Jaramillo, senior adviser at the European Institute of Peace in Brussels.

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Humanitarian disaster

UN tackles 'fastest growing refugee crisis' since last world war

ALEXANDRA WHITE — NEW YORK
LEKE OSO ALABI — LONDON

More than 1.7mn Ukrainians have fled the country since Russia invaded more than a week ago in what the UN has termed the "fastest growing refugee crisis" since the second world war.

The number crossing into neighbouring countries has surpassed 1.74mn, with more than 1mn going to Poland, as the war goes into its 12th day, the latest UN figures have shown.

Poland has received as many as 1.03mn since the beginning of the invasion, the refugee agency said yesterday. About 180,000 have entered Hungary while 128,000 have gone to Slovakia.

Another 149,000 have emigrated to Russia, which includes 96,000 from the Donetsk and Luhansk regions, who left between February 18 and 24.

Russia said it opened so-called humanitarian corridors from the cities of Kyiv, Mariupol, Kharkiv and Sumy yesterday to evacuate Ukrainian civilians to Russia.

Ukraine has dismissed the offer, and Iryna Vereshchuk, Ukraine's minister of reintegration, said that Ukrainians would not wish to be evacuated to Russia.

The UN High Commissioner for Refugees, Filippo Grandi, estimates that 4mn may flee Ukraine, adding that Europe needs to share responsibility for refugees "in a more structured manner" as the continent faces a flood of Ukrainians fleeing the unfolding war at home.

"Europe, in particular, has to think very hard, very seriously about how to share this responsibility of the response in a more structured manner," Grandi told BBC Radio 4's *Today* programme yesterday. "This particular wave of refugees has resources and has connections," he added.

Refugees: more than 1.7mn people have left Ukraine
Total arrivals from Ukraine between Feb 24 and Mar 6 2022

Cartography: Steven Bernard and Alan Smith Source: UNHCR
*Crimea is annexed by Russia but this is not recognised by the international community

But he cautioned that as the war persisted there might be more refugees who "have less resources [and] do not have connections in Europe".

The commissioner went on to point out that the influx of refugees without familial connections to other parts of Europe would necessitate a more structured response.

"There'll be more of a responsibility for neighbouring countries, this is where we need a more structured system in the EU . . . UK, and maybe further afield — [in the] US, Canada and other countries," he said.

"I do hope that this in the end is the silver lining of this crisis, that Europe understands that any country can become [the] recipient of large numbers of refugees [who] need the help of others," he added.

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WAR IN UKRAINE

Orban rethinks Russia stance in effort to boost re-election bid

PM's criticism of Moscow comes as opposition stresses his Putin links

MARTON DUNAI — BUDAPEST

Viktor Orban has long delighted in displaying some of the EU's clearest pro-Russia credentials. Now war in Ukraine is forcing Hungary's prime minister to shift his position as he tries to stay in step with voters a month before the country's general election.

Orban has for a decade promoted an "eastern opening" of close business and political ties to Russia, while blocking Ukraine's Nato and EU ambitions owing to a dispute with Kyiv over the rights of ethnic Hungarians in the country.

But since Moscow's invasion, Orban has denounced Russia and shown some solidarity with Kyiv — a tacit admission the conflict has made his own position more vulnerable, according to analysts and political opponents. Many supporters of Orban's Fidesz party are markedly cooler on Russia than Orban himself.

"Fidesz had not reckoned with such a difficult situation arising in the campaign," said Robert Laszlo, from the think-tank Political Capital in Budapest. "They have an identity problem now, which is decidedly risky for them."

The latest polls ahead of the April 3 election show Orban and Fidesz leading by a narrow margin against an opposition that has for the first time united behind a single candidate, Peter Marki-Zay. Some pollsters are reporting a shrinking Fidesz advantage, others a growing margin, with about a quarter of the electorate undecided.

According to a 2019 study published by the Tarki research institute, Hungarian public opinion warmed to Russia considerably under Orban, with support rising to its highest level since the communist era. But in a Euronews poll published this week, 60 per cent of respondents said the country had grown too close to Russia and that this now prevented it from doing more for Ukraine.

Meanwhile, anecdotal evidence suggests that despite years of Fidesz messaging, many older voters who lived under Soviet domination until the collapse of communism in 1989 remain sensitive to threats from the east.

"I used to vote for Orban, but his love of Putin always unnerved me," said Albert Kovacs, a retired public servant. "It's high time to end that love affair. Make no mistake: the Russians have smelled blood. I lived most of my life under Russian influence and I am not returning there."

The opposition is seeking to capitalise on Orban's previous warmth towards Moscow, saying the premier has left Hungary open for "Russian spies". Marki-Zay has called Orban "Putin's poodle" and has advocated a much less ambivalent stance towards the EU, following years of antagonism between Budapest and Brussels.

The premier "first supported everything Putin did, then lo and behold, he declared Putin an aggressor," Marki-Zay told protesters gathered outside the Budapest headquarters of Russia's International Investment Bank earlier this week. "We demand that he stop his policy of neither here nor there and more Hungary once and for all in the west, Europe, Nato."

Orban has now backed fast-tracking Ukraine's EU membership and sanctions against Russia. But he has said Budapest would stand by a cheap Russian gas supply deal "as long as I am premier" and remains opposed to Hungary's participation in military support.

Even with the Russian invasion well under way, Orban has also defended Paks 2, Hungary's €12.5bn finance-and-build agreement with Rosatom, Russia's state nuclear monopoly, for a new nuclear power plant. Fidesz MEPs last week approved a European parliament resolution banning any co-operation with Rosatom, which could in effect kill the project, only for the premier to defend Paks in a subsequent interview.

Meanwhile, as Fidesz struggles to maintain its balancing act between Moscow and the west, deputy prime minister Zsolt Semjen signalled Ukraine should be in the sphere of neither. Ukraine's sovereignty and integrity was important for it to be "a buffer state between the Russian empire and the EU", he told a campaign rally this week.

"If Ukraine was a member of Nato, we would already have a world war on our hands," Semjen was quoted as saying.

Gabor Torok, an independent political analyst, said the war was a headache for Fidesz, because its voters "for the first time in [years] . . . are divided over a key issue". It would be hard for Orban to balance preserving friendly relations with Moscow while keeping Hungary within the Nato and EU fold, he added.

Orban is not yet cornered politically: his new narrative, in which he presents Hungary's reluctance to extend military aid to Ukraine or admit Kyiv to Nato as serving the cause of peace, has resonated with voters, analysts say.

More than two-thirds of Hungarians want the country to stay out of the conflict completely, according to the Euronews poll — in line with Orban's policy. But despite Fidesz efforts to reframe the narrative, voters remain confused and the party is losing its sense of direction amid the sudden change of rhetoric, said Laszlo.

"Fidesz had pummelled the message of 'there will be no war, we will defend cheap energy' so intensely that they have a hard time reversing it. That can and does cause a credibility deficit."

'I used to vote for Orban, but his love of Putin always unnerved me'

On the move: refugees from Ukraine wait for a train to Budapest in Zahony, Hungary, yesterday. Inset, Viktor Orban
Darko Vojinovic/AP

Lethal weapons

Hungary allows transit of arms after premier's U-turn

MARTON DUNAI — BUDAPEST
JAMES SHOTTER — WARSAW

Hungarian premier Viktor Orban will allow lethal weapons to be transported through Hungary en route to Ukraine, provided they transit via another Nato state before reaching the war-torn country.

Orban had faced criticism from local opposition and international partners for refusing to participate in the transport of weapons or allowing such shipments to be routed through Hungary to neighbouring Ukraine.

"The government authorises the transport of military equipment and platforms designed to deliver lethal force . . . by land and air to another federal member state," said a government decree issued "in connection with the Ukraine crisis" yesterday.

Since the Russian assault on Ukraine began, Orban has defended his no transit policy, saying Hungary was "committed to peace" and that such transports would expose ethnic Hungarian areas in western Ukraine to Russian aggression.

Orban has built friendly ties with Moscow since assuming power in 2010, a policy that he recently reversed in preparation for next month's elections.

Poland's government, which has been working with the US to provide fighter jets to Kyiv, yesterday announced it was putting forward legislation that would create an 8bn zloty ($1.7bn) fund to help those fleeing the war in Ukraine.

More than 1.5mn have fled Ukraine since it was invaded by Russia last month, and Poland's border guard said yesterday that more than 1mn had entered Poland.

The influx has sparked a huge humanitarian effort in Poland, with families taking in refugees and companies turning facilities into reception centres.

Under the plan, the Polish government would pay Polish families taking in refugees about 1,200 zloty a month for up to two months, and will also make one-off payments of 300 zloty to each refugee.

The plan will also give Ukrainians the right to work in Poland for the next 18 months, with the possibility of further extension, and also grant them access to the country's health and social service systems.

Conflict adds impetus to EU plans for greater energy self-sufficiency

Bloc wants net zero emissions by 2050 but 40% of gas and quarter of crude oil still come from Russia

CAMILLA HODGSON

Energy security concerns triggered by the war in Ukraine will boost moves towards energy self-sufficiency and clean power as Europe seeks to end its reliance on Russian fossil fuels, say climate envoys and policy experts.

Just over a week into the invasion, European leaders have vowed to wean the continent rapidly off Russian gas, and the International Energy Agency has urged the EU not to sign new supply agreements as part of a 10-point plan.

"Ending our dependency on Russian fossil fuels, and on fossil fuels in general, is essential," Barbara Pompili, France's minister for ecological transition, said late last week.

This followed a warning from Kadri Simson, EU energy commissioner, that the conflict had made it "painfully clear that we cannot afford to leave to any third country the power to destabilise our energy markets or influence our energy choices".

As governments struggle to shield consumers from high energy prices, the need for reform of supply and distribution has become starkly apparent to policymakers.

The European Commission is due to present its updated energy strategy and is expected to stress the need to boost renewable sources. It is also expected to address the need for greater interconnectivity of electricity grids within the bloc and Ukraine.

The response to the crisis was likely to reorient energy geopolitics, by driving "the deglobalisation of the global energy system", said Lord Adair Turner, senior fellow at the Institute for New Economic Thinking. He noted not all countries had fossil fuel reserves but all could generate solar and wind power.

Europe is committed to cutting its greenhouse gas emissions by at least 55 per cent by 2030, and to reach net zero emissions by 2050, in the effort to curb global warming.

But for now, it remains reliant on oil and gas, with Russia providing nearly 40 per cent of EU gas and more than 25 per cent of its crude oil.

The race to end this dependence will require boosting imports from nations such as the US and Qatar in the short term, and is likely to result in more domestic coal-fired power generation and fossil fuel production until further renewable sources are developed.

Germany has stepped up its goal to fulfil all its energy needs from renewable sources by 2035, compared with a previous aim to abandon fossil fuels "well before 2040", but at the same time decided to "rapidly" build two new terminals to receive gas imports.

However, the desire to be more self-sufficient, combined with the lowered cost of renewables and ambitious national climate targets, should trigger a ramp-up in domestic clean energy, analysts said.

It was "clear that the dependence on fossil fuels is economically damaging and adds to insecurity", said Bob Ward, policy and communications director at the Grantham Research Institute on Climate Change and the Environment. "It would be a perverse logic that would lead you to conclude that the answer now is to invest in more." Climate and security issues were "pointing in the same direction", he added.

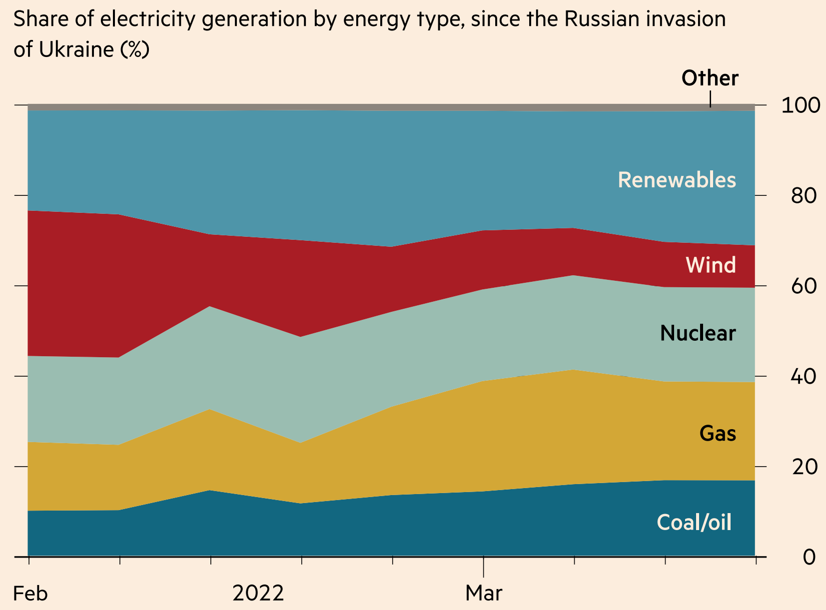
Fossil fuelled: homes stand close to the Grosskrotzenburg coal-fired power station near Frankfurt in Germany
Alex Kraus/Bloomberg

Emergency talks about reforming Europe's energy system followed the release of a UN report last week that outlined the extent of the destruction caused by climate change if countries did not rapidly cut emissions and prepare for the inevitable.

"The security question could be an incredibly important moment to align our climate and our energy future," said Jennifer Layke, global director of the energy programme at the World Resources Institute.

> 'It is clear that the dependence on fossil fuels is damaging and adds to insecurity'

Greenhouse gases fuelled by conflict
Share of electricity generation by energy type, since the Russian invasion of Ukraine (%)



Source: Energy Monitor

"The crisis is going to call into question the wisdom of a system that relies on natural gas as the transition fuel" because the "risk equation" was "shifting", she added.

Analysts said it was crucial that short-term measures to shore up Europe's energy supplies did not prolong the use of polluting fuels, given that new extraction infrastructure has a lifetime measured in decades.

The American Petroleum Institute, which has lobbied against climate action, said the crisis demonstrated "how important natural gas and oil are and will continue to be".

The industry found unlikely support from Tesla's Elon Musk, who cited "extraordinary times" in a tweet: "Hate to say it, but we need to increase oil & gas output immediately."

Turner said policymakers would have to "guard against the danger" of locking in new fossil fuel production "without being so completely purist that we don't recognise that there is a security of supply issue in the short term".

An uptick in European coal-fired generation may occur in the short term, despite the pledge made at last year's COP26 climate summit by countries worldwide to "phase down" its use. But Samantha Gross, director of the Energy Security and Climate Initiative at The Brookings Institution, said it was "difficult to imagine" a more sustained resurgence of coal.

The response to the shifting geopolitics from China, the world's biggest emitter with a heavy reliance on coal, oil and gas, remains unclear. Russia's southern neighbour, Mongolia, agreed last week to build a gas pipeline that will deliver 50bn cubic meters of fuel a year to China.

Japan, which relies heavily on Russian energy imports, has also been less definitive than Europe about cutting ties. S&P Global last week noted the "mounting" pressure on Japanese companies to review their deals with Russia following oil major Shell's withdrawal from the Sakhalin-2 gas project.

Obtaining fuel is not the only threat to energy security: electricity networks must be resilient to power cuts that would disrupt communication and critical services.

An economic slowdown as a result of the conflict, combined with high energy prices reducing consumption, may lead to fewer emissions, as occurred during the Covid-19 pandemic. But that could be followed similarly by an economic and emissions rebound, while the destruction of industrial sites during the conflict could release toxic fumes into the environment.

Europe's energy crisis had shown that the transition to green energy had been too slow, said Jason Bordoff, co-founding dean of the Columbia Climate School.

"This conflict is bringing into sharp relief the disconnect between climate ambition and climate reality today."

Diplomatic ties

Beijing rejects return to cold war and lauds 'everlasting friendship'

EDWARD WHITE — SEOUL

China has defended its "everlasting friendship" with Russia and slammed the US for trying to establish an "Indo-Pacific version of Nato", bucking international calls to condemn Vladimir Putin's invasion of Ukraine.

Wang Yi, China's foreign minister, yesterday reaffirmed an "unequivocal message to the world that China and Russia jointly oppose attempts to revive the cold war mindset".

"No matter how precarious and challenging the international situation may be, China and Russia will maintain strategic focus and steadily advance our comprehensive strategic partnership co-ordination for a new era," he said.

The comments from China's top diplomat came just days after Ukraine's declaration that Beijing had assured Kyiv it would help stop the war, renewing focus on Beijing's potential role in pressing Russia to back down.

Since the start of the Russian invasion, China has abstained in two UN votes, including a security council resolution condemning the invasion and a call for Russia to withdraw its troops. Beijing has also criticised international sanctions imposed to punish Putin.

> 'China and Russia will maintain strategic focus and steadily advance our strategic partnership'

Wang, who was speaking during the National People's Congress, China's annual meeting of its rubber-stamp parliament in Beijing, repeated Beijing's support for "dialogue" and "negotiations" but did not elaborate on specific measures China had taken.

He added that China's Red Cross would provide humanitarian aid to Ukraine and said that Beijing was organising the evacuation of its nationals.

Wang said the US was going to great lengths to engage in zero-sum competition with China, dismissing the claims of returning to multilateralism by the US under President Joe Biden.

"The real goal of the US Indo-Pacific strategy is to establish an Indo-Pacific version of Nato," he said, adding that China had "every right" to do whatever was necessary to defend its interests.

Ukrainian foreign minister Dmytro Kuleba said on Saturday that he had been given assurances that China was "interested in stopping this war".

Wang spoke with US secretary of state Antony Blinken also on Saturday, reiterating China's criticism of the US, Nato and the EU for their role in "frictions and problems accumulated over the years", and saying that the crisis could only be resolved through dialogue and negotiations.

John Delury, professor of Chinese studies at Yonsei university in Seoul, said Beijing's support of negotiations "looks like [a] 'smokescreen'".

"They're not in a neutral position. Given the gravity of Putin's war of aggression, China would have to take much stronger steps against Russia before it would have any basic credibility to mediate," he said. "They're much closer to Russia."

Energy

Bloc to slash dependence on Russian gas

ANDY BOUNDS — BRUSSELS

The EU will outline a plan today to cut Russian gas imports by two-thirds within a year as it seeks to reduce its dependency after Moscow's invasion of Ukraine.

Frans Timmermans, European environment commissioner, said the bloc could import more liquefied natural gas, rapidly boost renewable energy and cut demand with efficiency measures.

He conceded countries may have to burn coal for longer to avoid switching to gas but could still meet a target to cut greenhouse gas emissions by 55 per cent by 2030 and reach net zero by 2050, as long as sources of renewable energy also increased rapidly.

Russia supplies 40 per cent of the EU's gas, with Italy, Germany and central European countries particularly reliant.

The commission's proposed saving is double that suggested by the International Energy Agency last week as gas prices hit record levels because of growing global demand and the possibility of Russia cutting off supplies.

"[If we] increase the speed by which we transit to renewables, combined with increasing our energy efficiency, combined with diversifying our energy resourcing, by the end of this year already we could have decreased our dependence on Russian gas by two-thirds," Timmermans said in an interview with European publications. "Creating your own energy resources is the smartest and most urgent choice," to ensure security of supply, he said.

> 'Creating your own energy resources is the smartest and most urgent choice' to ensure security of supply

But some countries could rethink plans to use gas as a "bridge" between burning coal and replacing it with wind or solar. "One could imagine you stick with coal a bit longer but only if you speed up the transition to renewables," he said.

A draft of the proposal to be published today, seen by the Financial Times, calls for 80 per cent of gas storage capacity to be filled by September 30, up from about 30 per cent now. Brussels will allow governments to pay companies to hold the gas. Timmermans said the EU could increase imports of gas from other sources, including 10bn cubic metres of piped gas from countries such as Azerbaijan, as well as liquefied natural gash from Qatar, Egypt and even Australia, by 50 bcm.

The EU has the capacity to import 160 bcm annually of LNG and only manages 7 bcm. Timmermans also said it could double biogas production, using agriculture and food waste, from 17 bcm to 35 bcm by 2030, and quadruple hydrogen use to 20 metric tonnes, which would reduce gas by 50 bcm, he said.

The plan urges quicker planning processes and greater investment, but these are up to national governments. Countries could use their record receipts from selling carbon permits in the Emissions Trading Scheme, the paper says. Revenue was €30bn in 2021, double the year before, because of high prices.

Defence alliances

Australia eyes new sub base after 'wake-up call'

NIC FILDES — SYDNEY

Australia plans to build a A$10bn (US$7.4bn) base for nuclear-powered submarines on its east coast after Prime Minister Scott Morrison warned of the threat posed by autocracies.

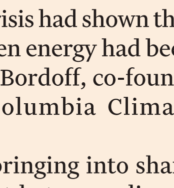
He said Russia's invasion of Ukraine and China's failure to condemn it had served as a "wake-up call" for Europe and the world.

The new submarine base is the latest step in Australia's push to bolster its military capabilities and to form alliances in the Indo-Pacific region as tensions with China mount.

Canberra will invest A$578bn in its defence forces over the next decade, including a deal with the UK and US to modernise its submarine fleet.

The government has shortlisted sites in Brisbane, Newcastle and Port Kembla, south of Sydney, for the base, which will give the fleet immediate access to the Pacific Ocean. Australia's existing submarine base is in Western Australia, on the Indian Ocean.

Morrison, in a speech to the Lowy Institute, a think-tank, said the Ukraine invasion and recent tension with China, including the "needlessly provocative" use of a laser by the Chinese navy against an Australian surveillance plane off its north coast, meant the country faced its most dangerous security threat in 80 years.



Scott Morrison welcomed a more 'tough-minded European approach to autocrat adventurism'

"A new arc of autocracy is instinctively aligning to challenge and reset the world order in their own image," he pointed out. "Events are now lifting the veil. Perhaps the scales are beginning to fall from the world's eyes also. At least I hope so."

Morrison signalled that the Ukraine invasion was a "major wake-up call" for Europe, both strategically and economically. The prime minister said he welcomed the signs of a "more concerted, tough-minded European approach to autocrat adventurism".

He likened the new approach to moves by Australia and its allies in the Indo-Pacific region.

Morrison insisted that the invasion of Ukraine should not be dismissed as an act of lunacy.

"This is what autocrats do," he said. "It is not the product of a sudden madness or a failure of earlier diplomacy to resolve just grievances."

He called for greater co-operation between regional partners and cited last week's meeting with the Quad leaders comprising the US, Australia, Japan and India, which discussed the implications of the war in Europe for the Indo-Pacific region.

Morrison again criticised China for not condemning Russia's "brutal attacks" in Ukraine and for loosening trade restrictions with its neighbour at a time when other countries were applying tough economic sanctions against the Kremlin. "As long as China has a bet each way on this, then [I fear] the bloodshed will continue," he said.

Innovation

Democrat warns against crypto crackdown

Architect of US internet rules finds himself at odds with party colleagues

KIRAN STACEY — WASHINGTON

One of the Senate's most powerful Democrats has warned his colleagues against cracking down too hard on the booming cryptocurrency industry, likening it to the internet in its infancy.

Ron Wyden, chair of the Senate finance committee and one of the architects of US internet regulation, urged members of his party to protect crypto innovators despite concerns about fraud and money laundering within the industry. Wyden's warning comes as senior officials in the administration of Joe Biden look to clamp down on unregulated crypto activity, especially on trading platforms such as Coinbase.

Wyden said: "There is obviously a debate [about stricter regulation] but I want to be on the side of the innovator.

"When I think about remittances, or somebody who has a kid 1,000 miles away and wants to get them help in an emergency, rather than going through scores of banks, credit card companies.

"I keep looking for innovations," he added. "That's where my heart lies."

The demand for cryptocurrency has rocketed in recent years, driving the total value of such coins to about $2tn. Their popularity has caused alarm among politicians and regulators, who have warned they could be used for fraud and money laundering.

Gary Gensler, the chair of the Securities and Exchange Commission, said last year the cryptocurrency markets were "rife with fraud, scams and abuse". Last week, four senior Democratic senators wrote to Janet Yellen, the Treasury secretary, expressing their concern that cryptocurrency was being used to evade international sanctions.

Wyden's comments contrast with those of his Democratic colleagues. But they echo similar ones made by a small but increasingly influential group of members of Congress who have championed the industry, from Republican Tom Emmer to Democrat Ro Khanna.

Wyden likened the industry to the internet in its early days, when he and colleagues in Congress drew up legal protections for online platforms so they could avoid being sued for content that users post on their sites.

That rule — Section 230 of the Communications Decency Act — has been dubbed "the 26 words that created the internet". And it has come under fire from Republicans and Democrats in recent months, with several members of Congress arguing it should only be applied to those companies that comply with a certain set of principles or rules.

Wyden hit back at attempts to rewrite Section 230, arguing that making companies liable for user content would simply push those who post damaging content on to more secretive parts of the web. "You can go along with these bills that sound good, but you are really going to drive the bad guys to the dark web," he said.

"I don't think anybody's ever going to invest in anything, particularly the small person, if you hold somebody liable for everything posted on the site.

"Why don't we just say the person who produces the content is the person we're going to hold responsible? I thought that was the right way to go then and I still do."

Pandemic

Scientists identify genes behind severe Covid-19 symptoms

OLIVER BARNES — LONDON

British scientists have identified some of the genetic factors that make certain people more likely to suffer severe Covid-19 symptoms than others, as part of a study that could aid the development of treatments for the disease.

Researchers pinpointed 16 genes that predisposed patients to critical illness as part of the world's largest study into the genetics of the disease, which was led by scientists from the University of Edinburgh and Genomics England. They also confirmed seven other genes associated with severe Covid that had been identified by earlier research.

The genes found by the researchers are linked to the immune system's ability to recognise foreign pathogens, alongside the biological mechanisms involved in blood clotting and lung inflammation — some of the hallmarks of severe Covid. The disease has killed an estimated 6mn people since the World Health Organization declared the coronavirus outbreak a global pandemic in March 2020.

Dr Kenneth Baillie, a critical care consultant from the University of Edinburgh who led the study, said the results helped "explain why some people develop life-threatening Covid-19, while others get no symptoms at all.

"More importantly, this gives us a deep understanding of the process of disease and is a big step forward in finding more effective treatments."

The research identified genetic patterns by comparing whole genome samples from 7,491 Covid patients admitted to intensive care units across the UK with the DNA of 1,630 people who experienced mild Covid and a further 48,400 people, who never had Covid and had their DNA analysed as part of the UK government's 100,000 Genomes Project.

The UK leads the world in genomic sequencing due to substantial government investment over the past decade. Whole genome sequencing — a process that involves reading all 3bn biochemical letters of an individual's genetic code — is a more labour-intensive version of the process used to analyse viral variants of Covid-19.

Scientists said they hoped the genetic clues offered by the findings, published in the scientific journal Nature yesterday, could help medical experts to identify existing drugs that could be repurposed to treat Covid or contribute to research for novel treatments.

Existing drugs used to treat illnesses such as asthma and chronic obstructive pulmonary disease already targeted some of the 16 genes identified by the study and could now be selected for clinical trials, the researchers said.

Earlier results from the same study helped identify arthritis drug baricitinib, which research published last week found cut the mortality risk of Covid by 13 per cent, as a potential treatment for the virus.

Professor Sir Mark Caulfield, formerly chief scientist at Genomics England and a co-author on the study, said the findings would "offer a route" to new tests as well as treatments. "As Covid-19 evolves, we need to focus on reducing the number of people getting seriously ill and being hospitalised," he added.

See FT View

Middle East. Brain drain

Lebanon faces exodus of brightest citizens

Many doubt their prospects at home as country sinks deeper into economic meltdown

HEBA SALEH — BEIRUT

Lana Noura is only 18 and a first-year computer science student at the prestigious American University in Beirut. But like many of her classmates, she already knows she wants to leave Lebanon once she has finished her course.

"I will leave for work and hopefully take my parents with me," she said. "Anywhere would be fine, but I would prefer somewhere in the Middle East. It's for a good life. Here it's not stable and you never know what will happen next."

Jad Masry, a fifth-year medical student, also plans to leave, either for Germany or America. "It will be a better income, better education and better lifestyle," he said. "The politicians in Lebanon cannot bring us a good future because they are corrupt."

> 'Lebanon has yet to identify a credible path toward economic and financial recovery'

Lebanon has always had a huge diaspora after waves of emigration over the past two centuries, particularly as a result of the 15-year civil war that ended in 1990.

Now, once again, as the country sinks deeper into economic meltdown, it faces a new exodus of its brightest and best-educated citizens.

Forced to grapple daily with hyperinflation, power cuts and shortages, many Lebanese have little confidence in the future. They have lost hope their fractious leaders will take action to reverse the country's catastrophic financial collapse.

Two years after the onset of a fiscal and banking crisis, little has been done to salvage the sinking economy in what the World Bank has called a "deliberate depression . . . orchestrated by an elite that has captured the state".

"Lebanon has yet to identify, least of all embark upon, a credible path toward economic and financial recovery," said the World Bank in December.

"In consequence, highly skilled labour is increasingly likely to take up potential opportunities abroad, constituting a permanent social and economic loss for the country."

Lebanese people seeking jobs abroad include formerly well-paid professionals whose dollar accounts are blocked by the banks and young people who see no future in their home country. About 40 per cent of the population of almost 7mn is considering emigrating, according to a recent survey commissioned by Konrad-Adenauer-Stiftung, a German think-tank.

About 40 per cent of Lebanon's doctors have already left for the Gulf or the west, either permanently or temporarily, according to the World Bank. At least 10,000 teachers have also found jobs abroad, according to some estimates, cited by the World Bank. The Lebanese lira has lost more than 95 per cent of its value against the dollar over the past two years, rendering teachers' salaries almost worthless.

The German survey found that 40 per cent of Lebanese have had to cut down on food and a third are unable to afford their medication.

Three-quarters of the population has been plunged into what the UN terms "multidimensional poverty" — a measure that includes access to health, education and public utilities in addition to income poverty.

The debilitating impact of the brain drain is already being felt in the health sector. Charaf Abou Charaf, head of the doctors' union, said the main university hospitals in Beirut, which employed highly skilled specialists, had each lost between 100 and 150 doctors.

Experts warn of the long-term impact of the mass emigration of the skilled. Saroj Kumar Jha, World Bank Mashreq regional director, said the quality of education in Lebanon had been declining even before the crisis, and the departure of highly skilled doctors and teachers meant there was not the flow of "human capital" to replace them.

Nasser Saidi, a Lebanese economist and former minister, also warned of the dangers of the depletion of Lebanon's "stock of human capital".

"When you have skilled people working alongside unskilled people, they help them improve because they teach them," he said.

"If the skilled people and the educated people are not there, then we just have misery."

Fire damage: a soldier tries to douse flames in Novo Progresso, Brazil, two and a half years ago — Leo Correa/AP

Fragile forest Amazon losing ability to rebound

The Amazon rainforest is losing its ability to recover from destruction, and parts of it are approaching "a catastrophic tipping point", warns a new study from leading scientists using the latest satellite data.

The research found that in more than three-quarters of the world's largest rainforest its resilience to damaging events, such as droughts or fires, had declined consistently since the early 2000s.

The study by Exeter university, the Potsdam Institute and Munich technical university used satellite information to track changes over 25 years to examine how the Amazon's vegetation had responded to fluctuating weather conditions.

Any transformation of the Amazon into a hotter, drier grassland would bring huge consequences for global climate change because of the disappearance of carbon-storing trees and potential increases in fires. Droughts would probably become even more frequent across South America.

"It's alarming to think where we're getting the evidence now to confirm we're heading towards the potential abrupt loss of this ecosystem," said Tim Lenton, director of the Global Systems Institute at Exeter university and a global expert on climate tipping points.

A tipping point is defined as the stage when feedback loops, or cycles of cause and effect, become so strong they start propelling themselves independently of the initial cause, triggering the system to change state. This is often irreversible.

In the Amazon, the cycle is set off by the logging of trees that reduces moisture levels in the rainforest, and in turn results in the further loss of trees because of the lack of rainfall.

This vicious cycle is then amplified by warming temperatures and a drier climate in the entire region. The tipping point would occur when the rainforest ecosystem could no longer regenerate itself, collapsing irreversibly instead into a dry savannah.

The researchers said the Amazon's resilience had dropped particularly during two "once-in-a-century" droughts, in 2005 and 2010. Resilience is being lost faster in parts of the Amazon nearest to human activity, the study found. *Alexandra Heal*

Toyota subsidiary

Tokyo to probe truckmaker emissions scandal

ERI SUGIURA — TOKYO

Shares of Toyota's truckmaking subsidiary Hino suffered their biggest one-day fall in more than two decades yesterday, plunging 16.8 per cent in the first trading session since the company admitted it had falsified emissions data.

Hino revealed on Friday that it had falsified diesel engine performance and fuel economy data for some of its vehicles manufactured in Japan.

The transport ministry inspected the company's headquarters in Tokyo yesterday and said it planned to open an investigation.

The company, which has sold more than 115,000 trucks and buses with falsified data as of February, said it had suspended new sales of the engines and vehicles carrying them in Japan.

Hino's data manipulation scandal is the latest to hit the country's auto industry. In 2016, Mitsubishi Motors said it had used favourable fuel economy data, while two years later Suzuki, Mazda and Yamaha made a similar disclosure.

Analysts said Hino's admission put the spotlight on corporate governance loopholes for majority-owned subsidiaries listed on the Tokyo Stock Exchange.

While Toyota is technically in control of Hino, under the current structure it is difficult to impose standards on the subsidiary.

> 'How Toyota handles Hino and oversees its governance have been quite unclear'

Japanese auto stocks were hit by the disclosure, with Toyota shares down as much as 7.5 per cent and Nissan shares sliding 8.6 per cent. Hino's shares closed at ¥745, down 16.8 per cent.

Hino had cheated on the tests because there was "pressure of meeting numerical targets and adhering to schedules", according to Satoshi Ogiso, the company president.

One of the ways Hino had cheated was by replacing the purification equipment during the emissions evaluation test.

The manipulation of data was discovered during a company investigation into pre-shipment inspections for cars sold in Japan, after it had failed to comply with US regulations for its vehicles sold in North America.

Seiji Sugiura, a senior analyst at Tokai Tokyo Research Institute, an advisory company, said Hino's latest problem was partly because of its position in the Toyota group.

Unlike Daihatsu, another Toyota subsidiary that makes compact cars but is wholly owned by the carmaking giant, Hino is listed and managed separately from Toyota's own commercial car unit.

"It is as if Hino is considered left aside, although it is in the same Toyota group. How Toyota handles Hino and oversees its governance have been quite unclear," said Sugiura.

Toyota said that approximately 3,000 Toyota vehicles were equipped with the Hino engines under investigation.

"Hino will confirm the correct specifications and, in consultation with Hino, Toyota will take appropriate action," Toyota said in a statement.

South Asia

Ukraine crisis ruins Sri Lanka recovery drive

BENJAMIN PARKIN — NEW DELHI
MAHENDRA RATNAWEERA — COLOMBO

Sri Lanka faces a growing debt crisis after Russia's invasion of Ukraine wrecked two of its largest tourist markets, and analysts have warned of a greater risk of default.

The south Asian island has for months suffered power cuts and shortages as its depleted foreign exchange reserves leave it struggling to import oil and other essentials. It has an estimated $7bn in overseas debt and interest repayments due this year.

President Gotabaya Rajapaksa's government has said a revival in tourism and exports would replenish foreign currency reserves and ease the crisis.

But vital to the strategy are Russia, its main tourism market, and Ukraine, the third-largest. Russia is also the second-largest market for Sri Lankan tea, the main goods export.

The disruption to trade and tourism, along with the surge in oil prices, had dealt a fatal blow to this strategy, said Murtaza Jafferjee, chair of the Advocata Institute think-tank. "The economic crisis was already full-blown leading into this [war]," he said. This "has now extinguished all hope".

Sri Lanka, Asia's largest high-yield bond issuer, owes about $45bn in long-term debt, and ratings downgrades following tax cuts and the collapse of tourism because of Covid-19 left it unable to refinance. It is now at risk of joining countries such as Zambia and Belize in defaulting during the pandemic.

Gotabaya Rajapaksa: the president is banking on a revival in tourism and exports

Colombo had foreign currency liabilities of $1.8bn for February and March and usable reserves of less than $1bn, estimates of central bank data show.

The island had grown reliant on tourists from Russia and Ukraine as traffic from India and western Europe was disrupted by Covid-19 travel restrictions.

About 20,000 Russians and Ukrainians travelled to Sri Lanka in January, accounting for more than a quarter of visitors, according to the Sri Lanka Tourism Development Authority.

While Ukrainian airspace is closed, operators worry that the disruption could weigh on visits from Russia, too.

M Shanthikumar, who runs the Hotels Association of Sri Lanka, said: "Ukrainian and Russian tourists were coming in significant numbers as the arrivals from other nations had dropped. Their absence now due to war could cause a huge slump again."

Jayampathy Molligoda, chair of the Sri Lanka Tea Board, said prolonged conflict would have a "severe" impact on the tea trade if the rouble weakened and Russian banks were unable to use the Swift payments system.

The economic crisis has left Sri Lankans with power cuts that last hours and inflation so rampant the central bank raised interest rates last week.

Many investors believe it is only a matter of time until Sri Lanka is unable to repay. A $1bn sovereign bond is due in July, and analysts estimate it owes as much as $1bn to India this month in deferred payments.

Oil pain Lost supply from Russia will be hard to replace even if US shale operators increase production ➔ MARKETS INSIGHT, PAGE 13

Deloitte and EY join moves by Big Four to exit Russia

- Accounting firms hive off operations
- About 15,000 staff will be affected

MICHAEL O'DWYER — LONDON

EY will axe its 4,700-person business in Russia, becoming the third of the Big Four accounting firms to announce a divorce from its operations in the country since the invasion of Ukraine.

It was followed by its rival Deloitte, which announced yesterday that it would separate its operations in Russia and Belarus from its global network and would cease to do business in the countries. PwC and KPMG had announced similar moves on Sunday night, citing the Russian government's actions in Ukraine. The withdrawals are the most significant exits of professional services firms from Russia since the conflict began last month.

> 'In light of the escalating war, the EY global organisation will no longer serve Russian . . . clients'

"In light of the escalating war, the EY global organisation will no longer serve any Russian government clients, state-owned enterprises or sanctioned entities and individuals anywhere in the world," EY said yesterday.

The firm said it had begun a restructuring to separate its Russian member from the group. "This is not something we take lightly," it said, calling the war "shocking and abhorrent".

EY's Russian staff account for about 1.5 per cent of its global workforce of 312,000. It also employs 700 in Ukraine. Between them, the Big Four have about 15,000 staff and partners in Russia.

Punit Renjen, global chief executive of Deloitte, said splitting the Russian and Belarusian business was the "right decision" but that his firm's 3,000 professionals in the countries had "no voice in the actions of their government[s]".

Deloitte would "honour our commitments and obligations to global financial markets and multiple regulatory bodies", he said, suggesting that it would continue at least some of its existing Russia-related work.

The Big Four are structured as networks of locally owned partnerships, with most of the profits retained in each country, meaning that EY, KPMG and PwC's Russian operations will continue to exist as standalone entities under new names.

None of the Big Four said how long the separations would take but people at two of the firms said they could take about six months because of the legal and practical complexities. The newly independent Russian firms will be free to work for both domestic and international clients. They are not bound by western sanctions imposed on hundreds of Russian companies and individuals.

Remaining in the Big Four networks posed potential problems for the Russian firms because they faced criminal punishment if they dropped clients to comply with the western sanctions by which their international colleagues were bound. Auditors in the country also face significant penalties if they resign from contracts with state-owned entities, said people in the industry.

Accountants and consultants that have announced they will pull back from Russia are likely to face scrutiny this week over the detail of their plans. Neither PwC nor KPMG committed to ending overseas audit work for Russian state-owned entities, for example.

Also yesterday, international law firm Norton Rose Fulbright said it was exiting Russia. The firm, which has 50 lawyers in the country, said it was "closing our Moscow office as quickly as we can".

Additional reporting by Kate Beioley

Healthy option Unilever bows to pressure on obesity with pledge to publish nutrition scores

Unilever, the maker of Ben & Jerry's ice cream, says that it will set out the targets by October — Charles Krupa/AP

JUDITH EVANS — LONDON

Unilever is to publish nutrition scores for its food portfolio, which includes ice creams Ben & Jerry's and Magnum and Hellmann's mayonnaise, against external health metrics and set new targets following pressure from investors over obesity.

The pledge to assess performance against six measures, including the UK's "high in fat, sugar and salt" definition and Europe's Nutri-Score, comes after institutional investors including Candriam, the €150bn asset manager, tabled a shareholder resolution on the issue.

The world's largest ice cream maker will set out targets by October, and said it would be the first global food group to publish nutritional performance in this way. It will assess performance globally and for 16 key markets by product volume and revenues.

Nestlé, its larger rival, has been working on new standards. An internal report last year said more than 60 per cent of the group's mainstream food and drink products do not meet a "recognised definition of health".

Catherine Howarth, chief executive of ShareAction, an investor group that pushed Unilever for the changes, said: "The transparency promised sets a new standard for the industry. We hope and expect others will follow."

Investors with $215bn in assets including Candriam, Trinity Health, the US healthcare provider, and the Greater Manchester Pension Fund tabled a resolution in January ahead of Unilever's annual meeting due in May, urging the FTSE 100 consumer-goods group to set ambitious targets for selling more healthy foods.

Ignacio Vazquez, senior manager of healthy markets at ShareAction, said at the time that despite Unilever's strong sustainability record, "the health profile of the food and drink products it sells remains a blind spot".

"This is surprising as the rapid growth of regulation means that health is a critical [environmental, social and governance] issue presenting a real financial threat to its business," said Vázquez.

The resolution has now been withdrawn, and Unilever said that it would work closely with ShareAction and its Healthy Markets Initiative. Hanneke Faber, president of Unilever's foods division, said the changes would "set a new benchmark for nutrition transparency in our industry".

Unilever's existing targets for its food and refreshment arm, which has €20bn of annual revenues, include doubling the number of products providing "positive nutrition" by 2025.

The World Health Organization says that obesity has almost tripled since 1975, but some health measures are contentious, especially in relation to products seen as "treats".

Former UK Tory minister Barker resigns as EN+ chair

NEIL HUME — LONDON

Greg Barker, a former Conservative minister, has resigned as chair of EN+ as the Russian metals group considers carving out its international operations into a new company.

Barker joins an exodus of City of London grandees and executives from boards of companies with close Russian ties amid growing alarm over the civilian toll of Vladimir Putin's invasion of Ukraine.

Until now Barker had resisted cutting ties with EN+. Founded by Russian oligarch Oleg Deripaska, EN+ controls Rusal, the biggest aluminium producer outside China.

He said last week that his resignation would lead to the resignation of the entire board and the termination of a deal that freed the company from US sanctions imposed in 2018.

However, Barker has come under pressure to step down because of EN+'s links to Deripaska, with some MPs calling for him to be removed from the House of Lords if he did not quit.

He bowed to that pressure yesterday, with EN+ saying that Barker had tendered his resignation and would leave the company once he had completed a transition to his replacement Christopher Bancroft Burnham, the company's senior non-executive director.

At the same time the company said it was studying plans to spin off its international assets. These include bauxite mines in Guinea and a refinery in Ireland that produces a raw material for aluminium smelters across Europe.

"The group wishes to emphasise that the strategic review is at a preliminary stage and any future course of action will be subject to further consideration as well as discussions with the relevant regulatory bodies and key stakeholders," it said.

EN+ and Barker declined to comment on reports that he had sought a role at the international spin-off company.

Barker became non-executive chair of EN+ just before the company's London listing in 2017. In 2018, the US imposed sanctions on EN+ and Rusal, which Deripaska controlled at the time, over the oligarch's ties to the Russian government, sparking turmoil in global aluminium markets.

Deripaska relinquished control of the groups in 2019 in a deal that was brokered by Barker, who became executive chair, in exchange for the US lifting sanctions on the companies.

Sanctions' damage reveals limits to sparing oligarchs and energy

INSIDE BUSINESS
FINANCE

Jonathan Guthrie

Sanctions are blowing holes in the Russian economy. World powers, led by the US, have imposed curbs ranging from an overseas asset freeze on the Russian central bank to a ban on buying sparkling wine from a bottler in Crimea. On Sunday, US secretary of state Antony Blinken said the allies were discussing a ban on Russian exports of crude oil.

The rouble has collapsed, bond default risk has spiked, the Moscow stock exchange has closed and Russian oil trades at ever-deeper discounts to Brent. The barbaric invasion of Ukraine fully justifies economic warfare against Russia. Financial sanctions are sometimes dismissed as token gestures. In this case, they are doing real damage.

In the process, some fallacies about these curbs have become clear. That should help western banks and businesses stay out of trouble, and developed democracies to deploy new sanctions, which should include the embargo on Russian energy exports, more effectively.

The main fallacy is that sanctions can be targeted at Vladimir Putin and his inner circle of cronies and related businesses. That inner circle is becoming too expansive to merit the description. In the past fortnight, the grouping led by the US, EU and UK added the names of about 400 Russians to sanctions lists, according to World-Check, a risk intelligence database. The tally of newly sanctioned organisations, most of which are companies, is more than 600.

Numerous Russian oligarchs and their companies have been left out, including one particularly glaring example in the UK. But any businesses controlled by sanctioned groups are, by definition, sanctioned too. You have to work out who they are before you can stop dealing with them. This is difficult, given the lack of transparency around Russian companies. The real total would run to several thousand.

Business in corrupt former Soviet regimes is partly organised under the "krysha" principle. The big man in your district typically pays a regional boss to shelter under his metaphorical roof, or "krysha". The regional boss then remits to a national oligarch who pays protection money to a powerful politician. The dictator sits at the apex of the overlapping roofs.

> As a result of the 'krysha' principle, banks cannot be sure who they are dealing with. So many 'are simply redlining all Russians'

This is a helpfully flexible system for sanctions-dodging regimes. When sanctions prevent one oligarch or organisation from dealing with the west for the godfather, an unsanctioned stooge may be deputed to do so instead.

Banks cannot be sure who they are dealing with. The result, says the boss of one large City institution, is that "a lot of organisations are simply redlining all Russians". This is the famed "chilling effect". The chilling effect is particularly icy in the sphere of payments because international banks are rightly terrified of the US authorities. Thanks to their extraterritorial reach and the dominance of the dollar as an international currency, US prosecutors and regulators can make things very hot for banks that dodge sanctions.

Because of the chilling effect, I am told, some big international banks are quietly shunning Russian peers who remain on global payments messaging system Swift after the expulsion of seven big lenders.

The fallacy this illustrates is that sanctions can be fine-tuned to spare the Russian energy sector from damage. The US and EU have sought to provide energy companies and their affiliates with a carve-out from sanctions. The reason is that Germany and Italy are heavily dependent on Russian gas. Despite the carve-out, Urals oil is trading at increasingly steep discounts to Brent, reflecting reticence among foreign buyers.

Russian slaughter of Ukrainian civilians obliges the west to intensify sanctions. The US is right to threaten Russia with an oil export embargo. This is better than simply imposing a stoppage on all energy exports without warning.

The case is different to freezing the assets of the Russian central bank. The allies needed to move on this immediately to reduce Russia's capacity to make precautionary sales of its assets. Gold and bonds represent a stock of value. Oil exports, by contrast, are a continuous flow of income. The west can impose sanctions if Russia refuses to de-escalate and negotiate.

Game theory points to offering Putin exit ramps, as Sven Behrendt of GeoEconomica, points out. Sanctions hawks disagree. But this is always the simplest way to deal with an enemy that you hope to force into retreat rather than destroy. Tactics are needed to win financial wars as well as the military kind.

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Banks

Sanctioned clients owe UBS $10mn

Swiss lender vows to heed international measures as European shares tumble

OWEN WALKER
EUROPEAN BANKING CORRESPONDENT

UBS has said it has $10mn of loans outstanding to clients hit by western sanctions imposed in response to Russia's invasion of Ukraine.

The Swiss lender also announced in its annual report yesterday that it has about $200mn of exposure to Russian assets used as collateral in Lombard lending, which are loans secured against a portfolio of liquid assets such as equities and bonds, and other secured financing.

The world's biggest wealth manager said its direct risk exposure to Russia was $634mn at the end of 2021, out of its total emerging market exposure of $20.9bn.

By comparison, Austria's Raiffeisen reported a direct exposure to Russia of €22.9bn ($24.9bn) while France's Société Générale and Crédit Agricole reported €18.6bn and €4.9bn of exposure respectively, and ING of the Netherlands reported €6.7bn.

European bank share prices tumbled yesterday as western allies considered a ban on importing Russian oil.

The Stoxx Europe 600 Banks index dropped 4 per cent, as Raiffeisen, UBS, SocGen and ING all fell.

Russian oligarchs have long favoured Swiss wealth managers because of the country's stability and secrecy laws. Russian wealth accounts for about 1 per cent of annual foreign direct investment into Switzerland. But the government's decision last month to break the country's tradition of political neutrality and match EU sanctions has made its banks much less attractive to oligarchs.

"We are working to implement sanctions imposed by Switzerland, the US, the EU, the UK and others — all of which have announced unprecedented levels of sanctions against Russia and certain Russian entities and nationals," UBS said. Western banks have steadily reduced their business in Russia over the past eight years following the country's annexation of Crimea, but those that have maintained significant operations in the country have been hit hard in recent weeks.

Western sanctions have choked Russia's economy, leading to a plunge in the rouble and a jolt in interest rates. Asset freezes imposed by the west on a number of Russian banks, with seven due to be cut off from the Swift global payments messaging system this week, have also affected global banks that transact with them.

"UBS is also currently monitoring settlement risk on certain open transactions with Russian banks and non-bank counterparties or Russian underlyings, as market closures, the imposition of exchange controls, sanctions or other measures may limit our ability to settle existing transactions or to realise on collateral, which may result in unexpected increases in exposures," the bank said.

UBS added it had $51mn of assets in its Russian subsidiary.

Separately, the group revealed executives experienced a 1 per cent fall in bonuses for the year in reflection of the $861mn loss the bank made on the collapse of family office Archegos Capital, which was a prime broking client. The bonus pool, which grew 10 per cent, was also reduced owing to the Archegos loss.

Airlines. Domestic flights

US carriers redraw route maps after lockdowns

Fewer business travellers and higher demand for vacation destinations leads the change

STEFF CHAVEZ — CHICAGO
CAITLIN GILBERT — NEW YORK

US airlines are redrawing the flight map of America as they cut routes the Covid-19 pandemic rendered unviable and add new services to cities that have prospered during the pandemic.

A widespread reshuffling is under way, with fewer services to traditional business hubs and jets redeployed to holiday destinations and on-the-rise cities, according to domestic flight data from Cirium, an aviation consultancy. Meanwhile, some less populated regions have become further isolated as carriers reduced services.

US airlines could also trim more flights to contend with jet fuel prices that have soared since Russia's invasion of Ukraine affected oil markets.

The number of domestic flights scheduled at 11 mainline US airlines was 1.63mn in the first quarter of 2022, down 12 per cent compared with the same period in 2019, a Financial Times analysis of the Cirium data showed.

The country's largest carriers, American Airlines, United Airlines and Delta Air Lines, together had 14.8 per cent fewer domestic flights on their rosters and 8.3 per cent fewer seats available.

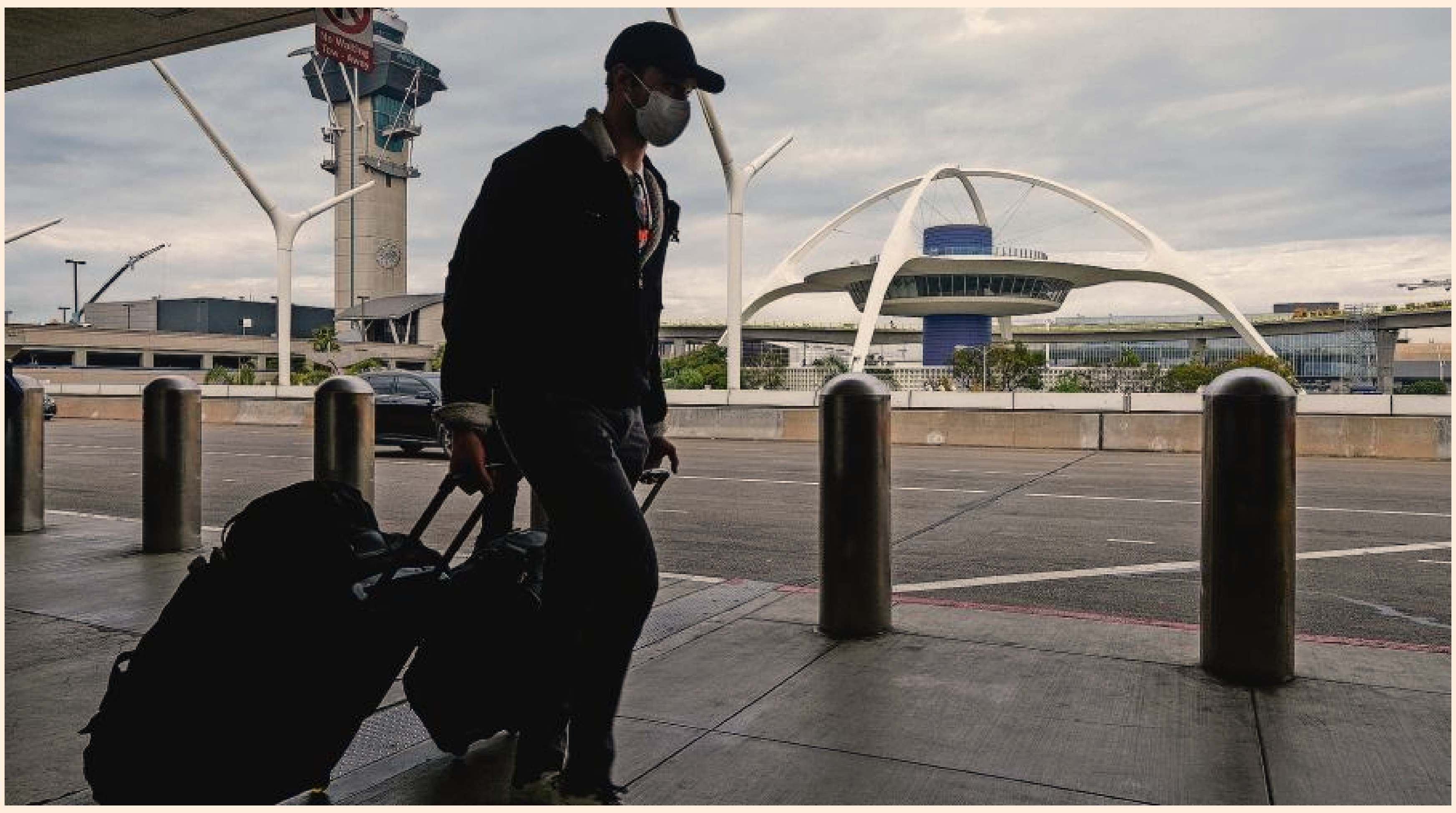
Persistent weakness in business travel has led the declines. US airlines reported in recent earnings calls that business travel was running at about 60 per cent of pre-pandemic levels for United and Delta and 40 per cent for large corporations flying on American.

Domestic flights into Chicago's two major airports were down more than 20 per cent in the first quarter of 2022, with routes to business centres and international connection hubs such as Boston, New York and Washington particularly affected, according to the Chicago Department of Aviation.

Travel inside California was also down sharply, with the number of flights down 28 per cent. The corridor between San Francisco International Airport and Los Angeles International Airport was the route with the country's biggest decrease: 3,833 fewer flights were scheduled in the first quarter of this year, a 43 per cent drop from the same period in 2019.

As in Chicago, California airports have been hit by a lack of international and business demand, said Matt Barton, an aviation economist and partner at Flightpath Economics, a consultancy.

"SFO [the San Francisco airport] has always benefited from being the gateway to the Pacific" as well as "massive demand — and very profitable demand — from technology companies," he said. The technology sector has been one of the greatest adopters of remote working, which has eliminated some business travel.



California dreaming: a traveller arrives at Los Angeles International Airport — Ringo H W Chiu/AP

Many smaller regional airports in states such as Michigan, Wisconsin, North Carolina and New York also lost services.

In the case of Chattanooga, Tennessee, domestic flights were down by 809 — one-third — compared with the first quarter of 2019. United cut more than 60 per cent of its services, while Delta scrapped its direct service from New York's LaGuardia Airport.

"What's important for us, being a smaller regional airport, is to have the connectivity in and out of the community," said Terry Hart, Chattanooga Airport's chief executive.

He said about two-thirds of the airport's traffic was normally business travel. When people emerged from pandemic lockdowns and began to seek outdoor adventure, services to Chattanooga barely grew because "I don't have a beach and I don't have the mountains out west", Hart said.

The three biggest US carriers often hire regional airlines such as SkyWest, Republic Airways and Endeavor Air under contract to operate and maintain aircraft under their banners, primarily for shorter routes or services to smaller airports. The regional airlines have for years struggled to hire and retain pilots.

The regional service cuts now being compounded by the pandemic "are driven, at least in part, by the availability of pilots at the regional airlines", Barton said.

"All of those [regionals] continue to have massive challenges with respect to hiring and retaining qualified cockpit personnel," he added.

American, United and Delta all acknowledged in their earnings calls pilot staffing shortages on regional carriers had led to flight cuts.

"If your community is served by 50-seat, single-class regional jets, there's a likelihood that you're going to lose service" or see it curtailed, said Dan Akins, another aviation economist and partner at Flightpath.

> 'If your community is served by 50-seat regional jets, there's a likelihood you'll lose service'

The surge in oil prices complicates service decisions, forcing domestic airlines to reduce capacity during off-peak periods, said Savanthi Syth, an analyst at Raymond James. With travel demand still depressed, "it is tougher to absorb these kind[s] of fuel shocks", she said.

Even as some cities receive less service, US airlines have added flights to certain up-and-coming cities and holiday destinations.

Austin, Texas, which has boomed during the pandemic, enjoyed a 37 per cent increase in domestic flights. In Florida, carriers planned 28,324 flights this quarter to Miami International Airport, up 27 per cent from the first quarter of 2019, while Miami-New York services nearly doubled.

Vacation destinations such as Sarasota and Key West in Florida, Myrtle Beach in South Carolina, Bozeman in Montana and Jackson Hole in Wyoming, are also accommodating more flights.

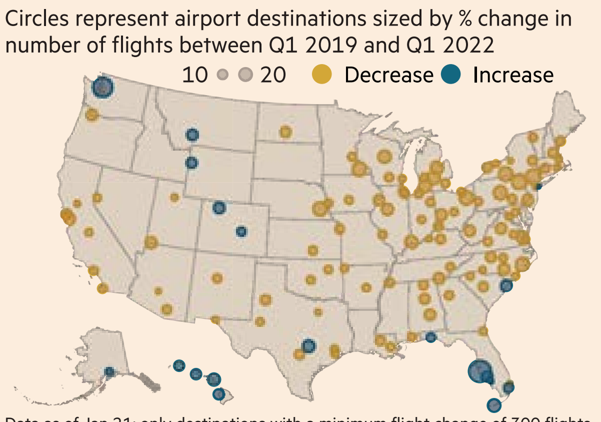
Maine's Portland International Jetport has suffered from a lack of business travel this quarter, with domestic flights down 15 per cent from the first quarter of 2019. But, as a popular summer destination, capacity hit an all-time record last August, according to airport director Paul Bradbury.

"It was really the airlines chasing the leisure [travel]," he said.

See Lex

US airlines have reduced flights to many areas

Circles represent airport destinations sized by % change in number of flights between Q1 2019 and Q1 2022



Data as of Jan 21; only destinations with a minimum flight change of 300 flights and +/-5% change are shown
Source: Cirium

Financials

Aware Super joins Australia funds looking for overseas private deals

JAMES FERNYHOUGH — MELBOURNE
JOSEPHINE CUMBO — LONDON

A saturated local market is pushing Australia's megafunds into Europe and North America in search of high-yield private market deals, as they go up against other pension heavyweights in the international arena.

Aware Super, a A$150bn ($110bn) fund, said it plans to open an investment office in Europe and pour up to A$16bn into European and US direct infrastructure and property deals over the next three years.

Robert Credaro, Aware's head of growth assets, said that with the fund expected to balloon to A$250bn over the next three years, it has outgrown the Australian market and plans to open a dedicated investment office for Europe.

"Given the size we are and how much exposure we have to Australian property and infrastructure, now the marginal capital is going to start going to non-Australian exposures," he told the Financial Times.

The sector is undergoing rapid consolidation following a new law that has created a handful of megafunds with the scale to bring asset management in-house and chase ambitious private market deals.

> 'Given the size we are . . . now the marginal capital is going to start going to non-Australian exposures'

Aware trails AustralianSuper, the A$260bn fund that already has a base in London, which last month revealed it would invest a further £23bn in UK and European markets and double the headcount of its London office to 100.

Australian employers must by law pay 10 per cent of employee earnings into a pension scheme or "superannuation fund". Australia's total retirement savings pool has grown to A$3.5tn, the fifth-largest pension pool in the world behind the US, Japan, the UK and Canada, says British-American investment consultancy Willis Towers Watson.

Last year, Aware teamed up with Macquarie Group's asset management arm to acquire publicly listed Australian telecoms infrastructure company Vocus for A$3.5bn and take it private.

Tim Joyce, co-head of Macquarie Capital, said big funds traditionally invested in mature infrastructure assets such as airports and toll roads. But as the pipeline for these assets dries up, the super funds are bidding for riskier assets that have been traditionally targeted by private equity investors.

The international push of Australian super funds aligns with other global mega pension funds, including in Canada and the US, that are increasingly looking for returns in offshore private markets.

Last year, Caisse de dépôt et placement du Québec, the C$400bn ($313bn) Canada-based global investment group, unveiled plans for a C$15bn spending spree on private assets in the UK and Europe. In 2021, the C$227bn Ontario Teachers' Pension Plan also unveiled a C$70bn push into international private markets.

Alex Dunnin, head of research at Sydney-based financial services research company Rainmaker Information, said the Australian funds were making a rapid transition to unlisted infrastructure. Seven years ago, he said 18 per cent of unlisted infrastructure investments were in overseas markets, but now they account for 44 per cent.

Energy

Brookfield gives up attempt to buy AGL

JAMES FERNYHOUGH — MELBOURNE
NIC FILDES — SYDNEY

Canadian investment group Brookfield Asset Management and tech billionaire Mike Cannon-Brookes have abandoned their campaign to acquire AGL Energy after their second bid for the Australian company was rejected.

Brookfield made a non-binding offer to buy AGL for A$8.25 a share at the weekend, from the initial offer of A$7.50 made two weeks ago, people on both sides of the deal said. The new offer valued AGL at A$5.43bn (US$4bn).

"The Brookfield-Grok consortium looking to take private and transform AGL is putting our pens down, with great sadness," Cannon-Brookes tweeted on Sunday, referring to his private investment firm.

AGL officially rejected the offer yesterday, a person close to the board said, adding this had been communicated to the consortium.

AGL owns three large coal plants, some gas and renewable assets, and one of the country's biggest energy retail business with more than 4mn customers, according to its 2021 annual report. It is Australia's biggest carbon emitter, producing about 8 per cent of the country's total emissions, according to government figures.

Under the proposal, Brookfield and Cannon-Brookes planned to hasten the closure of AGL's three coal-fired power stations and spend A$20bn on renewable generation and storage capacity. The proposal was welcomed by environmentalists as it would have reduced the country's carbon emissions and accelerated the transition to a low-carbon electricity grid.

AGL's share price has fallen steadily since 2017, as the rapid proliferation of cheap wind and solar across the country put increasing price pressure on coal-fired power generators. The group announced last year that it would split, with retail and coal generation businesses operating in separate divisions.

Brookfield had said the proposed demerger would cause the share price to fall further. But Graeme Hunt, AGL chief executive, said the initial offer was "light years" away from a fair valuation of the company and failed to factor in the benefits of the split.

AGL would have been likely to engage with the Brookfield consortium if it had offered A$8.50 share, according to one person with knowledge of the matter.

Oil & gas

Icahn sells Occidental stake for $1bn profit

ANTOINE GARA AND
JAMES FONTANELLA-KHAN — NEW YORK

Carl Icahn has sold off his stake in Occidental Petroleum as the activist fund manager capitalises on strong energy prices to exit what began as a combative investment against the oil company and its $55bn acquisition of Anadarko Petroleum in 2019.

Icahn began selling late last month and early this month as Russian President Vladimir Putin sent troops into Ukraine in a war that has driven up oil prices. The bulk of the sales were at prices between $41 and $49 a share, according to securities filings, enabling Icahn to earn $1bn in profit.

Occidental shares opened trading yesterday at almost $58 as crude oil continued to rise, buoyed by reports that the US and Europe will consider blocking oil and gas purchases from Russia. Occidental's share price has gained almost 50 per cent since late last month.

Icahn built the bulk of his 10 per cent stake in Occidental when oil prices plunged with the outbreak of the coronavirus pandemic in March 2020. He had criticised the company's chief executive, Vicki Hollub, for striking an acquisition he called "one of the worst disasters in financial history".

After launching an activist campaign against Occidental, Icahn was given two board seats at the Houston-based driller. Soon after, in June 2020, Occidental issued stock warrants to its shareholders, securities now worth more than $4bn as its shares soar.

As part of Icahn's exit, his two handpicked representatives, Andrew Langham and Gary Hu, will also step down from Occidental's board of directors, the company said.

Occidental's shares were trading at about $60 when the company beat larger rival Chevron in a heated takeover battle for Anadarko, but they dropped on concerns about the debt the company took on to help fund the deal.

Icahn's decision to sell comes as Warren Buffett, who supported Occidental's chief during the Anadarko takeover battle with a $10bn financing package, has been buying shares in the company.

Buffett's Berkshire Hathaway agreed to invest the $10bn in preferred shares that would pay an 8 per cent dividend and was given a warrant to buy up to 80mn shares of common stock, about 11 per cent of Occidental's equity.

See Lex

Grim energy outlook for European industry

Sectors including aviation, carmaking, steel and chemicals braced for closures after war sends oil and gas prices higher

FT REPORTERS

The latest surge in oil and gas prices as the west responds to Russia's invasion of Ukraine is threatening a sharp rise in costs for European industry, severely hurting sectors from steel and aluminium to fertilisers and transport.

Brent crude jumped to a 14-year high of $139 in trading yesterday while European gas soared almost 80 per cent to a record after the US said it was considering a ban on Russian oil imports.

That means yet more pain for airlines, shipping companies, carmakers and other energy-intensive industries, which had already called on governments to address "unbearably high energy prices" before the current crisis.

Metal manufacturers

Nicholas Snowdon, analyst at Goldman Sachs, said the spike in prices had created a "very oppressive environment" for every energy-intensive industry in Europe, with aluminium right at the "top of the list".

The metal, used in everything from beer cans to electric vehicles, is known as "solid electricity" because of the large amounts of power required to transform its key ingredient, alumina, into refined metal.

The prospect of a supply crunch drove the price of alumina as high as a record of more than $4,000 a tonne yesterday. It is up more than 100 per cent in the past year.

High power prices resulting from the soaring gas price have already taken 900,000 tonnes of aluminium and 700,000 tonnes of zinc smelting capacity offline in Europe, according to Goldman Sachs.

Plants that have been mothballed include two-thirds of capacity at Glencore's Portovesme zinc smelter in Italy, while production has been cut by 60 per cent at Nyrstar and Norsk Hydro's Slovalco aluminium smelters in Slovakia. Dunkirk's Alvance, Europe's largest producer of aluminium, has reduced output by 15 per cent.

Goldman's Snowdon said he expected this capacity to remain offline beyond the end of the year and said there was the potential for further closures of smelters that did not have long-term power contracts.

Analysts said these plants would be "severely lossmaking at the moment", even with aluminium at record prices.

"The impact is very grim" said Cillian O'Donoghue, a director at Eurometaux, an industry group that represents metal producers in the region.

"We were expecting a drop in power prices after the winter and for some smelters to reopen and curtailments to be lifted but that is not going to happen now . . . If prices stay at these levels we should expect further closures and increased import dependency."

Europe's steelmakers had already been grappling with high energy costs and supply chain disruptions, with some producers curtailing production at peak times.

Matt Watkins, principal analyst at commodities consultancy CRU, said the surge in gas and particularly electricity prices "will certainly push up production costs by a material amount" for operators of electric arc furnaces.

The biggest worry for executives, however, is supply disruption. Ukraine and Russia are key exporters of steel, and both ArcelorMittal and Metinvest Holding last week stopped production at their Ukrainian plants.

"We just had a massive supply shock throughout the steel value chain by removing two of the world's major export sources," said Watkins. "Buyers needing steel now have a scramble to find alternate sources and in the short term this is pushing spot steel prices very much higher."

Transport companies

Higher oil prices sent shares in airline groups lower yesterday, with a more than 7 per cent fall at Ryanair taking monthly losses to 30 per cent.

Wizz Air, which had stopped hedging, said yesterday it would reverse its policy and pay a fixed price to cover 40 per cent of its fuel needs over the three months to the end of June.

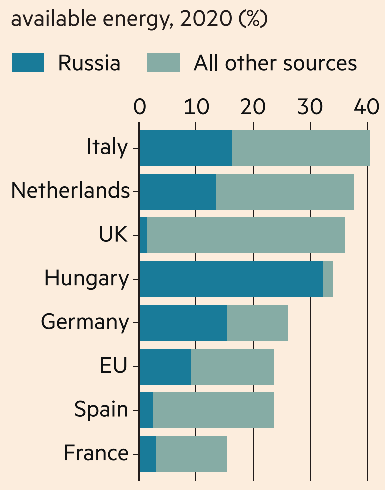
Higher crude prices feed through to jet and bunker fuel used to power the giant machines of global transport. Jet fuel has more than doubled in a year to the highest level since 2008 at $1,166 per metric tonne, according to S&P Global Commodity Insights.

"The high fuel cost and higher inflation is here to stay longer," said Rico Luman, a senior economist specialising in transport at ING.

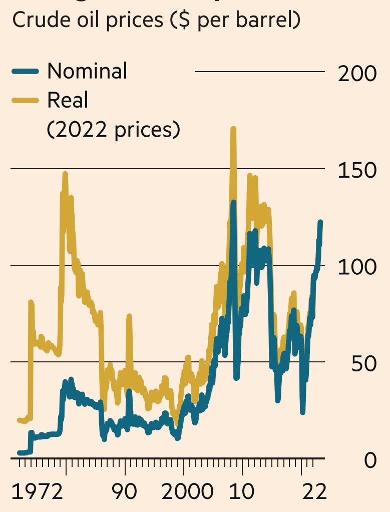
Although fuel accounts for roughly 50 per cent of shipping companies' costs versus 20-35 per cent for aviation, analysts said airline companies were more exposed to the rise in fuel costs as the industry recovers from the pandemic because of consumer sensitivity to higher ticket prices.

A Lukoil refinery in Nizhny Novgorod, Russia. Oil prices jumped to a 14-year high of $139 in trading yesterday — Andrey Rudakov/Bloomberg

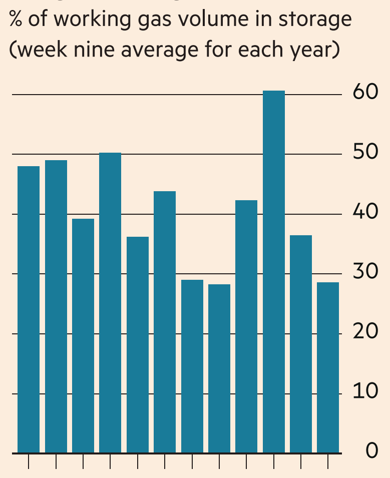
The EU is heavily reliant on Russian gas
Natural gas as a share of gross available energy, 2020 (%)



Rising crude oil prices
Crude oil prices ($ per barrel)



EU gas storage levels
% of working gas volume in storage (week nine average for each year)



Sources: Refinitiv; Aggregated Gas Storage Inventory

Sathish Sivakumar, analyst at Citigroup, said legacy carriers could more easily introduce emergency fuel surcharges compared with the low-cost carriers that would have to ramp up ticket prices. "Short-haul operators are likely to have an impact, with higher prices and balance sheets coming under pressure," he said.

Carmakers

For Europe's car plants, already battling rising parts bills and stuttering supply chains, a further steep rise in energy costs is the latest in a long line of hammer blows to competitiveness.

After labour and raw materials, energy costs are the largest bill, even though Europe's auto plants have reduced their energy use by 28 per cent since 2005. Executives at Mercedes-Benz, Stellantis and Renault have all recently warned of rising costs from higher raw material prices.

As well as the electricity used in running their own factories, carmakers will also be hit by rising production costs among suppliers.

"Metals, chemicals, plastics and glass rely a lot on gas for processing," said Dominic Tribe, a supply chain analyst at Vendigital. He added that roughly half of the industrial energy use is based on gas, while a fifth is from electricity, which is also rising.

"The list is long because so many manufacturing processes in automotive are heat-based," said Philippe Houchois, analyst at Jefferies.

The cost implications are material: Tribe at Vendigital estimated that costs for vehicle manufacturers could rise by as much as a fifth in the coming months, denting margins, which for most are about 10 per cent when things run well.

Bills are unlikely to rise immediately because many plants buy energy in advance, generally a quarter at a time. Gas rates are unlikely to feed through into higher prices until next month, although they will also take longer to fall once the global price does. The big question is how long the increase will last.

"If it's a two-to-three-month thing, they may ride it out," said Ian Henry, who runs the AutoAnalysis consultancy. "But if it's long term, there may well be questions about how much industrial production can actually take place in Europe."

Fertiliser and chemicals

Fertiliser companies were already navigating a complex landscape of soaring prices, uncertain demand and sharply higher ingredient costs.

Norway's Yara, one of the world's biggest, yesterday warned of food insecurity and longer-term instability caused by social unrest and famine.

"For me, it's not whether we are moving into a global food crisis — it's how large the crisis will be," chief executive Svein Tore Holsether told the BBC.

Russia is a large source of nutrients used to produce fertilisers that power agriculture. It produces gas which is used to make nitrogen fertilisers such as ammonia, as well as potash and phosphates. Russian fertiliser groups affected by sanctions include potash companies Uralkali and EuroChem and phosphate producer PhosAgro.

The spike in gas prices in Europe is expected to lead to the closure of the region's ammonia facilities, which rely on gas as a key ingredient. "Watch for most gas-based ammonia plants in Europe to shut down imminently," said Ben Isaacson, analyst at Scotiabank.

Europe and Asia's petrochemical companies are also likely to suffer from soaring prices of naphtha, which is made from crude oil and used to make resins and plastics. Almost half of Europe's naphtha imports come from Russia, according to ICIS, a commodities research company.

> 'If prices stay at these levels we should expect further closures and increased import dependency'

"The beneficiaries will be the US-based producers that use an ethane feedstock that is massively cheap compared with crude oil," said Joseph Chang, global editor of ICIS, adding that they would ramp up exports to Europe if demand remained resilient despite the price inflation.

Shares in US producers Dow and Dupont have held up far better than German competitors such as BASF, Covestro and Evonik, whose chief executive Christian Kullmann warned last week that further energy cost increases because of the war would "go beyond the threshold of pain" for the chemicals industry.

Reporting by Sylvia Pfeifer, Neil Hume, Harry Dempsey, Peter Campbell, Emiko Terazono and Tom Wilson

Commodities. Western boycott

Russian tankers at sea despite 'big unknown' over oil buyers

Dozens of ships face risk of being redirected as they head for ports with crude and LNG

NEIL HUME AND HARRY DEMPSEY

Tankers loaded with Russian oil and gas are criss-crossing global seas. But with the western boycott on the country's crude widening, traders and analysts have said it is unclear whether the intended recipients will accept deliveries, as the US and its European partners consider a Russian oil embargo.

Sovcomflot is Russia's largest shipping company and the world's biggest owner of medium-sized tankers called Aframaxes, which can carry between 500,000 and 800,000 barrels of oil. It also operates liquefied natural gas (LNG) tankers.

Last week, 77 ships from Sovcomflot's 172-strong active fleet were at sea, according to data provided by Windward, a maritime intelligence company.

One of its vessels, NS Champion, was destined to dock in Orkney, Scotland, but was turned away and was last seen heading to Denmark.

Arthur Richier, lead freight analyst at Vortexa, said it was a "big unknown" if the ships would actually discharge cargo in Europe but added that he expected more diversions.

"The west are stopping short of targeting energy flows but, when they target the banks, they put into jeopardy credit lines and we've seen them impact Sovcomflot," he said. "We're seeing the entire infrastructure being questioned."

In the last week, seven Russian-linked LNG carriers have been redirected because of sanctions, according to Paolo Enoizi, chief executive of GasLog, an LNG shipping company.

Global oil prices have already shot higher as typical buyers turn their backs on Russian crude in response to the war in Ukraine. Analysts have said this could quickly clog up the distribution network.

Companies that charter Sovcomflot ships, which sail from ports in the Baltic Sea and Black Sea, include Russian energy groups Lukoil and Gazprom as well as commodity traders Trafigura and Vitol. Shipping specialists have said it is too early to tell if Sovcomflot was scaling back its operations.

Kpler, another company that tracks tanker movements, said there was no large discernible change in the trading patterns of Sovcomflot vessels yet, adding that many ships still had European ports as their self-reported destinations. As a result, the full impact may take some time to show.

"Our hypothesis is these were vessels and cargoes fixed weeks ago," said Matthew Wright, senior freight analyst at Kpler.

The EU is yet to stop Russian-linked ships from calling at its ports but the bloc is widely expected to follow the UK in introducing a ban, which was first announced last week.

The global oil market is facing the biggest disruption since the 1990-91 Gulf war. For now, Russian energy exports are largely exempt from sanctions imposed by the US, EU and UK. But banks, insurers, refiners and shipping companies are still avoiding Russia's oil, including its flagship Urals grade, to reduce legal or reputational risk.

As a result, Russia's traditional trading partners are scouring the market for alternative sources of supply, a search that yesterday pushed up the price of Brent, the international oil benchmark, to almost $140 a barrel.

Russia typically exports 5mn barrels per day of crude and 2.7mn b/d of refined products.

Europe takes around 60 per cent of its crude and is also an important market for Russian diesel, fuel oil and gasoline.

Demand for Russian oil has collapsed since the assault on Ukraine began and rates for tankers calling at Russian ports have spiked by more than 300 per cent.

Energy Aspects, a consultancy, said last week that 70 per cent of Russian crude exports were "struggling to find buyers" even at record discounts.

The remaining 30 per cent of the country's oil is carried by pipelines to Europe and Russia's far east and appears to be finding buyers.

Oil supermajor Shell has been one of the few buyers. The company purchased 725,000 barrels of Urals from Trafigura on Friday at a record discount of $28.50 to Brent.

Livia Gallarati, senior analyst at Energy Aspects, said most of the Russian oil "moving on the water" was bought and paid for before the fighting started in Ukraine.

"But right now, European refiners are not buying Russian oil," she added, predicting that the impact on vessel movements would be seen later in the month.

According to JPMorgan, preliminary Russian crude oil loadings for March indicated a drop of 1mn barrels a day in loadings from Black Sea ports and a 1mn b/d drop from the Baltics, plus a 500,000 reduction at Kozmino in Russia's far east.

In addition, there is an estimated 2.5mn b/d loss in oil product loadings from the Black Sea.

"Were disruption to Russian volumes to last throughout the year, [the] Brent oil price could exit the year at $185 barrel," said JPMorgan analyst Natasha Kaneva.

Sovcomflot could eventually provide a vital lifeline for the Russian oil industry.

"I am sure you will find countries [like China and India] that are willing to take Russian oil, especially at the discounts on offer," said one trader, adding that big Russian producers already appeared to be offering flexible payment terms and skipping credit guarantees in an attempt to lure buyers.

However, Sovcomflot does not have the capacity to lift every barrel of Russian oil.

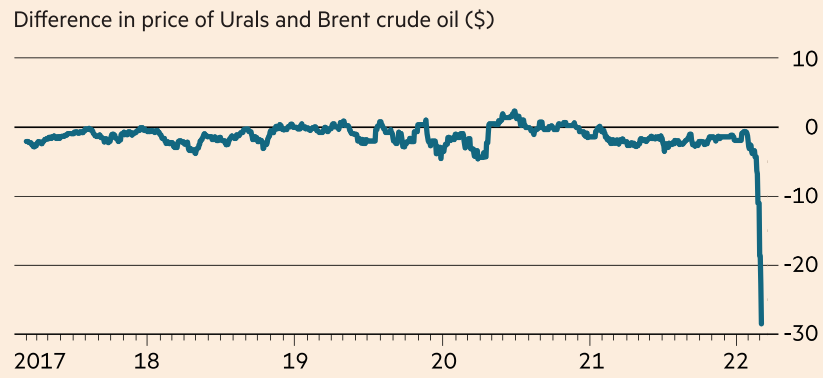
If a western embargo happens, the country's oil industry would eventually have to cut production.

"We are not there yet," said Gallarati. "Buyers will have to stay out of the market for much longer for that to happen."

See Lex

Russian crude trades at historic discount

Difference in price of Urals and Brent crude oil ($)



Source: Refinitiv

The Mendeleev Prospect oil tanker operated by Sovcomflot, moored at the Russian seaport of Primorsk. Sovcomflot is Russia's largest shipping company — Alexander Ryumin/TASS/Getty

'I am sure you'll find countries [like China and India] that will take Russian oil'

Commodities

Shale groups Whiting and Oasis agree $6bn merger

MYLES MCCORMICK — HOUSTON

Whiting Petroleum and Oasis Petroleum, two US shale oil producers that went through bankruptcy in the 2020 crude price crash, have announced a merger that will create a $6bn operator by enterprise value.

The companies, both focused on the Bakken oilfield of North Dakota and Montana, said yesterday they would combine in an all-stock deal in response to investor pressure to cut the fat and drive efficiency even as the surging oil price promises to boost their revenues.

"The combination of the two companies . . . will accelerate our efforts and ideally position the combined company to generate strong free cash flow, execute a focused strategy and enhance the return of capital," said Danny Brown, Oasis chief executive, who will retain that role in the new company. His counterpart at Whiting, Lynn Peterson, will become executive chair.

The combination is the latest in a flurry of dealmaking activity in the wake of a temporary oil demand collapse caused by the pandemic less than two years ago. Once free-spending US shale companies have worked to cut costs and make their operations more efficient in response to demands from Wall Street for higher returns.

The spending discipline will be tested as oil prices surge while western powers clamp down on Russia over its invasion of Ukraine, curtailing its petroleum exports. West Texas Intermediate crude was trading at about $116 a barrel early yesterday after touching $130.

'The combination . . . will ideally position the company to generate strong free cash flow'

Yesterday's oil price was almost nine times its level when Whiting filed for bankruptcy reorganisation in April 2020, the first big independent shale company to do so. More than 60 operators subsequently filed for bankruptcy protection in the 21-month period to the end of last year, according to data from Texas law firm Haynes and Boone.

Oasis joined the group in September 2020, blaming the "severe downturn in oil and gas prices". Both companies completed restructuring processes and emerged from bankruptcy that year.

The deal between Whiting and Oasis follows others including Devon Energy's purchase of WPX, Pioneer Natural Resources' acquisition of Parsley Energy and Chesapeake Energy's agreement to buy Chief Oil & Gas. Oasis rose 8.1 per cent in early trading yesterday, while Whiting was up 8.3 per cent.

Whiting shareholders will own 53 per cent of the new company and Oasis shareholders 47 per cent. The combined company will have a position spanning about 972,000 net acres in the Bakken and expects to produce between 164mn and 169mn barrels of oil equivalent a day this year.

The deal is expected to close in the second half of this year.

Asset management

Hedge funds secure 'sweet deals' with cash injections for out of favour Spacs

JOSHUA FRANKLIN AND NIKOU ASAGARI
NEW YORK

Dealmakers looking to take companies public through Spac mergers are making short-term agreements with hedge funds in a desperate bid to replace cash being pulled by investors.

The agreements underscore the struggles special purpose acquisition companies are facing to complete mergers after plunging in popularity since a frenzy during the peak of the pandemic.

A Spac raises money from investors and lists on the stock market as a shell company. It then hunts for a private company to take public. Investors who backed the blank cheque vehicle but dislike the merger target have the option to withdraw their money.

Regulatory scrutiny, scandals and poor performances have led investors to redeem their funds at increasing rates. This jeopardises mergers as Spacs may struggle to fulfil the minimum cash requirements needed to close the deal.

Companies desperate to go public and stem redemptions are turning to investors including hedge fund Atalaya Capital Management and private equity group Apollo for so-called redemption capital, where the funds agree to buy shares from investors.

New York-based Atalaya has entered into this agreement, called an "equity prepaid forward transaction", on several Spac deals, including agreeing $70mn for aircraft hangar rental company Sky Harbour Group, $30mn for semiconductor company Navitas and up to $100mn for online grocery company Boxed.

Apollo entered a similar $75mn agreement for General Motors-backed car data analysis company Wejo's Spac deal last year.

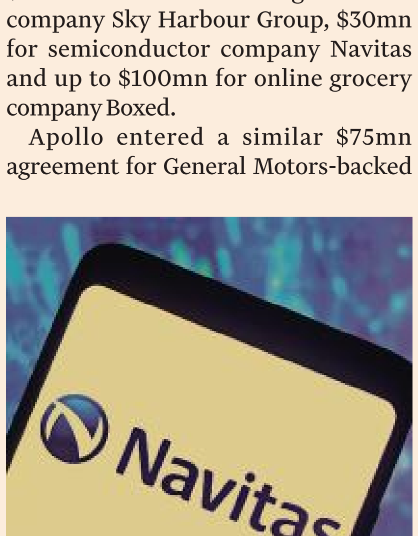
Spac teams scrambling to complete their deals are forming agreements that gives the company enough funds to meet its minimum cash requirement while the hedge funds prosper.

"It's a sign of desperation," said Michael Ohlrogge, professor at New York University's law school. "It's problematic because it's pretty hard for anyone but pretty sophisticated investors to understand what's going on in these transactions and to see how sweet of a deal is being offered to select investors."

In the Spac deal for Sky Harbour, whose top investors include Glazer Capital Management, Barclays and JPMorgan's Highbridge Capital Management, Atalaya agreed in January to buy $70mn of shares from redeeming shareholders before the deal closed.

The day after Sky Harbour was listed, the company reimbursed Atalaya for the purchase price of the shares.

Beyond that, if the share price rises, the fund can sell its shares and keep the profit, or if it falls below $5, the fund can receive a make-whole payment. Atalaya and Apollo declined to comment.



The Spac deal for Navitas used an 'equity prepaid forward transaction'

Fixed income

Investors fret over default protection as debt deadline approaches for Moscow

TOMMY STUBBINGTON AND ROBERT SMITH — LONDON
JOE RENNISON — NEW YORK

The insurance-like products investors use to protect against a Russian default may not pay out as sanctions threaten to wreak havoc on the system for settling the derivatives contracts.

Prices on Russia's $39bn of dollar-denominated government bonds have collapsed following sanctions that have effectively cut off the country's markets from the global financial system.

Credit default swaps, derivatives that act like insurance against non-payment of this debt, have surged, but the moves have been smaller than those seen in the bond market.

Investors and analysts said the discrepancy revealed growing worries that the sanctions on Russia will interfere with the settlement mechanism for CDS contracts, potentially leaving investors who used them as a hedge for their losses on defaulted bonds out of pocket.

"We have a high conviction that [Russia] will not pay," said Marcelo Assalin, head of emerging market debt at William Blair. "But the market is totally dysfunctional. The problem we face is CDS is implying a recovery value that's not realistic."

Russia's five-year CDS now trades at about 60 percentage points upfront, a level that implies investors can expect to receive about 40 cents on the dollar in a restructuring of Russia's foreign debt.

The price of the bonds themselves, however, at about 20 cents on the dollar indicates a much less favourable outcome for holders.

Six of the 15 dollar bonds contain a 'fallback mechanism' allowing repayment in roubles

The issue could come to a head if Russia fails to make its next interest payment on its dollar debt on March 16, which investors see as increasingly likely.

Moscow this week made an interest payment on its rouble-denominated debt — which is not covered by CDS — but said the money would not reach foreign holders, citing a central bank ban on sending foreign currency abroad.

Some traders even fear the swaps could end up not paying out at all, emulating previous CDS mishaps such as car rental company Europcar in 2021 and Dutch lender SNS Reaalin 2013.

Analysts at JPMorgan said the small print of some of the debt might mean the bonds are beyond the scope of CDS in the event of a default. Six of Russia's 15 dollar bonds contain a "fallback mechanism" allowing Moscow to repay in roubles rather than dollars or euros.

A further three bonds are subject to settlement in Russia, meaning they have effectively become untradeable since Russian authorities blocked offshore settlement at Euroclear.

Some are looking to the default of Venezuela as a model for what may happen. It is subject to sanctions on foreign investors buying its new debt, similar to Russia. The International Swaps and Derivatives Association helped amend CDS contracts to reference only older bonds unaffected by sanctions.

Although most of the Russian bonds are technically tradeable, there is also the chance of further sanctions prohibiting secondary trading, JPMorgan said.

See Lex

The day in the markets

What you need to know

- London's energy-leaning FTSE 100 index resilient amid global stock sell-off
- Gold breaches $2,000 for first time since August 2020
- Crude oil benchmark surges to highest level since 2008

Global stocks tumbled and commodity prices surged as investors feared the repercussions of moves by the US to ban oil from Russia.

The world's main bourses were all deeply in the red, taking the FTSE All-World index down more than 2 per cent after the close of trading in London.

The prospect of fresh sanctions on Russia drove up the price of commodities such as oil, gas, wheat, nickel and copper — "not least because supply of many of these precious raw materials was already tight", said Russ Mould, investment director at AJ Bell.

"Russia is a top-five producer of palladium, diamonds, gas, oil, platinum, potash, aluminium, gold, nickel and steel, so any company or consumer reliant on those will be looking on nervously, while Ukraine and Russia between them account for about a third of the world's wheat," added Mould.

Such jitters rippled through stock markets, sending both Frankfurt's Xetra Dax and Milan's FTSE MIB into bear markets, which is defined as a fall of 20 per cent or more from a recent peak.

London's FTSE 100 benchmark, with its heavy weighting to energy stocks, proved more resilient, ending the session down just 0.4 per cent.

Brent crude jumped more than 17 per cent to above $139 a barrel after Antony Blinken, US secretary of state, said he was in "very active discussions" with European allies about an embargo on Russian oil imports.

By the evening, the global oil benchmark was still near its highest level since 2008, although it had settled at around $124 a barrel.

Gold also rallied, climbing as much as 1.7 per cent to breach $2,000 per troy ounce for the first time since August 2020, before paring back some gains to hover around $1,988 per troy ounce.

On Wall Street, the grim picture continued. The blue-chip S&P 500 was down more than 2.3 per cent by lunchtime in New York while the tech-heavy Nasdaq Composite slid 2.1 per cent.

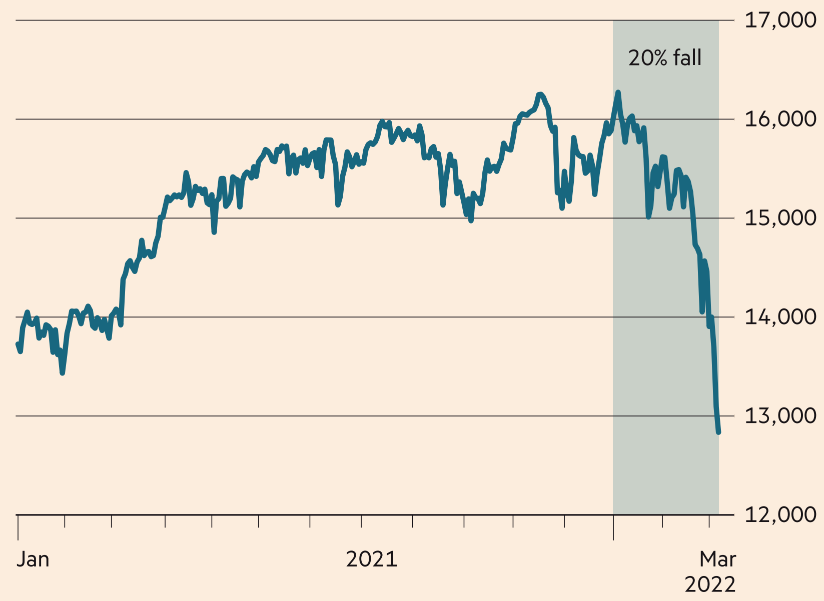
US equities have generally held up well compared with European peers since the war erupted but that might not continue, warned Thomas Mathews, markets economist at Capital Economics.

"History suggests that large disruptions to oil supply . . . could weigh heavily on the US stock market," he said.

During the 1973 Opec embargo, for example, in which oil prices more than tripled, the S&P 500 fell about 15 per cent, said Mathews. **Ray Douglas**

German stocks enter bear market territory

Xetra Dax index



Source: Refinitiv

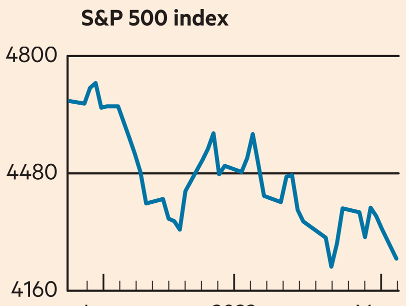
Markets update

	US	Eurozone	Japan	UK	China	Brazil
Stocks	**S&P 500**	**Eurofirst 300**	**Nikkei 225**	**FTSE100**	**Shanghai Comp**	**Bovespa**
Level	4247.43	1651.90	25221.41	6987.14	3372.86	112731.05
% change on day	-1.88	-3.61	-2.94	-3.48	-2.17	-1.52
Currency	**$ index (DXY)**	**$ per €**	**Yen per $**	**$ per £**	**Rmb per $**	**Real per $**
Level	98.831	1.088	115.385	1.314	6.318	5.067
% change on day	0.186	-0.366	0.496	-0.605	-0.014	-0.317
Govt. bonds	**10-year Treasury**	**10-year Bund**	**10-year JGB**	**10-year Gilt**	**10-year bond**	**10-year bond**
Yield	1.757	-0.019	0.142	1.304	2.829	11.652
Basis point change on day	5.020	5.400	-0.530	9.800	0.800	20.300
World index, Commods	**FTSE All-World**	**Oil - Brent**	**Oil - WTI**	**Gold**	**Silver**	**Metals (LMEX)**
Level	445.20	122.37	118.00	1945.30	25.15	5355.80
% change on day	-2.27	3.59	2.46	0.81	-0.63	3.55

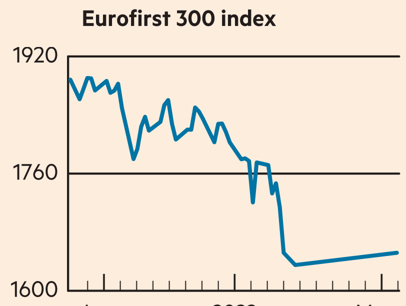
Yesterday's close apart from: Currencies = 16:00 GMT; S&P, Bovespa, All World, Oil = 17:00 GMT; Gold, Silver = London pm fix. Bond data supplied by Tullett Prebon.

Main equity markets

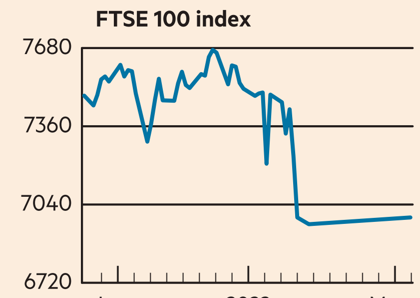
S&P 500 index



Eurofirst 300 index



FTSE 100 index



Biggest movers

%	US		Eurozone		UK	
Ups	Schlumberger	9.85	Tenaris	13.03	Evraz	12.99
	Halliburton	6.68	Oci	6.80	Fresnillo	8.61
	Baker Hughes	5.81	Thales	6.64	London Stock Exchange	3.87
	Cf Industries Holding	4.91	Galp Energia	6.34	Sse	1.88
	Tractor Supply	4.43	Grifols	5.84	Hargreaves Lansdown	1.50
Downs	Pvh	-12.81	Vopak	-13.29	Burberry	-8.38
	Tapestry	-9.77	Erste Bank	-9.58	Smurfit Kappa	-8.03
	Ralph Lauren	-9.66	Accor	-7.12	Crh	-7.74
	Fortinet	-9.62	Aegon	-7.12	Flutter Entertainment	-7.41
	United Airlines Holdings	-9.06	Kbc	-7.09	Bt	-7.28

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

Bed Bath & Beyond soared on news that Gamestop chair Ryan Cohen had taken a 9.8 per cent stake, through RC Ventures, in the home furnishing retailer.

In a letter to BBB, the investment vehicle said it had "concerns about leadership's compensation relative to performance and its strategy for reigniting meaningful growth".

RC Ventures added: "The company is struggling to reverse sustained market share losses, stem years-long share price declines and navigate supply chain volatility."

Cohen's options for the retailer included hiving off its Buy Buy Baby stores or a "full sale of the company".

BBB said it would "carefully review" the letter and "engage constructively around the ideas they have put forth".

Reports of more stakebuilding pushed **Clover Health** higher.

A regulatory filing revealed that Chelsea Clinton, daughter of former president Bill, had purchased 100,000 shares at $2.52 each — a 14.5 per cent premium on Friday's closing price.

Chelsea has served as a member of Clover's board of directors since February 2017.

Oil equipment giants such as **Schlumberger**, **Baker Hughes** and **Halliburton** all soared, tracking the strong rally in crude prices. *Ray Douglas*

Europe

The war in Ukraine yet again loomed over the region, with **Danone** the latest company to distance itself from Russia.

The French consumer goods group slid after announcing that it had shut one of its two factories in Ukraine and suspended "all investment projects in Russia".

It would, however, maintain production of fresh dairy goods and infant nutrition in Russia to "meet the essential food needs of the local population".

Spain's **Inditex**, the world's largest clothing retailer, sank because it, too, was weakening its ties to Russia.

The company behind Zara said "in the current circumstances, it cannot guarantee the continuity of operations and commercial conditions in the Russian Federation". It would therefore "temporarily suspend" activity in 502 stores, including 86 Zara outlets, and online sales in Russia.

Russia represented about 8.5 per cent of the group's total earnings.

A downgrade weighed on **Carlsberg** with Citi lowering the Danish brewer's rating from "buy" to "neutral" due its exposure to Ukraine, Russia and Belarus.

Almost 10 per cent of its operating profit was derived from the conflict-affected region so, despite Carlsberg's 12 per fall since the invasion, its valuation compared to peers "may still be too high", warned the broker. *Ray Douglas*

London

Guarantor loans provider **Amigo** surged 136 per cent after the Financial Conduct Authority hinted that the troubled group could potentially resume lending.

The watchdog, which had opposed Amigo's turnround plan in May, said it would not challenge a new rescue scheme at a court hearing this week.

Amigo stopped lending in November 2020, owing to "uncertainty surrounding Covid-19", and has been embroiled in a tussle over compensation for historic mis-selling. The regulator said its assessment of Amigo's ability to commence lending remained "ongoing, including its assessment as to whether the firm is failing (or is likely to fail) to satisfy the FCA's threshold conditions".

Takeover target **Oxford Instruments**, which provides technology products to industrial groups and scientific communities, fell more than 20 per cent on news that Spectris had pulled out of making an offer.

Andrew Heath, chief executive of Spectris, said that, "with the invasion of Ukraine, the world has changed since our proposed offer was made . . . bringing a high degree of uncertainty to the economic outlook around the world".

Russia-linked commodity group **Evraz**, which was down more than 70 per cent this year, rose sharply as investors bought the dip, said AJ Bell. *Ray Douglas*

Fear of more pain ahead as oil prices climb ever higher

Derek Brower

Markets Insight

Russian troops were preparing to invade another former Soviet republic. Crude prices were soaring. Western countries were imploring Saudi Arabia to open the taps.

This was in 2008, just before Vladimir Putin sent his tanks into Georgia. The US oil price eventually hit an all-time high of nearly $150 a barrel.

Trading at about $116 a barrel yesterday, US prices are still off that peak while the Brent international benchmark hit a high of $139 before sliding back to $120. But echoes of 2008 — from war to the western officials' pleas in Riyadh — are growing hard to ignore.

China's relentless thirst for energy underpinned that rally 14 years ago. This time, even developed economies are joining in a post-pandemic fossil fuel binge. Remember when the pandemic would hasten the peak in oil demand?

US petroleum consumption hit a new high in recent weeks. Global consumption will do the same this year, said the International Energy Agency.

Supplies are not keeping up — a legacy of lower global upstream investment in recent years, now compounded by the deep capital spending cuts made across the US shale sector after the pandemic-induced oil crash. Some Opec producers — historically the suppliers of last resort — are struggling to hit output quotas.

A market convinced a few years ago that the US's shale revolution had brought an era of endless abundance now frets about scarcity.

The possibility that Russia's oil shipments, meeting about 5 per cent of global crude demand and 10 per cent of the refined products export market, could be sanctioned is deepening those fears.

Even without an embargo, the new financial sanctions and exodus of western companies and technology could do lasting damage to Russia's oil output capacity. It leaves oil prices, already up 25 per cent in two weeks, poised to leap higher, say bullish analysts.

"Ultimately, what we're seeing is a repricing of oil," said Christyan Malek, a managing director at JPMorgan. His bank, which two years ago predicted a new supercycle for the commodity, said crude could hit $150 by 2023. But the Russia crisis could yet bring a "massive overshoot", Malek noted.

US oil prices almost trebled in three months during the 1973 Arab oil embargo and doubled again in two months following the Iranian Revolution in 1979 as the country's crude output collapsed. Other suppliers stepped in, minimising the global shortfall. In 1979, it was fear of scarcity, not scarcity itself, that caused the spike.

> 'We're continuing to underestimate the oil price that the world can cope with'

There are still reasons to be bearish now. Speculative fervour has eased somewhat, said Pierre Lacaze, founder of LCM Commodities, a broker.

So-called "negative gamma" — options traders covering short positions as prices rise quickly — was a significant factor as oil prices rose from $70 to $100 a barrel. But there are "not really significant" enough short positions that would indicate upside to prices solely on the basis of "negative gamma", said Lacaze.

The market is instead responding to geopolitics and fundamentals. And those forces could yet turn against oil prices. The fallout of the Ukraine war could damp the global economy. A diplomatic deal with Iran would allow more of its oil into the market.

Analysts at Citi said rising global output, including from Iran, would drive prices lower this year "as the focus shifts away from geopolitical risk to sustained oversupply and peaking oil demand".

The US and others have also shown they will release strategic oil stocks to try to tame prices, said Amy Myers Jaffe, a professor at Tufts' Fletcher School.

Yet sustained losses of Russian oil supply would be hard to fix. Even the prolific US shale patch would need years to do its part. The disruption could send oil prices above $200 a barrel, reckoned Rob West, head of research firm Thunder Said Energy.

Eventually, a price shock would offer another compelling reason to stop burning fossil fuels that cause climate change. The shift to electric vehicles, already running at a fast clip, would accelerate. High prices would cure high prices.

But no one knows what that demand destruction threshold is. Unlike the price spike of July 2008, when the mother of all credit crises was building in the background, today's economic backdrop is also bullish. Many consumers are flush with post-pandemic stimulus cash and itching to burn energy.

"We're continuing to underestimate the oil price that the world can cope with," Malek said.

If this is your first oil shock and you're already wincing at the petrol pump, brace yourself. The market thinks you can probably take more price pain.

derek.brower@ft.com

MARKET DATA

WORLD MARKETS AT A GLANCE

FT.COM/MARKETSDATA

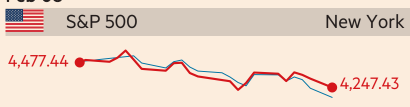
Change during previous day's trading (%)

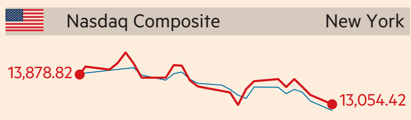
S&P 500	Nasdaq Composite	Dow Jones Ind	FTSE 100	FTSE Eurofirst 300	Nikkei	Hang Seng	FTSE All World $	$ per €	$ per £	¥ per $	£ per €	Oil Brent $ Sep	Gold $
-1.88%	-1.95%	-1.76%	-3.48%	-3.61%	-2.94%	-3.87%	-2.27%	-0.366%	-0.605%	0.496%	0.242%	2.90%	0.81%

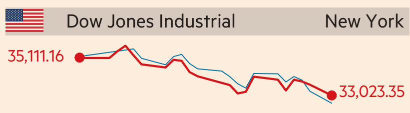
Stock Market movements over last 30 days, with the FTSE All-World in the same currency as a comparison

AMERICAS

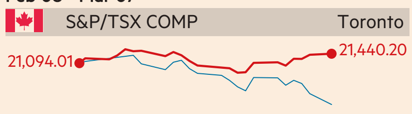
Feb 08 - - Index All World

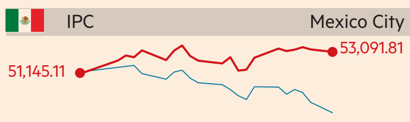
S&P 500 New York

4,477.44 — 4,247.43
Day -1.88% Month -5.30% Year 10.53%

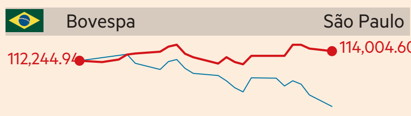
Nasdaq Composite New York

13,878.82 — 13,054.42
Day -1.95% Month -6.87% Year 1.03%

Dow Jones Industrial New York

35,111.16 — 33,023.35
Day -1.76% Month -5.85% Year 4.89%

Feb 08 - Mar 07 Index All World

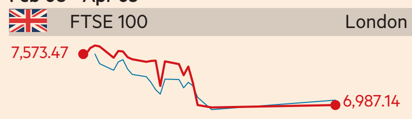
S&P/TSX COMP Toronto

21,094.01 — 21,440.20
Day -0.08% Month 0.71% Year 16.34%

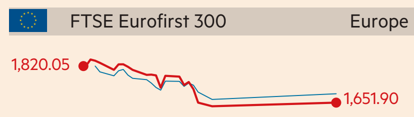
IPC Mexico City

51,145.11 — 53,091.81
Day -2.48% Month 1.45% Year 12.21%

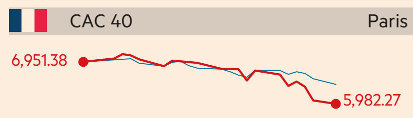
Bovespa São Paulo

112,244.94 — 114,004.60
Day -1.52% Month 0.64% Year -2.16%

EUROPE

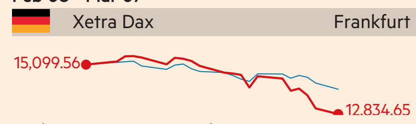
Feb 08 - Apr 03 Index All World

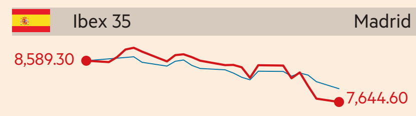
FTSE 100 London

7,573.47 — 6,987.14
Day -3.48% Month -6.77% Year 5.36%

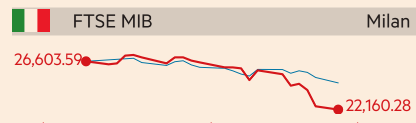
FTSE Eurofirst 300 Europe

1,820.05 — 1,651.90
Day -3.61% Month -8.31% Year 4.40%

CAC 40 Paris

6,951.38 — 5,982.27
Day -1.31% Month -13.94% Year 3.45%

Feb 08 - Mar 07 Index All World

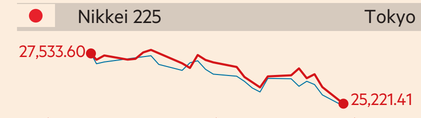
Xetra Dax Frankfurt

15,099.56 — 12,834.65
Day -1.98% Month -11.89% Year NaN%

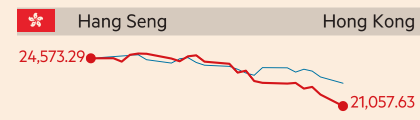
Ibex 35 Madrid

8,589.30 — 7,644.60
Day -0.99% Month -11.00% Year -7.75%

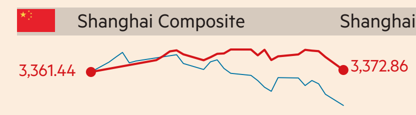
FTSE MIB Milan

26,603.59 — 22,160.28
Day -1.36% Month -16.42% Year -3.18%

ASIA

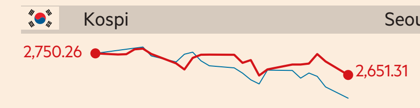
Feb 08 - Mar 07 Index All World

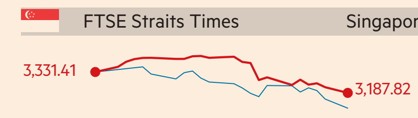
Nikkei 225 Tokyo

27,533.60 — 25,221.41
Day -2.94% Month -7.83% Year -12.38%

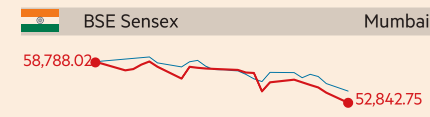
Hang Seng Hong Kong

24,573.29 — 21,057.63
Day -3.87% Month -14.36% Year -27.68%

Shanghai Composite Shanghai

3,361.44 — 3,372.86
Day -2.17% Month 0.34% Year -3.69%

Feb 08 - Mar 07 Index All World

Kospi Seoul

2,750.26 — 2,651.31
Day -2.29% Month -3.60% Year -12.39%

FTSE Straits Times Singapore

3,331.41 — 3,187.82
Day -1.21% Month -4.21% Year 5.88%

BSE Sensex Mumbai

58,788.02 — 52,842.75
Day -2.74% Month -9.67% Year 5.01%

Country	Index	Latest	Previous
Argentina	Merval	88750.23	89515.44
Australia	All Ordinaries	7321.20	7395.30
	S&P/ASX 200	7038.60	7110.80
	S&P/ASX 200 Res	6038.30	5928.40
Austria	ATX	2920.29	3029.95
Belgium	BEL 20	3682.48	3760.43
	BEL Mid	9560.18	9681.94
Brazil	IBovespa	112731.05	114473.78
Canada	S&P/TSX 60	1297.88	1298.49
	S&P/TSX Comp	21385.24	21402.43
	S&P/TSX Div Met & Min	1572.07	1516.64
Chile	S&P/CLX IGPA Gen	23177.63	23577.94
China	FTSE A200	11881.16	11881.16
	FTSE B35	9000.71	8988.96
	Shanghai A	3534.89	3613.44
	Shanghai B	277.74	278.75
	Shanghai Comp	3372.86	3447.65
	Shenzhen A	2305.49	2369.60
	Shenzhen B	1115.24	1131.65
Colombia	COLCAP	1261.61	1260.21
Croatia	CROBEX	2013.05	2011.29
Cyprus	CSE M&P Gen	68.46	68.68
Czech Republic	PX	1230.04	1306.14
Denmark	OMXC Copenahgen 20	1655.90	1652.13
Egypt	EGX 30	10701.14	11094.66
Estonia	OMX Tallinn	1647.22	1742.46
Finland	OMX Helsinki General	10005.32	10110.85
France	CAC 40	5982.27	6061.66
	SBF 120	4627.28	4693.79
Germany	M-DAX	28342.73	28858.53
	TecDAX	2996.76	3038.22
	XETRA Dax	12834.65	13094.54
Greece	Athens Gen	821.74	854.62
	FTSE/ASE 20	1970.98	2055.40
Hong Kong	Hang Seng	21057.63	21905.29
	HS China Enterprise	7412.59	7686.87
	HSCC Red Chip	4105.90	4175.86
Hungary	Bux	39883.29	40246.70
India	BSE Sensex	52842.75	54333.81
	Nifty 500	13564.25	13893.15
Indonesia	Jakarta Comp	6869.07	6928.33
Ireland	ISEQ Overall	6861.19	7263.05
Israel	Tel Aviv 125	2029.79	2036.71
Italy	FTSE Italia All-Share	24259.11	24529.83
	FTSE Italia Mid Cap	38849.37	39642.51
	FTSE MIB	22160.28	22464.86
Japan	2nd Section	6941.53	7078.42
	Nikkei 225	25221.41	25985.47
	S&P Topix 150	1532.31	1579.59
	Topix	1794.03	1844.94
Jordan	Amman SE	2179.77	2154.16
Kenya	NSE 20	1897.90	1894.36
Kuwait	KSX Market Index	6633.44	6603.51
Latvia	OMX Riga	1010.39	1085.46
Lithuania	OMX Vilnius	815.30	847.02
Luxembourg	LuxX	1608.91	1627.91
Malaysia	FTSE Bursa KLCI	1572.56	1603.94
Mexico	IPC	51998.38	53322.05
Morocco	MASI	12785.57	12864.57
Netherlands	AEX	669.04	671.73
	AEX All Share	913.93	914.52
New Zealand	NZX 50	11913.27	12141.77
Nigeria	SE All Share	47268.61	47296.07
Norway	Oslo All Share	1017.37	1006.88
Pakistan	KSE 100	43266.97	44551.35
Philippines	Manila Comp	7288.07	7342.01
Poland	Wig	58638.64	58386.18
Portugal	PSI 20	5393.48	5331.85
	PSI General	4053.97	3937.44
Romania	BET Index	10964.17	11395.60
Russia	Micex Index	2470.48	2058.12
	RTX	936.94	742.91
Saudi-Arabia	TADAWUL All Share Index	12808.03	12804.22
Singapore	FTSE Straits Times	3187.82	3226.78
Slovakia	SAX	398.06	398.06
Slovenia	SBI TOP	-	-
South Africa	FTSE/JSE All Share	73295.88	74734.37
	FTSE/JSE Res 20	87148.02	87052.26
	FTSE/JSE Top 40	67143.64	68357.85
South Korea	Kospi	2651.31	2713.43
	Kospi 200	353.03	361.69
Spain	IBEX 35	7644.60	7720.90
Sri Lanka	CSE All Share	10960.49	11243.49
Sweden	OMX Stockholm 30	1980.35	1985.54
	OMX Stockholm AS	809.66	812.90
Switzerland	SMI Index	11204.67	11300.13
Taiwan	Weighted Pr	17178.69	17736.52
Thailand	Bangkok SET	1626.70	1671.72
Turkey	BIST 100	1997.33	1990.75
UAE	Abu Dhabi General Index	8333.19	8358.50
UK	FT 30	2387.90	2427.20
	FTSE 100	6987.14	7238.85
	FTSE 4Good UK	6368.30	6607.55
	FTSE All Share	3884.43	4023.90
	FTSE techMARK 100	5870.02	6070.50
USA	DJ Composite	11323.53	11513.67
	DJ Industrial	33023.35	33614.80
	DJ Transport	15020.38	15392.41
	DJ Utilities	991.52	988.47
	Nasdaq 100	13561.10	13837.83
	Nasdaq Cmp	13054.42	13313.44
	NYSE Comp	15818.71	16129.66
	S&P 500	4247.43	4328.87
	Wilshire 5000	42676.61	43535.76
Venezuela	IBC	5162.52	5281.15
Vietnam	VNI	1499.05	1505.33
Cross-Border	DJ Global Titans ($)	473.89	483.58
	Euro Stoxx 50 (Eur)	3522.06	3556.01
	Euronext 100 ID	1150.43	1159.76
	FTSE 4Good Global ($)	10496.32	10741.90
	FTSE All World ($)	445.20	455.54
	FTSE E300	1651.90	1713.80
	FTSE Eurotop 100	3188.09	3307.54
	FTSE Global 100 ($)	2745.03	2803.85
	FTSE Gold Min ($)	2325.64	2246.36
	FTSE Latibex Top (Eur)	4440.00	4432.20
	FTSE Multinationals ($)	2915.05	2973.99
	FTSE World ($)	805.27	822.37
	FTSEurofirst 100 (Eur)	4274.42	4466.62
	FTSEurofirst 80 (Eur)	4938.14	5192.23
	MSCI ACWI Fr ($)	679.32	690.75
	MSCI All World ($)	2896.52	2942.45
	MSCI Europe (Eur)	1677.39	1745.25
	MSCI Pacific ($)	2904.30	2935.26
	S&P Euro (Eur)	1621.52	1645.46
	S&P Europe 350 (Eur)	1680.78	1699.88
	S&P Global 1200 ($)	3137.95	3201.09
	Stoxx 50 (Eur)	3404.17	3425.11

(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	Close price	Day's change	Day's chng%
Ups			
Halliburton	36.41	2.28	6.68
Baker Hughes	35.15	1.93	5.81
Cf Industries Holding	95.73	4.48	4.91
Tractor Supply	231.77	9.84	4.43
Downs			
Pvh	69.02	-10.14	-12.81
Tapestry	32.89	-3.56	-9.77
Ralph Lauren	104.85	-11.21	-9.66
Fortinet	303.19	-32.28	-9.62
United Airlines Holdings	33.39	-3.33	-9.06

Based on the constituents of the S&P500

LONDON	Close price	Day's change	Day's chng%
Ups			
Morgan Advanced Materials	315.00	34.50	12.30
Fresnillo	742.00	58.80	8.61
Icg Enterprise Trust	1114.00	50.00	4.70
Petropavlovsk	1.88	0.08	4.44
Downs			
Ferrexpo	119.00	-24.70	-17.19
Auction Technology	788.00	-152.00	-16.17
Tbc Bank	960.00	-156.00	-13.98
Provident Fin	242.80	-36.40	-13.04
Pagegroup	451.00	-64.50	-12.51

Based on the constituents of the FTSE 350 index

EURO MARKETS	Close price	Day's change	Day's chng%
Ups			
Orsted A/s Dk 10	15.18	0.99	6.96
Eni	13.41	0.55	4.29
Siemens Energy Ag Na O.n.	19.82	0.68	3.53
Dassault Systemes	43.39	1.25	2.97
Downs			
Kbc	51.92	-3.96	-7.09
Neste	31.87	-2.37	-6.92
Bbva	4.49	-0.31	-6.54
Stellantis	12.94	-0.88	-6.40
Adyen	1487.00	-100.40	-6.32

Based on the constituents of the FTSEurofirst 300 Eurozone index

TOKYO	Close price	Day's change	Day's chng%
Ups			
Idemitsu Kosan Co.,	3670.00	235.00	6.84
Inpex	1428.00	91.00	6.81
Kawasaki Kisen Kaisha,	8950.00	390.00	4.56
Sumitomo Metal Mining Co.,	6340.00	260.00	4.28
Downs			
Hino Motors,	745.00	-150.00	-16.76
Thb Japan Steel Works,	3285.00	-380.00	-10.37
Isuzu Motors	1384.00	-139.00	-9.13
Sumitomo Electric Industries,	1299.50	-125.00	-8.78
Suzuki Motor	3835.00	-364.00	-8.67

Based on the constituents of the Nikkei 225 index

UK MARKET WINNERS AND LOSERS

FTSE 100 Losers	Mar 07 price(p)	%Chg week	%Chg ytd
Evraz	60.00	-70.7	-
Abrdn	179.00	-35.8	-
Itv	75.26	-33.8	-
Coca-cola Hbc Ag	1575.00	-26.3	-
Mondi	1347.50	-24.6	-
Flutter Entertainment	8000.00	-21.6	-
Smurfit Kappa	3045.00	-21.1	-
Int Consolidated Airlines S.a.	123.48	-19.5	-
Melrose Industries	121.30	-18.9	-22.4
Intermediate Capital	1436.00	-17.3	-
Barclays	156.80	-16.9	-

FTSE 250 Losers	Mar 07 price(p)	%Chg week	%Chg ytd
Reach	145.60	-34.7	-
Currys	90.75	-34.2	-
Baltic Classifieds	114.50	-30.6	-
Fidelity Emerging Markets	636.00	-26.4	-
Wizz Air Holdings	2673.00	-25.3	-
Cineworld	31.17	-24.3	-2.6
Easyjet	475.30	-23.5	-14.0
Network Int Holdings	172.05	-23.1	-
Tui Ag	194.50	-22.9	-
Ferrexpo	119.00	-22.6	-
Lancashire Holdings	377.00	-21.9	-

FTSE SmallCap Losers	Mar 07 price(p)	%Chg week	%Chg ytd
Raven Property	5.70	-72.2	-
Hyve	51.50	-41.9	-
Slf Realisation Fund	9.52	-27.5	-33.0
Restaurant	72.50	-25.5	-
Abrdn Uk Smaller Companies Growth Trust	559.00	-23.9	-
Up Global Sourcing Holdings	137.00	-23.9	-
Hostelworld	62.50	-21.7	-10.0
Superdry	154.20	-20.8	-
Int Personal Finance	95.00	-20.4	-
On The Beach	220.00	-20.1	-
The Eur Smaller Companies Trust	141.50	-19.1	-

Industry Sectors Losers	Mar 07 price(p)	%Chg week	%Chg ytd
Mining	12538.55	-48.4	-
Travel & Leisure	6156.70	-34.5	-
Household Goods	13562.12	-22.9	-9.0
Life Insurance	6634.31	-18.7	-
Food Producers	6115.34	-18.6	-8.2
Personal Goods	28476.62	-16.3	-
Chemicals	12053.26	-15.6	-
Nonlife Insurance	2741.36	-13.4	-
Construction & Materials	6595.16	-13.3	-
General Industrials	5783.79	-13.1	-
Industrial Engineering	13608.03	-12.4	-

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

CURRENCIES

Mar 7	Currency	DOLLAR Closing Mid	DOLLAR Day's Change	EURO Closing Mid	EURO Day's Change	POUND Closing Mid	POUND Day's Change
Argentina	Argentine Peso	108.4465	0.2815	117.9407	-0.1704	142.4491	-0.5242
Australia	Australian Dollar	1.3645	0.0039	1.4840	-0.0018	1.7924	-0.0061
Bahrain	Bahrainin Dinar	0.3770	-	0.4100	-0.0017	0.4952	-0.0031
Bolivia	Bolivian Boliviano	6.9100	-	7.5150	-0.0304	9.0766	-0.0571
Brazil	Brazilian Real	5.0666	-0.0161	5.5102	-0.0399	6.6552	-0.0632
Canada	Canadian Dollar	1.2771	0.0005	1.3889	-0.0051	1.6775	-0.0099
Chile	Chilean Peso	809.1500	1.4750	879.9892	-1.9543	1062.8531	-4.7376
China	Chinese Yuan	6.3183	-0.0009	6.8715	-0.0288	8.2994	-0.0534
Colombia	Colombian Peso	3819.0050	6.9000	4153.3500	-9.2911	5016.4263	-22.4436
Costa Rica	Costa Rican Colon	647.8050	2.2250	704.5188	-0.4245	850.9195	-2.4128
Czech Republic	Czech Koruna	23.6408	0.1232	25.7104	0.0303	31.0531	-0.0326
Denmark	Danish Krone	6.8429	0.0292	7.4420	0.0017	8.9885	-0.0180
Egypt	Egyptian Pound	15.7393	-0.0068	17.1172	-0.0768	20.6742	-0.1391
Hong Kong	Hong Kong Dollar	7.8167	0.0041	8.5010	-0.0300	10.2676	-0.0592
Hungary	Hungarian Forint	362.9948	9.9566	394.7741	9.2729	476.8091	10.1607
India	Indian Rupee	76.9675	0.8050	83.7058	0.5399	101.1001	0.4280
Indonesia	Indonesian Rupiah	14407.5000	20.0000	15668.8483	-41.6512	18924.8777	-92.6393
Israel	Israeli Shekel	3.2854	0.0038	3.5730	-0.0103	4.3155	-0.0221
Japan	Japanese Yen	115.3850	0.5700	125.4867	0.1140	151.5631	-0.2002
..One Month		115.3849	0.5698	125.4867	0.1142	151.5630	-0.2004
..Three Month		115.3847	0.5695	125.4868	0.1143	151.5627	-0.2010
..One Year		115.3832	0.5665	125.4871	0.1149	151.5630	-0.2028
Kenya	Kenyan Shilling	114.0500	0.0500	124.0348	-0.4479	149.8095	-0.8765
Kuwait	Kuwaiti Dinar	0.3041	0.0007	0.3307	-0.0006	0.3994	-0.0016
Malaysia	Malaysian Ringgit	4.1775	-0.0005	4.5432	-0.0190	5.4873	-0.0352
Mexico	Mexican Peso	21.1985	0.2500	23.0544	0.1796	27.8451	0.1553
New Zealand	New Zealand Dollar	1.4647	0.0021	1.5929	-0.0041	1.9239	-0.0093
Nigeria	Nigerian Naira	415.7500	-0.7500	452.1479	-2.6507	546.1054	-4.4274
Norway	Norwegian Krone	9.0438	0.0669	9.8355	0.0332	11.8794	0.0137
Pakistan	Pakistani Rupee	178.1000	0.7500	193.6922	0.0343	233.9419	-0.4806
Peru	Peruvian Nuevo Sol	3.7500	-0.0165	4.0783	-0.0345	4.9258	-0.0528
Philippines	Philippine Peso	52.1750	0.4350	56.7428	0.2451	68.5341	0.1438
Poland	Polish Zloty	4.5893	0.1615	4.9911	0.1562	6.0283	0.1756
Romania	Romanian Leu	4.5509	0.0177	4.9493	-0.0008	5.9777	-0.0143
Russia	Russian Ruble	151.5000	29.2500	164.7635	31.2722	199.0017	37.4108
Saudi Arabia	Saudi Riyal	3.7520	0.0001	4.0805	-0.0164	4.9284	-0.0309
Singapore	Singapore Dollar	1.3619	-0.0001	1.4811	-0.0061	1.7889	-0.0114
South Africa	South African Rand	15.3025	-0.1463	16.6422	-0.2271	20.1005	-0.3198
South Korea	South Korean Won	1227.0500	12.8000	1334.4753	8.5707	1611.7825	6.7780
Sweden	Swedish Krona	9.9680	0.1030	10.8406	0.0686	13.0933	0.0538
Switzerland	Swiss Franc	0.9257	0.0071	1.0068	0.0037	1.2160	0.0017
Taiwan	New Taiwan Dollar	28.2615	0.1405	30.7357	0.0289	37.1227	-0.0479
Thailand	Thai Baht	32.9700	0.2987	35.8564	0.1810	43.3075	0.1224
Tunisia	Tunisian Dinar	2.9613	0.0252	3.2205	0.0144	3.8897	0.0088
Turkey	Turkish Lira	14.3900	0.1925	15.6498	0.1468	18.9019	0.1355
United Arab Emirates	UAE Dirham	3.6731	-	3.9946	-0.0162	4.8247	-0.0304
United Kingdom	Pound Sterling	0.7613	0.0048	0.8279	0.0018	-	-
..One Month		0.7613	0.0047	0.8279	0.0018	-	-
..Three Month		0.7612	0.0047	0.8276	0.0018	-	-
..One Year		0.7610	0.0047	0.8262	0.0017	-	-
United States	United States Dollar	-	-	1.0875	-0.0044	1.3135	-0.0083
..One Month		-	-	1.0874	-0.2343	1.3135	-0.0083
..Three Month		-	-	1.0872	-0.2343	1.3135	-0.0083
..One Year		-	-	1.0855	-0.2343	1.3133	-0.0083
Vietnam	Vietnamese Dong	22850.0000	10.0000	24850.4623	-89.8057	30014.5270	-175.6105
European Union	Euro	0.9195	0.0037	-	-	1.2078	-0.0027
..One Month		0.9194	0.0037	-	-	1.2077	-0.0027
..Three Month		0.9191	0.0037	-	-	1.2075	-0.0027
..One Year		0.9174	0.0037	-	-	1.2060	-0.0028

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

FTSE ACTUARIES SHARE INDICES

UK SERIES www.ft.com/equities

Produced in conjunction with the Institute and Faculty of Actuaries

	£ Strlg Mar 07	Day's chge%	Euro Index	£ Strlg Mar 04	£ Strlg Mar 03	Year ago	Div yield%	Cover	P/E ratio	X/D adj	Total Return
FTSE 100 (100)	6959.48	-0.40	6551.73	6987.14	7238.85	6630.52	3.47	2.02	14.25	35.37	6925.08
FTSE 250 (250)	19169.78	-1.12	18046.66	19387.68	20079.70	20961.31	2.39	2.67	15.63	56.57	15560.53
FTSE 250 ex Inv Co (181)	19638.08	-1.08	18487.52	19852.16	20619.69	21821.67	2.39	0.57	73.30	51.52	16245.11
FTSE 350 (350)	3891.56	-0.51	3663.56	3911.57	4052.28	3792.84	3.30	2.09	14.45	18.46	7692.43
FTSE 350 ex Investment Trusts (279)	3819.36	-0.45	3595.59	3836.81	3975.48	3705.66	3.36	1.79	16.61	18.39	3899.50

FT 30 INDEX

	Mar 07	Mar 04	Mar 03	Mar 02	Mar 01	Yr Ago	High	Low
FT 30	2387.90	2427.20	2544.10	2659.90	2636.20	0.00	2880.10	2427.20
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
2427.2	2325	2350.4	2340.4	2357.6	2383.3	2408.9	2420.7	2392.5	2432.6	2300.6

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

FTSE SECTORS: LEADERS & LAGGARDS

Year to date percentage changes

Mining	21.34	FTSE 100 Index	-5.76	Industrials	-17.90
Oil & Gas Producers	17.79	NON FINANCIALS Index	-6.69	Real Est Invest & Se	-17.91
Oil & Gas	17.58	Health Care Eq & Srv	-7.39	Household Goods & Ho	-18.21
Basic Materials	13.12	FTSE All{HY-}Share Index	-8.21	Beverages	-18.32
Aerospace & Defense	8.48	Food Producers	-11.05	FTSE 250 Index	-18.36
Mobile Telecomms	5.91	Real Est Invest & Tr	-12.13	Software & Comp Serv	-19.27
Tobacco	5.64	Media	-12.20	Technology	-19.92

FTSE 100 SUMMARY

FTSE 100	Closing Price	Day's Change	FTSE 100	Closing Price	Day's Change
3I Group PLC	1155	-78.50	Itv PLC	75.26	-4.96
Abrdn PLC	179.00	-11.55	Jd Sports Fashion PLC	131.55	-9.50
Admiral Group PLC	2505	-35.00	Kingfisher PLC	267.10	-11.50
Airtel Africa PLC	131.70	-7.30	Land Securities Group PLC	716.80	-28.00
Anglo American PLC	3828	-140.00	Legal & General Group PLC	243.70	-14.50

FTSE WILSHIRE 5000 INDEX SERIES

FTSE GLOBAL EQUITY INDEX SERIES

UK STOCK MARKET TRADING DATA

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

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UK COMPANY RESULTS

UK RECENT EQUITY ISSUES

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$)							
ANZ Bank	25.00	-0.30	29.64	24.65	4.03	12.68	51366.19
BHP Group	50.38	0.44	54.55	35.56	4.03	17.41	188905.38
CmwBkAu	94.64	0.04	110.19	83.95	2.55	20.65	118349.71
CSL	249.66	-8.64	319.78	240.10	1.09	36.93	88134.31
NatAusBk	28.44	-0.45	30.98	25.08	3.04	15.74	67352.85
Telstra	3.82	-0.10	4.20	3.04	2.55	25.14	32889.27
Wesfarmers	48.08	-0.67	67.20	47.45	3.34	23.48	39951.22
Westpac Bank	21.77	-0.44	27.12	20.00	3.93	16.45	55857.31
Woolworths	34.58	-0.23	42.66	32.49	2.85	29.09	30713.73
Belgium (€)							
AnBshInBv	48.96	-1.73	65.86	46.66	1.08	19.65	92498.65
KBC Grp	51.92	-3.96	86.50	49.75	0.88	8.55	23539.53
Brazil (R$)							
Ambev	13.57	-0.36	19.86	13.37	3.27	14.99	42168.68
Bradesco	16.38	-0.41	24.57	16.06	3.02	11.24	15746.29
Cielo	2.35	-0.12	4.45	2.01	6.59	7.47	1260.11
ItauHldFin	20.69	-0.33	30.15	18.91	3.98	7.69	20247.72
Petrobras	34.98	-1.99	38.08	20.78	6.48	3.60	51383
Vale	104.87	2.90	120.45	61.85	12.83	6.07	103471.63
Canada (C$)							
Bausch Hlth	28.26	-0.81	43.97	27.50	-	-6.95	7958.66
BCE	71.62	0.47	71.94	55.67	4.74	23.91	50981.97
BkMontrl	143.79	-2.46	152.87	107.36	2.91	12.58	73013.08
BkNvaS	93.01	-0.18	95.00	75.84	3.82	12.24	87718.34
Brookfield	67.87	-0.78	79.04	51.58	0.93	25.61	87188.22
CanadPcR	101.38	2.41	104.07	82.12	0.74	22.23	73802.07
CanImp	157.86	-1.70	167.50	121.60	3.65	11.48	55745.21
CanNatRs	75.98	0.94	76.73	35.83	2.37	15.63	69452.91
CanNatRy	165.04	3.56	168.65	125.00	1.46	24.43	90650.82
Enbridge	56.97	0.07	57.54	44.50	5.71	20.43	90388.93
GtWesLif	36.26	-0.39	41.50	31.43	4.74	10.48	26430.42
ImpOil	59.08	0.31	60.42	28.63	1.63	80.21	30956.51
Manulife	24.93	-0.20	28.09	22.76	4.41	7.47	37924.64
Nutrien	125.50	4.58	129.57	66.05	1.81	25.41	54178.14
RylBkC	137.01	-1.24	148.26	110.15	3.11	12.55	152080.87
SHOP	714.50	-50.15	2228.73	712.32	-	21.40	83778.91
Suncor En	41.60	1.54	42.49	21.90	1.98	26.48	46787.56
ThmReut	134.44	-0.71	156.62	107.66	1.48	8.33	51183.29
TntoDom	97.27	-1.27	109.08	78.40	3.21	12.76	138533.2
TrnCan	71.60	-0.13	72.46	56.16	4.69	38.17	54991.8
China (HK$)							
AgricBkCh	2.85	-0.08	3.30	2.54	7.73	3.78	11207.37
Bk China	2.94	-0.07	3.20	2.67	7.82	3.67	31452.01
BkofComm	5.13	-0.18	5.56	4.35	7.28	3.82	22977.94
BOE Tech	0.70	-0.01	1.21	0.65	-	-60.88	17.82
Ch Com Cons	4.51	-	5.17	3.57	4.66	3.16	2549.33
Ch Evrbrght	2.86	-0.08	3.54	2.63	8.65	3.73	4638.9
Ch Rail Cons	5.10	-0.06	5.99	4.57	5.31	2.64	1354.68
Ch Rail Gp	4.50	-0.10	5.20	3.53	4.72	3.80	2422.15
ChConstBk	5.69	-0.12	6.74	5.03	6.74	4.13	175006.98
China Vanke	17.34	-0.28	33.75	16.84	8.48	4.44	4217.46
ChinaCitic	3.60	-0.07	4.29	3.28	8.32	3.25	6853.98
ChinaLife	12.50	-0.32	16.92	12.22	5.89	5.05	11899.48
ChinaMBank	61.00	-2.75	72.45	55.55	2.42	11.79	35826.47
ChinaMob	51.60	-0.45	59.20	45.90	6.45	8.10	135061.96
ChinaPcIns	20.85	-0.65	38.00	20.55	6.73	6.16	7402.75
ChMinsheng	2.95	-0.07	5.01	2.56	8.61	3.74	3140.08
ChMrchSecs	15.45	-0.35	22.32	15.40	4.76	14.23	18148.88
Chna Utd Coms	3.77	-0.07	4.60	3.70	1.69	18.93	18351.28
ChShenEgy	22.30	-0.45	23.50	14.22	9.49	8.11	9635.52
ChShpbldng	4.01	-0.06	5.08	3.78	-	-300.11	14015.71
ChStConEng	5.47	0.02	5.77	4.38	3.94	4.59	35252.81
ChUncHK	4.07	-0.08	5.39	3.82	4.16	8.29	15931.83
CNNC Intl	7.73	-0.04	8.92	4.62	1.60	20.34	21445.2
CSR	3.28	-0.14	4.04	3.19	6.52	7.33	1834.14
Daqin	6.92	-0.08	7.25	5.80	6.61	10.38	16282.68
GuosenSec	10.24	-0.18	13.29	10.23	2.14	12.65	14306.02
HaitongSecs	6.51	-0.16	7.81	6.36	9.62	5.12	2839.59
Hngzh HikVDT	43.90	-1.87	70.44	43.56	1.74	26.91	63514.48
Hunng Pwr	4.37	-0.08	5.74	2.53	4.72	-54.29	2627.8
IM Baotou Stl	2.50	-0.08	4.14	1.46	-	29.97	12534.04
Ind&CmBkCh	4.53	-0.09	5.75	4.08	6.93	4.22	50299.75
IndstrlBk	21.34	-0.37	25.08	17.08	3.58	6.12	66250.31
Kweichow	1707	-73.50	2320	1525.5	1.08	44.90	339084.01
Midea	0.46	-0.04	0.79	0.46	-	43.50	17.72
New Ch Life Ins	21.90	-0.65	31.20	20.55	7.47	3.83	2897.25
PetroChina	4.47	0.19	4.49	2.68	5.76	8.34	12065.41
PingAnIns	55.05	-3.30	89.80	48.80	4.86	6.83	52450.38
PingAnBnk	14.72	-0.61	25.16	14.66	1.16	9.14	45210.36
Pwr Cons Corp	7.93	0.15	9.96	3.77	1.11	16.59	13987.12
SaicMtr	18.32	-0.33	23.45	18.01	3.22	9.23	33876.31
ShenwanHong	0.08	0.01	0.11	0.05	-	-14.70	89.60
ShgPdgBk	8.29	-0.11	11.24	8.28	5.52	5.34	38511.81
Sinopec Corp	3.80	-0.10	4.69	3.40	3.96	4.24	12403.1
Sinopec Oil	2.25	-0.01	2.90	1.94	-	263.21	4832.19
Denmark (kr)							
DanskeBk	98.66	-1.39	133.25	93.56	2.06	6.66	12430.77
MollerMrsk	20090	-1060.00	24070	12795	1.73	4.40	26152.13
NovoB	693.60	-7.40	773.70	420.15	1.37	32.96	179666.71
Finland (€)							
Nokia	4.33	-0.10	5.71	3.25	-	-13.45	26618.44
SampoA	37.90	-0.20	47.33	35.85	4.66	28.08	22841.06
France (€)							
Airbus Grpe	93.99	-3.11	121.00	90.24	-	16.99	80352.37
AirLiquide	141.18	-2.06	157.40	126.05	2.02	24.89	72983
AXA	22.22	-0.04	29.09	20.78	6.67	9.24	58525.21
BNP Parib	45.30	-1.90	68.07	43.07	6.10	6.54	60810.47
ChristianDior	542.50	-20.50	733.50	467.20	1.15	24.27	106498.45
Cred Agr	9.73	-0.24	14.27	8.97	8.52	6.88	32950.75
Danone	48.05	-1.11	65.30	47.26	8.72	15.10	35935.99
EDF	7.27	-0.18	13.25	6.95	2.99	4.41	25606.5
Engie SA	10.10	-0.63	14.61	9.80	5.44	48.71	26749.73
EssilorLuxottica	141.48	-1.22	195.00	128.95	1.63	44.59	68077.4
Hermes Intl	1144	-16.50	1678	872.80	0.41	52.04	131344.65
LOreal	341.85	5.45	433.65	304.30	1.21	45.16	199054.62
LVMH	567.80	-10.00	741.60	518.70	1.10	29.18	311692.46
Orange	10.27	-0.16	11.16	8.93	7.07	30.02	29716.26
PernodRic	177.40	-5.15	214.50	156.40	2.33	34.29	50524.09
Renault	21.89	-1.24	41.42	20.47	-	-18.12	7040.09
Safran	95.31	-1.69	127.74	91.48	0.47	29.37	44285.46
Sanofi	88.75	0.94	95.16	76.14	3.74	18.60	121963.72
Sant Gbn	48.78	-1.44	64.93	45.43	2.83	11.50	27799.43
Schneider	130.64	1.02	173.78	121.40	2.06	24.22	80846.69
SocGen	19.93	-0.88	37.68	18.34	2.86	4.38	18144.52
Total	44.89	0.39	52.50	33.91	6.26	12.34	127408.69
UnibailR	53.29	-5.12	85.65	52.62	-	-1.73	8032.3
Vinci	82.05	-4.18	103.74	80.74	2.58	20.19	52904.72
Vivendi	10.74	-0.01	12.09	5.57	5.79	9.87	12948.28
Germany (€)							
Allianz	183.22	-5.34	232.50	178.48	5.43	8.50	81389.51
BASF	48.77	-2.43	72.88	47.23	7.02	8.03	48715.83
Bayer	50.68	-0.49	57.73	43.91	4.10	212.25	54148.18
BMW	70.52	-2.58	97.60	67.58	2.80	3.79	46169.34
Continental	60.56	-1.65	132.68	56.78	-	12.20	13172.77
Deut Bank	8.90	-0.25	14.64	8.16	-	10.07	19993.43
Deut Tlkm	15.26	-0.09	18.92	14.47	4.08	12.90	82765.99
DeutsPost	39.44	-1.72	61.38	38.49	3.55	9.84	53140.09
E.ON	10.25	-0.36	12.54	8.29	4.76	6.54	29443.73
Fresenius Med	53.52	-0.08	71.14	50.98	2.60	16.42	17054.46
Fresenius SE	27.96	-0.15	47.60	26.69	3.27	8.72	13781.23
HenkelKgaA	61.35	-0.50	86.50	58.50	3.09	16.35	17333.85
Linde	251.70	2.10	306.00	202.70	1.47	41.38	140304.54
Mercedes-Benz	57.39	-0.61	91.63	49.28	2.44	5.11	92.89
MuenchRkv	209.15	-9.75	282.25	207.50	4.86	12.43	31886.96
SAP	97.27	0.50	129.74	94.48	1.97	19.40	129658.24
Siemens	113.78	0.56	156.98	105.92	3.19	17.45	105179.99
Volkswagn	185.50	-11.50	357.40	180.10	2.69	5.03	59531.44
Hong Kong (HK$)							
AIA	75.10	-4.30	104.80	74.05	1.73	17.73	116226.77
BOC Hold	26.70	-0.75	32.75	22.20	4.45	12.36	36114.08
Ch OSLnd&Inv	24.65	0.45	25.65	15.42	4.69	5.33	34514.47
ChngKng	50.00	1.55	56.05	41.35	3.45	10.55	23306.4
Citic Ltd	8.89	-0.07	10.24	6.54	5.25	3.66	33084.65
Citic Secs	17.80	-0.98	21.52	14.89	2.65	9.87	5966.39
CK Hutchison	52.50	-0.40	65.80	48.80	4.22	6.14	25754.23
CNOOC	10.66	0.24	10.98	7.55	4.13	8.58	60887.97
HangSeng	135.00	-4.10	169.50	131.00	3.90	17.29	33018.9
HK Exc&Clr	340.00	-15.80	544.00	340.00	2.63	34.45	55146.62
MTR	39.75	-0.55	49.00	39.35	2.96	136.46	31495.43
SandsCh	18.42	-1.46	40.55	14.64	-	-16.88	19071.52
SHK Props	89.45	-0.90	124.30	88.60	5.30	10.15	33160.6
Tencent	388.00	-15.20	694.50	381.00	0.40	16.94	476728.79
India (Rs)							
Bhartiartl	675.40	21.70	781.80	490.34	-	-52.14	51635.63
HDFC Bk	1324.8	-41.70	1725	1297.15	-	22.40	95421.74
Hind Unilevr	1943.95	-75.55	2859.3	1927.8	1.65	51.93	59343.06
HsngDevFin	2121.95	-95.55	3021.1	2098.2	1.09	18.01	49952.68
ICICI Bk	653.75	-34.30	867.00	531.15	0.31	20.68	59001.44
Infosys	1739.85	16.55	1909.8	1305.05	1.75	34.28	95075.13
ITC	224.95	-0.55	265.30	199.10	4.80	18.64	36015.17
L&T	1634.45	-77.30	2008	1305	1.11	27.03	29833.17
OilNatGas	186.95	21.70	189.75	97.45	1.95	6.47	30556.87
Reliancein	2239.55	-86.00	2751.35	1876.7	0.31	25.55	196872.5
SBI NewA	440.30	-21.65	549.00	321.30	0.91	12.24	51054.13
SunPhrmInds	822.65	-7.00	902.85	562.10	0.92	30.57	25644.77
Tata Cons	3484.9	-39.45	3989.9	2987.05	1.01	34.13	167483.98
Israel (ILS)							
TevaPha	24.60	-0.69	38.81	24.50	-	11.59	8270.93
Italy (€)							
Enel	5.56	-0.11	8.77	5.29	6.68	25.51	61486.56
ENI	13.41	0.55	14.85	9.33	5.19	32.28	52568.35
Generali	15.87	-0.37	19.35	15.30	6.60	9.75	27279.67
IntSPaolo	1.84	-0.05	2.92	1.68	2.01	56.33	38949.72
Unicred	8.50	-0.50	15.93	7.75	1.43	12.06	20674.29
Japan (¥)							
AstellasPh	1845	13.50	2052	1590	2.51	28.46	29769.88
Bridgestne	4263	-191.00	5467	4188	3.43	14.23	26368.21
Canon	2579.5	-79.00	2938	2271.5	3.32	12.85	29817.07
CntJpRwy	15150	-300.00	18455	14660	0.86	-22.34	27047.71
Denso	6700	-528.00	9575	6628	2.11	16.68	45753.18
EastJpRwy	6590	-125.00	8626	6442	1.53	-5.38	21584.91
Fanuc	18825	-1575.00	28790	18740	2.42	24.80	32941.41
FastRetail	60710	-580.00	99250	59750	0.80	31.89	55810.82
Fuji Hvy Ind	1743.5	-82.50	2413	1708	3.24	13.60	11622.46
Hitachi	4953	-367.00	7460	4832	2.34	8.30	41562.31
HondaMtr	3112	-103.00	3724	3058	5.02	6.02	48855.28
JapanTob	2052	-62.00	2417	1949.5	6.97	9.24	35567.88
KDDI	3781	-39.00	3899	3237	3.08	13.35	75504.65
Keyence	51800	-2050.00	76210	47150	0.38	45.63	109183.67
MitsbCp	4167	129.00	4184	2869	3.34	13.72	53655.23
MitsubEst	1656	-40.50	2047.5	1546	1.76	15.71	19970.43
MitsubishiEle	1304.5	-65.50	1817	1289	3.09	11.12	24275.47
MitsuiFud	2404	-37.00	2816.5	2211	1.84	11.12	19990.27
MitUFJFin	678.90	-16.80	770.30	564.40	3.72	7.25	78148.34
Mizuho Fin	1483	-20.00	1732.5	1397	5.08	6.50	32636.01
Murata Mfg	7196	-314.00	10535	7134	1.68	14.98	42145.78
Nippon T&T	3377	-49.00	3426	2749	3.13	11.60	106006.31
NipponTT	3377	-49.00	3426	2749	3.13	11.60	106006.31
Nissan Mt	464.40	-31.60	654.30	453.00	-	36.15	16987.49
Nomura	491.70	-18.30	721.00	471.00	4.55	-34.85	13779.47
Nppn Stl	2110.5	-35.50	2381	1690.5	3.82	4.22	17382.27
Panasonic	1055.5	-57.50	1541	1038.5	2.39	9.08	22447.09
Seven & I	5505	-34.00	6083	4252	1.81	21.59	42292.01
ShnEtsuCh	16045	-1085.00	21480	15890	1.82	17.69	57939.54
Softbank	4707	-256.00	10695	4584	0.94	2.72	70285.93
Sony	11110	-275.00	14745	9989	0.52	14.62	121424.96
SumitomoF	3898	-133.00	4461	3641	4.99	7.82	46429.46
Takeda Ph	3419	-41.00	4365	2993	5.12	12.64	46884.09
TokioMarine	6276	-88.00	7196	4907	3.15	19.83	37938.29
Toyota	1845	-129.00	2375.5	1584.4	2.78	8.20	260875.83
Mexico (Mex$)							
AmerMvl	19.20	-0.14	21.89	13.75	2.00	12.42	39512.51
FEMSA UBD	158.58	-2.41	180.66	145.77	2.28	818.26	16167.17
WalMrtMex	74.64	-1.09	79.99	61.05	0.81	30.91	61481.6
Netherlands (€)							
ASML Hld	540.60	7.00	777.50	422.25	0.53	39.45	238977.81
Heineken	79.70	-3.70	103.80	77.50	0.91	39.22	49926.49
ING	8.48	-0.42	14.00	7.90	1.47	8.19	36013.36
Unilever	40.28	-1.10	51.05	39.72	2.70	22.77	135570.3
Norway (Kr)							
DNB	183.20	-1.85	220.50	173.70	4.63	12.03	31587.9
Equinor	305.55	7.05	322.35	160.60	1.36	40.80	110063.46
Telenor	127.35	-1.30	159.95	125.15	10.54	11.23	19706.54
Qatar (QR)							
QatarNtlBk	23.20	-0.30	23.77	16.78	1.88	18.12	58841.22
Russia (RUB)							
Gzprm neft	301.42	45.48	24450.71	88.68	-	-	47100.11
Lukoil	5251.84	-	7554.91	7.45	-	-	24018.61
MmcNrlsNckl	18381.29	-	18128.31	96.83	-	-	18642.7
Novatek	1136.92	-	1984.96	0.02	-	-	22785.81
Rosneft	488.55	38.22	664.27	88.90	-	-	34176.47
Sberbank	223.59	29.51	568.52	79.10	-	-	31858.88
Surgutneftegas	23.70	-	2957.33	22.30	-	-	5587.9
Saudi Arabia (SR)							
AlRajhiBnk	153.80	-2.20	169.80	89.60	1.52	28.49	102478.68
NatnlcombBk	67.50	-0.10	75.00	48.00	2.09	20.80	53971.23
SaudiBasic	139.00	2.20	141.40	106.60	2.28	21.04	111140.73
SaudiTelec	111.20	-0.40	139.80	103.20	3.51	20.20	59275.06
Singapore (S$)							
DBS	31.91	-0.69	37.49	27.68	2.66	13.29	60293.99
JardnMt US$	57.05	-1.04	68.88	49.98	2.87	89.55	40726.52
OCBC	11.48	-0.14	13.54	10.98	3.40	15.62	37864.63
SingTel	2.51	-	2.63	2.21	4.06	76.97	30427.69
UOB	29.12	-0.41	33.33	24.73	2.58	15.53	35750.32
South Africa (R)							
Firstrand	64.72	-3.31	70.95	48.97	1.73	13.32	23724.6
MTN Grp	182.05	-12.32	211.49	72.50	-	43.47	22416.69
Naspers N	1634.6	1.18	3756.53	1262.66	0.34	9.32	46520.92
South Korea (KRW)							
HyundMobis	221000	-4000.00	321000	219000	2.28	8.56	17033.25
KoreaElPwr	23350	-650.00	27450	20050	5.26	-13.62	12216.18
SK Hynix	119500	-5000.00	147000	90500	0.99	10.08	70898.72
SmsungEl	70100	-1400.00	86200	68300	4.34	13.46	341047.05
Spain (€)							
BBVA	4.49	-0.31	6.29	4.22	1.37	7.86	32527.22
BcoSantdr	2.63	-0.09	3.51	2.49	1.09	7.87	49617.47
CaixaBnk	2.55	-0.10	3.43	2.22	1.09	3.21	22319.13
Iberdrola	9.19	0.23	11.74	8.47	4.77	17.46	64340.61
Inditex	19.88	-0.48	32.85	18.55	1.13	20.67	67383.42
Repsol	11.93	0.46	12.68	8.69	5.12	14.54	19813.79
Telefonica	3.89	-0.07	4.45	3.59	10.47	2.09	24429.77
Sweden (SKr)							
AtlasCpcoB	410.80	9.90	534.40	384.60	1.93	27.40	16081.74
Ericsson	77.84	-2.66	121.80	72.56	2.85	11.59	23992.43
H & M	134.90	-4.84	229.50	125.88	-	22.85	19767.81
Investor	181.68	-0.24	228.75	161.35	1.53	2.05	33207.38
Nordea Bk	91.59	-1.25	114.64	81.20	9.48	8.77	36118.28
SEB	95.78	-2.88	141.85	91.64	9.14	7.69	20851.28
SvnskaHn	86.30	-0.60	108.15	82.92	5.27	8.24	16837.39
Swedbank	136.02	-3.34	196.70	130.80	11.42	6.86	15447.04
Telia Co	34.44	-0.29	39.97	33.61	6.12	-9.13	14129.96
Volvo	161.40	-2.78	240.80	152.60	4.13	8.70	25720.25
Switzerland (SFr)							
ABB	28.74	-0.14	35.30	26.94	2.66	31.55	63740.19
CredSuisse	6.54	-0.30	13.26	6.21	3.53	225.43	18720.59
Nestle	113.30	-2.60	128.90	97.94	2.31	27.29	344520.11
Novartis	76.85	-0.51	86.92	73.01	3.87	8.05	202090.46
Richemont	105.40	-2.50	146.10	85.94	1.83	24.24	59431.59
Roche	340.00	5.10	384.20	296.25	2.55	21.97	258300.05
Swiss Re	75.00	-2.06	102.20	74.24	7.62	19.59	25722.17
Swisscom	558.60	4.20	563.60	463.90	3.88	16.03	31257.43
UBS	14.24	-0.31	19.90	13.10	4.66	7.45	56931.12
Zurich Fin	389.70	-6.10	454.00	352.80	4.97	13.71	63337.11
Taiwan (NT$)							
Chunghwa Telecom	121.00	-1.00	126.00	108.50	3.52	26.91	33213.04
Formosa PetChem	100.50	-2.00	117.50	90.30	0.58	18.63	33874.98
HonHaiPrc	102.50	-1.50	134.50	96.50	3.86	10.31	50278.85
MediaTek	972.00	-13.00	1200	821.00	3.76	16.23	54995.95
TaiwanSem	576.00	-4.00	655.00	518.00	1.76	26.71	528517.44
Thailand (THB)							
PTT Explor	38.50	-	42.50	34.00	4.98	12.36	33353.87
United Arab Emirates (Dhs)							
Emiritestele	36.12	0.22	36.90	20.16	2.16	34.65	85522.05
United Kingdom (p)							
AscBrFd	1708.5	-36.00	2528	1664			
AstraZen	8679	-241.00	9523	6499.8			
Aviva	386.80	-18.80	448.80	370.60			
Barclays	156.80	-12.14	217.63	153.78			
BP	348.15	-10.30	419.15	275.85			
BrAmTob	3079	-84.00	3456.5	2507.5			
BT	167.45	-13.15	206.70	131.90			
Compass	1559.5	-46.00	1823	1395.5			
Diageo	3509	-91.00	4364.1	2856			
GlaxoSmh	1488.6	-37.40	1696.9	1204			
Glencore	460.65	-15.85	484.60	263.50			
HSBC	467.65	-27.80	567.20	329.55			
Imperial Brands	1525	-63.00	1822	1360.5			
LlydsBkg	43.03	-2.13	54.50	39.67			
Natl Grid	1107.8	-2.80	1147.4	805.40			
Natwest Group	202.50	-12.30	258.10	182.75			
Prudential	1085.5	-28.00	1598.5	1040			
ReckittB	5780	-286.00	6709	4905.16			
RELX	2259	-62.00	2634.82	1582.5			
RioTinto	6028	-101.00	6876.26	4354			
RollsRoyce	90.23	-4.77	161.91	86.69			
RylDShlA	1895.2	-24.00	1930.8	16.51	2.92	43.31	118189.98
StandCh	469.20	-28.80	590.00	406.20			
Tesco	275.35	-6.05	304.10	2.74			
Vodafone	123.46	-4.54	142.74	106.30			
WPP	938.20	-24.40	1231.5	11.00			
United States of America ($)							
21stC Fox A	42.55	-0.14	44.95	34.16	1.08	14.61	13437.56
3M	142.74	-3.99	208.95	139.74	4.03	14.49	81518.81
AbbottLb	118.17	-3.24	142.60	105.36	1.41	30.10	208390.7
Abbvie	148.90	-1.66	151.25	102.05	3.32	36.92	263367.45
Accenture	308.01	-6.16	417.37	244.44	1.16	32.25	202769.79
Adobe	449.86	-2.27	699.54	416.81	-	45.22	212490.35
AEP	97.24	0.91	98.15	77.25	2.97	20.97	48975.09
Aetna	-	-	-	-	-	-	-
Aflac	59.24	-0.86	66.97	48.62	2.09	9.84	38497.76
AirProd	223.68	-4.75	316.39	223.03	2.60	24.23	49593.75
Alexion	182.50	3.05	187.45	99.91	-	59.43	40336.01
Allstate	128.21	0.66	140.00	106.11	2.26	6.34	35686.75
Alphabet	2567.39	-70.74	3030.93	1996.09	-	23.59	772155.13
Altria	52.64	-0.85	53.84	42.53	6.64	36.26	95660.43
Amazon	2800.84	-111.98	3773.08	2746.37	-	44.56	1425191.78
AmerAir	13.77	-0.82	26.09	13.74	-	-2.69	8936.6
AmerExpr	162.60	-10.35	199.55	135.13	1.01	19.88	123471.12
AmerIntGrp	55.50	-1.98	63.54	44.54	2.25	8.94	46081.52
AmerTower	232.41	-5.87	303.72	197.50	2.11	43.38	105952.19
Amgen	234.32	1.41	261.00	198.64	2.86	24.80	131984.47
Anthem	460.90	-15.94	477.47	322.75	0.92	21.20	111867.19
Aon Cp	289.16	-4.58	326.25	221.82	0.65	74.39	63711.32
Apple	163.04	-0.13	182.13	116.21	0.51	27.88	2660721.66
Aptiv	99.62	-6.25	180.81	98.33	-	35.02	26948.62
ArcherDan	86.09	3.29	87.99	55.26	1.66	19.09	48396.92
AT&T	23.63	-0.25	33.88	22.02	8.58	186.55	168750.84
AutomData	211.01	2.55	248.96	171.50	1.76	33.68	88631.65
Avago Tech	582.62	-13.37	677.76	419.14	2.37	40.53	238648.58
BakerHu	35.15	1.93	35.92	18.75	2.00	56.38	33509.94
BankAm♦	38.63	-2.33	50.11	35.81	1.89	11.87	316110.25
Baxter	84.01	-2.01	89.70	73.12	1.22	36.23	42063.26
BectonDick	270.48	-4.95	280.62	235.13	1.20	48.25	77023.46
BerkshHat	486005.23	-1434.77	494419.73	373595	-	8.98	299055.06
Biogen	210.80	1.35	468.55	200.36	-	20.90	30979.76
BkNYMeln	50.37	-0.55	64.63	44.20	2.46	13.16	40653.94
BlackRock	682.29	-14.30	973.16	670.28	2.29	18.63	103737.01
Boeing	177.18	-3.86	278.57	175.91	-	-25.55	103295.9
Booking Holdings	1877.05	-107.99	2715.66	1866.97	-	208.98	77078.01
BrisMySq	68.48	-0.88	69.75	53.22	2.79	-29.54	149266.73
CapOne	126.85	-7.27	177.95	120.78	1.15	4.85	53990.16
CardinalHlth	52.80	-1.20	62.96	45.85	3.60	28.21	14628.84
Carnival	16.19	-1.04	31.52	16.14	-	-2.04	15969.23
Caterpillar	200.66	5.00	246.69	179.67	2.04	22.03	107533.65
CharlesSch	78.12	-1.11	96.24	62.33	0.90	30.37	141758.17
Charter Comms	552.68	2.75	825.62	545.33	-	23.29	99090.59
Chevron Corp	156.97	-1.68	161.95	92.86	3.26	31.11	305707.45
Chubb	201.61	-3.91	211.78	155.08	1.53	10.53	85932.08
Cigna	237.71	-3.92	272.81	191.74	1.23	10.33	76293.8
Cisco	55.96	-0.55	64.29	45.27	2.52	21.71	232467.24
Citigroup	55.48	-1.11	80.29	54.07	3.58	5.39	109900.03
CME Grp	242.01	-1.76	256.94	185.79	1.43	36.64	86977.08
Coca-Cola	60.79	-1.79	63.02	49.90	2.68	30.74	263531.75
Cognizant	88.04	-0.84	92.44	66.19	1.04	25.46	46180.05
ColgtPlm	76.36	-0.98	85.18	74.01	2.27	24.97	64196.41
Comcast	46.25	-0.96	61.80	44.27	2.10	15.69	209225.1
ConocPhil	101.25	0.98	103.77	47.85	1.65	30.84	131571.1
Corning	37.45	-1.40	46.82	34.25	2.45	38.08	31677.06
Costco	539.55	14.05	571.49	307.00	0.56	46.73	239254.04
CrownCstl	177.00	-2.10	209.49	146.15	2.93	59.96	76501.98
CSX	37.90	0.47	38.63	29.31	0.94	24.46	83118.49
CVS	104.70	-0.49	111.25	68.97	1.86	18.76	137419.84
Danaher	261.23	-11.31	333.96	211.22	0.30	34.51	186871.56
Deere	384.42	-5.65	405.44	320.50	0.90	21.12	117270.73
Delta	31.77	-2.76	52.28	31.75	-	-271.72	20327.37
Devon Energy	60.87	1.30	62.79	20.14	1.98	35.70	40429.85
DiscFinServ	102.94	-7.28	135.69	89.83	1.72	6.30	29327.99
Disney	135.36	-5.36	203.02	129.26	-	229.61	246440.94
DominRes	82.77	0.07	83.17	67.89	2.97	26.80	66918.5
DukeEner	106.10	0.84	108.38	86.18	3.56	28.22	81626.72
DuPont	69.55	-4.84	86.28	66.37	1.68	26.64	35672.72
Eaton	145.82	-3.96	175.72	131.86	2.01	29.06	58153.02
eBay	55.78	0.12	81.19	49.53	1.22	20.02	32769.43
Ecolab	160.21	-7.90	238.93	160.12	1.17	41.95	45940.46
Emerson	92.33	0.75	105.99	86.72	2.13	20.79	54927.12
EOG Res	118.72	-0.04	121.78	62.81	1.29	23.53	69458.96
EquityResTP	88.98	0.37	92.54	67.01	2.64	33.43	33449.12
Exelon	44.33	0.05	44.73	27.91	3.36	26.61	43347.32
ExxonMb	86.10	2.01	87.09	52.10	3.94	-63.58	364512.31
Facebook	190.81	-9.25	384.33	190.22	-	14.29	440595.56
Fedex	205.76	-8.78	319.90	205.19	1.35	11.41	54520.09
FordMtr	16.33	-0.52	24.91	11.14	0.59	3.78	64235.89
Franklin	27.26	-0.94	38.27	24.91	4.02	7.44	13687.91
GenDy	251.90	6.61	254.99	165.80	2.23	22.26	69952.12
GenElectric	86.68	-2.38	116.17	86.56	0.36	67.41	95289.22
GenMills	67.50	-0.62	69.85	55.28	3.00	18.73	40716.45
GenMotors	40.74	-1.67	65.18	40.53	-	6.27	59188.82
GileadSci	61.50	-0.36	74.12	58.90	4.45	10.75	77114.03
GoldmSchs	324.75	-4.92	426.16	316.47	1.72	5.49	108724.02
Halliburton	36.41	2.28	37.47	17.82	0.48	83.06	32716.9
HCA Hold	259.32	-6.09	266.21	176.13	0.54	13.60	78729.55
Hew-Pack	35.47	-0.88	39.07	26.11	2.09	6.94	37362.88
HiltonWwde	131.06	-6.61	160.96	114.70	-	104.91	36583.97
HomeDep	322.01	-2.25	420.61	246.59	1.92	22.45	336255.46
Honywell	183.79	-3.64	236.86	174.42	1.97	24.28	126046.63
Humana	430.04	-10.75	475.44	365.34	0.62	21.34	54533.49
IBM	126.91	0.79	152.84	114.56	4.89	22.69	114131.43
IllinoisTool	207.08	-5.05	248.11	204.01	2.18	24.72	64800.91
Illumina	315.54	-8.03	526.00	306.66	-	53.01	49539.78
Intel	48.02	-0.05	68.49	43.63	2.81	10.19	195537.44
Intcntl Exch	136.34	0.64	139.79	109.04	0.94	19.59	76600.13
Intuit	453.97	-10.98	716.86	365.15	0.52	62.09	128388.41
John&John	170.12	0.64	179.92	153.13	2.37	26.10	447291.1
JohnsonCn	61.05	-1.87	81.69	56.97	1.83	28.74	42905.93
JPMrgnCh	129.61	-4.79	172.96	129.24	2.78	8.42	382713.57
Kimb-Clark	127.84	-1.29	144.47	125.27	3.42	22.32	43081.22
KinderM	18.88	0.04	19.29	15.01	5.50	25.16	42798.77
Kraft Heinz	40.03	0.49	44.95	32.79	3.87	22.14	49347.32
Kroger	59.47	0.53	62.57	34.13	1.21	45.97	43725.65
L Brands	79.92	-0.15	-	-	-	-	-
LasVegasSd	38.28	-2.52	66.62	33.75	-	-21.59	29245.53
LibertyGbl	23.15	-0.86	30.58	23.12	-	1.16	4034.63
Lilly (El)	261.74	-1.13	283.91	178.58	1.22	41.02	249267.34
Linde	273.94	-7.49	346.50	241.88	1.47	41.41	140409.24
Lockheed	477.10	18.85	479.99	324.23	2.15	21.61	129925.81
Lowes	223.42	-0.66	263.31	151.07	1.10	24.35	150525.23
Lyondell	95.97	-1.16	118.02	84.17	4.43	5.74	31479.08
Marathon Ptl♦	75.02	-2.71	81.39	50.19	3.01	105.49	41904.26
Marsh&M	152.68	-3.81	175.12	113.38	1.57	29.63	76762.26
MasterCard	320.51	-10.25	401.50	306.00	0.66	40.47	310807.99
McDonald's♦	226.19	-9.62	270.17	202.96	2.22	23.94	168191.43
McKesson♦	279.11	-2.71	283.66	169.75	0.62	32.59	41810.23
Medtronic	107.05	-1.27	135.89	98.38	2.17	32.19	143605.06
Merck	76.83	-1.00	91.40	68.66	3.30	23.68	194068.27
Metlife♦	62.47	-1.51	72.55	55.21	2.93	10.60	51542.64
Microsoft♦	282.70	-7.16	349.67	226.46	0.79	31.04	2119364.14
Mnstr Bvrg	77.01	-4.31	99.89	76.37	-	27.64	40765.93
MondelezInt	62.26	-1.57	69.47	54.12	2.03	20.35	86850.96
Monsanto	9.76	-	10.00	9.51	-	-	244.00
MorganStly	84.73	-1.63	109.73	76.00	2.01	11.06	152040.52
Netflix	355.53	-6.21	700.99	351.46	-	32.62	157839.98
NextEraE	83.40	3.19	93.47	68.33	1.76	71.94	163692.93
Nike	124.64	-8.54	179.10	124.17	0.90	32.95	197092.64
NorfolkS	286.85	2.28	299.20	228.62	1.36	25.34	68780.16
Northrop	480.23	11.66	490.82	295.16	1.24	11.37	74964.83
NXP	174.06	-2.39	239.91	166.04	1.15	31.51	45697.39
Occid Pet	53.75	-2.40	58.77	21.62	0.07	-74.56	50205.94
Oracle	74.65	-1.84	106.34	65.43	1.60	21.79	199348.87
Pepsico	162.20	-3.55	177.24	129.19	2.52	28.36	224266.31
Perrigo	36.50	-0.73	50.90	34.53	2.52	-12.05	4883.14
Pfizer	47.78	-0.87	61.71	33.96	3.16	14.26	268683.49
Phillips66	84.08	-0.22	94.34	63.19	4.17	-75.05	36865.85
PhilMorris	93.57	-6.23	112.48	84.60	5.05	16.73	145017.39
PNCFin	183.53	-1.34	224.52	168.44	2.49	14.40	76799.01
PPG Inds	116.48	-7.47	182.97	116.31	1.85	20.10	27489.16
ProctGmbl	151.86	-3.28	165.35	122.55	2.17	27.62	367493.28
Prudntl	102.81	-3.62	124.22	87.32	4.31	5.74	38656.56
PubStor	376.74	-0.62	380.30	229.50	2.07	46.20	66103.65
Qualcomm	154.90	-7.36	192.68	122.17	1.68	18.30	174275.13
Raytheon	100.85	1.26	104.34	73.10	1.82	62.76	150501.58
Regen Pharm	621.98	1.57	686.62	449.30	-	10.22	65755.56
S&P Global	394.28	-13.27	484.21	327.31	0.74	34.89	95021.48
Salesforce	201.77	-1.24	311.75	184.44	-	116.98	199743.45
Schlmbrg	42.78	3.84	43.40	24.52	1.13	33.41	60441.9
Sempra Energy	151.60	-0.33	152.91	116.73	2.79	44.21	48408.58
Shrwin-Will	246.39	-12.10	354.15	219.07	0.83	34.60	64153.49
SimonProp	130.15	-6.74	171.12	104.12	5.09	21.72	42765.74
SouthCpr	74.78	-1.82	83.29	54.92	3.52	18.81	57811.02
Starbucks	86.59	-3.44	126.32	86.55	2.06	24.13	99604.48
StateSt	79.60	-0.91	103.76	76.92	2.61	12.03	29138.96
Stryker	253.44	-13.67	281.16	227.84	0.97	52.34	95683.04
Sychrony Fin	34.94	-2.34	52.49	34.91	2.45	5.07	18213.24
T-MobileUS	122.34	-0.89	150.20	101.51	-	47.21	152838.13
Target	216.30	-7.80	268.98	167.05	1.30	16.60	103634.5
TE Connect	128.18	-5.25	166.44	123.31	1.50	17.96	41826.85
Tesla Mtrs	831.57	-6.72	1243.49	539.49	-	277.15	835120.64
TexasInstr	167.02	-2.96	202.26	161.04	2.38	22.01	154250.83
TheTrvelers	171.55	-1.85	174.90	144.44	1.96	12.34	41429.45
ThrmoFshr	526.74	-20.59	668.94	433.52	0.18	25.10	206054.4
TJX Cos	58.10	-3.45	76.94	59.08	1.26	28.16	70493.15
Truist Financial Corp	57.83	-1.13	66.10	51.87	3.08	14.00	76805.21
UnionPac	266.63	2.00	270.14	195.68	1.49	29.30	169816.37
UPS B	200.60	-9.79	232.31	158.54	1.98	28.17	146950.32
USBancorp	54.14	-1.11	63.01	50.40	3.09	11.16	80338.44
UtdHlthcre	485.97	-12.68	509.23	335.02	1.08	30.95	457248.76
ValeroEngy	85.26	-0.72	93.77	58.85	4.48	-81.04	34897.96
Verizon	54.61	-0.51	59.85	49.69	4.37	11.89	229222.16
VertexPharm	237.17	-1.49	254.93	176.36	-	29.19	60377.95
VF Cp	52.58	-2.35	90.79	52.53	3.63	17.78	20448.45
ViacomCBS	29.58	-6.41	101.97	27.84	3.27	6.02	17946.37
Visa Inc	191.26	-9.00	252.67	190.10	0.68	32.65	317181.81
Walgreen	47.52	-0.20	57.05	43.62	3.95	6.96	41022.69
WalMartSto	142.65	-0.18	152.57	126.75	1.47	52.05	395679.89
WellsFargo	46.75	-2.05	60.30	36.34	1.04	11.40	178311.46
Williams Cos	33.40	-0.07	34.39	22.59	4.75	41.81	40600.8
Yum!Brnds	114.04	-4.69	139.85	101.94	1.68	22.60	32955.39
Venezuela (VEF)							
Bco de Vnzla	0.40	-	594.00	0.11	233.46	-	337.61
Bco Provncl	1.75	-	798000	1.75	-	0.00	151.87
Mrcntl Srvcs	4.01	-0.89	601.00	3.40	4308.33	0.00	56.50

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 %
Sberbank	223.59	194.08	29.51	15.20	112.90	102.0	-12.64
Rosneft	488.55	390.33	98.22	25.16	190.70	64.0	-14.41
Kroger	59.47	58.94	0.53	0.90	12.67	27.1	33.05
Occid Pet	53.75	56.15	-2.40	-4.27	10.02	22.9	30.63
BakerHu	35.15	33.22	1.93	5.81	5.77	19.6	27.15
OilNatGas	186.95	165.25	21.70	13.13	27.45	17.2	10.23
Nutrien	125.50	120.92	4.58	3.79	16.49	15.1	36.37
Novatek	1136.92	1136.92	0.00	0.00	138.63	13.9	-31.84
Vale	104.87	101.97	2.90	2.84	12.59	13.6	16.30
CanadPcR	101.38	98.97	2.41	2.44	12.13	13.6	13.75
BHP Group	50.38	49.94	0.44	0.88	5.69	12.7	7.63
NorfolkS	286.85	284.57	2.28	0.80	30.33	11.8	8.60
CSX	37.90	37.43	0.47	1.24	3.99	11.8	12.45
Gzprm neft	301.42	255.94	45.48	17.77	28.84	10.6	-7.69
Lockheed	477.10	458.15	18.95	4.14	43.30	10.0	21.52
ExxonMb	86.10	84.09	2.01	2.39	7.68	9.8	4.25
ArcherDan	86.09	82.80	3.29	3.97	7.64	9.7	13.24
Equinor	305.55	298.50	7.05	2.36	27.10	9.7	17.52
PetroChina	4.47	4.28	0.19	4.44	0.37	9.0	12.34
Schlmbrg	42.78	38.94	3.84	9.85	3.54	9.0	5.76

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 %
Mercedes-Benz	57.39	58.00	-0.61	-1.05	-	-	-18.20
Engie SA	10.10	10.73	-0.63	-5.89	-4.17	-29.2	-28.39
Unicred	8.50	9.00	-0.50	-5.59	-2.89	-25.4	-43.24
Renault	21.89	23.13	-1.24	-5.34	-6.65	-23.3	-36.17
Aptiv	99.62	105.87	-6.25	-5.90	-29.82	-23.0	-23.85
SocGen	19.93	20.81	-0.88	-4.21	-5.71	-22.3	-41.44
UnibailR	53.29	58.41	-5.12	-8.77	-14.59	-21.5	-15.10
Continental	60.56	62.21	-1.65	-2.65	-16.24	-21.1	-23.83
Volkswgn	185.50	197.00	-11.50	-5.84	-49.70	-21.1	-23.09
Deut Bank	8.90	9.15	-0.25	-2.77	-2.37	-21.0	-25.11
Delta	31.77	34.52	-2.76	-7.98	-8.16	-20.4	-22.26
Carnival	16.19	17.23	-1.04	-6.04	-4.14	-20.4	-24.70
AmerAir	13.77	14.59	-0.82	-5.64	-3.48	-20.2	-20.19
IntSPaolo	1.84	1.90	-0.05	-2.80	-0.45	-19.6	-30.89
KBC Grp	51.92	55.88	-3.96	-7.09	-12.60	-19.5	-33.20
ING	8.48	8.90	-0.42	-4.70	-2.02	-19.2	-35.50
SHOP	714.50	764.65	-50.15	-6.56	-165.42	-18.8	-34.83
BMW	70.52	73.10	-2.58	-3.53	-16.04	-18.5	-19.88
Sychrony Fin	34.94	37.28	-2.34	-6.28	-7.84	-18.3	-18.49
Airbus Grpe	93.99	97.10	-3.11	-3.20	-20.91	-18.2	-14.80

Based on the FT Global 500 companies in local currency

BONDS: HIGH YIELD & EMERGING MARKET

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

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

BONDS: GLOBAL INVESTMENT GRADE

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

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

INTEREST RATES: OFFICIAL

Mar 07	Rate	Current	Since	Last	Mnth Ago	Year Ago
US	Fed Funds	0.08	10-01-2021	0.00-0.25	1.50-1.75	1.25-1.50
US	Prime	3.25	03-16-2020	4.75	5.25	4.25
US	Discount	0.25	03-16-2020	2.65	2.75	1.75
Euro	Repo	0.00	16-03-2016	0.00	0.00	0.00
UK	Repo	0.50	03-02-2022	0.25	0.25	0.25
Japan	O'night Call	0.00-0.10	01-02-2016	0.00	0.00-0.10	0.00-0.10
Switzerland	Libor Target	-1.25-0.25	15-01-2015	-0.75--0.25	-1.25--0.25	-1.25-0.25

INTEREST RATES: MARKET

Mar 07 (Libor: Mar 04)	Over night	Change Day	Change Week	Change Month	One month	Three month	Six month	One year
US$ Libor	0.07814	-0.001	-0.847	0.021	0.31014	0.61014	0.93943	1.35286
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	0.64810	0.93750	1.36510	0.81363
Swiss Fr Libor				0.000	-0.77540	-0.75300	-0.70280	-0.55030
Yen Libor				0.000	-0.06375	-0.01138	0.03836	0.04867
Euro Euribor				0.003	-0.54900	-0.52000	-0.48200	-0.35900
Sterling CDs				0.000	0.50000	0.63000	0.78500	
US$ CDs				0.010	0.23000	0.42000	0.61000	
Euro CDs				-0.010	-0.63000	-0.59000	-0.51000	

Mar 07	Short term		7 Days notice		One month		Three month		Six month		One year	
Euro	-0.67	-0.37	-0.68	-0.38	-0.78	-0.48	-0.74	-0.44	-0.66	-0.36	-0.54	-0.24
Sterling					0.45	0.55	0.58	0.68	0.71	0.86	0.90	1.05
US Dollar	0.07	0.27	0.02	0.22	0.13	0.33	0.32	0.52	0.51	0.71	0.78	0.98
Japanese Yen	-0.20	0.00	-0.20	0.00	-0.30	-0.10	-0.20	0.00	-0.20	0.00	-0.20	0.00

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	218.27	-0.16	0.05	-0.69	-0.22	-1.52
Corporates(£)	375.16	-0.60	0.56	-5.22	-1.27	-4.63
Corporates($)	-	-	-	-	-	-
Corporates(€)	233.11	-0.10	0.60	-3.49	-1.36	-3.88
Eurozone Sov(€)	249.15	-0.20	1.00	-2.07	0.27	-3.18
Gilts(£)	343.12	-0.82	0.90	-4.55	-0.18	-2.88
Global Inflation-Lkd	-	-	-	-	-	-
Markit iBoxx £ Non-Gilts	-	-	-	-	-	-
Overall ($)	-	-	-	-	-	-
Overall(£)	345.45	-0.77	0.78	-4.57	-0.42	-3.21
Overall(€)	240.51	-0.16	0.88	-2.50	-0.29	-3.52
Treasuries ($)	-	-	-	-	-	-
FTSE						
Sterling Corporate (£)	-	-	-	-	-	-
Euro Corporate (€)	104.47	-0.05	-	-	0.54	-1.73
Euro Emerging Mkts (€)	640.36	-43.93	-	-	-15.49	-6.53
Eurozone Govt Bond	110.04	-0.19	-	-	-0.34	-0.64

CREDIT INDICES	Index	Day's change	Week's change	Month's change	Series high	Series low
Markit iTraxx						
Crossover 5Y	418.15	19.80	74.35	103.59	430.06	238.24
Europe 5Y	86.83	4.36	15.91	21.76	89.17	47.15
Japan 5Y	71.92	6.04	8.92	19.34	72.33	45.63
Senior Financials 5Y	101.19	5.41	20.18	27.47	105.30	54.29
Markit CDX						
Emerging Markets 5Y	324.31	24.97	75.05	109.02	324.31	168.20
Nth Amer High Yld 5Y	391.70	15.84	33.00	36.79	391.70	287.02
Nth Amer Inv Grade 5Y	74.38	3.42	7.96	10.71	74.38	48.82

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

VOLATILITY INDICES

	Mar 07	Day Chng	Prev	52 wk high	52 wk low
VIX	34.12	2.14	31.98	38.94	14.10
VXD	30.40	2.49	27.91	45.37	2.67
VXN	36.87	1.98	34.89	44.05	18.01
VDAX	43.26	-1.03	44.29	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	04/24	2.75	103.39	1.13	0.03	-0.08	0.18	1.00
	05/32	1.25	91.71	2.16	-0.01	-0.08	-	-
Austria	05/34	2.40	122.89	0.47	-0.09	-0.22	-0.09	0.41
	02/47	1.50	118.16	0.70	-0.10	-0.20	-0.05	0.29
Belgium	10/23	0.20	101.43	-0.67	-0.08	-0.26	-0.35	-0.03
Canada		-	-	-	-	-	-	-
	09/24	1.50	100.21	1.41	-0.12	-0.21	-0.03	0.81
Denmark		-	-	-	-	-	-	-
	11/23	1.50	103.57	-0.59	-0.13	-0.26	-0.37	-0.07
Finland	09/24	0.00	101.10	-0.43	-0.08	-0.21	-0.26	0.19
	04/31	0.75	104.22	0.28	-0.09	-0.24	-0.15	0.40
France	05/23	1.75	102.99	-0.69	-0.05	-0.15	-0.25	-0.05
	05/27	1.00	106.03	-0.15	-0.11	-0.37	-0.39	0.24
Germany		-	-	-	-	-	-	-
	08/23	2.00	104.16	-0.86	-0.11	-0.26	-0.43	-0.16
	08/27	0.50	104.93	-0.39	-0.14	-0.40	-0.43	0.16
	08/50	0.00	96.91	0.11	-0.16	-0.33	-0.21	-0.09
Greece	01/28	3.75	113.48	1.36	-0.08	-0.29	-0.01	0.72
Ireland		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
	03/24	3.40	108.11	-0.57	-0.14	-0.31	-0.40	-0.02
Italy	07/24	1.75	103.87	0.08	-0.05	-0.26	-0.41	0.21
	08/27	2.05	106.78	0.77	-0.05	-0.33	-0.34	0.45
	05/31	6.00	140.58	1.28	-0.06	-0.32	-0.23	0.55
	03/48	3.45	125.66	2.16	-0.05	-0.21	-0.10	0.56
Japan	04/23	0.05	99.98	0.07	0.00	0.00	0.01	-0.02
	03/28	0.10	104.80	-	-	-	-	-
	03/35	1.20	111.00	0.34	-0.02	-0.04	-0.02	0.02
	12/49	0.40	89.56	0.82	-0.02	-0.07	0.03	0.12
Netherlands	07/23	1.75	103.43	-0.76	-0.09	-0.18	-0.35	-0.08
	07/27	0.75	105.46	-0.26	-0.13	-0.37	-0.39	0.21
New Zealand	04/27	4.50	108.66	2.67	0.00	-0.02	0.21	1.39
	05/31	1.50	89.69	2.78	0.00	-0.02	0.19	0.92
	05/31	1.50	89.69	2.78	0.00	-0.02	0.19	0.92
Norway		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Portugal	10/23	4.95	108.99	-0.52	-0.06	-0.22	-0.35	0.02
	04/27	4.13	120.28	0.13	-0.04	-0.32	-0.24	0.25
Spain		-	-	-	-	-	-	-
	10/23	4.40	107.95	-0.39	-0.05	-0.19	-0.31	0.06
Sweden	11/23	1.50	102.75	-0.13	-0.03	-0.14	-0.22	0.11
	12/27	0.13	130.31	-2.70	-0.16	-0.67	-1.08	-1.09
	06/30	0.13	131.33	-2.61	-0.16	-0.59	-1.04	-1.09
Switzerland		-	-	-	-	-	-	-
	06/24	1.25	103.95	-0.49	-0.04	-0.13	-0.29	0.24
United Kingdom		-	-	-	-	-	-	-
	07/23	0.75	99.60	1.04	-0.08	-0.07	-0.11	0.96
	07/27	1.25	101.42	0.98	-0.10	-0.22	-0.28	0.52
	07/47	1.50	100.68	1.47	-0.09	-0.19	-0.06	0.20
United States	03/23	0.50	99.39	1.10	-0.04	-0.10	0.14	0.93
	03/27	0.63	95.07	1.64	-0.11	-0.26	-0.16	0.60
	04/32	3.38	147.58	-	-	-	-	-
	02/50	0.25	111.80	-	-	-	-	-

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

GILTS: UK CASH MARKET

Mar 07	Price £	Red Yield	Change in Yield Day	Change in Yield Week	Change in Yield Month	Change in Yield Year	52 Week High	52 Week Low	Amnt £m
	-	-	-	-	-	-	-	-	-
Tr 1.75pc '22	100.54	0.66	1.54	17.86	-22.35	-3400.00	103.99	100.51	29.68
Tr 0.75pc '23	99.49	1.12	9.80	13.13	-3.45	1020.00	101.08	99.08	33.73
Tr 0.125pc '24	97.99	1.20	11.11	12.15	-5.51	531.58	100.03	97.31	34.12
Tr 2pc '25	103.04	1.11	11.00	3.74	-12.60	362.50	119.10	99.56	38.33
Tr 0.125pc '26	96.41	1.07	10.31	1.90	-14.40	189.19	99.56	94.88	33.89
Tr 1.25pc '27	100.92	1.07	10.31	0.00	-16.41	114.00	105.60	98.96	39.34
Tr 0.875pc '29	98.07	1.14	9.62	-8.80	-13.64	60.56	103.32	95.65	41.87
Tr 4.25pc '32	128.25	1.30	8.33	-9.09	-9.72	46.07	138.01	125.04	38.71
Tr 4.25pc '36	135.25	1.46	5.80	-8.18	-3.95	35.19	147.98	132.25	30.41
Tr 4.5pc '42	153.01	1.51	4.14	-7.36	-3.21	21.77	169.96	148.84	27.21
Tr 3.75pc '52	155.28	1.48	3.50	-6.92	-2.63	17.46	180.27	150.30	24.14
Tr 4pc '60	176.28	1.40	4.48	-7.28	0.00	15.70	213.01	170.76	24.12

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

GILTS: UK FTSE ACTUARIES INDICES

Price Indices	Mar 07	Day's chg %	Total Return	Return 1 month	Return 1 year	Yield
Fixed Coupon						
1 Up to 5 Years	85.12	-0.25	2430.49	0.38	-1.75	1.11
2 5 - 10 Years	172.62	-0.66	3601.32	1.34	-2.67	1.15
3 10 - 15 Years	199.98	-0.89	4508.22	1.06	-3.33	1.41
4 5 - 15 Years	178.45	-0.74	3824.39	1.24	-2.85	1.27
5 Over 15 Years	339.03	-1.18	5719.05	0.66	-3.80	1.46
7 All stocks	172.99	-0.79	3802.57	0.74	-2.95	1.40

Index Linked	Mar 07	Day's chg %	Month chg %	Year's chg %	Total Return	Return 1 month	Return 1 year
1 Up to 5 Years	325.13	0.19	3.69	7.41	2725.81	3.69	8.60
2 Over 5 years	878.24	-0.10	5.27	12.00	6667.56	5.27	12.39
3 5-15 years	551.52	0.00	6.11	10.28	4434.85	6.11	10.77
4 Over 15 years	1148.12	-0.15	4.93	12.25	8470.25	4.93	12.48
5 All stocks	780.89	-0.07	5.10	11.48	6044.22	5.10	11.97

Yield Indices	Mar 07	Mar 04	Yr ago		Mar 07	Mar 04	Yr ago
5 Yrs	1.06	0.95	0.33	20 Yrs	1.55	1.49	1.25
10 Yrs	1.30	1.21	0.82	45 Yrs	1.33	1.28	1.15
15 Yrs	1.49	1.42	1.12				

Real yield	inflation 0% Mar 07	Dur yrs	Previous	Yr ago	inflation 5% Mar 07	Dur yrs	Previous	Yr ago
Up to 5 yrs	-4.64	2.17	-4.55	-2.98	-5.06	2.18	-4.98	-3.39
Over 5 yrs	-2.31	23.47	-2.31	-2.04	-2.33	23.52	-2.33	-2.06
5-15 yrs	-3.09	9.50	-3.09	-2.53	-3.17	9.51	-3.17	-2.62
Over 15 yrs	-2.20	28.65	-2.21	-1.98	-2.21	28.66	-2.22	-2.00
All stocks	-2.33	21.34	-2.33	-2.05	-2.35	21.40	-2.36	-2.08

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

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COMMODITIES

www.ft.com/commodities

Energy		Price*	Change	Agricultural & Cattle Futures		Price*	Change
Crude Oil†	Apr	118.34	3.33	Corn♦	May	758.00	0.50
Brent Crude Oil‡		122.37	4.24	Wheat♦	May	1294.00	92.50
RBOB Gasoline†	May	3.62	0.11	Soybeans♦	May	1667.00	-5.25
Heating Oil†		-	-	Soybeans Meal♦	May	461.00	-8.40
Natural Gas†	Apr	5.04	0.12	Cocoa (ICE Liffe)♦	May	1715.00	30.00
Ethanol♦		-	-	Cocoa (ICE US)♦	Mar	2495.00	0.00
Uranium†		-	-	Coffee(Robusta)♦	Mar	2191.00	19.00
Carbon Emissions‡		-	-	Coffee (Arabica)♦	Mar	225.30	-4.10
Diesel†		-	-	White Sugar♦		533.70	0.90
Base Metals (♠ LME 3 Months)				Sugar 11♦		19.68	0.30
Aluminium		3729.50	-111.00	Cotton♦	May	116.51	0.36
Aluminium Alloy		2900.00	350.00	Orange Juice♦	May	144.00	0.50
Copper		10256.00	-344.00	Palm Oil♦		-	-
Lead		2454.50	-10.00	Live Cattle♦	Apr	135.68	0.00
Nickel		50400.00	21270.00	Feeder Cattle♦	May	134.88	-
Tin		47290.00	-460.00	Lean Hogs♦	Apr	100.45	0.00
Zinc		4096.00	6.00				
Precious Metals (PM London Fix)					Mar 04	% Chg Month	% Chg Year
Gold		1945.30	15.70	S&P GSCI Spt	802.23	25.29	63.15
Silver (US cents)		2515.00	-16.00	DJ UBS Spot	133.05	15.72	36.41
Platinum		1092.00	7.00	TR/CC CRB TR	318.99	14.83	57.37
Palladium		2965.00	201.00	LEBA EUA Carbon	58.91	-1.98	129.94
Bulk Commodities				LEBA UK Power	1048.00	-37.43	-39.60
Iron Ore		152.28	1.17				
GlobalCOAL RB Index		232.50	6.00				
Baltic Dry Index		2235.00	87.00				

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

BONDS: INDEX-LINKED

	Price Mar 04	Yield Mar 04	Yield Prev	Month return	Value stock	Market value	No of stocks
Can 4.25%' 26	126.92	-1.248	-1.100	1.55	5.25	82259.68	8
Fr 2.10%' 23	109.48	-4.361	-4.261	0.68	18.05	287144.72	17
Swe 1.00%' 25	127.19	-2.904	-2.804	1.69	35.30	227644.34	6
UK 0.125%' 24	111.09	-4.953	-4.809	1.04	13.45	853043.60	31
UK 2.50%' 24	377.66	-4.586	-4.442	1.15	6.82	853043.60	31
UK 2.00%' 35	317.12	-2.848	-2.759	3.25	9.08	853043.60	31
US 0.625%' 23	104.49	-3.681	-3.675	0.07	47.03	1798107.29	46
US 3.625%' 28	131.34	-1.286	-1.203	1.03	16.78	1798107.29	46

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

BONDS: TEN YEAR GOVT SPREADS

	Bid Yield	Spread vs Bund	Spread vs T-Bonds		Bid Yield	Spread vs Bund	Spread vs T-Bonds
Australia	2.16	-	-	Netherlands	-0.26	-	-
Austria	0.47	-	-	New Zealand	2.78	-	-
Canada	-	-	-	Norway	-	-	-
Denmark	-	-	-	Portugal	0.13	-	-
Finland	0.28	-	-	Spain	-	-	-
Germany	-	-	-	Sweden	-2.61	-	-
Ireland	-	-	-	Switzerland	-	-	-
Italy	1.28	-	-	United Kingdom	-	-	-
Japan	0.34	-	-	United States	-	-	-

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

Renaissance master who took on God

Carlo Crivelli created his own universe by breaking pictorial tradition. Rachel Spence visits a show of his work in Birmingham

Who can blame the balding friar for gazing up in awe? On the one hand, it's business as usual in 15th-century Ancona. There are birds in the trees, ducks in the stream and people pottering up and down the street that winds past the church towards an ice-blue sea. Above, however, sorcery is afoot. Framed by a golden mandorla, the Madonna and Child float above Gabriele Ferretti's head beneath a beribboned festoon of hefty apples and pears that cast their dark reflection on the sky.

Is it the Holy Mum who has rocked Gabriele's equilibrium? Or is it that festoon of fruit with its unnatural shadows? Such garlands were commonplace in early Renaissance painting, acting to signal the painter's sophisticated awareness of classical iconography. But when Carlo Crivelli adds those shadows in "The Vision of Blessed Gabriele" (c1489), he makes his fruit more real than the sky behind it, reducing the latter to an arrangement of forms on a flat surface. Those grey bands are the painter's equivalent of a rabbit in a hat. Crossing the divide between the painter's imagination and the world he represents, they act to remind us that the painting is a representation: unreal, confected, fake. Yet they also tell us that the painter can play God by creating objects so solid they interfere with light.

Five hundred years before Magritte was teasing us that his pipe was not a pipe, Crivelli (c1430/35-c1494) was pointing out the same thing. His maverick approach was remarkable, given that many of his peers devoted themselves to the imitation of reality — with its concomitant three-dimensional depth — through the newly fashionable technique of perspective.

Given his innovative tendencies, perhaps we should not be surprised that

> Crivelli's version of paradise was fragile, unstable, riven with risk and paradox

Crivelli has found a welcome in Birmingham's Ikon Gallery, a venue normally devoted to contemporary art. Forty years ago, the Ikon's director, Jonathan Watkins, was blown away by the Italian's vision on a trip to the National Gallery. But it was only in 2019, when Watkins's concept for this exhibition won the £150,000 Ampersand Foundation Award, that the curator was able to realise his dream project.

Working with co-curator Amanda Hilliam, a Crivelli specialist, Watkins hasn't wasted a penny. Entitled *Shadows on the Sky*, the show brings together nine works by Crivelli including loans from the National Gallery and Wallace Collection in London and the Gemäldegalerie in Berlin. The cherry on top is a sideshow devoted to contemporary artist Susan Collis, whose gift for optical witchcraft rivals Crivelli's own.

Above: Carlo Crivelli's 'The Vision of the Blessed Gabriele' (c1489). Above right: 'Virgin and Child' (c1480) — National Gallery, London; Victoria and Albert Museum, London

Our introduction to Crivelli's startling world is "Virgin and Child" (c1480). On loan from the V&A, it's an intricate, flashy conundrum that mixes eras, ideas and techniques with breathtaking audacity. Its glittering centrepiece is the Madonna's golden mantle, whose ornate pattern of phoenixes, pomegranates and grapes sculpted in *pastiglia* — a gesso relief — is a signature of the International Gothic style. Yet this dainty, medieval lady has time-travelled forward to find herself sitting on a balcony in front of a sandy, shrubby landscape. Classic tropes of early Renaissance painting, these elements — which require the illusion of depth and distance — permit the artist to employ the epoch's mathematical techniques.

Crivelli makes the most of every opportunity. Hazardous ruptures scar the stone niche that hosts Mary Magdalene in Crivelli's painting of the saint (c1491-94) on display opposite the V&A's Madonna. Whereas most Renaissance painters were trying to create a world so monumental and harmonious it deserved comparison with heaven, Crivelli's version of paradise was fragile, unstable, riven with risk and paradox.

The scant facts we have about Crivelli's life suggests it may have mirrored his art. He was born in Venice in the early 1430s, and it's thought he trained with the Vivarini family — who would have taught him his Gothic ornamentality — and then in Padua, where his Renaissance tendencies were probably embedded. In 1457, his world was fractured by a six-month prison sentence for having an affair with a married woman. By the late 1460s, after a spell in Dalmatia, he'd settled in the central region of the Marche, which would remain his home until his death in around 1494.

Sandwiched between dusty, pine-cloaked mountains and the azure waters of the Adriatic, the Marche's landscape haunts several of Crivelli's paintings. But it is the resplendent travertine marble buildings of the Marche town of Ascoli Piceno that hog the spotlight in this show's masterpiece, "The Annunciation, with Saint Emidius" (1486), on loan from the National Gallery.

From the vases, birds and leaves that flow across columns and capitals to the Turkish rugs draped over balconies and the tail of the peacock — its golden feathers a fabulous excess — perched on a pediment, the painting's cornucopia of pattern makes the little "Madonna and Child" look minimalist by comparison. By the time he painted it, Crivelli had the hang of spatial distance, drilling through a coloured marble *sottoportico* to the horizon, then cheekily blocking our view with a barred window.

As she kneels in her open doorway to receive the News, Mary is reduced to a bit-player while her supernatural fertilisation takes the form of the only diagonal line — a single golden ray — in a picture constructed from orthogonals. Yet that slender, celestial beam is nearly eclipsed by the furore of shape and colour around it, as if God is struggling to make himself heard above the painter's earthly fanfare.

Crivelli's final coup is to pop a cucumber and an apple on the step that leads into Mary's courtyard. Protruding over the lip, is that yellowing vegetable a phallic symbol? A sign that when we look at this painting we cross a threshold into God's universe? The painter's universe? Or were they for Crivelli one and the same? Does Crivelli honour the divine Creator through his exultant offerings? Or challenge him to the ultimate artistic duel?

In Birmingham, Crivelli has competition closer to home. Tucked away behind a temporary partition at the back of the gallery with just two Crivellis for company, a mini-exhibition by contemporary artist Susan Collis is, at first glance, an error of curatorial judgment. Consisting of a pair of spattered blue overalls, a broken bit of easel, a scruffy old cloth, wooden broom and a canvas smothered in Pollockish dribbles, this feels like clumsy, derivative art-student nonsense.

But look a little closer. The dabs and spills that soil those overalls have been painstakingly hand-embroidered in thread. The paintmarks on the broom are precious gems and metals inlaid into the wood. As for the painting, its encrusted texture evaporates at a touch and reveals itself as paper.

Crivelli would have loved to know he's sharing the stage with Collis's *commedia*. In his own time few can have appreciated his lunatic retinal japes. Many of his paintings were designed to be part of much bigger altarpieces whose detail would have been visible only to a lucky few: priests, donors, patrons. Yet still he implanted his droll, brain-twisting minutiae. Did Crivelli foretell that one day the world would catch up with his awareness that linear time and rational space may be the real illusions? Like Gabriele, we're left awed.

To May 29, ikon-gallery.org

Crivelli's 'The Annunciation, with Saint Emidius' (1486) The National Gallery, London

Cheers and tears at a sumptuous Swan Lake

DANCE

Swan Lake
Royal Opera House, London
★★★★☆

Louise Levene

Debuts and swan songs are a recipe for cheers and tears and both were served at the Royal Opera House last week at the latest revival of *Swan Lake*. Friday's cast was led by Fumi Kaneko, dancing her first Odette/Odile. Her Siegfried was Federico Bonelli who, after 19 years, was giving his last public performance (give or take March 19's NHS-only "thank you" matinee) before leaving to direct Northern Ballet.

It was an emotional evening. The Royal Ballet's director, Kevin O'Hare, prefaced the main event with a short speech announcing Bonelli's departure and informing us that the orchestra would be playing the Ukrainian national anthem before all performances. The extended curtain call featured more speeches (boo), a kiss and a rose from almost every ballerina Bonelli had ever danced with (hooray) and an entire house on its feet.

Swan Lake is (for now at least) the only Liam Scarlett ballet performed at Covent Garden. The company cut ties with its artist in residence after an inconclusive sexual misconduct investigation in 2020. No charges were brought, but Scarlett's ballets were deleted from repertoires across the world. The gifted choreographer, aged only 35, took his own life last April.

The 2018 *Swan Lake*, which supplements the familiar Petipa/Ivanov/Ashton choreography with new dances by Scarlett, is sumptuously set and exquisitely dressed by John Macfarlane, but its scenario is overcomplicated. Having Odette's evil enchanter double as a courtier plotting a palace coup is an unwelcome distraction from the main story. Reintroducing the Prince's friend Benno — missing from Covent Garden's lakeside since 1963 — allows feather-footed soloists such as James Hay to shine in jester-ish displays of technique, but the character plays no meaningful role. Worse still, a handsome man bounding on to a fanfare can confuse audiences who understandably mistake him for a pocket Siegfried (both Hay and Benjamin Ella, in Tuesday's cast, won uncertain ripples of applause on their entrances last week).

Fumi Kaneko performing 'Swan Lake' with the Royal Ballet in 2018

The ending, which features two Odettes (one human, one swan), makes zero sense and robs Tchaikovsky's apotheosis of its power. Most of these problems were fixable, but they haven't been fixed. Never mind. It's still *Swan Lake*. Tchaikovsky, Macfarlane and a well-drilled skein of swans mask many of the production's shortcomings and luxury casting does the rest.

Tuesday's opening performance starred Vadim Muntagirov, a sorrowful Siegfried overburdened by dynastic expectations, who danced every step and held every pose with thoroughbred brilliance. His scheduled Odette, Marianela Nuñez, was indisposed but was gallantly subbed by the polished (if unengaging) Yasmine Naghdi.

On Friday came Fumi Kaneko's remarkably assured debut: further proof of the breadth of her range. Odette's Act Two pirouettes, best friends with Koen Kessels's baton and Sergey Levitin's sublime violin, decelerate as if trying to prolong her time in human form. In Act Three, the wily lookalike Odile deploys the same rubato phrasing as a deadly weapon in her seduction of the prince. Bonelli, looking half his age, danced and partnered impeccably, spellbound by this smiling siren with her flashing eyes and ferocious *fouettés*. A sad farewell, certainly, but a promise of great things to come.

To May 28, roh.org.uk

FT BIG READ. AFTER THE PANDEMIC

The world's fastest-growing large economy has bounced back from Covid-19 but many people are not seeing the rewards, especially in the informal sector. Will Narendra Modi pay a political price for that?

By Benjamin Parkin and Jyotsna Singh

India's uneven economic rebound

Every morning at 5am, Ajit Yadav sets off to collect milk from the small farms dotted around the village of Karkhiyaon in the Indian state of Uttar Pradesh. The steel vats clatter against his weathered Honda motorcycle as he rides to a waiting truck that transports the milk to Varanasi, a city some 25km away.

Nearby, preparations have begun on a potentially transformative project: a $40mn dairy processing plant owned by Amul, one of India's largest co-operatives. The company says the plant will boost incomes for thousands of nearby families, many of whom own dairy cows and create many more new jobs.

Yadav, 21, has become disillusioned with the job market, however. He already left a job at a money lender in India's capital New Delhi, fed up with the low pay and rough urban living conditions. He says he prefers his village milk round to working for another business. "People have to rely on whatever they can do to earn a living," he says. "I don't have any major dreams."

Projects such as the Amul plant, at which Prime Minister Narendra Modi laid the foundation stone in December, are a key plank of the government's plan to revive India's ambitions of economic superpower status by transforming rural areas into industrial hubs.

Two years after the coronavirus pandemic plunged the country of 1.4bn into a devastating recession, India is now the fastest-growing large economy in the world. The IMF expects India to grow by 9 per cent this year, with economic activity rebounding after a mild Omicron infection wave. Corporate profits have surged, as has tax revenue.

Yet this bullish mood conceals a deeper malaise in India's economy, where the vast informal sector of small farms and businesses accounts for about half of gross domestic product and up to 80 per cent of jobs.

Unemployment has risen to 8 per cent from lows of about 3 per cent in 2017, according to research group the Centre for Monitoring Indian Economy, with participation in India's labour force declining as job opportunities dry up. Workers such as Yadav have quit India's cities for villages, a reverse migration that defies economic theory.

There is "a huge dichotomy happening", says Farida Khambata, a co-founder of investment group Cartica and former executive at the International Finance Corporation. "The formal index can do exceedingly well and the economy can start showing signs of life and growth, and you can have another side of India which is hurting."

Fortunes at the top and bottom of India's economy have diverged sharply. A household survey conducted by People Research on India's Consumer Economy (Price), a think-tank, last year found incomes for the richest quintile of households have risen 39 per cent since 2016, while those for the poorest quintile collapsed 53 per cent. Low- and middle-income Indians have also suffered unprecedented declines in their incomes.

"The rich have been the beneficiaries of all the tax and monetary stimulus," says Viral Acharya, former deputy governor of the Reserve Bank of India and a New York University economist. The lopsided recovery "is not going to be enough to bring GDP to levels commensurate with pre-pandemic trends".

The lack of jobs has become a burning campaign issue in several key state elections taking place this year. The results, reported on March 10, will serve as a referendum on whether voters trust Modi's Bharatiya Janata Party (BJP) to push the economy in the right direction after almost eight years in power.

The most important of these elections is in Uttar Pradesh, where the BJP controls the state government. With more than 200mn people, it is not only India's largest state but equivalent in population to the world's biggest countries. Yet it remains among India's least developed states, scoring near the bottom on metrics such as poverty, nutrition and child mortality.

The BJP is pouring money into infrastructure in the hope that stimulating the corporate sector will lead to private investment, manufacturing and jobs. It wants to make Karkhiyaon, located in Modi's Varanasi parliamentary constituency, an exemplar of this growth model. The Amul plant is part of a fledgling industrial hub alongside companies including biscuit maker Parle that have also built factories near the highway.

But analysts increasingly question Modi's belief that a rising tide will raise all boats. Pratap Bhanu Mehta, a senior fellow at the Centre for Policy Research, says evidence that a strong corporate sector is benefiting the wider economy is becoming less clear.

The BJP believed that "for India to be competitive, what you needed to do was build infrastructure. That was part of the Chinese strategy," he says. "But in a sense, a lot of the benefits of that go largely to the already existing organised sector . . . The missing link is how does that competitiveness at the top actually translate into job growth."

Top: Devotees queue to offer prayers to Hindu deity Rama in Uttar Pradesh, one of the most important states in the upcoming elections. Above: Fed up with living conditions in New Delhi, Ajit Yadav moved back to the northern state where he collects milk from small farms. Rakesh Kumar says the textile business he manages in Lucknow, Uttar Pradesh's capital, was hit hard by demonetisation and lockdowns. Right: A BJP supporter wears a mask depicting Modi at a political rally in Allahabad last month

Sanjay Kanojia/AFP/Getty, Benjamin Parkin/FT, Ritesh Shukla/Getty

Booming corporate sector

Since his election in 2014, Modi and the BJP have thrived electorally by deftly blending Hindu nationalist identity politics with welfare for the poor and a pro-business platform. Modi came to power promising to improve the ease of doing business, to boost foreign investment and to deliver big reforms.

Their success on those counts has varied, however. An idiosyncratic demonetisation policy in 2016, invalidating most hard currency to force unregulated cash into the financial sector, caused chaos across the economy. Agricultural reforms intended to modernise the government-regulated industry were scrapped last year after fierce opposition by farmers. A new sales tax code introduced in 2017 was painful for businesses but has boosted collections.

At the same time, Modi championed direct benefit transfers and provision of utilities such as cooking gas and electricity to the poor, helping improve living standards. Schemes to create bank accounts, coupled with the spread of cheap mobile phones, have led to rapid uptake of financial and digital services.

Yet even before the pandemic, India's growth rate had halved from more than 8 per cent in 2016 to 4 per cent in 2019, while a strict lockdown in 2020 plunged the economy into a historic recession.

While the government expanded food rations and rural employment schemes for the poorest, it channelled stimulus towards the corporate sector in the expectation that stronger businesses would invest, create jobs and boost consumption.

This included a corporate tax cut in 2019, record-low interest rates and a temporary moratorium on bank loan repayments. In its annual budget released last month, it unexpectedly cut social spending while outlining a record Rs7.5tn ($99bn) in capital investment for infrastructure over the coming year.

Nirmala Sitharaman, India's finance minister, argued that every rupee of capital expenditure would yield 2.45 rupees in subsequent spending. The infrastructure push "has a big multiplier effect", says Ila Patnaik, a former principal economic adviser to Modi's government. "You can't keep spending on welfare programmes and not try and push capex."

India's corporate sector has thrived as a result of the BJP's supply-side approach. Listed companies reported record profits during the pandemic and unorganised sectors such as textiles or hospitality have rapidly consolidated. The largest four companies gained market share in all but one of 17 industries tracked by Axis Bank.

The dairy co-operative Amul, for example, enjoyed record sales in 2021 as it gained share from unbranded dairy products. The larger scale allowed it to continue operating more easily during lockdowns, says Rupinder Singh Sodhi, Amul's managing director, adding he expected growth of nearly 20 per cent this year too.

"People shifted from unorganised, loose brands of dairy products to trusted, visible and available brands," he says. "Not for a single day Amul distribution or supply chain stopped . . . When nothing was moving, our milk tankers were."

The success of India's formal sector has created opportunities previously unimaginable for Sushmita Sahu. The 22-year-old university graduate in nearby Varanasi started last year as a salesperson in a new showroom for Royal Enfield, one of the country's top motorcycle brands.

Like many women in a deeply patriarchal society, Sahu says her family are reluctant to let her go to work, fearful for her safety while commuting and in the workplace. Fewer than one in 10 working-age women are in the labour force, according to CMIE, among the world's lowest rates.

But she says the showroom is the kind of space she and her friends feel confident to join the labour force. "They value talent," she says. "Girls like me need a secure environment in which we can work comfortably."

Informal workers suffer

Many economists fear Sahu's experience is the exception, pointing to widespread distress in the ubiquitous informal sector.

Even before the pandemic, India was struggling to create enough jobs to keep up with population growth. About 1.8mn people join the working age population every month, according to CMIE. Yet despite this fast-growing pool, the labour force participation rate fell from 46 per cent in 2017 to 40 this year, CMIE says.

The pandemic dealt a deep blow to India's informal sector, where workers are often daily-wage earners without any social safety net. The nationwide lockdown imposed by Modi's government in March 2020 put millions out of work effectively overnight, prompting an exodus of migrant labourers from cities, such as Delhi and Mumbai, to their rural homes.

Informal businesses often dependent on cash had already been hit "very, very badly" by demonetisation, says Pronab Sen, India's former chief statistician. "They had just about started coming back when the first lockdown happened."

There is little data available on migration patterns but S Irudaya Rajan, chair of the International Institute of Migration and Development, estimates that as many as a third are yet to return to cities. As a result, the share of labour in agriculture has surged as urban workers return to farming.

"Development theory tells you that people move out of the agricultural sector and into the modern sector," says Radhicka Kapoor, a fellow at the Indian Council for Research on International Economic Relations (ICRIER), a think-tank. "For the first time, we're seeing a reversal of that process."

Kapoor says she thought this was temporary but "we need to make a conscious effort to ensure that there's an expansion of opportunities".

In Uttar Pradesh, where electoral success for the BJP is seen as vital to retaining the upper hand nationally, the state's unemployment rate is a better-than-average 2.7 per cent. But that does not account for people who have simply given up looking for work; according to CMIE, labour force participation is even lower in Uttar Pradesh than nationally.

'The BJP spent the last five years holding investment conferences while industries shut and people became jobless'

The lack of jobs has become one of the opposition's attack lines. "The BJP have spent the last five years holding investment conferences while industries shut down and people became jobless," says Rajendra Chaudhary, a spokesperson for the rival Samajwadi Party.

But the BJP, who are still favourites to win, deny there is a jobs crisis. Mahendra Singh Gautam, a BJP co-ordinator in Varanasi, argues that voters are motivated by more than just the economy. In Uttar Pradesh, led by hardline Hindu monk Yogi Adityanath, the BJP has championed projects to build temples at historical sites contested between Hindus and Muslims.

The BJP and Adityanath portray themselves as defenders of the Hindu majority, but human rights groups say their sectarian rhetoric has fuelled discrimination and empowered hardline Hindu groups to threaten and harass the country's large Muslim minority.

"The BJP is a Hindu party. It is marching with all Hindus, taking them along with it here and nationally," Gautam says.

Rakesh Kumar, who manages a textiles shop in Uttar Pradesh's capital Lucknow, says his cash-based business has struggled ever since demonetisation. Sales are now about half of pre-Covid levels, though slowly improving. "It's not as if they have been great," he says, of the state government. "But the BJP is perhaps the best option."

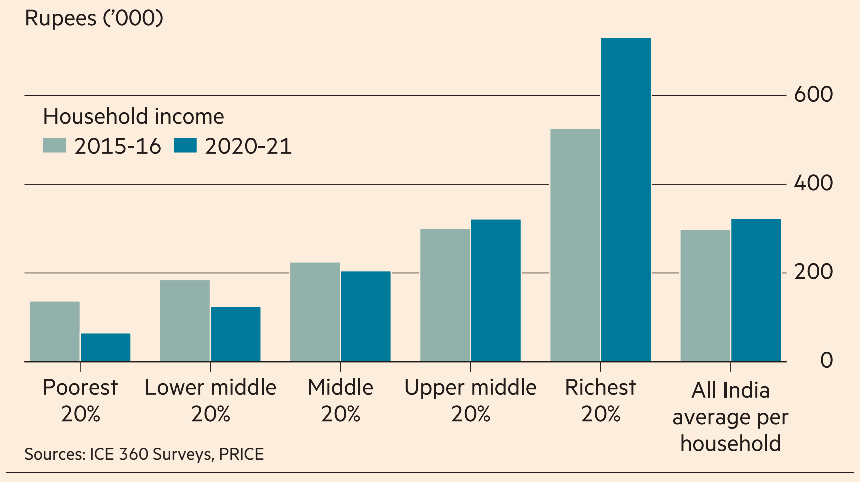
Yet unless Modi can turn the informal sector around he risks alienating the Hindu voters who make up the core of his base. There's little evidence his policies are creating the kinds of jobs they need. Private investment as a share of GDP has fallen over the past decade, for example, and schemes to boost manufacturing have so far had mixed results.

While tariffs and incentives have helped spur production of goods such as smartphones, manufacturing as a percentage of GDP has declined since Modi came to power. Advances in automation are also allowing factories to operate with fewer workers.

Good jobs have eluded Santosh Kumar Rai. He worked at the biscuit factory in Karkhiyaon after giving up on life as a migrant labourer in Delhi. But the work, paying about Rs8,000 ($105) for a month of 12-hour shifts, was so miserable he quit to set up a snack stall on the dusty strip outside, selling fried samosas to former colleagues.

Even so, like many in the country's pious heartland, he remains cautiously loyal to Modi's party — but, these days, more in hope than in expectation. "Nothing really happens on the ground. But I have always voted for the BJP and I will still do," he says. "Leaders must focus on development for people. I just hope they understand that."

Incomes have diverged sharply during the pandemic



Sources: ICE 360 Surveys, PRICE

FINANCIAL TIMES
'Without fear and without favour'
TUESDAY 8 MARCH 2022

Putin tightens his grip on Belarus by stealth

Lukashenko has traded sovereignty for Russian help to stay in power

Russia's announcement yesterday of humanitarian corridors for Ukrainians fleeing Moscow's invasion ending in either Russia or Belarus was not merely an exercise in cynicism (many Ukrainians would today not wish to flee to either country). It was a further sign of how Alexander Lukashenko's regime in Minsk has become an accomplice in Russia's war. While Ukrainians battle to save their country from Russian domination, the Kremlin has tightened its grip over Belarus by stealth. This is a tragedy for Belarusians' hopes of a more democratic future. It also poses a new security headache for the rest of Europe.

Lukashenko spent a quarter-century consolidating power while avoiding being pulled too far into Russia's orbit. For years he played Moscow and Brussels off against each other for economic support. Lukashenko and Russia's Vladimir Putin can barely conceal their mutual dislike. But EU hopes of taming "Europe's last dictator" proved naive.

Everything changed with the mass demonstrations after the August 2020 election in which Lukashenko claimed to have won 80 per cent of the vote, though independent poll monitoring suggested the opposition candidate Sviatlana Tsikhanouskaya had won in many areas. The ensuing clampdown left Belarus with about 1,000 political prisoners; tens of thousands fled the country. Putin offered help in quelling the protests, and a $1.5bn loan. Lukashenko has traded sovereignty for Moscow's support in clinging on to power.

After joint military exercises in February, Russia left an estimated 30,000 Russian troops inside Belarus, and used the country as a launch pad for its Ukraine offensive. Washington has voiced concerns that Belarusian troops could be sent to fight in Ukraine. Lukashenko denies that, but was filmed last week briefing officials on Russia's battle plans.

Four days after Russia's invasion, moreover, Lukashenko held a stage-managed referendum opening the way for him to rule until 2035. The referendum also removed Belarus's constitutional non-nuclear status, enabling the country to house Russian nuclear weapons, which it handed back to Moscow in the 1990s. Lukashenko said he would do this only if the west moved missiles to Poland or Lithuania.

Whether the Belarusian military is prepared to become involved in Ukraine is unclear. But reintegrating Belarus in future into Russian-led military structures could bring Russian troops far closer to Nato and increase the Kremlin's capacity to target Europe with short-range weapons. It would change the balance around the Suwalki gap, the strip of Polish-Lithuanian borderland between Belarus and Russia's exclave of Kaliningrad which, if seized, could cut off the Baltic states from the rest of Nato. It also changes calculations for Tsikhanouskaya, who has declared herself leader in exile and called for civil disobedience to disrupt Russian manoeuvres in Belarus.

The EU has put sanctions on 22 Belarusians linked to the military, on top of 20 already hit by previous measures. It is banning 70 per cent of Belarus's exports to the EU, including all potash, vital for fertilisers. Yet calibrating measures against Belarus is especially tricky given so many of its people voted against Lukashenko and showed great courage in demonstrating against him.

In a historical twist, Belarus is hosting on-off "peace" talks between Russian and Ukrainian officials in the same location where, in 1991, presidents of the three countries signed the accord that brought the Soviet Union to an end. Many Belarusians will be little happier than their Ukrainian counterparts at the prospect of its recreation.

Now is the time to tackle the Covid pay gap

Unpaid domestic labour has a deleterious financial impact on women

One of the most insidious and lingering effects of the coronavirus pandemic will be its impact on pre-existing inequalities. The young, the poor and frontline workers all felt the brunt of the pandemic much more acutely than others. Similarly, many working women, who already took more of the burden of household tasks, found themselves having to compensate for shuttered schools and take responsibility for childcare. Their careers took a disproportionate hit.

Women have long faced a "parent pay gap". With fathers less subject than mothers to the expectation that they should take a break after the birth of their children, women who do more at home have often missed out on promotions and pay rises. That has long-lasting impacts: in the year prior to the start of the coronavirus pandemic, the UK's gender pension gap — the difference in pension income for female pensioners compared with their male counterparts — was 37.9 per cent.

The shift to working at home during the pandemic probably made things worse. Research from the Institute for Fiscal Studies shows that mothers found themselves with less time than fathers to devote to their paid job. At the height of the pandemic, women consistently spent more time on unpaid childcare than men did. Even away from the confines of the office, the "male breadwinner" norm still reigned supreme.

While hybrid working offers the potential for a better work-life balance, and a more equitable division of tasks, there is no guarantee that this will happen. Without conscious effort by employers — and fathers — it could make gender pay gaps worse. Those not in the office may have a lower chance of scaling the professional ladder quickly. Economists have warned that if men increasingly outweigh women in a "permanent" return to the office, they could come to monopolise the opportunities that derive from just being present.

Business, individuals and governments can help to lessen these effects. For one, workplaces that "institutionalise" flexible work for all — rather than having it as one option — are much more likely to dampen any negative impact that the trend towards more remote styles of work may have on women's career paths. Managers should resist the illusions of "presenteeism" and use objective metrics to gauge performance. Couples could discuss how they intend to share the work associated with childcare and examine both their employers' paternity and maternity leave policies.

Private initiatives can only go so far. Improving the affordability of child care should be a priority for any government interested in advancing women's interests: over a quarter of British women point to childcare as a factor which prevents them from career advancement. Sharing parental leave has a significant role to play in levelling the playing field. Not all UK employers offer shared parental leave; some merely offer fathers one to two weeks' on statutory pay.

Tax settings do little to help either. Child tax benefits are withdrawn steadily once incomes rise above a certain threshold. Those on the margin can find themselves in a tricky position: they may want to take on an extra day of work, but discover that it is not in their financial best interests to do so.

As the world emerges from the pandemic, now is the time to ensure that the cost of care shows up somewhere other than in women's wealth. Individuals, companies and lawmakers all have a role to play. On International Women's Day, we should demand that they take it seriously.

Letters

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Making Moscow pay will send a message to future aggressors

In 1943 Bertrand Russell wrote, with the unassailable logic for which he was known, that "wars will cease when, and only when, it becomes evident beyond reasonable doubt that in any war the aggressor will be defeated" (Opinion, March 2).

It is obvious that Russia, at least in the near term, has the overwhelming military advantage and few analysts think that it will suffer a military defeat in the conventional sense, with its forces destroyed on the ground, as was the case with Saddam Hussein's 1991 Kuwait adventure. However, even if the Russian army were to unleash destruction on Ukraine's cities on the scale of its attack on Grozny in Chechnya in late 1999 and early 2000, it is not clear that, over time, it will be able to exert control over a country of 40mn people whose sense of national identity has just received a massive boost. The parallels with the Soviet Union's invasion of Afghanistan in 1979 and its ultimate retreat a decade later are telling.

On the other hand, the war in Ukraine provides an excellent opportunity for the international community to redefine the meaning of "defeat" for Russia in a way that sends a permanent lesson to all potential future aggressors.

The freezing of Russia's international reserves (some $640bn) should be used to finance the reconstruction of Ukraine and compensate the families of people killed as a result of the bombardment. Compensation should also be given to the over 1mn refugees whose lives have been upended by the war.

Compensation should also have a punitive dimension, capturing the psychological anguish and costs of Russian aggression. The war in Ukraine is a crisis that must not be wasted. It should be used to rewrite the rule book on the consequences of armed aggression. The sooner this is announced the better so that Russia knows that the longer the siege of Ukrainian cities continues, the more widespread the destruction and human toll and the larger will be the final bill. Russia must be made to understand it will pay for this, quite literally.

Russell was right. This is an opportunity to redefine the meaning of collective security so that the suffering in Ukraine is not in vain but sets a new benchmark for international co-operation in the area of peace and security.

Augusto Lopez-Claros
Chair, Global Governance Forum
Madrid, Spain

Ordinary Germans are ready for energy embargo

I was stunned to read ("Pressure builds for embargo on Russian energy exports", Report, March 4) that Robert Habeck, the German economics minister and a member of the Green party, still opposes any Russian coal, oil and gas embargo. He was quoted in your article stating: "We need these supplies to maintain price stability and security of energy."

Do Germany's leading politicians really assume that ordinary Germans seriously prefer to keep their living rooms consistently toasty warm rather than contribute to the international effort to deter the ruthless warlord from a mass-slaughter in Europe's nearest neighbourhood? Do they seriously suppose that the lesson the German people learn from their horrible past teaches them to respond to every act of military aggression and crimes against humanity with self-restraint and "business as usual"?

I ask the international community (and especially the Ukrainian people) to note that ordinary Germans are not as indifferent and self-centred as German politicians would have you believe. Our government's longstanding reluctance to confront violations of international law by countries such as Russia (and China) turns out to be primarily the attitude of a generation of hyper-cautious politicians.

After all, even from a purely economic perspective, the long-term costs and damage of an ongoing war on our doorstep are likely to significantly outweigh the short-term costs of a two-month gas shortage.

Be assured that the German people — other than many of its representatives — have learned the lessons of their dark past.

Tobias Pilot
Berlin, Germany

The International Criminal Court should take note

I note that president Vladimir Putin has stated that his military offensive in Ukraine is "proceeding strictly in line with the timetable and according to plan" (Report, March 5).

This means that Putin had a premeditated plan to attack innocent civilians, civil nuclear facilities and use cluster bombs on residential areas.

I hope that the International Criminal Court is taking note of this admission.

Paul Barrett
London SW4, UK

Soviets accepted Ukraine's nationhood with a UN seat

I may have missed it, but has anyone mentioned the fact that at the creation of the UN the USSR negotiated separate seats for Ukraine and Belorussia (Belarus)? Of course these were independent countries that were in no way to be seen as parts of the Soviet empire. Well, Russia now seems to think differently about separate nationhood for Ukraine. Not really a country? Well, what's it going to be, Russia? You can't have it both ways. Was UN membership for Ukraine a tragic lapse of judgment of the USSR at the time?

Jan Willem van der Vossen
Edgewater, MD, US

Mass exodus of refugees now seems the playbook

Among all the comment and speculation on events in Ukraine, I believe one possibility is being overlooked. Whatever was Vladimir Putin's original intention, current events suggest that he might now have another — to encourage as many of Ukraine's people as possible to depart as refugees.

If achieved, this would give him twin satisfactions. He could repopulate the territory with Russians, while Europe could be landed with the problem of dealing with (say) six or seven million refugees.

The latter problem would be aggravated by the effects of the sanctions. If this possibility is credible, should western countries be reconsidering their present approach?

John Tippler
Spading, Lincolnshire, UK

Invest in companies that put back into society

You can call it stakeholder capitalism, neoliberal capitalism, capitalism or whatever you like ("Shareholder capitalism is opposite of competitive", Letters, March 2). But there is a problem with the way many companies are designed. Irrespective of what the system is called, it is wrong that there is a focus on predatory business models which knowingly put profit before people.

Some new terms help illuminate this issue — the "attention economy", the "surveillance economy", the "gig economy", the "addiction economy". Perhaps we should stop dancing on the head of this particular semantic pin and focus instead on stopping the damage to society wrought by business models deliberately designed to damage individual physical or mental health and erode collective rights and freedoms.

To use another new buzzword, businesses which are "net positive" — which financially, socially and environmentally put back into society — seem likely to be worth investing money in, whatever the name for the commercial system people come up with next.

Hilary Sutcliffe
Director, SocietyInside, London SE21, UK

Why prescribe a drug if it's 'no better than a placebo'?

In his prominently displayed letter, Chris Beedie, an honorary professor in psychology at the University of Kent in the UK (February 26), expresses his belief that "the phrase 'performed no better than the placebo', far from suggesting that a drug is ineffective, simply indicates that it was no more effective than the solution evolution had already provided". Wow! Why would anyone prescribe a drug whose effect is no better than that of a placebo?

Jeffrey Fessel
Professor of Clinical Medicine, Emeritus
San Francisco, CA, US

Lloyds 'mass affluent' plan rings hollow in Harpenden

You report (Lex, February 25) that Lloyds Banking Group wants to expand its offering to the "mass affluent". Harpenden might be a good place to start — it's a wealthy town. Oh, but Lloyds closed its branch here last month.

Peter Edwards
Harpenden, Hertfordshire, UK

Chair and chairman, chairship and chair-manic

This letter has been republished as the original published on March 7 inadvertently confused 'chair' and 'chairman' in some instances due to an editing error

Your report ("Business irate at Kwarteng's refusal to ban 'chairman'", Report, March 3) did not quite ring true.

The shift to using "chair" — at least some of the time — has been taking place without the need for any such central direction, in lockstep with the increased diversification of company boards.

It is the case that those individuals "in the chair" who are men are generally still referred to as "chairman", unless they prefer otherwise. Women have the perfect freedom to be a "chair" or, indeed, a "chairman". For some reason, "chairwoman" seems to be the least popular option.

It was interesting that when Dame Sharon White was appointed to her role at the John Lewis Partnership, you reported at the time that she wished to be known as its chairman.

Indeed, a number of her FTSE 100 female peers are also known as "chairman" at their companies, such as Irene Dorner at Taylor Wimpey and Cressida Hogg at Land Securities.

Given they themselves are great examples of boardroom change, what need is there for intervention by policing the language?

As to the model articles of association provided by Companies House, the idea that this prevents any companies in 2022 from using the term "chair", and thereby somehow discourages boards from appointing women, is not convincing.

However, at a linguistic level, there is still some work to be done — albeit to widen the options, not narrow them down.

One missing link is that no satisfactory alternative has yet emerged for "chairmanship" as a skill or quality, as distinct from either the role itself or the act of "chairing" a meeting.

Your readers' ideas would be welcome as "chairship" does not seem quite right.

A final example of the need for pluralism: a senior colleague was once asked for the right adjective to describe the leader of a board. Her waspish reply: "Chair-manic."

Duncan Reed
Director, Condign Board Consulting
London SW1, UK

Bans bring back the bad old days of travel abortions

Chicago Notebook

by Patti Waldmeir

For me, "it's déjà vu all over again" — and I don't just mean war in Europe. As a child of the 1960s, I never thought I would live to see abortion banned in many US states, or forced again into the back alleys of my homeland.

I came to sexual maturity at a time when safe abortion was unobtainable in my home state of Michigan, so I planned to sneak across the border into Canada if the need arose (which it never did). Soon after I turned 17, the US Supreme Court gave me the constitutional right to end a pregnancy, with its 1973 Roe vs Wade ruling.

Now, a more conservative court is expected to constrain or overturn Roe, ruling by the end of June. Some states have already passed restrictive measures and the bad old days of abortion travel — or to put it crudely, as we did back then, the choice between Canada and the coat hanger — may have returned as well.

Illinois, where I now live, has become an island of abortion access in a sea of states where ending a pregnancy is either practically or legally impossible. Nearly 10,000 abortions were performed on out-of-state patients in 2020, up 28.5 per cent on the previous year and 71 per cent more than in 2018, says the Illinois public health department.

Peter Breen, vice-president and senior counsel for the Thomas More Society, a conservative public interest law firm, condemns the fact that Illinois has turned itself into "the abortion capital of America". But the number of women travelling to the state for help is only set to increase.

Jennifer Welch, president and chief executive of Planned Parenthood of Illinois, says she expects Illinois abortions to rise by two to five times, if the Supreme Court allows states to make their own rules about restricting terminations (Illinois would choose to remain abortion-liberal). Already, since the passage last September of a Texas law banning most terminations after six weeks of pregnancy, she estimates Illinois has seen a 30 per cent rise in out-of-state patients. "And Texas is five states away."

Some 26 US states are "certain or likely" to ban abortion if the Supreme Court turns its back on Roe, according to the Guttmacher Institute, an abortion research organisation. Just last week, the Florida legislature passed a law banning most abortions over 15 weeks.

Pamelyn Richardson, 68, was a college student in Kansas in 1972 when she had to travel over 1,000 miles alone, through a dangerous part of Washington DC in the middle of the night, to end an unwanted pregnancy. She and her soldier boyfriend fell pregnant before Roe vs Wade, when her town only allowed birth control for married women. Richardson "borrowed somebody's engagement ring and went to the doctor but I didn't even get past the front desk", she recalls. Then her boyfriend went to boot camp and days later Richardson shipped out to DC for the abortion, she said.

Afterwards, the clinic "sent me away with a pink piece of paper with a telephone [number] and a dime taped to it and said if you run a fever, call us", she recalls. She used the coin to call from the pay phone in the lobby of her dormitory, and then battled to persuade a Kansas chemist to fill the prescription provided by the out-of-town clinic.

Half a century later, a college student from Texas, who declines to give her name, tells the Financial Times an eerily similar story: she, too, travelled over 1,000 miles and spent more than $1,000 for an abortion that she was five days too late to qualify for at home, because of the new Texas law.

Both women agree that they feel lucky to have had the resources for abortion travel, which many women of colour, or those who are poor or rural, may lack. I never thought that I would live again in a country where access to abortion is determined more by money and race than by right.

Travel abortions may be logistically easier now than in the old days, says Debby Pope, 69, who had a termination at 17. "But that doesn't mean the emotions will be different," she says. "Being very young and very scared and going to a faraway place" is no easier than it was 50 years ago. From the nuclear threat to abortion wars, the fears of my childhood have all come back to haunt me.

The writer is a contributing columnist, based in Chicago

Opinion

The invasion of Ukraine threatens a global food security crisis

Oleg Ustenko

The brutal Russian invasion of Ukraine is destroying a country, displacing millions of people and ruining lives. Vladimir Putin has already come close to causing a major nuclear disaster and appears to have plans for more. In addition, Russian violence is creating a global food security crisis.

Ukraine is the world's fifth-largest exporter of wheat, but farmers cannot now start what is called their spring sowing campaign. The regular window for starting field work is the first 10 days of March, and planting needs to be fully completed in the last week of April. We have highly productive soil, but also a climate that sets the rules. There is already no way that Ukrainians will be able to sow this year based on a normal schedule.

Those parts of Ukraine which are most productive in terms of agricultural production are now consistently under aerial attack and artillery bombardment. Working the fields in regions such as Chernihiv, Poltava, Kharkiv, Sumy, and Zhitomir has become practically impossible.

According to regional administrators, some of these fields are likely to be mined or contain unexploded ordnance. Even when we are ready to start ploughing and planting, anti-mining and ordnance measures will be essential — and we urgently request help from all civilised countries in that task.

Ukrainian farmers are resilient. But they also have other important tasks at hand. These currently include capturing Russian military equipment, blowing up fuel convoys, and allowing demoralised Russian soldiers to talk with their mothers. We are a humane and innovative people, but we also know what our priorities must now be.

Our tractors should be ploughing fields and feeding the world, but instead too many of them spend time towing broken down and captured Russian equipment. All that deadly junk will be recycled, of course, but we would much rather be busy growing the food that people everywhere need to survive.

If this war is not stopped immediately, the world will experience a drop of global supply between 10 per cent to 50 per cent of major agrarian products including wheat, barley, corn, rapeseed, and sunflower oil. In recent decades, because of smart investments,

> Our tractors should be ploughing fields, not towing broken down Russian equipment

increased productivity, and overall efficiency, Ukrainian agriculture provided a major buffer for the food security of billions of people around the world. Western companies that have worked with us on this vital endeavour are a vital part of our on-ground team.

But agricultural commodity prices have already increased and, once markets realise the full depth of Putin's madness, we should expect them to spike further. Rich western countries may think they are less exposed, due to the nature of their food consumption, with more meat and less bread in their diet than poorer ones. But higher commodity prices increase the cost of livestock feed and will provide a further boost to inflation pressure in the US, the EU, the UK and all developed countries.

The price tag for supporting poor people worldwide will increase substantially. On the Chicago Commodity Exchange prices for wheat already demonstrate substantial growth. To avert widespread hunger, massive budget pressures and further inflation shocks, the world needs to act very quickly. All possible measures to stop Putin's troops must be on the table — including steps that would have been unimaginable 10 days ago. The food production clock is ticking.

Each extra day of the Russian war against Ukraine threatens to push the world into a new Dark Age. We will emerge victorious and every Russian tank and armoured vehicle will be destroyed or sent back home. But the human cost will be enormous.

This cost will mostly fall on Ukrainians and the unfortunate Russian conscripts sent to fight us. But it will also fall on people around the world who worry about how much food they can afford to buy for their families.

To stop Russia, it is essential to impose a full set of sanctions on Russian energy exports immediately — this will reduce the finance available for Putin's war machine. We are calling on all energy producers to step up and help ensure that effective sanctions do not push up fuel prices.

Russian oil and gas are already the equivalent of blood diamonds. If you buy Russian energy products, you are directly financing the killing of Ukrainian children, the forced displacement of millions of people and the disruption of global food supply chains. Putin's war threatens famine and global famine always brings disease.

The Russian bell tolls for people who consume food everywhere.

The writer is economic adviser to the president of Ukraine

Moscow's onslaught is brutal, but not 'shock and awe'

Harlan Ullman

Russia's unprovoked assault on Ukraine has been shocking, incompetently waged so far and brutal. But it has not been "shock and awe" as many have suggested. I should know. I led the team in 1995 that created the concept.

Indeed, Russia's offensive violated every one of the doctrine's principles. Applying shock and awe begins by determining the outcome to be achieved and then working backwards to develop the strategy to win at the lowest cost. Both non-military and military instruments are used to affect, influence and control an adversary's will. In plain terms, it was meant to win the 1991 and 2003 Iraq wars without the need for overwhelming force.

Russia's initial offensive was based on an exaggeration of its ability to send armoured forces racing into Ukraine to occupy Kyiv. This grossly underestimated Ukraine's determination to resist. Then the Russians neglected logistics and failed to protect mechanised units with infantry and air power. West Point would flunk a cadet for producing such a plan.

Now, Russia is stuck and vulnerable. Despite the technical superiority of its weaponry, it is also outnumbered. The country has about 170-190,000 troops deployed in and around Ukraine. Ukraine has an active duty force of between 190,000 and 250,000 and several hundred thousand reserve soldiers. The military theorist Claus von Clausewitz believed that a defence force has a decided advantage, as well

> If the Kremlin's aim is to impose a puppet government in Kyiv and that fails, what is its plan B?

as the vital matter of will. The 40-mile long Russian military convoy headed for Kyiv is confined to a two-lane highway. Much of the ground on either side is tree lined or muddy, hindering vehicle mobility. Russia is also vulnerable to artillery and night commando raids.

Vladimir Putin has resorted to threatening the use of nuclear weapons and relying on overwhelming force to terrorise Ukrainians. Detonating a nuclear weapon is highly unlikely. If one were used, it might well be demonstrative: creating a huge waterspout in the Black Sea that does little physical damage but generates a great deal of radiation.

The critical question is what are the possible exit strategies for Putin and Ukraine. The Russian president has told his public that this is not a war. If his aim was to impose a puppet government in Kyiv and it fails, what is his plan B? And what if there is none?

If negotiations fail and Moscow does not withdraw, Ukraine will become an Afghan nightmare on steroids with severe reverberations across Europe and beyond. The Russian army will be consumed in an unwinnable conflict. Sanctions will bring bread lines and protests back home. Just as Nikita Khrushchev was removed after the 1962 Cuban missile crisis, this could ultimately lead to Putin's removal.

What is Ukraine's exit strategy? As Churchill told parliament in May 1940: "You ask, what is our policy? I say it is to wage war by land, sea, and air . . . You ask, what is our aim? I can answer in one word . . . Victory. Victory at all costs."

Ukraine's strategy must emulate Churchill, though those costs will be considerable. But only this will compel Putin to withdraw or negotiate. And Ukraine might remember Franklin Roosevelt's surprise bombing raid of Tokyo in early 1942 to shock and awe Japan. Thirty seconds over Moscow or another Russian city, however risky, could have a similar effect.

The US/Nato response must consider Finnish and Swedish membership and make long-term binding commitments to support Ukraine, as the US supported Britain with Lend Lease during the second world war.

With this help, Ukraine must stay the course. Otherwise, Putin will win a short-term Pyrrhic victory that will prove disastrous for Russia, Ukraine and Europe.

The writer is senior adviser at the Atlantic Council. His latest book is 'The Fifth Horseman and the New MAD'

Russia is once again behind an iron curtain

GLOBAL AFFAIRS

Gideon Rachman

Vladimir Putin is a keen student of Russian history. Last summer, he self-published a long essay, "On the historical unity of Russians and Ukrainians", that was also a manifesto for war. But, amid all his historical musings, Putin missed one crucial recurring pattern: the role that failed wars have played in bringing about regime change in Russia.

Defeat in the first world war created the conditions for the Russian Revolution in 1917. Moscow's humiliation in the Russo-Japanese war of 1904-05 also helped to provoke a failed revolution. The Crimean War of 1853-56 led to the death, possibly by suicide, of Tsar Nicholas I. More recently, the draining war in Afghanistan contributed substantially to the collapse of the Soviet Union in 1991.

The USSR lost some 14,000 troops in a decade of fighting in Afghanistan. The Russian government has admitted to losing almost 500, killed in the first few days of its invasion of Ukraine. The real figures are likely to be considerably higher. Lyudmila Narusova, a Russian senator, has spoken of one Russian company of 100 soldiers with only four survivors. And the worst of the fighting probably lies ahead.

So, could failure in war once again topple a Russian government? Most experts I spoke to think it unlikely — at least in the short term. Ben Noble of University College London, is "sceptical of claims that Putin will soon be deposed in a palace coup — or that the existing elite could be removed by mass protests". Dominic Lieven, an authority on the collapse of tsarist Russia, also cautions against counting on a swift unravelling of the Putin system.

On the other hand, thanks to western sanctions, the economic damage to Russia brought about by the Ukraine war will be very swift. The gains of the past 20 years could be wiped out in weeks. Michael Bernstam of Stanford University believes that the freeze on the assets of Russia's central bank will cause commercial banks and supply chains to implode in short order, reducing large parts of the economy to barter.

Russia's urban middle class has got used to a world of Ikea, iPhones, Visa credit cards and mini-breaks to Europe or the Gulf. That world is over. Many of the oligarchs, who supported Putin to keep their fortunes, have lost their international business empires and yachts.

Hard-won freedoms and connections to the outside world have also disappeared. In many respects, Russia is already more isolated than it was during the cold war — when it was, at least, possible to travel in eastern Europe and Soviet teams competed in the World Cup and the Olympics. Now Russia has been slung out of international sporting competitions and Aeroflot has cancelled international flights, except to neighbouring Belarus. This isolation is likely to persist, as long as the war or occupation of Ukraine continues.

In Russia itself, access to Facebook and foreign media sites such as the BBC is now blocked. Spreading "false information" about the war (which must not be called a war, but a special military operation) is punishable by 15 years in prison. Russia is now as totalitarian as China — but without the functioning economy, foreign travel and consumer goods that help to keep the Chinese middle class in line.

Putin's swift recourse to repression shows how uneasy he is about his

> Anecdotal evidence suggests Putin's version of the conflict is believed by most Russians

domestic situation. With the super-rich and the urban middle-class restless, Russia's dictator (for that is what he now is) is left relying on two crucial bases of support: ordinary Russians, outside the big cities, and an inner circle of loyalists.

Russian opinion polls show high levels of support for the war. But, given the climate of repression, those polls are unlikely to be reliable. Anecdotal evidence does suggest that Putin's version of the conflict is believed by many, perhaps most, Russians. State television controls the narrative about the war in Ukraine.

But reality — in the form of casualties and economic privation — may soon undermine the official story. Even so, public protests require enormous courage. Demonstrators risk being beaten up, imprisoned and losing their jobs. The crushing of the protest movement in Belarus last year shows that repression often works, if it is ruthless enough.

Hopes for Putin's removal must rest, then, largely on a palace coup. As the political scientist Milan Svolik has observed, "an overwhelming majority of dictators lose power to those inside the gates of the presidential palace, rather than to the masses outside". But Putin appears to be surrounded by loyalists, who share his nationalist and conspiratorial worldview and whose fates are closely tied to the leader.

Even if some in the inner circle are harbouring doubts, making a move against Putin would still be extraordinarily risky and difficult. The Russian leader has always looked after his bodyguards — some of whom have become very rich men in their own right.

In other parts of the world, dictators such as Robert Mugabe of Zimbabwe or Nicolás Maduro of Venezuela reduced their countries to poverty and isolation — but still managed to cling on to power for many years.

Will that really be possible in modern Russia? Can Putin once again imprison his countrymen behind an iron curtain? The fate of Ukraine, Russia and much of the world will depend on the answer.

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Big Tech faces a moral reckoning

TECHNOLOGY

Marietje Schaake

Russia's invasion of Ukraine marks a turning point in history and has thrown existential questions before the democratic world. Soul-searching is also needed by technology companies. Silicon Valley-based firms played a prominent role in the run-up to the war and during the Russian escalation. Now they can hopefully offer vital platforms for the tens of millions of Ukrainians under attack. But the fact that it has taken war for certain moral lines to be drawn is devastating and should provide a new chapter for powerful tech firms.

Putin's playbook did not start this month, or this year. Between the aggressive meddling in Georgia in 2008, the annexation of Crimea in 2014 and the bombardments in Syria from 2015 onwards, his behaviour has been consistent. The sovereignty of other states is breached, civilians are targeted and human life is not spared. Justifying the violence and recruiting supporters, at home and abroad, leans on propaganda and disinformation. Cyber attacks are now also an integrated component of the Kremlin's hybrid war toolbox.

Social media platforms have given wings to international Kremlin news outlets such as RT television and its video channel Ruptly. On YouTube, RT boasted of billions of viewers, significantly more than via TV. Ruptly was the most watched "news agency" on YouTube in 2020. The UK communications regulator Ofcom has sanctioned RT for misleading with programmes on Ukraine and Syria, but that did not stop business models conceived in democratic California from becoming megaphones for Putin and his helpers.

An often-heard counterargument is how social media companies have given the Russian people access to information. But that is not an extenuating circumstance. Social media platforms do not only have an on and off switch; they can also curate in a responsible, peace- and democracy-respecting way.

On a less visible level, the conflict waged against Ukraine and liberal democracy has been ongoing. A recent study shows that 74 per cent of all money made in ransomware attacks went to Russia, and one of the most impactful cyber attacks the world has seen, NotPetya, has been attributed

> Social media platforms have given wings to outlets such as RT and video channel Ruptly

there. Risk assessment and cyber security services have been largely outsourced by democratic governments.

The war on Ukraine has enhanced the push for companies to change their behaviour towards Russia. EU sanctions ban RT and other state propaganda outlets. Google temporarily disabled the live updates of traffic in its maps feature, to avoid revealing troop movements. Through commercial satellite services by companies like Maxar and Cognitive Space, images could be accessed to corroborate events on the ground. BackSky declared it would "stand with the courageous people of Ukraine" and Tesla's Elon Musk responded to a tweet by the Ukrainian deputy prime minister asking for Starlink internet service to be made available as connectivity was disrupted.

But some extra visibility should not be confused with transparency on the impact of business models. A lot of detail about how disinformation goes viral, and whether company policies are enforced effectively, remains opaque. There is also the question of whether, in the midst of war, the tweaks decided in corporate settings are based on a full analysis that keeps the most vulnerable people in mind. Will companies ever be held to account for their policies?

The Silicon Valley tech companies have avoided being directly caught by sanctions. The political pressure on them from European political leaders is, however, unprecedented. Leaders of the Baltic states wrote to YouTube, Google, Twitter and Facebook asking the platforms to demonetise state media accounts, and not to allow accounts to glorify crimes against humanity. The fact that a political appeal is needed to push companies to take a stance against glorifying war and alleged war crimes is devastating.

What decisions companies take in response to the Russian invasion of Ukraine will have ripple effects for both the immediate and the future. After all, what justifies taking down Russian state propaganda in wartime, while leaving it up in Syria or Ethiopia?

The place of tech companies at the heart of war underlines the powerful role they have grown to take. I sincerely hope Putin's aggression, and the essential role his propaganda machine has played, serve as a broader wake-up call for them. It should not take the breakout of another conflict for companies to become responsible actors, and to draw some basic moral lines globally.

The writer is international policy director at Stanford University's Cyber Policy Center

Lex.

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Russia/oil embargo: substitute and reduce

As Russia's military vice closes on Ukraine, the west has countered with giant economic pincers. The US has proposed an import ban on Russia's crude and refined-oil products. Nearly half of that country's oil production of 11mn barrels a day is exports, about 5 per cent of world output.

How could the US-led coalition of sanctions allies cover the supply shortfall if the embargo goes ahead?

Brent prices reflected the scale of challenge, spiking at almost $140 a barrel, before settling at $125 at noon in London. Massive disruption may lie ahead. Oil provides almost a third of the world's primary energy supply, BP data say. The proposed embargo makes the most recent big threat to supply, a 2019 drone attack on Saudi Arabia's main refinery, pale into insignificance.

World oil prices will get some relief if Chinese and Indian refineries buy Urals crude, which is trading at a steep discount to Brent. The allies could also rely on strategic reserves. Before Christmas, the US offered about 50m barrels to the world markets. Last week, the International Energy Agency announced another co-ordinated release from consumer nations — including the US — of 60mn barrels.

Before this, IEA stockpiles held 1.5bn barrels of oil. That may sound like a lot. But distribution bottlenecks, especially on US pipelines, hamper quick withdrawals, says Richard Bronze of consultancy Energy Aspects.

Opec+ and US onshore shale oil drillers are obvious suppliers of substitute oil in the medium term. Most of the spare capacity of Opec+ is in Saudi Arabia and the UAE, totalling 3.1mn barrels a day, thinks Rystad Energy. Awkwardly, Russia is a member of the cartel and would doubtless oppose higher production. It might also block any international attempt to reach a nuclear agreement with dormant Opec member Iran. An accord here could add another 1mn barrels of oil to the daily supply.

US shale drillers would need to pump more oil in the event of embargo.

All the measures described above would still leave sanctions allies with a shortfall. That gap could only be covered in the short term by dialling back demand in response to soaring prices. Longer term, the only route for the democratic world is to invest heavily in renewables, nuclear energy and liquefied natural gas.

History shows it takes years to reduce demand for crude.

Commodities traders: self-sanctioning

Traders are scrambling to clear their books of Russian oil.

Even before US secretary of state Antony Blinken on Sunday raised the spectre of sanctions, opprobrium heaped on Shell, which bought Russian crude at a record discount to the global benchmark, had rendered it toxic.

Ironically, sanctions would improve the lot of oil traders such as Trafigura, Vitol and Glencore. This is an industry accustomed to dealing with rogue oil states such as Iran and Venezuela and is well-versed in applying sanctions. They are baked into contracts and stipulate clear rules for enforcement of force majeure provisions.

Sans sanctions, fear and disruption are spawning price volatility and spooking buyers. Shell was berated after its trading arm bought 725,000 barrels of Urals, Russian flagship crude, from commodity trader Trafigura at a discount of $28.50 to Brent, the global oil benchmark. It subsequently pledged the profits to a charitable fund.

There are other factors. Many parts of the supply-to-market chain are self-sanctioning. Banks, similarly reluctant to be involved, are no longer willing to issue letters of credit or provide finance. Anecdotally, harbour masters are taking it upon themselves to refuse to unload ships' Russian oil cargoes. Uncertainty as to whether a trade agreed today will be possible later has further slowed deals.

Refineries in markets such as China or India may be seen as less fastidious buyers. But they too face challenges. Freight costs have risen exponentially and financiers may balk at upfront payment. Supply disruptions are inevitable. So too are higher prices.

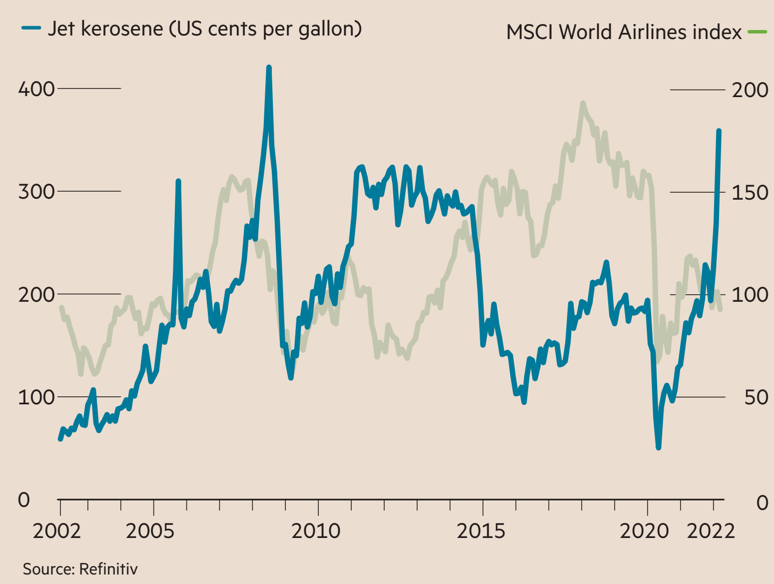
UK natural gas prices, having spent much of the past year hovering around 50-60p per therm, surged yesterday, closing at 520p, around 10 times the level for much of last year.

Governments, fretting at the impact of sanctions on citizens, might take note. Self-sanctioning is already under way: taking the moral high ground is not that big a step.

Transport: thumped at the pump

Airline shares respond particularly strongly to oil price changes. But road transport groups are by far the fuel's biggest users, accounting for nearly half of global demand. Higher prices will squeeze businesses and households, even though the energy intensity of the world economy has fallen sharply in recent decades.

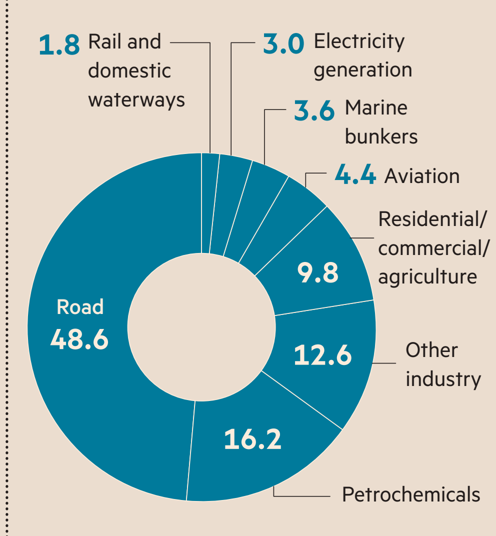
Aviation stocks are sensitive to fuel prices



Source: Refinitiv

Oil demand by sector

OECD, 2020 (%)



Sources: OECD; Statista

Just as aviation was soaring away from the pandemic, it has flown into a fresh storm. Yesterday, the cost of crude leapt on the prospect of a US-led embargo on Russian oil exports.

Global prices have risen nearly two-thirds since the start of the year. Airline shares nosedived yesterday.

No wonder. Aviation is the most oil-intensive sector of all, according to ING. For every €1mn of value added output, Europe's aviation industry uses 60 terra joules of energy. Shipping is close behind, followed by the chemicals industry.

Fuel accounts for 25-40 per cent of airline operating costs. Many airlines have hedges in place. London-listed Wizz Air, normally a holdout, said yesterday that it too would cap its fuel cost exposure. But pricier fuel, and the need to fly longer routes to avoid Russian and Ukrainian airspace, will still hurt airlines.

Commercial aviation cannot usually rely on passing on extra costs to customers. Northern Europeans are desperate to travel but also constrained by a broader jump in their cost of living. European nations have, meanwhile, given some flag carriers financing to hold down prices in the form of pandemic bailouts.

Other transport companies will be hit too. Fuel is about a tenth of bus companies' costs, although demand for public transport should increase as travellers are priced out of their cars.

Shares in UK-listed public transport companies Go-Ahead and FirstGroup fell 3.31 per cent and 3.75 per cent, respectively, yesterday. Logistics companies will also be in the spotlight, although the typical "costs plus margin" contracts should allow them to pass on higher fuel expenses.

For many developed economies, the situation is less bleak than during previous oil price spikes. A shift to services and greater energy efficiency has reduced intensity — total energy consumption per unit of GDP — by more than a third globally since 1990.

Yet higher transport costs will ensure the effect of more expensive crude will be felt across the economy. Household budgets will be stretched and business profits will be squeezed.

If the oil price rise is sustained, the pain will be widely shared.

Russian bonds: default is yours

Russia is well on its way to complete isolation from the US, EU and countries allied with them. One of the few areas where this might save Russia money, at least in the short-term, is sovereign bond coupons. On Sunday, the finance ministry said it might not be able to make these payments as a result of sanctions from both sides.

A technical default on Russian sovereign dollar debt could begin when a coupon on dollar bonds falls due next week. That would deepen the pain for foreign investors that have helped finance Vladimir Putin's government.

Russian government debt remains low by international standards. But there are still $39bn of dollar-denominated bonds outstanding. If payments worth $107mn due on the 16th of March are missed, Russia then has a 30-day grace period in which to pay. Bonds issued after 2018 have fallback clauses that allow payment in roubles. But creditors may not be able to accept these. The world's big banks and clearing houses are closing their doors to Russian business.

Government dollar bonds due to be repaid in April are trading at 20 cents on the dollar. One-year credit default swap prices currently suggest a 70 per cent probability of default. The payout for CDS holders is unclear. If a default occurs, bonds would typically be auctioned. But prices would reflect sanctions as much as Russian creditworthiness — or the lack of it.

Russian businesses may be better placed to pay some foreign creditors, depending on the nature of sanctions.

Rosneft and Gazprom have about $3.3bn of Eurobond principal payments due in the next few days. Unconfirmed reports suggest that the gas giant could make payments via a Luxembourg-based special purpose vehicle.

No foreign investor should count on such payments if they are based in a country engaged in the economic war against Russia. The prudent course, given the uncertainties, is to assume they will have to be written off.

Occidental/Icahn/ Buffett: billionaires' club

Two elderly multibillionaires can tell a tale of boom and bust in the oil patch from different perspectives. In 2019, Occidental made a risky $55bn bet buying rival Anadarko.

The financing was tight enough that Occidental brought in Warren Buffett. His Berkshire Hathaway group provided $10bn in preferred stock at an 8 per cent dividend. Cantankerous activist Carl Icahn was peeved enough with the acquisition to buy up nearly a tenth of Occidental. He eventually got two board seats at the company. That was just as the pandemic crashed the global economy, sending oil prices hurtling towards zero. Occidental managed to skirt bankruptcy.

Yesterday, Icahn announced that he had sold all his Occidental shares and that his trio of board representatives had resigned. Meanwhile, Buffett has recently accumulated about a tenth of Occidental's shares. Occidental's share price has jumped more than six times since its 2020 nadir. Oil prices have surged well past $120 per barrel.

As Icahn scoops his winnings off the table, Buffett appears to believe elevated commodity prices are here to stay. Occidental's Anadarko deal registered temporarily as an impressive M&A debacle. It lost its investment grade rating. In the two years since then, Occidental has whittled down its gross debt load from $40bn to $30bn. It now aims to retrieve its investment grade rating.

Icahn's windfall, which could exceed $1bn based on filings on when he bought and sold shares, would never have existed if Occidental had gone under. Two smaller oil drillers, Whiting and Oasis, did go bankrupt in 2020. Both restructured by handing over their equity to creditors. The pair announced a $6bn merger yesterday to cement their resurgence.

Yet Occidental shares are not back at their 2018 highs.

By ploughing a few billion more into Occidental in the last several weeks, Buffett has shown he has more faith in its management than Icahn ever did.

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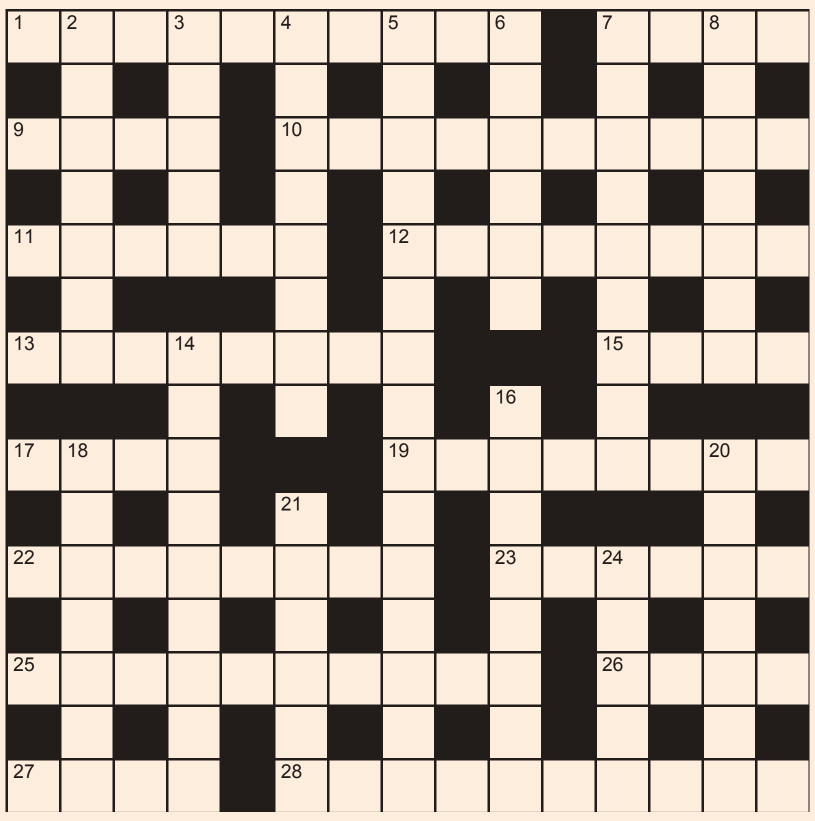
CROSSWORD

No 17,037 Set by GURNEY



ACROSS

1 Love Nablus, exotic, mysterious, unlike this puzzle, one hopes! (10)
7 Fish limit getting around resistance (4)
9 Just starting, find useful Japanese index showing mountain name (4)
10 Cunning, pen in unusual entries (10)
11 Something wrong with a peninsula (6)
12 Legacy perhaps of dictator's attitude to come into view (8)
13 Vessels, modified, foil all threats initially (8)
15 Joke about northern group (4)
17 Willing to consider musical work, European, on periphery (4)
19 Attribute of required standard, extremely trusty (8)
22 Antagonise a learner – that is needless primarily, battle regularly lost (8)
23 Perhaps Mercury's scheme, out of this world? (6)
25 Van meal bit off? Maybe yes, maybe no (10)
26 Comfort from herbal medicine (4)
27 Wizard entertaining millions – a high point (4)
28 Compete, given award we're told for initiative (10)

DOWN

2 New country group, based on test ignoring India, seen as indifferent (7)
3 Dislike arising from leader leaving speaking platform (5)
4 In a picture, six upset America and supporter (8)
5 Annual transfer of allotted space, we hear – Doris maybe kind of tense (8,7)
6 Feature writer, outspoken, supported by Liberal papers (6)
7 Go at a clue in different way – making a list (9)
8 Neglected animal track – sad (3-4)
14 Strange generation, losing love for fruit (9)
16 Device, electronic say, provides regular traveller with parking for month (8)
18 European note Conservative finds controversial (7)
20 Have an impact, about right – one's garden feature (7)
21 Pledge to include artist's style of music (6)
24 A doctor with little hesitation identifying warning colour (5)

JOTTER PAD

Solution 17,036

Women in Business

Tuesday March 8 2022

www.ft.com/reports

Upheaval in workforce reshapes career paths

The pandemic hit working women hard. *Kate Bassett* asks experts how to explore new options

In the middle of the pandemic, Crystal Eisinger reinvented her career. She quit a senior marketing job at Google, used her savings to buy her favourite local café, and became chief executive of a music-streaming start-up, Keakie.

"Big corporations are a brilliant training ground but they can also be hierarchical and slow moving," she says. "Lockdown forced me to get off the treadmill, identify what was making me unhappy and make some dramatic changes." Now, Eisinger is raising £3mn for Keakie's pre-Series A funding round and has revamped the café, Urban Pantry, in Chiswick, London.

She is one of many who have re-evaluated their careers. In last year's so-called Great Resignation, swaths of workers left their jobs for better paid and/or more fulfilling work. "Unexpected events or shocks like the pandemic create fertile conditions for major career changes by causing us to reflect on our priorities," says Herminia Ibarra, organisational behaviour professor at London Business School, and author of *Act Like a Leader, Think Like a Leader*. "Faced with mortality, we ask the big existential questions and gather the courage to make changes."

Lockdown also disrupted ties to jobs and workplaces, she adds. "It's easier to consider doing something else when you are no longer immersed in the social circles and daily routines of your job."

A study last year by McKinsey, the consultancy, found women globally had been disproportionately affected by the pandemic, with more women than men intending to change job or downshift. A Catalyst survey in 2020 had found that 62 per cent of female employees said Covid-19 would hurt their prospects for promotion at work.

Crystal Eisinger: 'Increase your tolerance to uncertainty' — Anna Gordon, for the Financial Times

A career pivot is a "necessarily messy journey of exploration", says Ibarra. She suggests it should involve small, practical steps to discover new options, rather than leaping into the unknown and hoping for the best.

Start with a simple exercise, advises Jeremy Borys, a US-based managing director at global consulting firm AlixPartners. First, ask yourself: What do I want? What do I hope for? What can I deal with? What do I not want?

To move forwards, you also need to look back, he says. Think about the jobs you have done, the companies you have worked for and people you have worked with. What did you really enjoy? "Don't limit your definition of what the next role could be and don't be blinded by salary or title," says Borys. "When you're doing something meaningful and fulfilling, the other things will come."

Next, build your network. Instead of your safe and established network of friends and family, reconnect with the people you used to know — former colleagues, even people you went to school with. These "weak ties", as Ibarra calls them, will help you think creatively about the future, open new doors, and avoid pigeonholing you.

Sarah Ellis, co-founder of careers adviser Amazing If and co-author of *You Coach You*, says "curious career conversations" are critical to a successful pivot. "Talk to people who are where you'd like to be. They'll help you identify how you can transfer your talents in a useful way, and understand whether your assumptions about a career match the reality."

To test the water, take on a new project at work or an extracurricular activity to boost skills and knowledge — whether that is volunteering, a part-time course or a side-hustle. The point is to try things out, experiment and adjust along the way. You don't have to make a massive change overnight.

After the Great Resignation, employers have embarked on the Great Hiring,

Continued on page 3

Inside

The performance of a lifetime as London's theatreland went dark

Interview **Nica Burns**

Lockdowns tested the impresario's appetite for risk in the hardest years of an entrepreneurial career. By *Emma Jacobs*

Show time: participants in the stalls at The Lyric Theatre, London, as they prepared for the Rising Stars festival. Set up in spring 2021 by Nica Burns (above — middle, front; and below), the project shone a spotlight on young producers
David Levene; Suzanne Plunkett

Nica Burns is celebrating small wins. "We made £65,000!" she says, speaking in the boardroom of Nimax, the theatre group she co-founded and oversees as chief executive.

The figure is the contribution from her Rising Stars festival, which ran from May 2021 for six months. That is a fraction of Nimax's trade in recent years. In 2019 it made profits of £8.5mn on sales of £30mn — the year before Covid-19 shut London's West End, then reopened it, and then shut it again. Nimax will be posting a loss for the financial year ending September, 2021.

"It's a pittance, right?" says Burns. "But it made me very happy — the only financial goal was that we would not lose more money than being closed," she explains, full of cheerful enthusiasm, and surrounded by theatrical posters in her Covent Garden offices.

"Reopening the theatres was a confident, positive initiative," she says, reeling off everyone involved, from audiences and performers to stage management and the workers in wardrobe, props and wigs. "We had a huge amount of mental health problems in the industry, with people not being able to do a vocational job that they loved."

Alongside three mainstream shows (*Everybody's Talking About Jamie*, *Six* and *Constellations*, which opened later), the festival meant she could open all her theatres (Palace, Lyric, Apollo, Garrick, Vaudeville and Duchess) where big shows such as *Harry Potter and The Cursed Child* could not afford to play to half an audience.

Some 20-plus Rising Stars producers made their West End debuts and had a small taste of the challenges Burns faces when staging and marketing a big production. "It was a huge learning curve for these young producers."

For Burns herself, the pandemic proved a protracted crash course in managing complexity and uncertainty.

When UK prime minister Boris Johnson told audiences to stay away from theatres on March 16 2020, before full lockdown a week later, she gathered actors and production staff to drink alcohol and eat pizza in a giddy haze of confusion.

"Everyone was saying 'See you in three weeks' time'," she recalls. "We didn't know that our world — as it was — was ended for two years. Nobody anywhere knew what was to come."

What came was vanished income, mothballed productions, most of the 350-plus staff put on furlough, pay cuts and, in August 2020, redundancies. Then, when theatres did reopen, there was social distancing to contend with.

Nimax has been helped by a state-backed Coronavirus Business Interruption Loan of £5mn, £860,000 from the Culture Recovery Fund, which enabled its swift reopening, a business rates holiday, and a revolving credit facility from the bank.

To say this has been the hardest period of Nimax's 17 years would be some understatement. "There were setbacks and there were [more] setbacks," Burns says. But she never contemplated giving up. "I would never have thrown in the towel . . . I never ever wavered in my determination to open, and open well, and get the industry back going again. And I'm proud to play [my] part in doing that with everyone else."

Aside from an interlude studying law at university, Burns has spent her entire career in the theatre: first as an actor, before going into writing and producing, and a stint as artistic director at the Donmar Warehouse. "There hasn't been any part of this business that I haven't done," she says. "It's been hands-on learning every step of the way."

When four theatres came up for sale in 2005, a conversation with Bill Kenwright — theatre and film producer, and chair of Everton Football Club — seeded the idea of buying them. The next day, she sat down her husband — then a "very, very, very risk-averse" lawyer at Slaughter and May, the magic circle law firm — for a serious talk.

Could they remortgage their Hampstead home, she asked. To her surprise, he agreed.

Why did she want to buy them? "I just thought I could do it," she says. As a producer, she found that she "couldn't just do what I wanted". Her business partner is Oklahoma-based Max Weitzenhoffer, a Broadway producer who has co-produced with Burns on *Medea* and *Who's Afraid of Virginia Woolf*. "We are absolutely on the same page for everything; we have the same sensibilities, same ethics," she says.

She describes herself as a risk-taker — but "the type that does their work very thoroughly before they take [the risk]".

Compared with impresario Cameron Mackintosh's theatres, or Andrew Lloyd Webber's Really Useful Group, or the Ambassador Theatre Group, the Nimax theatres are relatively small — which has advantages.

"We can be quick-footed," Burns explains. "If you've got a huge theatre [with] big, big musicals [which] are massive machines, you can't restart those shows overnight. In our case, we opened every time that we were able."

In September 2020, she announced the opening of theatres under social distancing rules, which meant reconfiguring stalls seats and using an algorithm to put buffer space around social bubbles . . . The algorithm actually worked, which meant we [could] maximise the number of seats to sell."

> '[There is no] part of this business I haven't done. It has been hands-on learning every step of the way'

Nimax trialled Covid mitigation measures with an invited audience to watch comedian Paul Zerdin, and then the one-man show *This is Going to Hurt* by Adam Kay, the hospital doctor turned writer, including a performance free to NHS staff. In December, theatres opened at 50 per cent capacity, before another lockdown on December 16. They would not reopen until May 2021.

There were tough times for staff but working with unions helped to create a sense of loyalty, Burns says.

Originally, [government-backed] furlough had been "a lifesaver" but, by May 2020, she had given redundancy notices to a third of the staff. "I know a lot of the ushers and the additional backstage crew that become show staff; it was very difficult," she says. Retaining the rest of the staff, prior to furlough's extension, was another example of risk taking.

It meant she was able to reopen theatres quickly and start earning. It was the "best result financially and the human benefit was incalculable".

Now, as public spaces open up further, audiences want "joy and celebration and humour", and Burns is thinking up ways to draw audiences back to live performance.

Social media will have a role, for instance, because it lets public opinion make a show a hit even when it has been ignored or dismissed by critics. "It was much harder to do that 10 years ago," she notes.

However, one innovation she is not tempted to try is delivering food to the audience in their seats. "We're a nation that needs to have something in our mouths," she comments. But Nimax is "very careful with food and the crackle-crinkle factor . . . We won't have any hot food, nothing that smells. And also, it's messy. If you're going to present gourmet meals to the rodent population and invite them in, they'll come."

The missing part of the puzzle is tourism, she says. "I'm really, really hoping that the [Queen's] Jubilee is going to turn that around. The soft power of theatre to the economy in London and across the country is huge."

Most of all, though, she hopes that post-Covid there will be a renewed appreciation of live experiences. "We have reasons to be positive."

Covid rewrites the contract for dual careers

OPINION

Brooke Masters

Anyone in a couple where both are pursuing careers knows very well the tensions of accommodating each other's work priorities. Even before Covid-19, being in a dual-career couple involved a mutual balance of work and home life.

Then, the pandemic hit. The initial results were devastating for working women — especially those with children. Surveys by consultancy McKinsey found that one in four women with children under 10 were considering leaving the workforce, compared with one in eight men. In the US, 1.7mn women lost or gave up their jobs compared with 1.3mn men.

Now, as the pandemic recedes, new opportunities and pitfalls for dual-career couples are emerging.

Employers increasingly say they are unable to find the skills they need. This puts workers in a strong position to demand more flexibility on anything from parental leave to flexible start times and working remotely. And, for those whose jobs demand moving location regularly, the ability to work remotely opens up new options for both partners.

Anyone who ever got into a fight with a partner over who covers a childcare emergency knows how much of a game-changer flexibility could be. I still cringe when I think of the time the school nurse called with news that my son had chickenpox. My reaction — "but I've got a crucial interview and his dad is in a meeting" — would not have won me any parenting prizes.

The increased acceptance of working at home should ease some of these stresses for dual-career couples — at least, those in fields where remote work is possible. But there are two key caveats: the responsibilities must be distributed in a way that does not unfairly hurt one partner's career; and the flexibility cannot become a source of additional stress.

Some employers are already raising concerns that hybrid working may exacerbate gender inequality as more men return to the office while women work at home and shoulder more domestic responsibility, often to cut childcare costs.

"What are [couples] going to do with hybridity?" wonders Jennifer Petriglieri, an associate professor at Insead business school, who studies career paths and is in a dual-career couple herself. "Will they use it to put slack into the system or will they use it to pack their schedules even fuller? I fear that couples are setting a trap for themselves."

The saving grace could be that other workplace trend: substantial, or even equal, leave for the parent who was not the one giving birth. This can apply to fathers, adoptive parents, and lesbian couples. Pioneers such as UK insurer Aviva, which started offering equal parental leave in 2017, now have plenty of company. As of last year, 90 countries offered statutory paid paternity leave and 38 per cent of employers offered paid leave above the statutory minimum.

> Anyone who has ever got into a fight over who would cover a childcare emergency knows how much of a game-changer flexibility could be

Paternity leave of almost any length has been associated with increased male involvement in child rearing. Many executives I speak to believe that shared leave will help reduce the penalty historically paid by women who take time off to care for children — for two reasons. Sharing the impact across two careers should reduce the effect on each one; and, if all parents take leave, employers will be less likely to shy away from hiring or promoting women specifically.

Studies in European countries where paternity leave of several months has been common for some time reveal additional benefits. Dads who spend at least two months at home with their children subsequently put more time into housekeeping and other chores.

That is great news for household equity, cleanliness and, studies suggest, family stability. US statistics show a link between paternity leave and lower divorce rates. And an otherwise depressing recent Swedish study — which found that promotion to a top job dramatically increases a woman's chance of divorce — also determined that marriages were more likely to survive when factors such as similarity in age and taking a similar amount of parental leave were in play.

As Gen-X Americans, my husband and I had children too early to benefit from the newfound corporate enthusiasm for parental leave and flexible working. But I like to think my mandatory weekend shifts, which frequently left him in sole charge of the kids, helped create similarly positive dynamics.

Given that we've been trying to climb the corporate ladder in tandem for decades, I have to hope so.

How working from home has turned more women grey

Ageism

Many female professionals decided to ditch the hair dye during the pandemic, writes *Sarah Murray*

In 2020, with the pandemic forcing hair salons to close, many women did something radical: they decided to go grey. Aided by social media, it became a global phenomenon — one that some hope could help women mitigate workplace ageism.

On an Instagram account called Grombre, women started posting photographs and personal stories as they let their natural grey grow back. The account — founded in 2016, and describing itself as a "radical celebration" of grey hair — now has more than 240,000 followers.

Meanwhile, women took to Twitter to tell their stories, as well as uploading photos to Instagram at #silverhair, which now has more than 2.6m posts, and looking up Facebook pages such as Going Grey Gracefully, which now has almost 290,000 followers.

"There's a kind of solidarity around it — I felt I'd found a community," says Marci Alboher, a vice-president at Encore.org, a non-profit organisation that supports intergenerational leaders working together.

Alboher, who has not gone back to dying her hair, had been toying with the idea of going grey for years. "And I know from talking to peers that a bunch of us said: 'Enough is enough. I want to see what it looks like, and I'll make a decision.'"

The absence of in-person hair colour services was not the only way the pandemic helped working women to take that step.

"We all got used to seeing each other virtually, changing our appearances and seeing each other's homes. So there's been a breaking down of traditional barriers," says Kerry Hannon, a careers expert and author of a forthcoming book, *In Control at 50+*.

Head start: Minerva Tantoco, left, and Christine Lagarde — Sanziana Perju / ECB

Before the pandemic, says Hannon, "grey hair automatically put you in a certain category: you were passed over for promotion, you were not given client-facing opportunities," she says. "It wasn't all the time, but I heard again and again from women who felt that it sidelined them."

And, while prominent women such as Christine Lagarde, president of the European Central Bank, demonstrated that grey hair and success are not mutually exclusive, many in the corporate world have still felt under pressure to cover up their grey.

One woman who admits that this was the case is Minerva Tantoco, a tech entrepreneur who, in the 2000s, moved into global finance. There, she started applying artificial intelligence to workflow tools — and she also started dying her hair.

"It was starting to go grey and I didn't want to appear older," explains Tantoco, who is now chief AI officer at the NYU McSilver Institute for Poverty Policy and Research.

While ageism affects men, too, women are almost twice as likely as men to feel compelled to turn to hair dye, according to research by Fairygodboss, a US jobs site that focuses on supporting women.

"There is pressure on women in professional jobs, and [in] jobs that involve customer-facing roles, to maintain an attractive presentation," says University of Kent sociology professor Julia Twigg. "And part of that will be looking youthful."

However, she sees the "embrace-the-grey" movement gaining momentum. "Part of women's growing position in the workplace means that they're less judged solely in terms of being young and pretty," she says.

"I now proudly wear the greys," declares Tantoco, who says she gave up dying her hair during one of the pandemic lockdowns.

Even so, writer Anne Kreamer — who documented her shift from dyed mahogany hair in a 2007 book called *Going Gray* — argues that hair colour is too often linked to popular understanding of performance and vitality.

Older women in business — and prominent roles in society, generally — can set an example, Kreamer argues. "The more we have women in senior professional positions, the more important it is for them to model an empowerment of ageing."

Hannon is optimistic too. "There's a movement here," she argues. "And we have enough power in numbers to make it stick."

Lessons I learnt by quitting the newsroom for a classroom

OPINION

Lucy Kellaway

From 'pampered columnist' to 'increasingly confident teacher': Lucy Kellaway left the FT to retrain as a teacher — Charlie Bibby/FT

Most salaried workers share two things: a dislike for their jobs and a reluctance to leave them. Breaking through the inertia takes something big. For some people, lockdown provided that push — the experience of being incarcerated at home, with their nearest and dearest on Zoom, made many take action. But, for me, the spur arrived five years earlier when my father died. I remember returning to work days after his death, looking around the office where I'd worked for over three decades and thinking: "enough".

Ten years earlier still, when my mum died suddenly, I'd also flirted with leaving. I felt tired of journalism and wanted to do what she'd done and teach in a secondary school.

But weeks passed and I did nothing. I decided I was too old (I was 47). I was frightened of the drop in income and the loss of status and so I buried the idea and went back to doing what I'd always done.

Ten years on, and I found I had less to lose. My children had mainly left home and by then I had had it with journalism. And as for any perceived loss in status — I simply didn't care.

So I quit and now, five years later, I find myself no longer a pampered columnist but an increasingly confident teacher. Over the same period, I've watched more than 500 other people of a similar age retrain through the charity I co-founded, Now Teach. All gave up a career they were good at and all started again in the classroom, at the bottom.

From my own experience, and from watching the others, I've learnt four lessons about change and about how to get the most from it.

The first is that you need to get the timing right: staying does not necessarily mean a lack of imagination or courage — it may be the right choice, for now. I don't wish I'd shifted careers ten years earlier. Jobs need to fit around lives, and I had a newly bereaved aged father to care for. Delaying does not matter — which leads to my second lesson.

> In return for a 75 per cent pay cut I got the delight of learning everything all over again. The results were sometimes terrifying

It is never too late to change career (unless, perhaps, you are over 60 and considering becoming a professional footballer). As long as one's health holds out, there is much more time than people tell us. I trained as a teacher when I was 58 and thought then it was my last chance. I now suspect I could have done it 10 years later and made a decent fist of it.

The third lesson is that, if you are planning on change, be radical about it. Since leaving journalism, I've done "big change" — swapping the newsroom for the classroom — and "small change" — when I moved from one school to another. Merely tweaking one's career by moving employer in the same field strikes me as both risky and probably not worth it. In a school, you might like the staff and the students more than the old ones, or you might not. Either way, you have to work out different IT systems and different cultures for uncertain gain.

By contrast, big radical change offers untold benefits. In return for a 75 per cent pay cut, I got the delight of learning everything all over again. The results were sometimes terrifying — being unable to take an electronic register without losing control of your slides is not funny when watched by 30 hostile 13-year-olds. But the shock of the new has jolted me out of all my old malaise and made the world seem shinier and newer.

Which leads to my final point: if you wait until the stakes are fairly low (ie, you really need to get out of your old job and can afford a pay cut), and if you do something radical, it really doesn't matter if you hate it. It will still be worth it. I know this less from my own experience — I like teaching at least as much as I thought I would — and more from other Now Teachers.

Some simply didn't take to teaching. They never really learnt how to control the class or discovered they did not like teenagers very much. A few missed their old lines of work. But I have not met a single one who wished they had not done it at all. Everyone learnt something — about children, about education, and about themselves. They not only briefly had a new career, but a whole new take on life. At the very least, it is a great way of having a late midlife crisis — and means that you can move on to the next thing refreshed and revived.

Patience runs out over misplaced 'banter'

Culture

Mean, even vicious, transgressions are defended as jokes. But they can be insidious, reports *Amy Bell*

No laughing matter: a protest in London against harassment of women — Getty

In 2017, frustrated by a culture of systemic sexual harassment and discrimination in Californian politics, former lobbyist Adama Iwu organised an open letter to call it out. Signed by more than 140 women and published in the LA Times, the letter resonated far beyond California and beyond people working in politics.

Has behaviour changed since then? Not much, says Iwu, now in corporate government relations. "It feels like we're dealing with the same things. Maybe they have better buzzwords, hide it better — they joke about it almost."

Recent reports, such as the UK police watchdog's investigation into London's Metropolitan Police and the Anglo-Australian miner Rio Tinto's review of its workplaces, have highlighted the harm caused by pervasive harassment and bullying behaviour. Yet, too often, it can be brushed off by perpetrators as mere "banter" — playful chitchat that, they argue, upsets only those colleagues who cannot take a joke.

"The term 'banter' should be retired," says Laura Bates, writer and founder of the Everyday Sexism Project, where women submit stories of discrimination and harassment. "It's completely misleading . . . it's like a catch-all, a cloak drawn over what people know to be unacceptable language and prejudice."

While a necessary public conversation about the prevalence of such behaviour has opened up, it has also resulted in a backlash, Bates adds. "[There is] almost a sense of 'go on then, report me'. There's an awareness that it's socially unacceptable . . . but, also, that impunity remains."

Michelle Last, an employment lawyer and partner at law firm Keystone Law in the UK, says: "We all know what's acceptable and what's not, but different people tolerate different things. It's perfectly fine to have banter about other things, but we can all have a laugh . . . without stepping into that danger zone."

The people making insensitive jokes and comments, often personal, are invariably those in the majority demographic in their workplace, who feel at ease in the existing culture, notes Last. Those targeted are almost always in under-represented or minority groups.

Bates sees a wide range of complaints submitted to the Everyday Sexism Project, from minor comments to unwanted sexual touching.

"If you have a culture where the low-level stuff is brushed off and accepted," she argues, "that normalises and smooths the way for more serious abuses not to be taken seriously." That is why employers and colleagues must address the issue, she says.

"Organisations have a bad habit of keeping certain people in positions because they're very successful," warns Last. However, it is better to deal with the main perpetrator sooner rather than later, because "they can leave such an amount of damage in their wake".

The person being targeted may leave, or may complain and seek compensation — a situation that will be exacerbated if it emerges that previous complaints were ignored. And the perpetrator can end up leaving the business, too.

Some organisations set up "tip lines", which may be operated by third parties, to anonymously report incidents. But Iwu argues these do not work, because it is hard to take action as a result.

> 'Some people are just jerks and they don't care, and you can't change that'
> Adama Iwu

She says: "You have to show that you have processes in place that are going to treat the person who complains fairly — and the person who is accused fairly."

Bates argues that recording and tracking allegations helps organisations recognise if there is a serial offender who is simply moved on to another department, or if there is a problem in one particular part of the organisation.

What should an individual do if they are picked on with offensive comments or worse? Everyone has an idea of how they would respond, says Bates, until the moment it happens: "Some people panic, some freeze. Some fear career damage if they speak up." She advises keeping a record of what was said, witnesses, and copies of emails or messages, so that you have evidence if you choose to report it.

In some cases, just a quiet word is required. Speak up if you feel you can, says Iwu. "I have learned it's easier for me to pull someone aside later and say, 'hey, this is what I heard — I don't know if you meant that'. Or, 'you used this term, I don't know if you realise the connotation, or how that might be offensive'." Often, people were not aware, and they appreciate you saying something discreetly, she says. But not always: "Some people are just jerks and they don't care, and you can't change that."

In male-dominated working environments, men are arguably in a strong position to call out sexist behaviour. But recent research by non-profit advocacy group Catalyst shows how the power dynamics and cultural norms of work culture inhibit men from intervening.

Asked how they would respond to sexist incidents, 86 per cent of men surveyed said they wanted to interrupt them, but only 31 per cent felt confident in their ability to do so.

Yet challenging apparently minor transgressions is important because they have an accumulative effect, says Bates. "Have a private word, say 'I've seen this is happening, I want you to know it's not OK. What do you want to do? Because if you want to report it I will support you'."

Upheaval in workforce reshapes career paths

Continued from page 1

as companies try to rebuild talent. With businesses reporting a skills shortage, this may also be a good time to change direction in your current organisation.

"Employers should offer staff the chance to explore different opportunities and jobs inside the company — or risk losing them," says Aniela Unguresan, co-founder of the Edge Certified Foundation, based in Switzerland, which assesses gender equality in the workplace.

"People who go through career shifts are generally more flexible, more agile, more resilient and more courageous," she explains. "Those are fundamental and necessary skills in today's workplace."

In a period of change, there will be dead ends, false starts and unexpected turns. But it is better to try out a variety of options. "You will never have perfect information or get to the point where a pivot is 100 per cent guaranteed to work out well," adds Ellis.

It has been six months since Eisinger left Google for the top spot at Keakie. At times, she says, what kept her going was the insight of Ginni Rometty, former chief executive of IBM, that growth and comfort rarely coexist.

In short: "You have to increase your tolerance to uncertainty," says Eisinger.

What employers need to know

Encourage self-discovery The post-Covid era will involve career change — wanted or not. Allow staff the opportunity to recharge and reinvent. "Organisations should give people time for self-reflection," says Aniela Ungurusan, at Edge.

Indeed, UK fintech Monzo Bank, is to offer its 2,200 staff a paid three-month sabbatical every four years, as it rethinks how staff should balance working life after the pandemic.

Stay connected If you do lose employees, be sure to stay in touch. They may be exploring interesting new initiatives, and may even one day rejoin your organisation with new perspectives and ideas. "Nurture your alumni," says Sarah Ellis, at Amazing If. "Your former employees can be your advocates as well as your future talent."

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The best financial rule I ever taught myself? Open the bills

Personal finance

Gaining confidence about money was a breakthrough for *Hannah Kuchler*

Before I could learn about interest or inflation, I had to teach myself to open the letters. When I was growing up, bills and bank statements were left in a pile, threatening to avalanche. Whatever information they held, the message was the same: my family did not have enough money.

Some people receive lump sums as a legacy, but I inherited a fear of finances. Like many, I received little formal financial education. As I entered a more moneyed world, at university, and then at work, the tone of what I was taught just exacerbated my isolation. To read about increasing my wealth felt futile when there was none.

Financial literacy experts are starting to acknowledge that we must tackle our emotional histories before we can truly master money. In the US, the Financial Therapy Association was founded in 2009 by therapists and financial planners eager to help people understand how their financial histories inform their choices.

Women, in particular, can struggle to talk about finances. For generations, many had little control over their money and were not brought up to be breadwinners. They still earn less than men, while living longer, and they are more likely to get a raw deal from a divorce.

Kate Levinson, author of *Emotional Currency*, says women can be particularly scared if, like her, they did not observe their mother handling their personal finances. She adds that, for the financially marginalised, this insecurity can be mixed with a sense of failure because society believes their position is their fault. "It is always a soup of feelings about money," she suggests. "There's no simple answer other than getting to know your own relationship with money as deeply as you can."

My experience is common, but it was taboo when I went to university at Oxford. Gradually — and then suddenly — it became clear that my peers were not relying on just their student loans, like me. And they were unaware of their privilege. In the holidays, they paid for travel adventures with what they perplexingly called "savings", despite never having had a job.

Manisha Thakhor, a financial literacy advocate, says that women are less likely to talk about money at college. In her MoneyZen workshops, she says, women begin to understand their own childhood experiences with money — and by talking to each other, they realise their emotions are not unusual.

At college, I applied for help. The financial aid officers appeared as naive as my peers about life without a cushion of funds. It was alienating to fill out a form to plan a budget that only allowed for spending on rent, utilities, food and books, as if I could spend three years without buying clothes or going out. My expenses were only counted during the academic year, as if my family could keep me for the other six months. Like everyone on benefits, my mum stopped receiving money for me when I left school.

While I had recognised that denial was dangerous, I was still learning not to assume that other people would understand the financial pressures. When I started full-time work, I could have easily ended up with a payday loan, with a typically high interest rate. After sleeping on the sofa at home, I had eagerly moved into a London flatshare without realising that my pay would be only a training allowance during the first three months. When I tried to buy pizzas at a cheap supermarket to celebrate my birthday, my payment card was rejected at the till. I was lucky to have a well-off friend who lent me £600 until my salary started.

Another act of kind understanding helped me overcome the pressure to maximise money in the present, rather than invest in the future. I owe my career at the Financial Times to unpaid, or barely paid, work in journalism while at university. I could afford to undertake poorly paid assignments thanks to a *Great Expectations*-style anonymous benefactor, a former student from my secondary school. Whoever you are, your £1,000 worked wonders.

What can we do to improve financial literacy for all? We teach it best when we understand people's financial realities and when we acknowledge that money is innately emotional. We need to show young people how to understand their feelings about money, including issues such as the temptation to overspend in order to feel they belong, or the fear that all investments look too risky if they have struggled to build a nest egg.

Thakhor says her workshops became much more effective after she switched around the order of the day in order to start with learning about participants' emotional responses to money — before launching into the facts about finances. "We learn the logistical parts a lot better when the emotional is acknowledged," she says.

Tackling my own emotional relationship with money helped with learning about mortgages and investments — and I hope that outlining my experiences will help others to do the same.

Twelve years after starting at the FT, I have finally saved enough money for a deposit on a London flat.

And when I buy my first home, I will continue to obey the most important financial rule I ever taught myself: opening those letters before I even take off my coat.

> The financial aid officers appeared as naive as my peers about life without a cushion of funds

Financial literacy and inclusion

The FT has established its first charity, the Financial Literacy and Inclusion Campaign (FT Flic).

Its aim is to democratise financial education by providing free and engaging content to those who need it most: young people, women, and disenfranchised groups including minority ethnic communities and migrants.

For more information, go to: **ftflic.com**

Interview Arundhati Bhattacharya The former head of State Bank of India tells *Chloe Cornish* about leadership, learning — and aggressive body language

How a veteran Indian banker turned top tech executive

Calvin Sit/Bloomberg

One of Arundhati Bhattacharya's first tasks on taking the top job in India for US software giant Salesforce was to set up company systems on her home computer, by herself. Having been tempted out of retirement from a successful banking career, she was taking on a new role in a new industry at the start of a pandemic.

"I feel quite proud of having done all of that on my own," says Bhattacharya, on a video call, a generic forest scene in the background. "It gave me a sense of learning a lot of things, a little sense of achievement."

Her delight at an impromptu remote lesson in computer networking during a global emergency explains much about the 65-year-old's career.

She worked for State Bank of India for 36 years, rising to become the first female chair of the state-owned institution in 2013, and leading it during four turbulent years for India's financial sector. She is one of several Indian women to have risen to the highest levels in the male-dominated banking world.

Then, in 2020, after a short retirement the veteran state banker reinvented herself as a private sector tech chief executive. She had two meetings with Salesforce chief executive Marc Benioff, including at his home in California, before agreeing to take it on. "I was really unsure, myself," admits Bhattacharya, of the career move when thinking of this new start in a new industry. "And, I'm sure, so was Marc."

Career milestones

1977 Joins State Bank of India (SBI) staff college
1984 Arrives in Kharagpur as officer
1996 Relocates to New York
2014 Takes new role as chair at SBI
2016 Leads SBI through demonetisation; oversees digitisation and merger of five affiliate banks
2017 Retires from SBI
2020 Becomes Salesforce India's first chief executive

The sleek Salesforce Tower in San Francisco is a world away from Bhilai, the steel township in Chhattisgarh, the central Indian state where Bhattacharya spent her early years. Her father was an electrical engineer, her mother a homeopath, and she was the third of three siblings. Her mother and aunt had the biggest influence on her, she says.

"My mother couldn't finish her college education because she got married. But I could see her hunger for education and for knowledge . . . These sisters, I never saw them waste a minute."

The woman who would rise to a top job in banking studied English literature at college in Kolkata, and writes in her memoir, *Indomitable*, that she had an "ambivalent attitude towards numbers". Nonetheless, dared by a friend, she took the SBI entrance exam.

That casual decision set her on a career path that wended from remote bank branches in the sal forests of Jhargram to a stint in New York's urban jungle. It also took her to the Swiss ski slopes of Davos, for the annual World Economic Forum gathering, which she notes drily, taught another lesson: "The Indian attire of a sari is quite unsuitable, as the ends get wet in the slush."

Bhattacharya feels that those bank branches were where she acquired her management chops. However, in terms of leadership style, she also "learned a few things earlier on that I needed to change".

Peers told her she had aggressive body language. "I never believed that, I always considered myself as a very gentle, sweet person," she recalls, chuckling. Then she saw a videotape made during a management course: "I was actually quite amazed . . . I really came across as aggressive."

She looked back to her early career for the source of that behaviour: "This was that first branch of mine, Kharagpur, where there was a lot of union activity where I had to raise my voice. I had to be aggressive to meet them head-on . . . I didn't need to be like that any more."

As an Indian state employee, Bhattacharya was not in banking for the money. She recalls that "20 years before I became chairman, I stopped looking at my payslip altogether, because it would hardly creep up . . . What used to keep me motivated was the learning that I was getting."

Given the limited resources of a state bank, Bhattacharya had to find other ways to incentivise employees, she says — such as words of encouragement or notes of appreciation.

"People have different buttons that you can push. And, in the public sector, I think we learn to find those buttons, which in the private sector people don't because you give them a lump sum and that's it."

At the same time, her career entailed painful sacrifices. The regular transfers to different branches of SBI meant anxious searches for supportive schools for her daughter Sukrita, who has health and learning issues. Childcare and visa problems during her New York stint even meant that Bhattacharya was separated from Sukrita for an entire year.

To cope with her worries, on top of banking's normal stresses and strains, Bhattacharya turned to friends: "That's the only way that you can manage this."

She says: "All the spiritual masters will tell you, you will not change an iota by worrying. I understand completely with my head — my heart doesn't agree. You're still anxious."

When Bhattacharya took the helm at SBI, India's banking sector was at a critical point. She had to stand up to Indian corporates, which had borrowed heavily and were collapsing under the strain. Meanwhile, the bank, whose heavy paper ledgers the young Bhattacharya once pored over, needed to digitise.

Not all SBI's metrics improved during her tenure. But Bhattacharya was credited with the successful megamerger of five associated banks, and pushing SBI through its digital transformation.

Her advice to women starting out? Get ready to keep learning. "This is a world where you really and truly have to be agile, and you have to keep learning constantly," she says.

"The evolution that is happening is getting faster, and so . . . you must understand that you would be ending your career somewhere else entirely." Like starting as a bank officer and winding up as a top tech executive.

> People have different buttons that you can push. And in the public sector, I think we learn to find those buttons
>
> **Arundhati Bhattacharya**

Why the 'back to the office work budget' for UK staff does not add up

OPINION

Claer Barrett

For millions of people who have been working from home for much of the past two years, the call to return to the office could not have come at a costlier time.

Inflation is increasing at its fastest rate for 30 years, pushing up the cost of household bills and the weekly shop, as well as fares, running a car and even, as I recently found, servicing a bicycle.

But the cost of commuting is just the start. Buying coffee or a lunchtime sandwich will cost you more (in the UK, Pret A Manger has just increased the price of its coffee subscription by 25 per cent), not to mention a drink in the pub after work (Londoners may soon face paying £7 a pint, which is practically Scandinavian).

A friend who lives an hour's commute from central London estimates that working from home has saved her around £10,000 a year. A big chunk of this is travel costs. But, frustratingly, a recent FT analysis found that new "flexi" season tickets — a response to the growth in hybrid working — could work out more expensive.

"Now, just as the cost of everything is shooting up, I'm being forced to spend it on travelling to work again," she says.

Spending more time commuting also means parents need to factor in much more money for childcare, unless they can wrangle hybrid working arrangements.

Private nurseries generally provide care until early evening (for a price) but, once children start school, a mid-afternoon finish is common. Plenty of friends are struggling to find "wraparound care" to cover the gap.

There are no guarantees a child will get a place in after school clubs, which are oversubscribed, and expensive. Research by the UK's opposition Labour party found the average cost per hour, of £12.52, was roughly equal to what the average woman in England earns per hour.

A neighbour recently retrained as an Ofsted-registered childminder to fill this gap. Her official status means eligible parents can use the government's "tax-free childcare" scheme to help with costs. However, the admin nightmare of claiming means it is far from hassle free. Just ask any carer or parent if you don't believe me (and be warned — their rant may last longer than your commute).

Those who hire a nanny will be doubly stung by April's rise in National Insurance contributions. Not only does nanny's pay come from your post-tax salary but, as nanny's employer, you will pay a higher rate of employer's NI.

There have been high-profile calls to tweak immigration rules to address the UK's post-Brexit shortage of au pairs, yet this was dismissed as a "servant problem" by one Conservative peer.

We can only hope that employers' attitudes towards parents' working hours has moved further out of the Dark Ages.

So far, the corporate focus has been very much on what women should do.

It is true that studies show many women are eager to continue working from home. But this has led some high-profile women in the City of London, for instance, to sound the alarm, urging women to get back to the office, or risk ruining their careers.

Catherine Mann, an economist at the Bank of England, warned in November of a "two track" career path in which those who mostly work in the office see their careers advance more quickly than those who work mostly from home. Amanda Blanc, chief executive of UK insurer Aviva, recently expressed her concern: "If what you see is that all the men come back to the office and the women don't, then they could miss out on opportunities. I don't want that to happen."

They have a point. Alarmingly, the gender pay gap started to widen under lockdown, at a time when missing out on a future pay rise or promotion is the last thing women need.

I had hoped that wider acceptance of flexible working could unlock women's careers from the part-time penalty of being paid, say, for four days' work even if they routinely squeeze in five days' worth of productivity.

Could flexible full-time work come with its own cost penalty? For example, if those who save on regularly commuting are subject to pay restraint, or asked to take a pay cut? Similarly, will office-based workers demand to be paid for the time and expense of travelling into work?

As more of us weigh up the financial equation of flexible working, my question is simple: why put all of the onus on women?

Wouldn't it be marvellous if we heard high-profile bosses urging *men* to work flexibly? This way of working shouldn't be a choice that mostly women are expected to make (or mostly parents for that matter) and wider uptake could avoid the "two track" problem.

Better still, senior leaders could set an example by working flexibly themselves. This would send a powerful signal to all subordinates that following suit will not necessarily harm their prospects for promotion and pay rises.

> Could flexible full-time work come with its own cost penalty if those who save on regularly commuting are subject to pay restraint?

Nikkei Gender Gap Conferences Highlight Issues and Solutions in Diversity, Inclusion, and Equity

The Gender Gap Conferences continued in 2021 under the auspices of the Nikkei Woman Empowerment Project. That project is a joint undertaking by Nikkei Inc. and Nikkei Business Publications. They conduct the project partly in cooperation with UN Women, the UN organization dedicated to gender equality and the empowerment of women. Below are highlights from the 2021 conferences.

Innovation through Diversity

Yasuyoshi Karasawa, Chairman, MS&AD Insurance Group Holdings, Inc.

"The economist Joseph Schumpeter argued that innovation," mused MS&AD chairman Yasuyoshi Karasawa, "is born through the combination of new and existing knowledge. I regard diversity and inclusion as indispensable to the combinations of knowledge that yield innovation. We are working in four main ways to support diversity and inclusion: enable female employees to resume working after bearing children, elicit diverse opinions, overcome the unconscious bias in management that can impede career progress for women, and accommodate disabled individuals and LGBT individuals."

Karasawa noted that Japan has ranked persistently the lowest in labor productivity among the Group of Seven industrial democracies. He opined that ensuring socioeconomic viability will hinge on rapid progress in digitalization and in reworking business models. And he suggested that tapping a more diverse scope of human resources will be essential to that progress. Karasawa described numerical targets that MS&AD has established, attained, and raised further for increasing the female presence in supervisory and management positions.

Diversity as the Wellspring of Growth

Yuko Seimei, Director, Chief Operating Officer, and Chief Financial Officer, Monex Group, Inc. Representative Executive Officer and President, Monex, Inc.

"We at Monex regard diversity as the wellspring of growth," declared Monex, Inc., president Yuko Seimei at the opening of her presentation. Seimei went on to discuss how her company's commitment to diversity meshes with a concurrent commitment to environmental, social, and governance (ESG) integrity.

"In the ESG materiality matrix, we emphasize diversity, equity, and inclusion," Seimei explained. "Fulfilling those emphases has included naming 3 women and 7 independent members to the Monex Group's 11-member board of directors."

"We serve clients across Asia, Europe, and North America," Seimei continued, "which obliges us to adopt a multinational perspective. In another facet of diversity, individuals in their 20s fill a growing number of key positions in management at Monex Group companies. Their youthful perspective underlies steady progress in cultivating customers in their age bracket."

"Our clientele has diversified further," added Seimei, "with a new app that allows for equity trading in units as small as a single share. That app has proved popular with young people who have recently begun investing in stocks."

An Epiphany for a Future President

Keiko Tashiro, Deputy President, Head of Overseas and SDGs, Daiwa Securities Group Inc.

"A new president took the helm at our company in 2004," recalled deputy president Keiko Tashiro. "I suspect that he had originally been little interested in empowering women. He had an epiphany, however, around 2000. That was when he inherited oversight responsibility for our investor relations unit. He subsequently found himself on the receiving end of persistent inquiries from investors around the world. Why, they asked, were Japanese companies letting valuable female resources go to waste?

"I was the head of our investor relations team, and I seconded the investors' observations loudly. So the newly named president was alert in 2004 to the problem of underutilized female human resources that he witnessed. We'd hire promising women out of college and invest heavily in training them, but all too many of them left the company on getting married and having children. The new president launched a task force in our human resources division to identify ways to stem that waste. That was the beginning of our corporate transformation."

A Combination of Top-Down and Bottom-Up Dynamics

Mika Nabeshima, Executive Officer and General Manager, Human Resources Department, Chief Diversity and Inclusion Officer, Tokio Marine Holdings, Inc.

"We launched our Diversity Council in April 2021," reported Tokio Marine executive officer Mika Nabeshima, "to promote inclusive culture across our global organization and to empower our people. Positioning diversity as a driver of sustainable growth requires both top-down and bottom-up dynamics, so we have assembled the council as a combination of managers and staff from operations worldwide."

Nabeshima introduced a series of Tokio Marine initiatives for promoting diversity, such as the Tokio Marine Group Women's Career College. "Each year's curriculum comprises six Saturday sessions, where guest lecturers cover such topics as leadership and digital transformation," explained Nabeshima.

"Another Tokio Marine initiative," Nabeshima continued, "is the Boost Diversity series of online workshops. Those workshops highlight unconscious bias, offer tips on working well with diverse colleagues, encourage employee initiative in pursuing diverse career paths, and provide managers with training in the principles of diversity management."

Diversity in the Context of Sustainable Development

Mahoko Hara, Senior Managing Executive Officer, Tokyo Century Corporation

Promoting diversity is part of a comprehensive program at Tokyo Century for tackling the UN Sustainable Development Goals (SDGs). That program, explained senior managing executive officer Mahoko Hara, comprises five materialities: decarbonization, new business driven by technological innovation, social infrastructure, resource sustainability, and workplace invigoration. Among Tokyo Century's measures for invigorating the workplace is diversity.

Hara works in Newport Beach, California, where she oversees an aircraft leasing subsidiary, and she commented on Japanese-US differences in nurturing female executives. "One big difference," she offered, "is the greater mobility of labor in the United States. Another is the emphasis that US companies place on fostering specialized expertise, as opposed to the Japanese tradition of fostering generalists. I'd like to see more mobility for Japanese human resources. On the other hand, I need to strive in my work to retain good people. That includes helping executive candidates identify career goals and providing opportunities for them to propose new initiatives and take responsibility for implementing their proposals."

Diversity as Key to an Innovation-Focused Corporate Culture

Masatoshi Koide, President, Aflac Life Insurance Japan Ltd.

"We at Aflac Life Insurance Japan strive to nurture an innovation-focused corporate culture," said Aflac president Masatoshi Koide. "That means honoring the diversity of our human resources and shaping a workplace environment where every employee can assert their full potential. We adopted a program in 2014 for tapping the professional potential of women, who account for half of our people. That program included the target of increasing the percentage of workplace supervisory positions filled by women to 30% by 2020, and we attained that target a year ahead of schedule."

"The 2014 launch of sweeping measures for promoting diversity occasioned far-reaching improvements at Aflac," reported Koide. "We had formerly endeavored to prevent excessive working hours, for example, with such measures as 'no-overtime days.' Those measures, however, had been less effective than hoped. Tackling the challenge of promoting diversity in parallel with tackling measures for raising efficiency heightened awareness of the issues in question. That catalyzed unprecedented progress in reducing overwork and achieving other improvements."

For Every Member of the Global Workforce

Shin Murakami, Country Manager, LinkedIn Japan Ltd.

"LinkedIn's vision is to create economic opportunity for every member of the global workforce, and the key word here is 'every,'" said Shin Murakami, country manager for LinkedIn Japan. "In Japan, that means addressing the inequality in the workforce. Japanese women still face a narrower range of career options than their male counterparts do. That is why we devote special effort to broadening professional opportunities for women.

"Lifetime employment is becoming a thing of the past. Members of the business community are exercising newfound freedom in designing their careers. Japanese women, especially, will benefit greatly from this mindset shift. Together, we can create an equitable workforce for all."

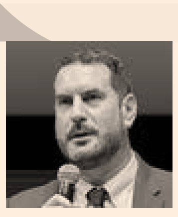
PANEL DISCUSSION

Serious about diversity

Working Groups for Making Diversity Happen

Stefanie Drews, Senior Corporate Officer, Nikko Asset Management Co., Ltd.

"I head an initiative called the Idea Generation Forum at our company," related Stefanie Drews, a senior corporate officer at Nikko Asset Management. "That's a forum where anyone in the company can come forward with any kind of idea for a product or process. An employee came forward in 2018 with an LGBT-related proposal, and I realized that we didn't have a forum for implementing the proposal, so we established the LGBT Working Group. We went on to establish working groups for women's issues, for global racial equality, for environmental stewardship, for disabled persons' needs, and for region-specific issues."



A Historical Commitment to Diversity

Patrick Jordan, Vice President Human Resources, Coca-Cola Japan and Korea

"Coca-Cola became in 1934 the first large US corporation to name a woman to its board of directors." Thus did Patrick Jordan, the vice president for human resources at Coca-Cola Japan and Korea, note with pride the historical emphasis on diversity at his company. "Diversity" Jordan continued, "is one of the three pillars of Coca-Cola's sustainability strategy in Japan, along with community engagement and environmental stewardship. At Coca-Cola Japan, we aim for women to fill 50% of the leadership positions by 2025 and for male employees to take 100% of the paid vacation time and paternity leave that are available."

Connectivity as a Driver of Diversity

Luca Orsini, Representative Director, Ericsson Japan K.K.

Ericsson is a global leader in 5G telecommunications technology, and Luca Orsini, the representative director of its Japanese subsidiary, cited online connectivity as an important driver of social diversity. He cited, too, the crucial role of Ericsson employees in asserting diversity. "Age, region, gender, education, and several other factors figure in diversity," Orsini observed. "We honor diversity in all those respects and prize it as a source of innovation. Our goal is to establish a truly inclusive corporate culture by 2030. That will reinforce our positioning in the vanguard of market trends and will enable us to attract top-quality human resources."

Equal Access to the Resources Required to Succeed

Sachiko Izumi, Senior Vice President and Chief Risk Officer, MetLife Insurance K.K. (MetLife Japan)

"MetLife regards Diversity, Equity, and Inclusion (DEI) as a key pillar of our long-term sustainability efforts and integral to our business strategy," stated MetLife Japan's senior vice president Sachiko Izumi. "We're committed to an inclusive culture that empowers everyone to make a difference for the customers and communities we serve. Fostering an environment of respect and acceptance enables employees to fulfill their potential, helps them address evolving customer needs, and improves employee engagement. . . . We need to eliminate the stereotypical thinking that it is difficult to balance a sales job with family life, or that only science graduates can work in IT."

PANEL DISCUSSION

Conditions for value

The Importance of Women's Perspective

Junro Ito, Director and Managing Executive Officer, Seven & i Holdings Co., Ltd.

"The 7-Eleven network operates on a franchise basis," stated Seven & i's director Junro Ito at the start of his remarks, "and a lot of our franchisees are couples. Our business benefits hugely from the efforts of the franchisee wives and from the efforts of the numerous female store employees. Meanwhile, women account for more than half of our employees and more than half of our customers.

"We identified five material issues in 2014 for addressing in our stakeholder relationship. They comprise the empowering of women, young people, and elderly people among our employees and customers, along with responsiveness to demographic change, safety in products and stores, energy and resource conservation, and social sustainability."

PANEL DISCUSSION

Transformation and momentum

Be yourself. Be different.

Noriko Umeki, Diversity Leader, PwC Japan Group Partner, PricewaterhouseCoopers Aarata LLC

"As a professional services firm, we require a diversity of professional skills," noted Noriko Umeki, the diversity leader at the PwC Japan Group. "That means welcoming a diversity of human resources. Our firm is a member of the PwC global network of professional services firms. And the network's member firms express a common commitment to inclusion and diversity in the slogan, 'Be yourself. Be different.' We take a lot of measures to promote inclusion and diversity. Equally important, we conduct surveys annually to see how those measures are registering with employees of different attributes: men, women, LGBT+, ethnic and linguistic minorities, and more."

A Management Proclamation of Commitment

Rumiko Nakata, Director, Managing Executive Officer, Mitsubishi Chemical Corporation

"I visited all our operations and met with hundreds of employees when I came aboard in 2018 to spearhead the diversity effort," reported Mitsubishi Chemical Corporation director Rumiko Nakata. "Based on my findings, we issued a 30-point proclamation [later expanded to 33 points] to reaffirm management's commitment to ensuring a rewarding workplace. That includes providing an amenable environment for all employees, irrespective of gender, age, or nationality, and the changes have spanned numerous practical measures for accommodating workplace diversity. But the proclamation has also occasioned changes in human resources management to make us more inclusive."

The Nikkei Gender Gap Conferences received valuable support from

Aflac, Daiwa Securities Group, MONEX, MS&AD Insurance Group, Tokio Marine Nichido, Tokyo Century, Coca-Cola, Ericsson, Itochu, KPMG, LinkedIn, MetLife, Mitsubishi Chemical, nikko am Nikko Asset Management, Olympus, pwc, Sekisui, Seven & i HLDGS., TakaMatsu, Unisys

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'We had a plan A, B, C . . . and F': female founders on a Covid detour

Entrepreneurship

Start-ups led by women are used to achieving more with less, writes *Helen Fitzwilliam*

The upheavals of Covid-19 forced female founders to make the most of their skills at achieving more with fewer resources than many of their male counterparts.

"We kept revising what the worst scenario would be," says Joanna McFarland, chief executive and co-founder of Los Angeles-based HopSkipDrive, which she set up as an on-demand ride service for schoolchildren. "We had a plan A, B, C . . . and F." She shed some of her 118 staff and furloughed others in an attempt to keep ahead of the crisis.

However, when it became clear that schools were not going to reopen for the rest of 2020, she had to rethink the business from scratch: "Our market literally shut down."

HopSkipDrive was set up to ferry the children of working parents to school, but expanded to serve child welfare agencies and school districts. Before the pandemic, it operated in 14 cities. Then Covid-19 forced it to switch to survival mode, keeping only core staff while looking for new opportunities.

McFarland's experience is typical of how founders were forced to adapt their business practices to the effects of the pandemic while facing huge uncertainty about the shape of the recovery.

Female entrepreneurs tend to have to work harder than men as they receive lower levels of outside investment. Analysis by data provider Crunchbase shows that just 2.3 per cent of global venture funding went to female-led businesses in 2020, down from 2.8 per cent in 2019.

As head of a venture capital-backed company, McFarland knew she had to be transparent and proactive with her investors. So she adapted HopSkipDrive's model to serve the elderly, by helping them get to the supermarket at special times and to vaccination appointments. She also pivoted to cater for the new needs of her school district partners by delivering meals and laptops to schoolchildren. But she admits there were "high highs and low lows".

Working mothers, senior female executives and black women suffered disproportionately during the pandemic with many being laid off, reducing their work hours, or quitting their jobs, according to consultancy McKinsey. Addie Swartz, who founded ReacHire in Concord, Massachusetts, works with big US companies to help professional women return to employment after taking time out. "A career break should not be a career breaker," she stresses.

But, when offices closed, the return-to-work programmes dried up. The pandemic was like "a pause button and we weren't sure what would happen".

As a "tsunami" of women left the workforce, Swartz saw a new opening. She reconfigured Aurora, a digital platform she had set up in early 2020 to help companies fast-track early-career women into leadership roles. The aim, now, was to support women at all stages of their careers — helping employers to retain workers by addressing the challenges of turnover and burnout.

Many women have come to prefer working from home, she explains, so organisations are seeking to be more flexible, as well as offering training and mentorship, and promoting remote workers' wellbeing.

The labour market also became more competitive as the pandemic progressed, creating new opportunities for her returnship programmes, which restarted in late 2021. Companies have a renewed interest in promoting diversity, equity and inclusion, she explains. Only an estimated 3 per cent of women entrepreneurs make more than $1mn in sales, Swartz says, but "we're way, way beyond that".

Sometimes, women find their careers stall without even losing their jobs. That happened to Tia Lyles-Williams, who had become a senior manager but saw little chance of further advancement in the biotech industry. "I was never going to get to the C-suite and they were never going to pay me my worth," she says.

This led her to start her own company, LucasPye Bio in Philadelphia in 2018 — a contract drugmaker that aims to cut her customers' manufacturing costs and reduce the time-to-market for drugs. According to the US Bureau of Labor and Statistics, in 2021, black people accounted for 7.8 per cent of staff employed in the pharmaceutical and medical manufacturing industry. Lyles-Williams aimed to change that.

But the pandemic brought immediate problems. Lyles-Williams says she was on target to convert an empty building into a manufacturing facility but, as the US began to lock down, most of her investment fell through. "I had to start over fundraising on Zoom," she says, adding that she joined two accelerators. She found a greenfield site and now intends to build her factory there.

One constructive outcome of Covid-19 is that the Biden administration announced a plan in September 2021 to invest $3bn in the vaccine supply chain, as it seeks to make the US a leading supplier. Lyles-Williams hopes to win government contracts in this area, which will be awarded to US suppliers. "You have to stay positive, decisive and be ready to pivot at any time," she says.

Over in Los Angeles, as classrooms opened up, HopSkipDrive found itself even more in demand from school districts, as many bus drivers had retired or moved to better jobs.

Today, it has 134 employees, up by 13 per cent since March 2020. But McFarland admits she has been on a tough rollercoaster ride: "You have to be so passionate about what you are building as it's so hard," she says.

Joanna McFarland: her start-up switched from ferrying children to taking elderly customers to shops or medical appointments — Ringo Chiu/Alamy

> 'There were high highs and low lows'
> Joanna McFarland, HopSkipDrive

Masters of 'bricolage'

Tiantian Yang, an associate professor at Wharton business school, University of Pennsylvania, says entrepreneurs who fared better during the pandemic were those who ditched familiar routines to embrace a more flexible approach to the effects of Covid, and experimented to discover what worked.

Female entrepreneurs who are used to making do with what is at hand to solve problems and uncover opportunities are exemplars of the theory of "entrepreneur bricolage", she explains. As such, they were best-placed to excel at Covid crisis management.

However, Yang warns that "one can't assume this approach will work for a very long time".

France's patchy progress on pay and promotions

OPINION

Sarah White

When France brought in quotas to force large companies to appoint more women to their boards, back in 2011, the policy still had its doubters. Some were wary that it was too ambitious — France at the time was an EU laggard — others thought it was too blunt a tool.

A decade on, France is signing up for more, with president Emmanuel Macron's government now extending quotas to companies' executive committees.

And little wonder: the initial bet on gender goals has been widely greeted as a success. Yet France still has a lot to prove on promoting women into top business roles — even after a push by Macron since he came to power in 2017 to tackle gender imbalances, both in politics and in pay.

"I was not a huge fan of the idea of quotas, but I've got to recognise that it worked," says Dominique Senequier, founder and chair of French private equity firm Ardian. "It brought a lot of women who were very competent out of the shadows."

In terms of numbers, France has leapfrogged its EU neighbours. The number of female directors at companies in France's blue-chip CAC 40 index has more than tripled in 10 years, reaching 46 per cent in 2021 — above the initial 40 per cent goal, according to consultancy Ethics & Boards.

The move has had other knock-on effects, too. French corporate boards are, on average, eight years younger than those in the US, says Denis Terrien of corporate governance association, the IFA. The increased diversity has widened the scope of experience and skills at director level, he adds. The lack of women with experience of the very top jobs, for example, forced companies to broaden their criteria when appointing executives.

France is also targeting a minimum of 40 per cent women on executive committees — which will mean roughly doubling the number of women by 2030, and giving them more say in companies' strategic decisions.

However, even at a time when women's issues have come to the fore, including in politics, France's business world has been shown to fall short on other measures.

The presidential election in April will be the first since the #MeToo movement, which had its own version in France, called #BalanceTonPorc (or "expose your pig"), resulting in a stream of revelations about celebrities and politicians. And female presidential hopeful Valérie Pécresse, of the conservative Les Républicains, has not hesitated to highlight her experience with sexism — such as revealing she had twice been turned down for jobs because she was pregnant.

> Female presidential hopeful Valérie Pécresse highlighted her experiences, such as being twice turned down for jobs because she was pregnant

Macron, set to run again, points to initiatives such as fines for street harassment and improving police services to victims of violence, as well as helping to field more women candidates in parliamentary seats, having made gender equality an early priority of his presidency. But his efforts to reduce the pay gap in companies has yet to produce conclusive results. Although more companies are providing data about pay policies and gender balance, the wage gap between men and women in similar jobs and with similar experience is still stuck at around 9 per cent.

Currently, only two women occupy chief executive roles at companies in the CAC 40 index. This is set to rise to three shortly, when chief operating officer Estelle Brachlianoff steps up to run waste and water management group Veolia.

But if it is a shift, it is a glacial one.

In a report last year, a French government advisory body on gender equality flagged other causes for concern. Beyond the listed companies in France's SBF 120 index, data is far patchier and gender imbalances more glaring, it said. And, at the height of the coronavirus pandemic, companies' ad hoc crisis committees often lacked women, it found.

Quotas have also disappointed as a tool to help launch women into the very top corporate jobs. Applying them to the executive committee level could move the needle a little, though. Marc Sanglé-Ferrière, who specialises in succession planning at recruitment company Russell Reynolds, points out that experience at that level is usually crucial to qualifying for chief executive appointments.

Companies are also looking to their own programmes. At Ardian, where Senequier is the only woman on the executive committee, that extends to longer-term outreach schemes in schools. Right now, however, the group still receives nine CVs from men for every one from a woman.

'Why US mothers deserve a $2,400 pay cheque'

Parents

The founder of Girls Who Code tells *Emma Jacobs* that 'having it all' too often means 'doing it all'

In the 18th century, Adam Smith, the Scottish political economist, set out the principles of free markets and free trade in his book *The Wealth of Nations*. But he was only able to study and write because he was supported by unpaid labour — in other words, his mother's housework.

That is the point made by Reshma Saujani, founder of US non-profit organisation Girls Who Code, in her new book *Pay Up: The Future of Women and Work (and Why It's Different Than You Think)*. Who cooked Adam Smith's dinner — coincidentally the title of a book by writer Katrine Marçal — speaks volumes, she says, about the unacknowledged (and free) contribution of women's unpaid caring, housework and emotional labour. It has kept economies going but created a crisis in mothers' health and jobs in the pandemic.

Saujani, speaking over Zoom, says she spent 10 years telling girls to "barnstorm the corner office" by leaning in and girlbossing their way to the top. "I would get annoyed if I was giving a talk and someone raised their hand and said, 'How do you do work-life balance?' And I would wave [it] off: 'Don't focus on that. Go, go, go, go!'"

This determination that women could make it to the top if they just pushed drove Saujani on in her legal career, as well as in attempts to become a Democratic congressional candidate and New York public advocate — both of which failed. It was also her motivation to set up Girls Who Code, to increase the number of young women in computing. And to write books such as *Women Who Don't Wait in Line*, *Girls Who Code*, and *Brave, Not Perfect*.

Until, that is, she found herself lying in the foetal position on the floor one Tuesday afternoon because she was exhausted, overwhelmed with work, and trying to look after two young sons in a pandemic. She had fallen for "the big lie": that women can have a big career and family. Having it all, Saujani now says, is "a euphemism for doing it all".

Talking to friends, family and colleagues, she realised she was not alone. Mothers across the US were suffering and angry. So she wrote an op-ed for media platform The Hill in December 2020 calling for a "Marshall Plan for moms", to give mothers a means-tested $2,400 monthly pay cheque, as well as affordable childcare, pay equity and parental leave, which became a campaign to lobby politicians and employers.

The pandemic has meant "women are in crisis," Saujani says. They have left the labour force, and "they're suffering from anxiety and depression". She hopes women, employers and politicians read *Pay Up* and think about not how women can fix themselves but about how to change a broken system.

How does she feel that she was previously oblivious to the difficulties? "I am definitely embarrassed," she says.

Saujani now wants women to show their employers that parenting can seep into work. "No more apologising if you have to leave a call because your kid is sick, no more pretending that you don't have all these other responsibilities, nor guilt if you don't log back on to a call at nine o'clock at night". Not only would this stop them feeling isolated but it would also force employers to stop organising the workplace around an ideal worker — someone much like Smith, unencumbered by cooking or school pick-ups.

She makes a case for subsidised childcare, for mandatory parental leave and for employers equalising paid paternity and maternity leave.

Is it useful to lump together senior executives who can pay for nannies — as she can — with shift workers unable to afford childcare? "There's power in the collectiveness of our experiences," Saujani argues. "When we talk about childcare and making it subsidised, it has to be for the restaurant workers and the nurses and the teachers, not just the women in the corner office."

What about the dilution of the Biden administration's Build Back Better bill, rowing back on 12 weeks of parental leave, around the birth or adoption of a child. "It's embarrassing. It's shameful at this moment that we [would] rather bail out airlines and not bail out moms."


Two jobs: working from home heightened the tensions around household responsibilities — Getty Images

> 'It's shameful that we would rather bail out airlines and not bail out moms'

Essay contest Climate change

The Financial Times is launching its 10th annual Women in Business essay competition, in partnership with the 30% Club and Henley Business School. The prize is a fully funded place on Henley's part-time Executive MBA programme, with the winner announced in the FT in the autumn.

The competition is open to women and men who have relevant experience. Entrants should answer this question in no more than 800 words: 'Would efforts to tackle climate change benefit from more women taking the lead?'

Entries should be sent to mba@henley.ac.uk by 5pm, May 23 2022. Information, terms and conditions can be found at: **hly.ac/wil2022**


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